

Waunakee Housing Task Force

Summary Report
2011

DK

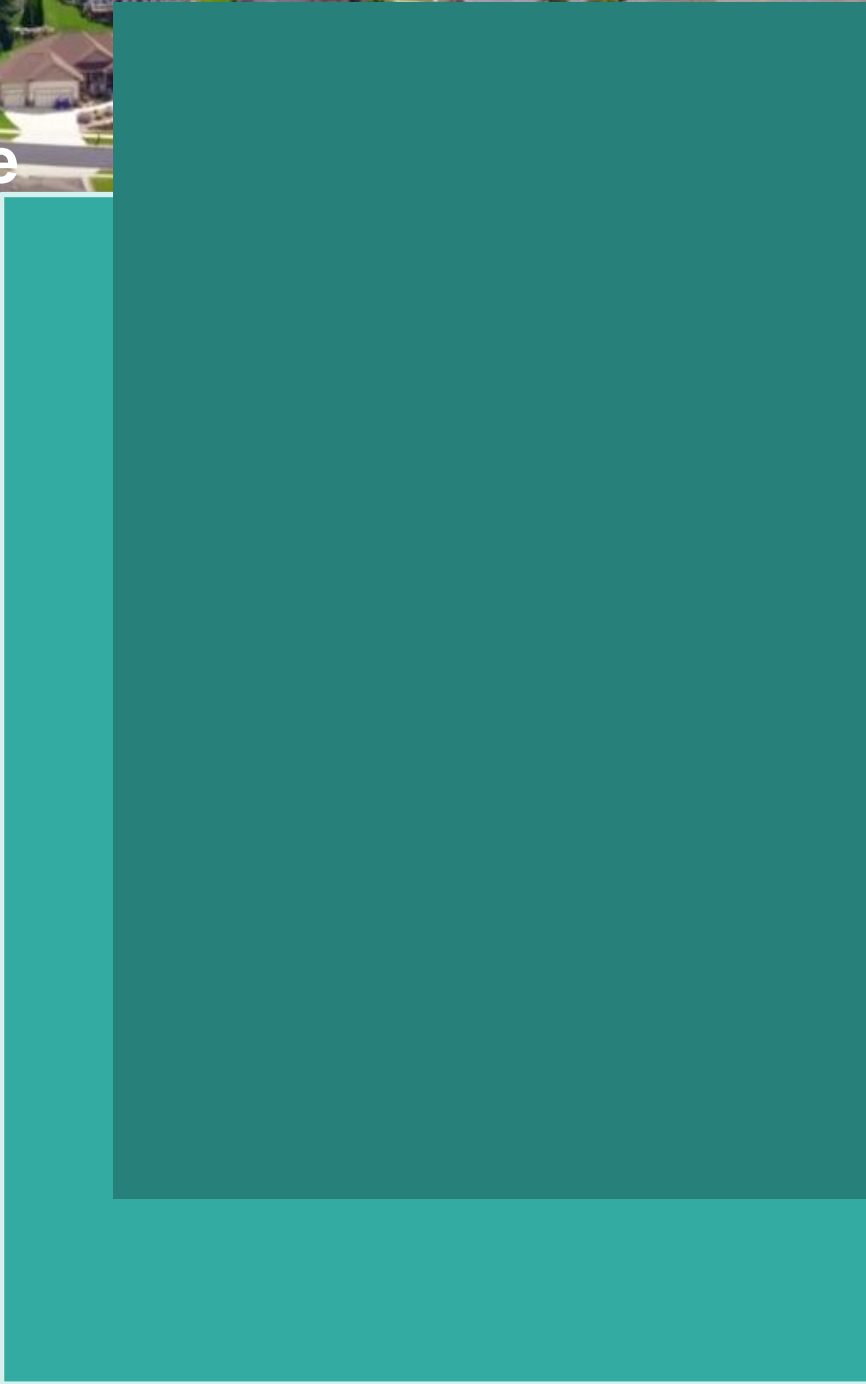


Table of Contents

Executive Summary

Task Force Formation & Charge

Regional Growth & Waunakee

Resident Population Profile

Commuter Population Profile

Current Housing Stock Inventory

Needs Assessment *(To be written)*

Defining income related housing targets

Identifying the Waunakee housing gap

Quantifying the need for housing solutions

Recommendations to the Waunakee Plan Commission

DRAFT

Executive Summary

DRAFT

Task Force Formation & Charge

Problem Statement

In June 2018 the Village of Waunakee (pop. 13,607) sought to evaluate the existing housing mix by understanding community, economic and social needs – both at that time and predicted in the future. As part of the evaluation the Village hoped to determine the need for housing options that appropriately fit the definition of “affordable.” However, and understandably, the definition for “affordable” in relation to the economic conditions in Waunakee was in need of clarification. Other population housing needs, such as senior housing, also needed evaluation.

Once those needs were understood, the Village looked evaluate current ordinances and policies. One such policy is a restriction on some rezonings if they call for an increase of multi-family units above 25% of the total housing stock. The Village will also sought to evaluate the best possible geographical locations for the various styles and types of housing alternatives.

Proposal

The original proposal recognized that there is an **immediate need** for information related to a **longer term issue** presented by Waunakee’s location within a growing Dane County region. As a community with a well-funded and highly rated school district, land available for development, and a location adjacent to a major regional employment center, Waunakee is likely to experience continued pressure for housing in the near future. The goal of the program reported here was to **build the capacity** of Village of Waunakee staff, elected/appointed officials and community members **using village-specific data** in combination with **expert insights from University of Wisconsin** faculty and staff with experience in issues similar to those faced by this community.

Using a study group model for civic participation, the Waunakee Village Board and the University of Wisconsin Extension formed a study group to review Village of Waunakee-specific information. Potential members were asked to apply for a seat on the task force. In order to ensure the task force was representative of the community, one member from each voting ward was selected. Additionally, members were selected in order to ensure gender balance, and diversity in income, education, age and background. In addition to one voting member from each ward, two youth representatives from Waunakee Community High School were selected.

Charge to the Task Force

The Village Board created the Waunakee Housing Task Force to gain a full understanding of the existing housing inventory in Waunakee, identify areas of realistic housing need in which the Waunakee housing marketplace ought provide supply, and craft potential policy modifications for consideration by the Plan Commission to address the identified needs.

Regional Growth & Waunakee

Dane County to Add More than 20,000 Households by 2040

In recent years, Dane County has led the State of Wisconsin in population growth, accounting for a quarter of the state’s population increase in 2018 alone. The county population has grown from 426,526 in 2000, to an estimated 542,364 in 2018. Over that same time period, Waunakee’s population has grown from 9,061 residents to an estimated 13,284 residents.

