

AFFORDABILITY + HOUSING OPPORTUNITIES



What do you mean by 'affordable housing?'

Housing that costs less than 30% of a household's income. Households at all incomes have a limit to what is affordable to them. When a household spends more than 30% of household income on housing, they are considered cost burdened. Households spending more than 50% of their household income on housing are considered severely cost burdened and are at high risk of homelessness.

What does 'Low-Income' mean?

Typically for City of Madison programs, low-income is defined as below 60% of Area Median Income (AMI) based on the number of persons per household. Section 42 Low-Income Housing Tax Credit developments typically designate a portion of their units for 30%, 50%, and 60% of AMI as well as market rate with no income restrictions.

What is 'AMI' again?

AMI is short for Area Median Income and is a metric used often when thinking about housing affordability. AMI is the midpoint of our community's income distribution, meaning half of households in the area earn more than the median and half earn less.

ADMINISTRATIVE ASSISTANT

Income: \$44,940
Approximate AMI: >50%
Monthly Rent (including utilities): \$1,181

JANITOR

Income: \$31,200
Approximate AMI: >30%
Monthly Rent (including utilities): \$1,181

CHILDCARE WORKER

Income: \$24,380
Approximate AMI: <30%
Monthly Rent (including utilities): \$708

WAITER

Income: \$31,020
Approximate AMI: >30%
Monthly Rent (including utilities): \$1,181

LINE COOK

Income: \$34,650
Approximate AMI: >30%
Monthly Rent (including utilities): \$1,181

LAB TECHNICIAN

Income: \$54,570
Approximate AMI: >60%
Monthly Rent (including utilities): \$1,653

