A Road Map to Solving Dane County's Housing Crisis:

Strategic Action Plan 2024-2028

2024 REGIONAL HOUSING STRATEGY METRICS REPORT

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Executive Summary

The Dane County Regional Housing Strategy (RHS) is a five-year action plan (2024–2028) developed to address Dane County's long-standing and acute housing crisis. Guided by the **RHS Housing Advisory Committee** (HAC), the Strategy reflects the collective efforts of 17 municipalities and a broad range of stakeholders, including elected officials, employers, local government staff, residents, social workers, developers, realtors, financial institutions, and nonprofit housing providers. This collaborative process culminated in ***A Road Map to Solving Dane County's Housing Crisis: Strategic Action Plan 2024-2028***.

The 2024 RHS Annual Metrics Report establishes a baseline for tracking progress toward the Strategy's Top Housing Priorities. It is intended to provide transparency, accountability, invite discussion and help inform decision-making as Dane County, its municipalities and partners work to implement the RHS over time. The findings in this report are based on survey responses collected during the summer of 2024 from 12 cities and villages, and reflect activities and conditions specific to the 2024 calendar year.

While the housing crisis is often perceived primarily as a shortage of housing and extremely high housing prices, the HAC identified priorities that reflect a broader and more nuanced set of key concerns. Based on a set of six Core Values they developed a Vision Statement, five Top Housing Priorities, and a corresponding set of strategies and action items.

Chief among their other top concerns are the limited supply of housing attainable to low- and moderate-income households, the need to support the County's most vulnerable residents, and the persistent racial disparities in housing access and homeownership. The lack of entry-level housing—particularly affordable single-family homes for first-time homebuyers—was also identified as a critical barrier to long-term housing stability and economic mobility. Sustainable growth - reducing the impact of housing development on the environment, decreasing auto dependency, and increasing connectivity, is a top concern as well.

Housing policy and production are complex and require sustained leadership, coordination, and partnership across jurisdictions and between the public and private sectors. With this in mind, the HAC developed a set of metrics aligned with each of the five Top Housing Priorities. These metrics are designed to track progress over time, identify areas of momentum and challenge, and support shared learning and coordination across municipalities and among partners. While not comprehensive, the metrics provide a snapshot of 2024 efforts and emerging outcomes and will serve as a benchmark moving forward.

The Housing Crisis

Dane County's housing challenges reflect decades of underproduction and escalating costs. Since 2006, the County has added approximately 13,000 more households than housing units[1], contributing to chronically low vacancy rates and increased competition for limited supply. Rising construction material and labor costs have significantly outpaced wage growth, and since the COVID-19 pandemic, local housing prices have risen among the fastest in the nation. The downstream effects of these combined trends are housing instability, eviction and homelessness.

These conditions have far-reaching impacts on communities, the regional economy, and public services. Some school districts in Dane County are experiencing declining enrollment and consolidation. Employers—including private businesses, school districts, and public safety agencies—face increasing difficulty recruiting and retaining workers due to housing affordability constraints. Small businesses and service-sector employers are particularly vulnerable, experiencing extremely high turnover rates that threaten viability, or force closure. Homelessness remains a critical issue, with many working residents unable to find or keep housing. The demand for public services continues to remain high.

With a median home price of $355,000 for homes built in 2009 and earlier, and $450,000[2] for homes built 2010 and after, homeownership remains out of reach for median-income households, while gross rent, utilities plus rent, of $1,345, continues to rise.[3] These conditions underscore the urgency of coordinated, sustained action and provide essential context for understanding and interpreting the metrics presented in this report.

[1] K. Paulsen, PhD, 2024.
[2] A Road Map to Solving Dane County's Housing Crisis, 2024.
[3] US Census, ACS 5-Year Data (2019-2023).

Acknowledgements

A special thanks to the RHS Executive Committee for their expertise, leadership and partnership on the Regional Housing Strategy.

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Dane County Strategic Action Plan

Vision Statement

The RHS envisions an equitable and environmentally sustainable future, where all residents have access to quality and affordable housing in connected neighborhoods

Core Values

The core values identified by the RHS Housing Advisory Committee serve as a foundation for the recommendations and are understood to be integral to the priorities and action items identified, though not explicitly stated.

ACCOUNTABILITY
All entities—public, private, and nonprofit alike—accept and share responsibility for providing attainable housing.

AFFORDABILITY
All people have access to housing they can afford.