Narrowing the time period to 2010 through 2018, Dane County’s population growth rate of 1.18%, was outpaced by Waunakee’s annual population growth rate of 1.56%. Unlike the larger region, Waunakee’s population growth was matched by housing growth (Table 1). Using U.S. Census estimates of 2.75 people per household, the equivalent of 628 households were added to Waunakee during that time period. Over the same time period, Waunakee added 621 new housing units for a nearly complete 1:1 new household to new housing unit match. Over a slightly longer period, 2006 through 2017, Dane County added approximately 1 housing unit for every 1.44 new households, leading to a regional under-supply of housing.

Table 1. Population Growth 2000 - 2018

	Dane County Population	Waunakee Population	Housing Units in Waunakee
2000	426,526	9,061	1,859
2010	488,073	11,557	2,970
2018	542,364	13,284	3,591

Using 2000, 2010 U.S. Census and 2017 American Community Survey data. One household=2.75 persons per Census guidelines. Housing units in Waunakee provided by Village of Waunakee

Growth in the Dane County region is predicted to continue unabated. The Wisconsin Department of Administration population projections, completed in 2015, estimated Dane County at 606,620 residents by 2040. In practical terms, this equals an additional 64,256 county residents organized into 23,364 households based on 2018 population estimates from the U.S. Census. Based on this, and expecting a continued under-production in housing units across the state, it is likely that Waunakee and other Dane County communities will continue to feel housing pressure.

Resident Population Profile

Table 2. Waunakee resident profile by income

INCOME AND BENEFITS	2017		2000	
	Estimate	Percent	Estimate	Percent
<i>Total households</i>	4,801	4,801	3,216	3,216
Less than \$10,000	109	2.30%	79 ¹	2.50%
\$10,000 to \$14,999	122	2.50%	34 ¹	1.10%
\$15,000 to \$24,999	240	5.00%	248 ¹	7.70%
\$25,000 to \$34,999	171	3.60%	301 ¹	9.40%
\$35,000 to \$49,999	541	11.30%	526 ¹	16.40%
\$50,000 to \$74,999	685	14.30%	906 ¹	28.20%
\$75,000 to \$99,999	573	11.90%	580 ¹	18.00%
\$100,000 to \$149,999	1,020	21.20%	366 ¹	11.40%
\$150,000 to \$199,999	873	18.20%	111 ¹	3.50%
\$200,000 or more	467	9.70%	65 ¹	2.00%
Median household income (dollars)	\$98,224 ²	(X)	\$85,202 ⁵	(X)
Mean household income (dollars)	\$114,284	(X)	\$96,291 ⁵	(X)
Median family income (dollars)	\$123,310 ³	(X)	\$97,673 ⁵	(X)
Median non-family income (dollars)	\$43,829 ⁴	(X)	(X)	(X)

¹This number not adjusted for inflation; ²Estimate 4,801 total households; ³Estimate 3,561 family households; ⁴Estimate 1,240 non-family households; ⁵dollar amounts adjusted for inflation, pre-adjustment=\$59,225 median household, \$66,933 mean household, \$67,894 median family;
Data collected from 2017 American Community Survey, United States Census

The Missing Middle: As Median and Mean Household Incomes Increased, the Proportion of Households Earning 80 to 100% of Area Median Income Decreased

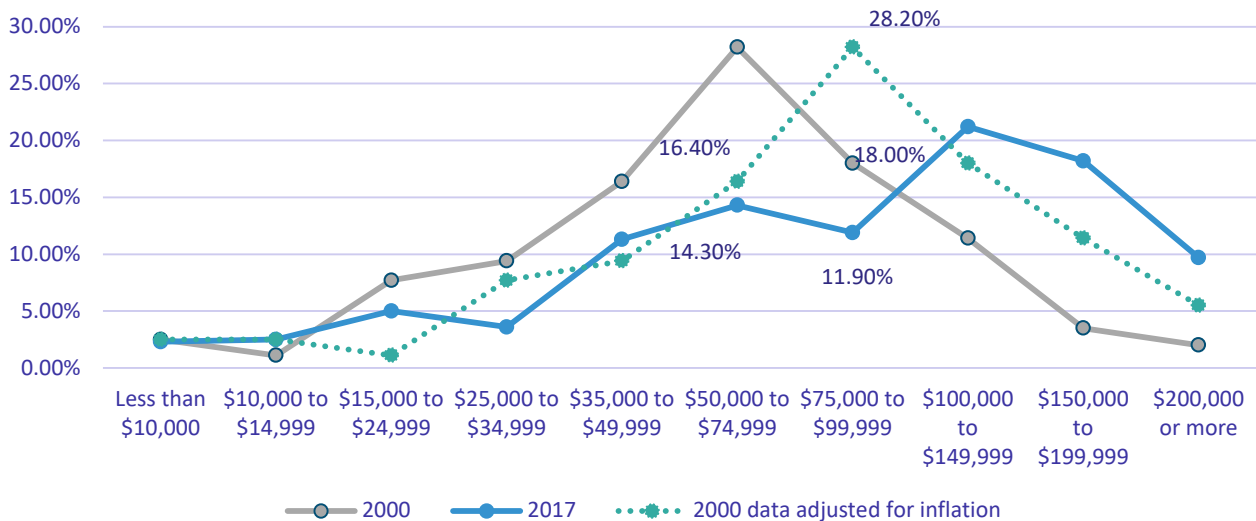
Using inflation adjusted dollars, median household income increased by 15.3% between 2000 and 2017 and mean (average) household income increased by 18.7%. Family households fared better than non-family households, with median income increasing by 26.2%, from \$97,673 to \$123,310, between 2000 and 2017, after adjusting for inflation (Table 2).

One significant change in the composition of Waunakee resident household incomes, is the sharp decrease in households earning 80 – 100% of area median income¹. In 2000, roughly 28% of Waunakee households (906 total) reported incomes between 80 and 100% of median income; by 2017 that number shrank to roughly 12% (571 total). Figure X illustrates this shift. Specifically, in 2000 the income distribution in Waunakee formed a relatively symmetrical distribution. By 2017, the distribution of incomes had shifted.

¹ Unless otherwise specified, area median (AMI) income refers to the median income of all households in Waunakee. 80% of AMI is calculated by AMI*0.80

Comparing the 2017 data to the 2000 data after adjusting for inflation, there are clear increases in households reporting incomes at the higher end (\$100,000 and above), a small decrease in the proportion reporting incomes \$50,000 to \$74,999, and a strong decrease in the proportion reporting incomes \$75,000 to \$99,999. If Waunakee’s population had grown proportionally by income levels, roughly 28% of Village households in 2020 would earn between \$75,000 and \$99,999 (Figure 1). Instead, this income segment fell to 11.9% of all Village households by 2017. In comparison, the segment earning \$50,000 to \$74,999 annually, declined only slightly, from a projected 16.4% to 14.3%. Together, these segments encompass the ranges of 60 – 80% of area median income, and 80 to 100% of area median income, respectively. The latter segment is referred to as “The Missing Middle,” and is comprised of solidly middle-income households.