VERY LOW INCOME 30% AMI

Max Income: \$30,240
Max Rent + Utilities: \$708

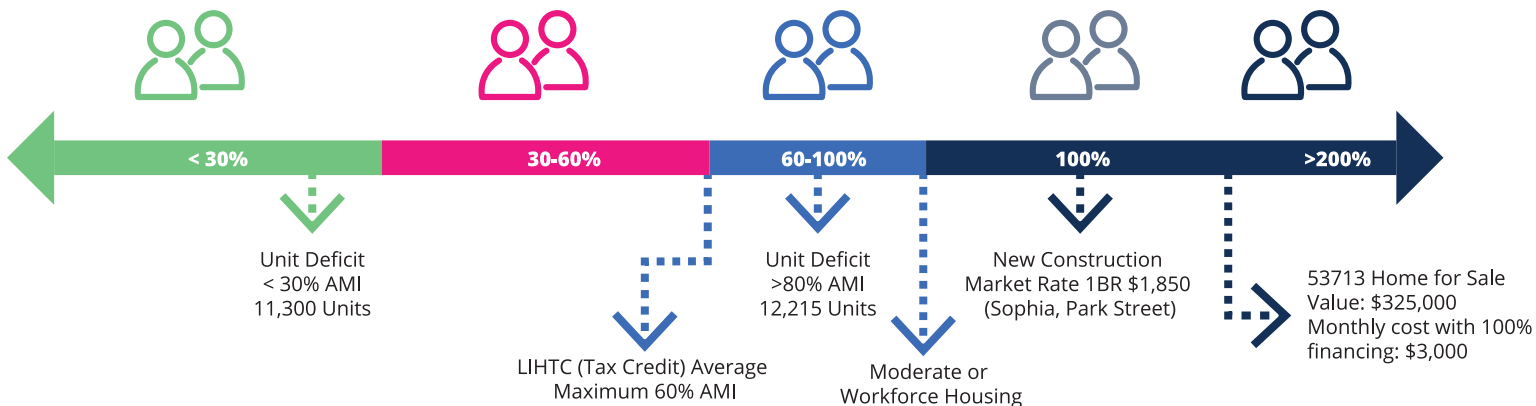
LOW INCOME 50% AMI

Max Income: \$50,400
Max Rent + Utilities: \$1,181

MODERATE INCOME 70% AMI

Max Income: \$70,560
Max Rent + Utilities: \$1,653

UNRESTRICTED MARKET RATE



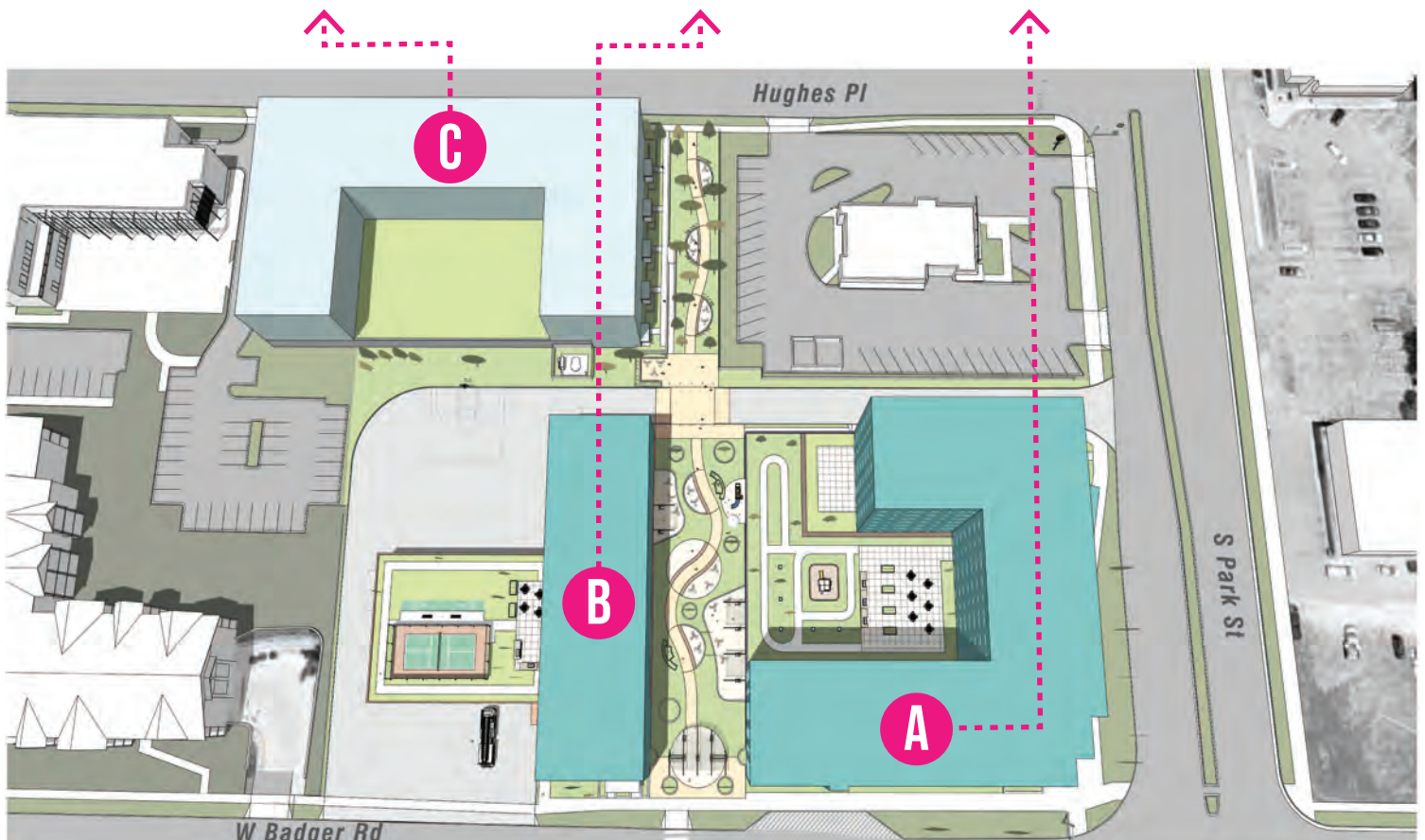
AFFORDABILITY + HOUSING OPPORTUNITIES

**PARK
BADGER**
REDEVELOPMENT

**HOUSING FOR
LARGER HOUSEHOLDS**

**HOUSING FOR
SENIORS**

**HOUSING FOR INDIVIDUALS
+ SMALL HOUSEHOLDS**



How much rental and affordable housing do we need?

Rental Vacancy

- Currently residential vacancy is below 3%
- 5% vacancy is considered a 'healthy market' for renters and landlords
- Lack of new housing is contributing to rising housing costs in our community
- It takes Madison 2,000 to 2,500 new units per year to keep up with population growth

Housing Cost Burden

- Madison has approximately 35,000 cost burdened renter households (these neighbors pay over 30% of their income in rent)
- Over 20,000 of those are severely cost burdened (these neighbors pay over 50% of income in rent)