ECONOMIC GROWTH
Housing production keeps pace with employer growth and meets employee needs

EMPOWERMENT
Residents, practitioners, and elected officials have a shared understanding of housing needs and are equipped to discuss and leverage housing resources and programs.

EQUITY
Excluded populations and lower-income households have access to quality housing.

SUSTAINABLE DEVELOPMENT
Housing is located near existing services, infrastructure, transit, amenities and jobs, reducing environmental impacts and improving quality of life for all

Top Priorities:

1. **Increase the number of housing units attainable to low-income and moderate-income households.**
2. **Increase the overall number of housing units.**
3. **Provide housing, resources and protections for the most vulnerable populations.**
4. **Rehabilitate and preserve affordability of existing housing.**
5. **Provide more pathways to homeownership.**

2024 RHS Annual Report Metrics Overview

RHS annual metrics are reported in aggregate. The information is meant to provide an overall picture of countywide efforts, and not identify or point to individual communities or illustrate the differences between them. Dane County includes cities and villages of varying size, geography, and capacity each with unique challenges. Municipalities will pursue strategies to address the housing crisis that are most appropriate to their community, and that contribute to regional housing goals.

Priority 1: Increase the Number of Housing Units Available to Low- and Moderate-Income (LMI) Households in 2024

The Regional Housing Strategy identified the need to create 1,765 housing units annually for low- to moderate-income residents, those making 60% of the area median income (AMI) or less.[4] This represents approximately double the number of units funded in 2023. In addition, the RHS identified the need for 300 affordable senior independent living units per year to provide housing for our growing senior population.

Dane County and the City of Madison have been providing gap financing over the last decade helping to provide thousands of below market rental units. Cities and villages outside Madison, as well as several non-profit developers, have begun to utilize tax-increment financing (TIF), TIF extension funds, TIF ordinances, grants, private sector support, and other financing mechanisms to help bring forward more affordable housing.

The Regional Housing Strategy identified the need for 26% of all new housing to be made available to low- and moderate-income households to provide an adequate number of units for these Dane County residents – 60% AMI and below. This metric inventories the type of programs, investment and the number of affordable housing units funded in 2024.

2024 Metrics

1. Number of Municipalities with Affordable Housing Funds – **7 out of 12**
2. Total Funding Dedicated to for Affordable Housing Countywide – **$48,816,440**
3. Source of Funds:
   Public Sector: **$48,816,440** (bond financing, TIF, grants)
   Private Sector: **$7,000,000** (loans)
4. Total Affordable Multi-Family Units Funded – **700**
5. Number of Affordable Senior Units Funded (independent living for ages 55 and older) – **172 out of 700**
6. Number of Municipalities Whose Tax-increment Financing Ordinance Identifies Affordable/Workforce Housing as a Priority – **4**

[4] In 2024, 60% AMI for a 2-person household is $60,480.

Priority 2: Increase the Overall Number of Housing Units in 2024

Housing production in Dane County has lagged behind housing demand for decades. Increasing the number of overall units helps increase inventory and raise vacancy rates reducing pressure on the county's high housing prices. Historically low vacancy rates between 2%–3% eased in 2024, and moved upward by the end of the year closer to 5%,[5] likely the result of developers taking advantage of the extremely low interest rates available around the pandemic. Increasing the supply of a greater variety of housing types remains critical, however, as market rate housing costs far exceed increases in wages.

Zoning codes have not kept up with the changes in the market, and were identified by the HAC as creating obstacles to bringing forward a variety of in-demand housing types across a range of sizes, densities and price points. The HAC noted that the housing crisis is complex and limited understanding of its impacts on individuals and the community can be an obstacle to address the housing shortage. Density bonuses and by-right housing—housing that does not need a conditional use permit, which takes more time and increases development costs—were also identified as opportunities to increase housing supply.

The Regional Housing Strategy calls for the development of 7,000 housing units a year from 2020-2040 in Dane County. This represents an increase of 2,000 more units per year compared with the 2019-2023 five-year average.