Figure 1. Income distribution, 2000 and 2017, including 2000 data adjusted for inflation



Note: An increase of 2.09% annually, or 42.15% overall, is assumed based on CPI Inflation Calculator

Retirement Incomes Decrease even as Proportion of Retirees Grow

Between 2000 and 2017, the proportion of Waunakee residents receiving social security income and retirement income increased to one in four from one in five. Although social security income increased slightly over this time period, the inflation-adjusted amount of retirement income decreased substantially, from an average of \$42,024 in 2000 to \$30,369 in 2017. In 2000, a retiree household receiving both the average social security income and average retirement income would have reported a household income of \$60,206, in inflation adjusted dollars. In 2017, that same household would have reported an income of \$51,074, or \$8,502 less than in 2000 after adjusting for inflation.

Proportion of Households Receiving Assistance Remains Relatively Unchanged but Public Assistance Incomes Decrease Significantly

The number of households receiving cash assistance increased from 45 to 73 between 2000 and 2017, but the overall proportion -- 1.40% and 1.50%, respectively -- remained largely unchanged (Table 3). However, households receiving assistance in 2017 received substantially less than in 2000. Using inflation adjusted dollars, the typical household receiving cash assistance in 2017, received \$2,899 less than in 2000, and the typical household receiving supplemental security income in 2017 received \$598 less than in 2000. In addition to cash assistance, 292 households, or 6.10%, received SNAP benefits in 2017.

Table 3. Waunakee residents receiving social security income or other public assistance

Income and Benefits	2000		2017	
	Estimate	Percent	Estimate	Percent
Total households with earnings	2,795	86.9%	3,956	82.40%
Mean earnings (dollars)	\$97,673 ¹	(X)	\$116,547	(X)
With Social Security	585	18.20%	1,214	25.30%
Mean Social Security income (dollars)	\$18,182 ¹	(X)	\$20,705	(X)
With retirement income	413	12.8%	952	19.80%
Mean retirement income (dollars)	\$42,024 ¹	(X)	\$30,369	(X)
With Supplemental Security Income	39	1.2%	187	3.90%
Mean Supplemental Security Income (dollars)	\$10,310	(X)	\$9,712	(X)
With cash public assistance income	45	1.40%	73	1.50%
Mean cash public assistance income (dollars)	\$4,491 ¹	(X)	\$1,592	(X)
With Food Stamp/SNAP benefits in past 12 months	NA	NA	292	6.10%

¹Dollar amounts adjusted for inflation, pre-inflation adjusted mean social security income = \$12,639, retirement income = \$28,337 supplemental social security income = \$7,167, mean cash assistance = \$3,122 Data collected from 2017 American Community Survey, United States Census

Implications for Housing

- An increase in the number of retirees concurrent with a decrease in average retirement income could indicate a need for income-targeted retirement housing.
- An overall decrease in the proportion of residents earning 80 to 100% of area median income likely indicates a need for increasing the availability and/or accessibility of housing stock targeting households earning 80% to 100% of area median income, or those households earning \$78,579 and \$98,224 annually.

Implications for Broader Community Development

- Recognizing that cash assistance has been reduced, the Village should continue working with Waunakee Neighborhood Connection and other social agencies to support households on assistance.
- The increase in the number of households receiving supplemental security income could indicate a need for community services, such as an adult daycare, supportive housing or a community-based residential facility for adults with disabilities. The Village should consider an assessment of this need at some point in the future.

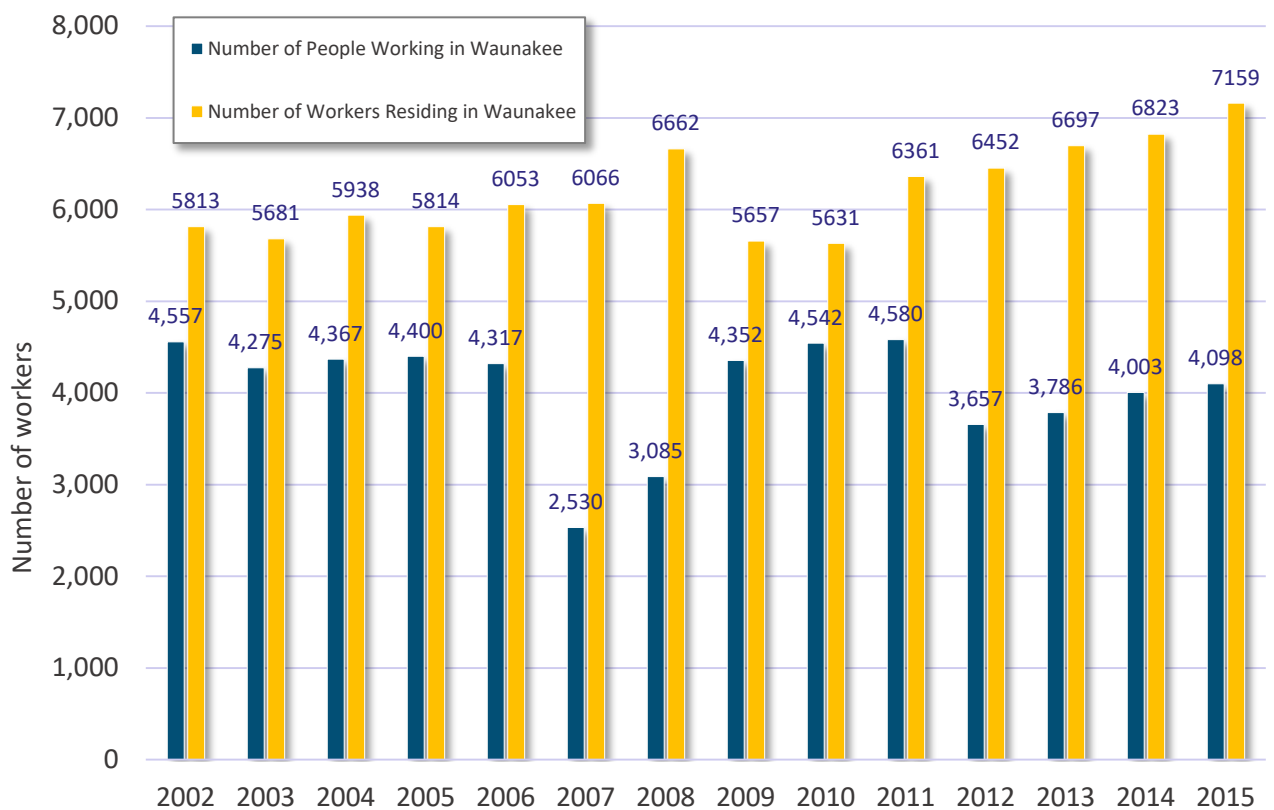
DRAFT

Commuter Profile

A History of More Out-Commuters than In-Commuters

The demand for housing near job centers likely drives much of the regional demand for housing, with Waunakee, DeForest, Cottage Grove and other suburbs of Madison benefitting from the healthy regional job base. As with many small communities near large job centers, Waunakee has fewer jobs than employed residents (Figure 2). It is likely that Waunakee’s geographic location near job centers and transportation routes is, in part, what makes the community an attractive home base for those employed in the region. Based on this, growth in the number of residents will likely continue to exceed the growth in jobs within the Village. At the start of the time period depicted in Figure X, Waunakee had 1.27 jobs for each employed resident, rising to 2.39 jobs per employed resident on the eve of the Great Recession in 2007, and settling around 1.75 jobs for each employed resident from 2012 through 2015.

