

# WHAT IS AFFORDABLE HOUSING?



**Affordable housing** is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.

Source: HUD.gov

DC has two types of affordable housing:



**Dedicated affordable housing** is defined as income and rent restricted housing subsidized by local and federal programs for households ranging from extremely low-income earning less than 30 percent of the Median Family Income (MFI) up to households earning less than 80 percent of the MFI. MFI is interchangeable with "AMI" Are Median Income.



**Naturally-occurring affordable housing** is unsubsidized and not income restricted. It is privately-owned housing with market-based rents affordable to low and moderate-income residents.

Source: Mayor's Housing Equity Report: Creating Goals for Areas of Our City, 2019

## WHAT IS MEDIAN FAMILY INCOME?

Median Family Income is the annual incomes of all households in an "area" set by the Department of Housing and Urban Development (HUD).

## WHAT IS THE "AREA" FOR D.C.?



The D.C. Metro "Area" is based on salaries and wages from the following areas: District of Columbia, DC; Calvert County, MD; Charles County, MD; Frederick County, MD; Montgomery County, MD; Prince George's County, MD; Arlington County, VA; Clarke County, VA; Fairfax County, VA; Fauquier County, VA; Loudoun County, VA; Prince William County, VA; Spotsylvania County, VA; Stafford County, VA; Alexandria city, VA; Fairfax city, VA; Falls Church city, VA; Fredericksburg city, VA; Manassas city, VA; and Manassas Park city, VA.

FY 2022 HUD Metropolitan Area's Median Family Income



Source: HUD.gov

## HOW IS MEDIAN FAMILY INCOME USED IN D.C.'S AFFORDABLE HOUSING PROGRAMS?

Agencies limit affordable housing applicants to households with a combined annual income under certain percentages of MFI.

For example, for a family of four:



Percentage of MFI Annual Income Limit



Source: dhcd.dc.gov (program income limits)