2024 Metrics

1. Number of Countywide Permits Issued – **5,477**[6]

Single-family – 4,069
Multi-family – 1,408

2. Year of Last Zoning Update (from all cities and villages)[7] - see graph below

3. Number of Municipalities with Two-Family Units Allowed by Right in Residential Zoning – **8**

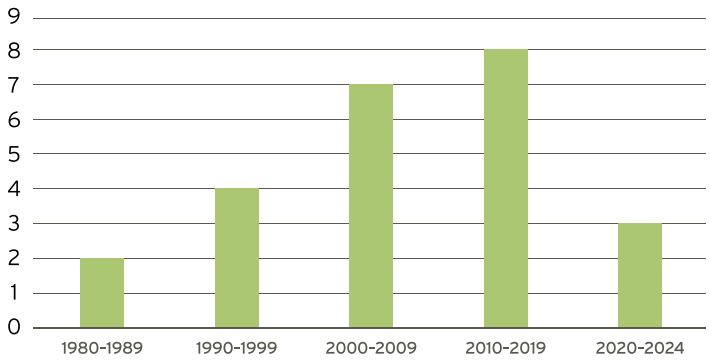
4. Number of Municipalities with ADUs Allowed by Right in Residential Zoning – **4**

5. Density Bonus Availability – **2**

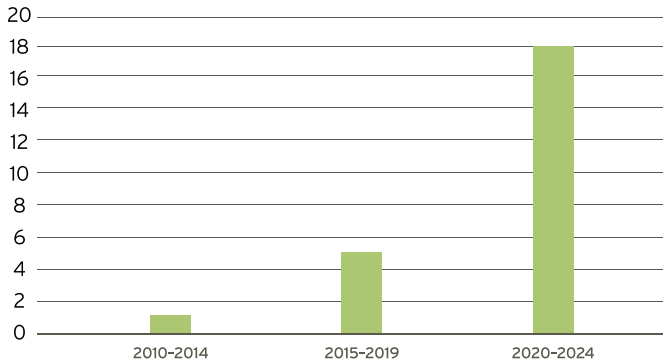
6. Outreach and Education Activities Related to the Housing Crisis – **3**

7. Year of Last Comprehensive Plan Update (cities and villages)[8] - see graph below

Metric #2
Last Zoning Code Update



Metric #7
Last Comp Plan Update



[5] Apartmentlist.com, July 2024 estimates, K. Paulsen, PhD.
[6] US Census Building Permit Survey, 2024.
[7] RHS Survey and municipal websites; does not include Maple Bluff or Shorewood Hills.
[8] RHS Survey and municipal websites; does not include Maple Bluff or Shorewood Hills.

Priority 3: **Provide Housing Resources and Protections for the Most Vulnerable Populations in 2024**

There are wide ranging needs for resources and protections for vulnerable populations in Dane County. Renter assistance is needed for help with addressing housing emergencies. Housing counseling is an important resource for renters to understand their leases as well as tenant rights. Rent retaliation ordinances are one way to signal to landlords that there are repercussions for ending tenant occupancy for reasons not identified in the lease.

Racial disparities in housing and homeownership are an ongoing and critical problem for people of color and our communities – 64% of white households are homeowners, compared with only 13% of black households. Expanding home buyer education program opportunities throughout the county, beyond Madison, can improve access to information and untapped down payment assistance for first-time home buyers, lower and moderate-income residents, and first generation home buyers.

2024 Metrics

1. Education on Racial Equity and Inclusion – **3**

Fair Housing Training
How to Make Your Community More Welcoming to People of Color, PPT
Dane Forward Goal 1

2. Amount of Renter Assistance Funds Available – **1.7 million (countywide total)**

Types of renter assistance (emergency rent, utilities, etc.)
Other types: legal assistance, housing counseling, bi-lingual, rental assistance, eviction prevention support, mediation, case management

3. Number of Municipalities with Rent Retaliation Ordinances – **2**

4. Number of Munis with Housing Counseling Programs Available – **2**

5. Homebuyer Education Programs – **2 munis**

Homebuyer education
Financial empowerment

Priority 4: **Rehabilitate and Preserve Affordability of Existing Housing in 2024**

Approximately 70% of Dane County's housing stock was built before 2000. Housing that is 25 years and older is typically referred to as naturally occurring affordable housing (NOAH). In other words, a majority of affordable and modestly priced housing in Dane County already exists. Preserving this housing stock through rehabilitation, and increasing energy efficiency is critical to maintaining affordable single-family and multi-family housing for Dane County residents.

In 2024, there were numerous programs, investment opportunities, and initiatives aimed at preserving the affordable housing stock, yet the need for this type of work and investment far outweighs current efforts. Supporting non-profit housing providers who already do this work is an opportunity to expand these efforts and preserve the affordable housing stock.