Figure 2. Commuters to and from the Village of Waunakee, 2002 through 2015



Source: U.S. Census OnTheMap LODES data

Where Village Residents Work and Waunakee Employees Live

In total, Waunakee supplies 7,159 employees to the region (Table 4). About 10.9%, or 781, of employed Waunakee residents work in the Village. Including that group, 81.7% of all employed Waunakee residents work in Dane County. Milwaukee County and Waukesha County are the most popular commuting destinations for Waunakee residents, claiming 3.0% and 1.9%, respectively, of employed Village residents.

Table 4. Worker Flow by Village, Town or City in 2015

Place of Residence for Waunakee Employees (n=4,098)			Place of Employment for Waunakee Residents (n=7,159)		
	Count	Share		Count	Share
Waunakee Village	781	19.1%	Madison City	3,094	43.2%
Madison City	746	18.2%	Waunakee Village	781	10.9%
Sun Prairie City	187	4.6%	Middleton City	537	7.5%
DeForest Village	132	3.2%	Westport Town	355	5.0%
Windsor Village	113	2.8%	Sun Prairie City	161	2.2%
Middleton City	111	2.7%	DeForest Village	121	1.7%
Westport Town	107	2.6%	Milwaukee City	121	1.7%
Fitchburg City	49	1.2%	Madison Town	119	1.7%
Springfield Town	498	1.2%	Fitchburg City	106	1.5%
Lodi Town	43	1.0%	Monona City	85	1.2%
All Other Locations	1,780	43.4%	All Other Locations	1,679	23.5%

Data: US Census Bureau OnTheMap LODES Data

Looking at the most recent data (2015), among the 4,098 employees working in Waunakee, 19.1% live in the Village and 18.2% reside in the City of Madison (Table 5). Including those who live in Waunakee and Madison, a total of 70.2% of employees live in Dane County. Another 6.6% commute to Waunakee from Columbia County, and 3.5% commute from Sauk County.

Table 5. Worker Flow by County in 2015

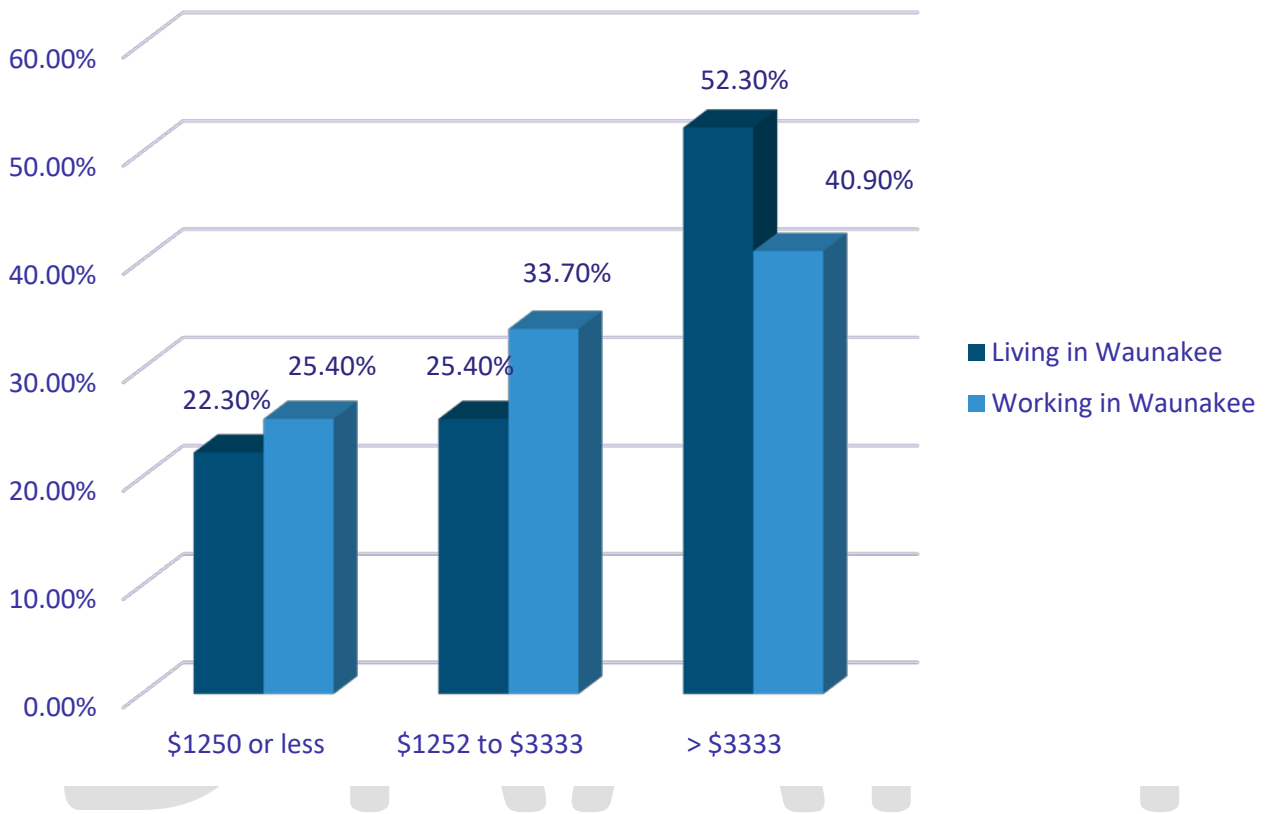
Place of Residence for Waunakee Employees (n=4,098)			Place of Employment for Waunakee Residents (n=7,159)		
	Count	Share		Count	Share
Dane County	2,878	70.2%	Dane County	5,848	81.7%
Columbia County	272	6.6%	Milwaukee County	215	3.0%
Sauk County	144	3.5%	Waukesha County	139	1.9%
Rock County	56	1.4%	Columbia County	136	1.9%
Milwaukee County	56	1.4%	Sauk County	125	1.7%
Dodge County	49	1.2%	Rock County	69	1.0%
Walworth County	43	1.0%	Outagamie County	44	0.6%
Green County	42	1.0%	Brown County	35	0.5%
Iowa County	40	1.0%	Jefferson County	35	0.5%
Waukesha County	38	0.9%	Winnebago County	34	0.5%
All Other Locations	1,780	43.4	All Other Locations	1,679	23.5%

Data: US Census Bureau OnTheMap LODES Data

Imbalance in Monthly Earnings for Residents and Employees

Slightly more than half, or 52.3%, of employed Waunakee residents earn more than \$3,333 per month. In comparison, 40.9% percent of those employed in Waunakee earn more than \$3,333 per month (Figure 3).

