Housing Gap – Summary Fact Sheet
Sun Prairie, Wisconsin

Everyone needs housing that is affordable, whether your annual income is $25,000 or $250,000.
This fact sheet discusses the housing gap for Sun Prairie residents whose annual income is below the area median income (AMI).[1]

Demographics and housing demand

Sun Prairie is one of the largest and fastest growing cities in Dane County. According to the recent report, Housing Needs Assessment: Dane County and Municipalities (2015), there are 215 severely cost burdened renter households in Sun Prairie that are seniors, and 110 severely cost burdened owner households that are seniors.

0-30% AMI
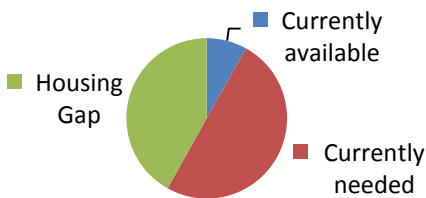
0-50% AMI
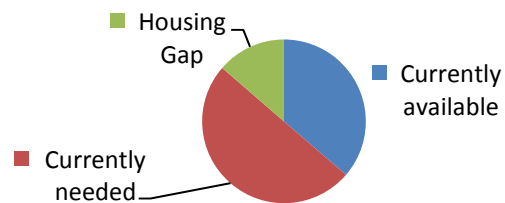
In addition, according to the Transportation Education Program (TEP), there were 138 homeless youth in Sun Prairie in the 2013-2014 academic year. [2]

Housing-cost burdens

When a household pays more than 30% of their monthly income on housing, they are considered to be "cost-burdened," When they pay more than 50% of their monthly income on housing, they are "extremely cost-burdened."

When households with lower incomes - *particularly* those with incomes below 50% of the Dane County median income – pay more than 30% of their income on housing, they have problems meeting basic needs including daily meals, clothing, prescriptions, special diets, medical and school expenses, and transportation.[3]

Why should I care about the housing gap?

Individuals and families that are housing burdened in Dane County already reside in your community. They are your neighbors: the elderly, the family down the street, the grocery clerk, truck driver, or the single mom with children.

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[1]

Dane County (incl. Madison) FY 2014 Income Limits

Median Family Income (family of 4): $80,800

No. of persons in household	1	2	3	4	5	6
Low Income Limits (80% of AMI)	$44,750	$51,150	$57,550	$63,900	$69,050	$74,150
Very Low Income Limits (50% of AMI)	$28,300	$32,350	$36,400	$40,400	$43,650	$46,900
Extremely Low Income Limits (30% of AMI)	$17,000	$19,400	$21,850	$24,250	$27,910	$31,970

Source: HUD, Office Policy Development & Research, Income Limits Briefing, FY 2014: http://www.huduser.org/portal/datasets/il.html

[2] Homelessness can be defined as Individuals and families who lack a fixed, regular, and adequate nighttime residence. HUD. WI DPI, Homeless Education Network, 2015.

[3] Please note: The 30% threshold of housing affordability, does not include the monthly costs of transportation to and from work and household errands.

When residents are one car repair, or one household or medical expense away from not being able to pay their monthly housing costs, it creates unstable housing and neighborhoods. Individuals and families are more vulnerable. Residents are forced to chose between basic necessities, school children suffer resulting in more drop outs and transfers.

Why is there a housing gap?

The housing gap is nationwide. According to a recent report by Pew Charitable Trust, from 2000-2013, the United States saw stagnant incomes and rising housing costs. Wisconsin was the hardest hit, with Ohio second to last. Wisconsin's share of the middle-class dropped from 54.6 percent in 2000 to 48.9 percent in 2013, for a total of 5.7 %. The percentage of middle-income families is now below half of Wisconsin's total population.[4]

With stagnant incomes and higher housing costs, for those with incomes below the median, housing is much more difficult to afford. We see similar trends in Dane County. From 2000-2013, the area median income went down $8,768, housing prices increased by $29,310 and poverty rose 6.8 percentage points.

	Median income – 12.7%	**Median home price + 14.6%**	**Poverty rate + 6.8%**
2000	$68,849	$199,490	6.9%
2013	$60,081	$228,800	13.7%
	Census 2000,inflation adjusted; 2013 ACS Survey.	*Census 2000, (SF 3) inflation adjusted; ACS 5yr.2009-2013*	*US Census Small Area Income & Poverty Estimates*

In the Madison area, an extremely low vacancy rate pushes housing prices up further, and makes it even more difficult to find suitable and affordable housing.

Dane County Housing Gap for Cities
Table 6.2 Affordable Housing Supply: Affordable Units Available vs. Eligible Households[5]

	Rental Units Affordable for Households at 30% AMI	Number of Renter-Households 0-30% AMI	**Gap (Households minus affordable units)**	Rental Units Affordable for Households at 50% AMI	Number of Renter-Households 0-50% AMI	**Gap (Households minus affordable units)**
COUNTY						
(Total)	3,725	14,995	11,414	22,425	28,045	5,800
CITIES:						
Fitchburg	100	815	715	1,375	1,550	175
Madison	2,530	9,955	7,425	13,640	17,435	3,795
Middleton	130	425	295	1,055	1,070	15
Monona	145	465	320	715	710	5
Stoughton	145	355	210	795	845	50
Sun Prairie	105	645	540	1,090	1,500	410
Verona	50	205	155	260	430	170
Cities Total			**9,660**			**4,620**

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[4] The Shrinking Middle Class, Mapped State by State, Pew Charitable Trust, 2015.
[5] Housing Needs Assessment: Dane County and Municipalities, 2015.