2024 Metrics

1. Multi-Family Units Rehabbed/Renovated – **91**

2. Number of Energy Efficiency Retrofits (new appliances, thermostat, insultation) – **249**

3. Number of Munis with Local Rehabilitation Programs – **5**

4. Munis with Efficiency Navigator Partnerships – **3**

6. Amount of Local Funding for Rehab and Preservation (not including Madison or Dane County) 5 munis – **$780,386**

7. Amount of County-wide Funds for Rehab, Preservation and Energy Efficiency (including Madison and Dane County) – **$2,629,623**

Priority 5: **Provide More Pathways to Homeownership in 2024**

The RHS Housing Advisory Committee identified the need to create more pathways to homeownership for all Dane County residents in an effort to create more housing stability and access to generational wealth building. Increasing pathways can come in the form of homeownership training programs, down payment assistance, or land banking where land is bought and sold or donated to nonprofit housing providers for affordable single-family housing development for example.

Fundamental to attaining homeownership is having an adequate supply of entry-level housing. The RHS identifies the need for 250 affordable single-family units to be produced each year, a significant increase from the previous 3-year average (2020-2023) of 25.

2024 Metrics

1. Number of Municipalities Providing Homeownership Training – **2**
2. Types of Training Offered:
   - Pre-purchase (homebuyer) education
   - Financial literacy and empowerment
   - Post-purchase education
   - Individual pre-purchase counseling
3. Amount of Down-Payment Assistance Funding Available Countywide – **$3,153,124**
4. Number of Households Receiving Down-Payment Assistance – **80 households.**
   Households are eligible for assistance if they have income at (80% area median income or below)
   Example: 80% AMI – $90,720 (3 person), 80% AMI – $80,640 (2 person) 80% AMI – $70,560 (1 person)
6. Amount of Land Banking Funds Available Countywide – **$5,000,000 (primarily for single family**)
7. Number of affordable single-family units created or preserved – **14**

RHS Annual Metrics Report Summary

The 2024 Regional Housing Strategy Metrics Report demonstrates that Dane County's housing crisis is not driven by a single factor, but by the interaction of long-term underproduction, supply constraints, housing costs, conventional growth patterns, aging housing stock, persistent racial inequities in housing, home prices far outstripping wage growth, and limited pathways to homeownership. The five RHS priorities are interconnected, and progress will depend on advancing them together rather than in isolation. This baseline year illustrates both early momentum and the scale of work still required.

Increased housing production of a wider variety of types and sizes (Priority 2) is essential to improving vacancy rates and easing price pressure, as reflected by modest improvements in 2024 following elevated construction levels. However, the data also show that overall production must be paired with targeted affordability strategies (Priority 1) to ensure that low- and moderate-income households, seniors, and the workforce benefit from new development. Local financing tools and policy alignment have begun to translate public investment into measurable affordable housing outcomes, reinforcing the link between funding mechanisms and unit production. Moving forward, private sector partnership and investment will be critical for increasing regional capacity and results.

Preserving existing housing (Priority 4) is equally critical to sustainability and affordability. Rehabilitation and energy efficiency investments protect naturally occurring affordable housing, reduce displacement, lower long-term operating costs, and support environmental goals by extending the life of existing buildings. These efforts complement new construction while making more efficient use of existing land and infrastructure. Investing in and partnering with non-profit housing providers who already do this work is an important opportunity to expand these efforts and preserve existing affordable housing stock—and much less costly than building new affordable housing.

Resources and protections for vulnerable populations (Priority 3) stabilize households, neighborhoods and help prevent homelessness and displacement, particularly for renters and communities of color who continue to experience disproportionate barriers. Expanded pathways to homeownership (Priority 5) further strengthen long-term housing and community stability and generational wealth building, but remain constrained by extremely limited entry-level supply and uneven access to assistance.

Together, the 2024 metrics establish a clear baseline and demonstrate that coordinated investments, policy reforms, preservation strategies, and equity-centered supports can move the region toward a more affordable, resilient, and environmentally sustainable housing system. Continued regional collaboration and consistent measurement will be essential to expanding these efforts and ensuring that future growth supports housing and community stability, business and economic growth, greater equity, and quality of life for all Dane County residents.

Next Steps

The 2024 RHS Annual Metrics Report will be made available online at the www.rhs.danecounty.gov on the new RHS Annual Metrics dashboard.