Figure 3. Monthly Earnings for Those Living in Waunakee and Those Working in Waunakee

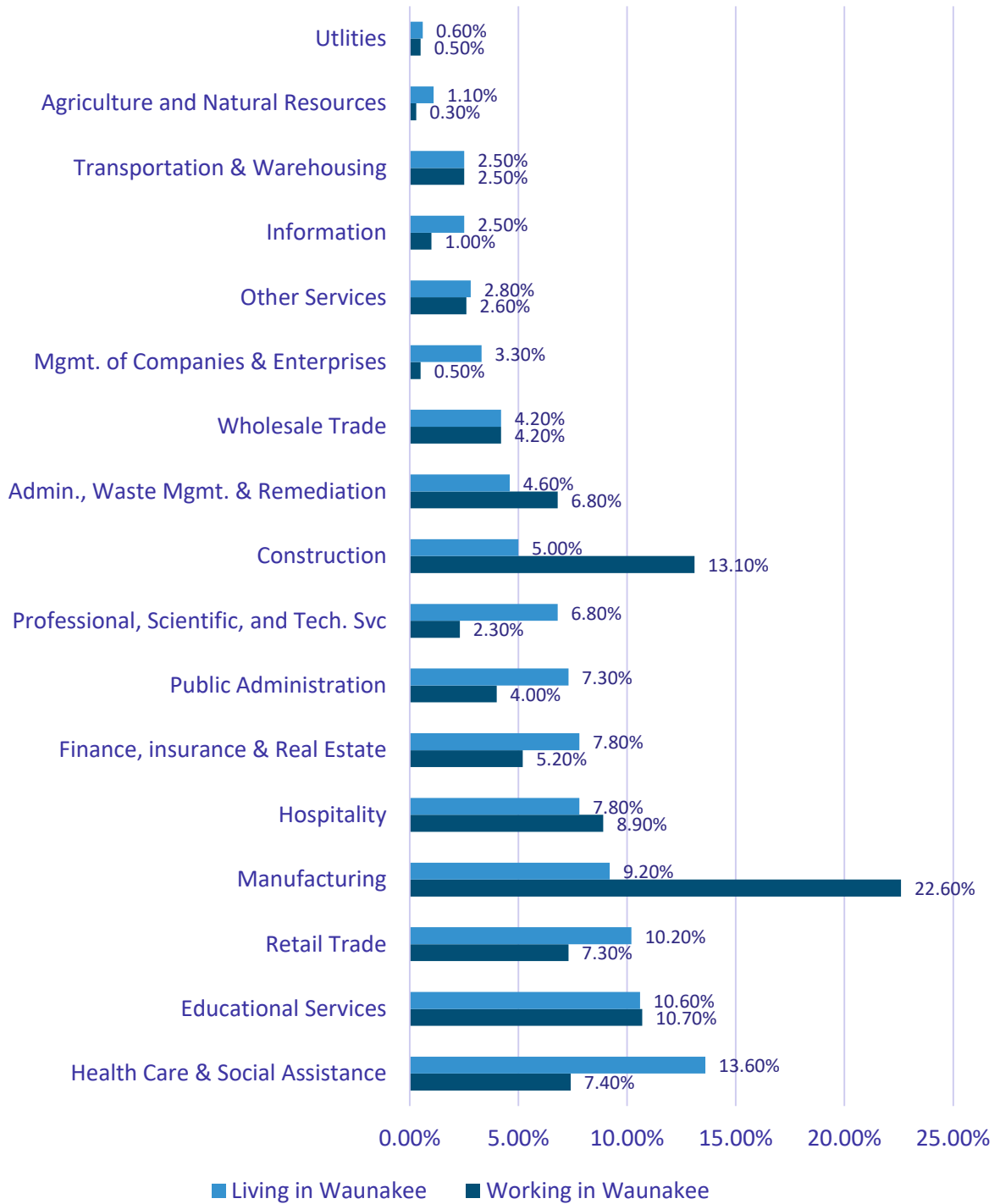


Data: US Census Bureau OnTheMap LODES Data

Difference in Types of Jobs Held by Residents and Jobs Available in Village

A portion of the disparity between earnings for those who live in Waunakee, as compared to those who work in Waunakee, is related to the types of jobs more often held by Waunakee residents as compared to the types of jobs available in the Village (Figure X).

Figure 4. Proportion of jobs available in Waunakee and jobs held by residents of Waunakee



Village Insulated from Local Jobs Downturn, but Difficult Recruitment for Employees at Local Firms May Constrain Economic Development & Quality of Life

In total, roughly 89% of employed Waunakee residents work outside the Village, and roughly 80% of workers in Waunakee commute from outside the Village. There are positive and negative effects from this phenomenon. On the positive side, there is no mathematical correlation between the number of jobs in Waunakee and the number of employed Village residents. The dispersion of Waunakee residents' employment across many firms in several communities provides some insulation from a 'double whammy' of negative effects when a single, large, local employer shuts down or lays off large numbers of employees. We can see a clear example of this in the sharp drops in the number of workers employed in Waunakee from 2006 to 2007 and again from 2011 to 2012, which was not correlated with the overall number of employed residents in those years. This decline also differs from the sharp drop in employment among Waunakee residents occurring in 2008 to 2009/10, which was not correlated to the number of jobs available in the Village.

DIFFICULTY FILLING SERVICE INDUSTRY JOBS HAS THE POTENTIAL TO DIRECTLY AFFECT ECONOMIC DEVELOPMENT IN THE VILLAGE'S SERVICE AND RETAIL SECTOR, AND IMPACT THE QUALITY OF LIFE FOR RESIDENTS.

skilled work at lower wages (i.e. certified nursing assistants, day care workers and restaurant or retail staff) may be particularly challenging for local employers, even if wages are competitive for those job categories. In addition to the general challenge of maintaining a full staff in a tight labor market, difficulty filling service industry jobs has the potential to directly affect economic development in the service and retail sectors, and by extension affect quality of life in the Village, as those necessary services may not be sufficiently available.

