

Central Wisconsin Apartment Association (CWAA) - Statement on Affordable Housing

CWAA is proud to be part of a community that has a thriving affordable housing market. In July 2020 Stevens Point was nationally recognized by LendEDU as one of the most budget-friendly cities in the country for renters.

As a rule of thumb, housing shouldn't be more than 30% of a person's gross income. According to apartments.com, who track the market rental rates, the average price of a studio apartment is \$458. Based on this data, a person working full-time at \$8.80 per hour can afford most studio apartments in town.

Regarding two-bedroom apartments, the Stevens Point average is \$763 per month. Two people working full-time at \$7.25 per hour would qualify for most two-bedroom apartments in the Stevens Point market.

Most property owners and banks abide by the 30% housing to income ratio because it ensures that the renter is not over-extending their finances. It is a protection for both parties. When there is a default, the property owner loses the income that pays the property expenses, and the tenant loses their good credit and risks collection actions or eviction. In short, the housing to income ratio sets all parties up for success.

Persons who cannot work full time due to disability, lack of childcare, or other reasons, may need to apply for government subsidized housing.

Subsidized housing is sometimes located in apartment complexes that were built with government assistance in return for providing low-income housing for 30 years.

Many landlords in Portage County are referred to as "Mom and Pop" operations. A couple owns a few rentals as an investment while working full time in another line of work. Any landlord may choose to accept government vouchers from a renter to cover part of the monthly rent.

Young professionals renting in cities across the country many times will have roommates to share the cost of rent. This also happens in much of Portage County. The city of Stevens Point generally does not allow more than two unrelated persons in a rental, no matter the size.

There are some rentals in the UWSP campus area that allow more unrelated individuals under grandfathered rooming house licenses. These houses usually rent to groups of students. There are also some apartment complexes that are allowed to have three unrelated renters because the developer negotiated that occupancy level with the city before construction.

Allowing three or four unrelated people to rent a place with three or four bedrooms outside of the campus area would provide additional affordable housing in the city for young professionals.

CWAA agrees that affordable housing is vital to a growing community. For a city to attract jobs and residents it needs to have housing to serve all markets and income levels, from subsidized to luxury housing.