To find out more about housing, please visit the Dane County Regional Housing Strategy website at www.rhs.danecounty.gov, and check out the available resources. You can also sign up for the monthly RHS Newsletter, or attend a Regional Housing Network webinar. If you have questions, or would like to get more involved, please contact your local planning staff, or send an email to Olivia Parry at parry.olivia@danecounty.gov.

The 2026 Regional Housing Strategy Annual Meeting at Alliant Energy Center will be held this summer, check back on the RHS website in spring of 2026 for more details.

The 2025 Regional Housing Strategy Metrics Survey will be conducted in the spring of 2026. The preliminary results will be shared at the 2026 RHS Annual Meeting and the final report anticipated for early fall.

Appendices

Participating Municipalities

Dane County; Cities – Madison, Middleton, Sun Prairie, Stoughton, Verona; Villages – Brooklyn, Cottage Grove, Deforest, McFarland, Waunakee, Windsor

Survey Methodology

During the winter and spring of 2025, the Dane County Planning Division developed an RHS Housing Progress Survey for Dane County cities and villages. After soliciting feedback from municipal stakeholders and the RHS Executive Committee, the 2024 RHS Housingl Progress Survey was distributed via Survey Monkey to all Dane County cities and villages, with twelve municipalities responding.

Half of the municipalities that received a survey responded. They ranged in size from smaller villages to the City of Madison, many of whom participated in the RHS regional strategic planning process. Some metrics prove more difficult to calculate than others because of differences among communities in tracking and reporting, and interpreting the questions. Not all questions that were asked were reported on for a variety of reasons, including a lack of consistent reporting across or within programs and municipalities. Every attempt to accommodate differences in responses, and ensure consistency in estimates was taken. A survey was also sent to non-profit housing agencies—those results are not being reported here, with the exception of one data point—the amount of private sector funds that supported affordable housing. Non-profit responses had a great deal of difference in available information and how it was tracked.

Going forward, further evaluation of the RHS municipal survey will be conducted and some adjustments made to streamline data collection, reporting, and ensure consistency over time. How best to capture and report on non-profit housing organization efforts, that are not county or city funded, will take more thought and time, and perhaps a different approach.

Glossary of Terms

a) Affordable Housing: Affordable housing is housing that is subsidized by grants, loans or municipal funds such as TIF, or bond financing. It is called affordable because the units created with these funds must be reserved for households making 60% or less, or in some cases up to 80% of the area median income. Any resident/s—senior citizen, worker, disabled, young family, etc. whose income qualifies may reside in affordable housing.

b) Accessory Dwelling Unit: Accessory Dwelling Units (ADUs) are smaller dwelling units, typically 900 square feet or less, on existing residential parcels that are either contained within the same building as the principal dwelling unit, attached, or a separate building.

c) 60% of the area median income (AMI) in Dane County in 2024: 1 person - $52,920; 2 person - $60,480; 3 person - $68,040.

d) Comprehensive Plan: A comprehensive plan is a local government's guide to community physical, social, and economic development. Comprehensive plans are not meant to serve as land regulations in themselves; instead, they provide a rational basis for local land use decisions, with a twenty-year vision for future planning and community decisions. WI state law requires the plan to be updated every 10 years.

e) Density Bonus: Municipalities may allow for additional housing units in specific zoning districts or housing types if developers meet certain criteria that provide public benefits, such as including affordable housing units in the development.

f) The **Efficiency Navigator** program helps small to medium-size multi-family housing become more efficient and resilient while reducing operating costs to remain affordable. This program is a partnership between Sustain Dane and Elevate Energy that provides free energy assessments and helps with grant applications. In 2024 the program operated in Fitchburg, Middleton and Madison. To find out more about including buildings in your community, go here.

g) Naturally occurring affordable housing (NOAH): Single family or multi-family that is 25 years old or older, and because of its age is affordable or moderately priced, compared with newer or more recently developed housing.

h) Tax Increment Financing: Tax Increment Financing (TIF) is a mechanism that allows for incremental property taxes to be captured for 20-27 years, and then reinvested within a defined geography (the Tax Increment District). These funds can be used to fund a variety of public projects, including affordable housing or land acquisition.

i) Workforce Housing): Workforce housing can be defined as housing for the workforce in a given area or region. Workforce housing may include both affordable housing and market rate housing, depending on the type of employers and their workforce needs.