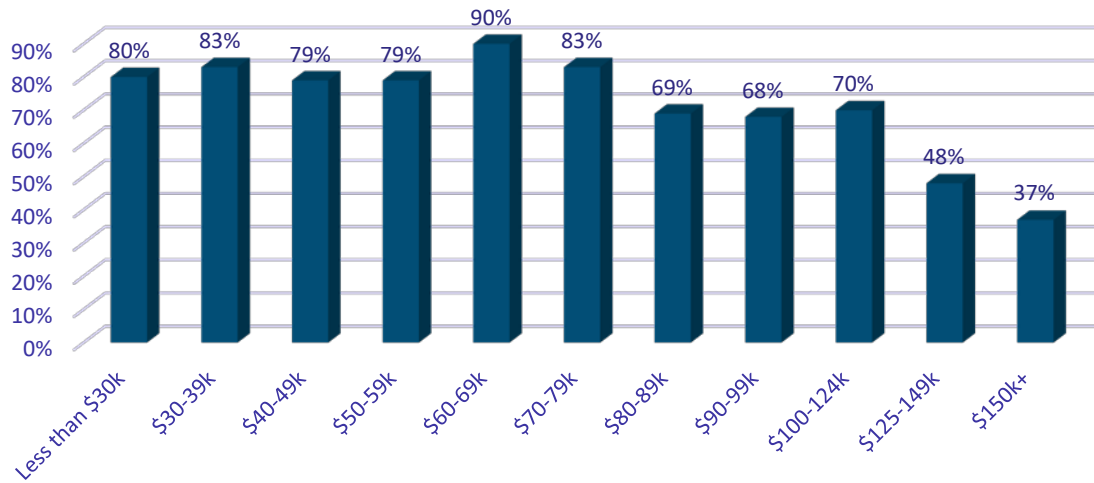
On the negative side, the commuting pattern (Figure 2) in combination with the wages provided by jobs in the Village, as compared to wages commanded by residents in the Village (Figures 3, 4), likely indicates that local employers have limited ability to recruit employees from among Waunakee residents. Recruitment for skilled or semi-

Difficulty in filling service industry jobs may also be exacerbated by the absence of public transit between suburban communities in the Madison area. The City of Madison supplies 18.1% of Waunakee's workforce, with another 13.3% supplied by nearby Middleton, Windsor, DeForest and Sun Prairie. It is possible that this proportion would be higher, and the pool of available employees greater, if there were reliable public transit routes between the communities.

Commuters View Waunakee as Welcoming, but Across all Income Ranges Cite Lack of Homes in their Price Range

Recruiting for professional level white-collar jobs, such as teachers or management staff, may also be constrained by the cost of housing in Waunakee. In a survey of commuters to Waunakee, 70% of respondents agreed that Waunakee was a welcoming community, 87% agreed that it had a nice look and feel, 97% agreed that the Village has quality local schools and 65% agreed that there were ample job opportunities. Despite this, across all income categories respondents reported that there weren't houses or rental units in their price range (Figure 5).

Figure 5. Percent of Commuters by Household Income Who Disagree with the Statement “Waunakee has houses or rent within my price range.”



n=244

Notably, the median income for commuter respondents fell in the \$100,000 to \$124,999 range, which is above the median income for all Dane County households (Table 6).

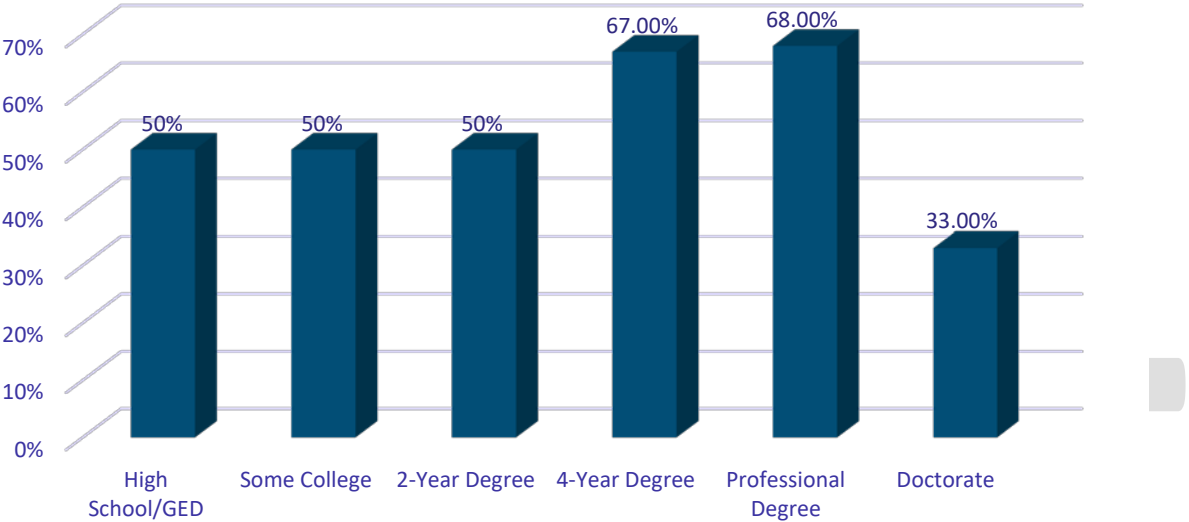
Table 6. Commuter Survey. Annual Household Income

	Percent	Cumulative Percent
\$30,000 or less	2.4	2.4
\$30,000 to \$39,999	2.9	5.3
\$40,000 to \$49,999	6.8	12.1
\$50,000 to \$59,999	6.8	18.8
\$60,000 to \$69,999	4.8	23.7
\$70,000 to \$79,999	8.7	32.4
\$80,000 to \$89,999	7.2	39.6
\$90,000 to \$99,999	9.2	48.8
\$100,000 to \$124,999	20.8	69.6
\$125,000 to \$149,999	13.0	82.6
\$150,000 or more	17.4	100.0
Total	100.0	

n=244

The sentiment that the Village does not have houses or rent within respondent price ranges was stronger among commuters with bachelor’s or professional degrees as compared to other education levels (figure 6).

Figure 6. Percent of Commuters by Education Who Disagree with the Statement “Waunakee has houses or rent within my price range.”



n=244

DRAFT

Implications for Housing

- Waunakee will likely continue to be an attractive community for those commuting within the greater Madison area.
- A lack of workforce housing options and public transit routes may be impacting local firm ability to recruit employees across all categories of employment.
- The combined effects of high housing costs and lack of public transit may be especially difficult for employers recruiting skilled and semi-skilled workers, such as daycares, nursing homes, restaurants and retail.
- Despite overwhelmingly positive sentiments toward the Village of Waunakee, professionals working in the community are choosing to live elsewhere, in part, due to higher housing costs.

Implications for Broader Community Development

- In lieu of a publicly funded transit system that connects Madison and surrounding communities, local employers may want to consider starting a commuter van or collective to access a wider employee base.
- An increase in the number of individuals who both work and live in the community is likely to add to the depth and breadth of community leadership.

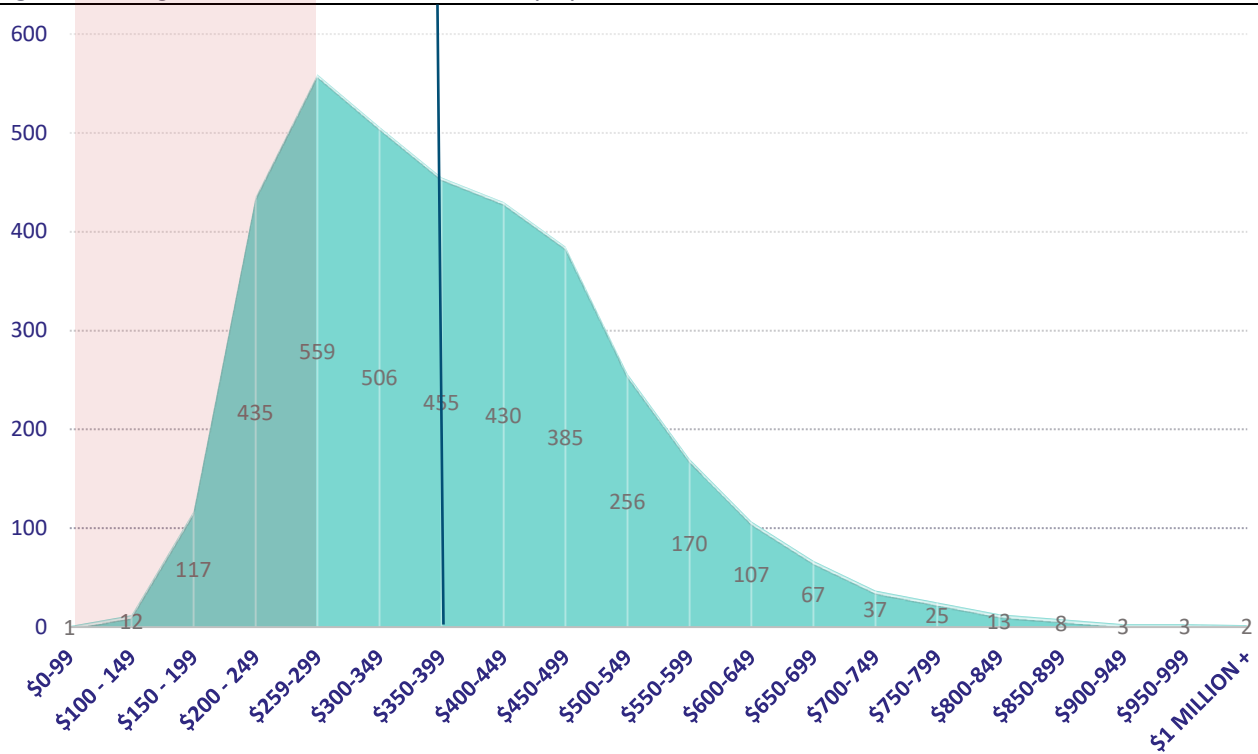
DRAFT

Housing Stock Inventory

Owner Occupied Housing

Currently, there are 3,591 single family housing units in the Village of Waunakee (Figure X). Median value falls between \$350,00 and \$399,999. Approximately 3.6% of housing units in the Village have a fair market value of \$200,000 or less, 27.7% have a fair market value of \$200,00 to \$299,999; 26.8% have a fair market value of \$300,000 to \$399,999; 22.7% have a fair market value of \$400,00 to \$499,999; and 19.2% have a fair market value of \$500,000 or above (Figure 7).

Figure 7. Village of Waunakee home inventory by fair market value



Red shaded area indicates homes that meet affordability requirement for 80-100% of area median income for a family of four per HUD rules; Vertical blue line denotes median single family home value; Data provided by Waunakee Village Hall, April 2019; Total single family housing units =3,591;

Table 7a includes cumulative percentages alongside the number of homes in each price category. Median assessed and fair market home value fell between \$350,000 and \$399,900 in 2018.

\$ RANGE	2018 Assessed Value	2018 Fair Market Value	Cumulative Percent
UNDER \$149,900	51	13	0.4%
\$150,000 - \$199,900	306	117	3.6%
\$200,000 - \$249,900	678	435	15.7%
\$250,000 - \$299,900	584	559	31.3%
\$300,000 - \$349,900	543	506	45.4%
\$350,000 - \$399,900	484	455	58.1%
\$400,000 - \$449,900	403	430	70.0%
\$450,000 - \$499,900	230	385	80.8%
\$500,000 - \$549,900	139	256	87.9%
\$550,000 - \$599,900	81	170	92.6%
\$600,000 - \$649,900	44	107	95.6%
\$650,000 - \$699,900	23	67	97.5%
\$700,000 - \$749,900	12	37	98.5%
\$750,000 - \$799,900	7	25	99.2%
\$800,000 - \$849,900	4	13	99.6%
\$850,000 - \$899,900	2	16	99.8%
TOTAL	3591	3591	100.0%

Data provided by Village of Waunakee

Between 2000 and 2018, a total of 1,732 housing starts were recorded within Village limits (Table 7b).

Year	Starts	Year	Starts
2000	88	2010	39
2001	109	2011	54
2002	94	2012	49
2003	124	2013	89
2004	165	2014	93
2005	137	2015	95
2006	95	2016	105
2007	96	2017	97
2008	58	2018	77
2009	64	<i>Total</i>	1,732

Data provided by Village of Waunakee

\$250,000 and \$308,000 are Important Owner-Occupied Price Points for Household of Four Earning 80%-100% of Area Median Income

The U.S. Department of Housing & Urban Development (HUD) provides guidelines for home affordability based on income and the number of household members. In 2018, HUD considered an upper limit of \$241,584 for a household of four earning 80% of area median income (\$78,579) or a household of two earning 100% of area median income (\$98,224). A house priced at \$308,112 would be considered affordable for a household of four earning 100% of area median income.

Village household incomes and housing prices are not evenly matched. About 31% of Waunakee homes have a fair market value equal to or less than \$300,000, which is slightly lower than the HUD limit for a household of four earning 100% of area median income. Among these, about 435 homes, or 15.7% of total, have a fair market value of \$250,000 or less, which is slightly higher than the HUD limit for a household of four earning 80% of area median income. The decrease in the proportion of Village households in the \$75,000 to \$99,999 income range is likely related to an under-supply of houses in these price ranges coming to market.

TABLE 8. HUD-ESTIMATED AFFORDABLE OWNERSHIP PRICE LEVELS, DANE COUNTY FY 2018

	Persons in Household				
	1	2	3	4	5
120% of AMI	\$258,814	\$295,788	\$332,761	\$369,734	\$399,313
Median income limit (100% of AMI)	\$215,678	\$246,490	\$277,301	\$308,112	\$332,761
Low income limit (80% of AMI)	\$169,176	\$193,368	\$217,560	\$241,584	\$260,911
Very low income limit (50% of AMI)	\$107,856	\$123,312	\$138,768	\$154,056	\$166,380
Extremely low income limit (30% of AMI)	\$64,680	\$73,920	\$83,160	\$92,400	\$99,792

Demand for Owner-Occupied Houses Priced for Median Income Likely Exceeds Supply

According to Zillow, a total of 651 homes were sold in Waunakee during the three-year period prior to the draft of this report (June 24, 2016 through June 24, 2019). Of those, 153 housing units -- 77 condominiums/townhomes and 76 single family homes -- sold for \$250,000 or less. Another 104 units -- 7 condominiums/townhomes and 97 single family homes -- sold for \$251,000 to \$308,000 over the same time period. In comparison, 394 housing units -- 19 condominiums/townhomes and 375 single family homes -- sold for \$309,000 or greater during the same time period.

Considering single family home sales only, and excluding condominiums or townhomes, the ratio of homes priced for median-income households (\$98,224 for a family of four) to those priced for greater-than-median income households was slightly more than 1:3 during this time period. In other words, for every house priced to meet limits for a median income household, another three houses were priced above HUD limits for those households. When including condominiums and townhomes, the ratio is reduced to one to 1.5 during the same time period.

Implications for Housing

Implications for Broader Community Development

DRAFT

Cost Burdened Households

One important consideration for housing costs is the burden of current prices on existing community residents. *Cost burdened households* are those who pay more than 30% of their monthly income on housing. *Extremely cost burdened households* are those that pay more than 50% of their monthly income on housing. Cost burdened households cut back on basic needs, such as food, transportation and healthcare in order to cover housing costs. For this segment, the Task Force focused on addressing the existing needs of current Waunakee residents.

Cost Burdened Owner Households

Among current Village households, 70 home owner households with incomes below 30% of area median, 35 with incomes 30% to 50% of area median, and 85 with incomes 50% to 80% of area median -- 190 households in total -- are extremely cost burdened (Paulsen, 2019). Although it is difficult to predict the actions of any one household, it is reasonable that a portion of these home owning households would move to lower cost ownership options if such options were available within the Village.

Cost Burdened Renter Households

Based on the latest data available, 175 renter households in Waunakee report incomes below 30% of area median income. A total of 70 rental units in the Village have rents that would be considered affordable for this segment, making a baseline shortfall of 105 total rental units. However, incomes and rents are not perfectly matched. Among these 175 renter households, 125 are considered extremely cost burdened. An additional 20 current Waunakee renter households earning between 30% and 50% of area median income, and 15 renter households earning between 50% and 80% of area median income also report paying more than 50% of their monthly income in housing costs (Paulsen, 2019).

In total, about 210 current Waunakee households would likely use income qualified rental units, if available. If we deduct the existing 70 rental units affordable to those below 30% of area median income, we can estimate that a minimum of 140 income qualified units would be needed to meet the needs of current Village residents.

Implications for Housing

GLOSSARY

Cost Burdened Household

A cost burdened household pays more than 30% of their monthly income on housing costs.

Extremely Cost Burdened Household

A extremely cost burdened household pays more than 50% of their monthly income on housing costs.

Cost burdened and extremely cost burdened households typically cut back on necessities -- as food, healthcare, transportation, and education -- in order to cover housing costs.

According to the Dane County Housing Needs Assessment, 400 households in Waunakee -- 210 renter households and 190 owner households -- are cost burdened or extremely cost burdened.

-
- There are strong indications that the Village supply of housing units available for middle incomes falls short of the demand.

Implications for Broader Community Development

DRAFT

Resident Survey

A survey of Village residents was fielded beginning April 9, 2019 and continuing until the present time. Data below are taken from surveys completed before June 14, 2019. A total of 447 Village residents, and 44 school district residents (not residing in the Village) completed the survey during this time period. Complete results are reported separately.

Table X. Would you or anyone in your household use the following type of housing, either now or in the future, if it was available? And Regardless of whether your or anyone in your household would use this type of housing, how important is it that we include it in community improvements?

1=would not use at all/not important at all; 7=Definitely would use/Very important

	Would Use Mean (SD)	Is Important Mean (SD)
Income Targeted		
Less than \$30,000	1.73 (1.76)	3.03 (2.37)
\$30,000 to \$39,999	1.84 (1.79)	3.29 (2.42)
\$40,000 to \$49,000 (all)	1.98 (1.86)	3.62 (2.39)
<i>Village Residents</i>	---	3.55 (2.40)
<i>School District Resident (not Village)</i>	---	4.44 (2.77)
\$50,000 to \$59,999	2.31 (2.07)	3.92 (2.39)
\$60,000 to \$69,999	2.51 (2.17)	4.07 (2.27)
\$70,000 to \$79,999	2.75 (2.28)	4.15 (2.25)
\$80,000 to \$89,999	3.11 (2.47)	4.22 (2.29)
Lifestyle Targeted		
Senior citizen households	3.69 (2.32)	5.30 (1.90)
Multi-generational households	2.76 (2.08)	4.27 (2.20)
Fixed or limited income households	2.49 (2.04)	4.07 (2.40)
Households with a physically disabled member	2.33 (1.90)	4.71 (2.02)
Households with a mentally disabled member	1.82 (1.54)	4.45 (2.11)
Other, please specify	2.47 (2.51)	---

Statistically significant differences in responses from Village residents and School District (but not Village) residents for \$40,000 to \$49,000. Responses to all other items did not produce statistically significant differences.

Table X. Are there sufficient housing options for ...

	No	Not Sure	Yes	Total
People with lower incomes	67%	13%	20%	100%
Renters, in general	48%	17%	35%	100%
Young families starting out	48%	13%	40%	100%
Senior citizens	48%	13%	40%	100%
Renters with families	48%	21%	32%	100%
People from diverse backgrounds	35%	27%	38%	100%
Young professionals or tradespeople	34%	15%	51%	100%
People with disabilities	33%	46%	21%	100%

N=447

DRAFT

Commuter Survey Results

Table X. Commuter Survey. Annual Household Income

	Percent	Cumulative Percent
\$30,000 or less	2.4	2.4
\$30,000 to \$39,999	2.9	5.3
\$40,000 to \$49,999	6.8	12.1
\$50,000 to \$59,999	6.8	18.8
\$60,000 to \$69,999	4.8	23.7
\$70,000 to \$79,999	8.7	32.4
\$80,000 to \$89,999	7.2	39.6
\$90,000 to \$99,999	9.2	48.8
\$100,000 to \$124,999	20.8	69.6
\$125,000 to \$149,999	13.0	82.6
\$150,000 or more	17.4	100.0
Total	100.0	

n=244

Table X. Commuter Survey. How much do you agree or disagree that Waunakee has/is ...

	Agree	Neutral	Disagree	Total
Diverse people and lifestyles	21.9	13.3	64.8	100.0
Houses or rent in your price range	26.2	10.9	62.9	100.0
Property tax in your price range	26.2	24.4	48.8	100.0
Close to family and friends	49.8	26.5	23.7	100.0
Close enough to spouse or partner's job	55.0	24.1	20.9	100.0
Residents similar to you and your household	62.1	17.4	20.5	100.0
Job opportunities	65.4	23.7	10.9	100.0
A welcoming community	70.0	19.5	10.5	100.0
A nice look and feel	87.2	10.9	1.9	100.0
Quality local schools	96.7	4.3	0.0	100.0

n=244

In a survey of commuters to Waunakee, 70% of respondents agreed that Waunakee was a welcoming community, 87% agreed that it had a nice look and feel, 97% agreed that the Village has quality local schools and 65% agreed that there were ample job opportunities. Unfortunately, 63% reported that there weren't houses or rental units in their price range.