Low-Income Housing by Any Other Name

How Developers Rebrand Subsidized Housing in Their Bid for Tax Breaks from Mount Vernon's IDA

The Pattern

Three housing developments on or near MacQuesten Parkway in Mount Vernon. Three different developers. Three applications to the Mount Vernon Industrial Development Agency for long-term PILOT agreements — decades of reduced property taxes in exchange for what the IDA's mandate requires: economic development.

All three projects share something else. Each is financed primarily through the Federal Low-Income Housing Tax Credit program. Each restricts its units to households earning well below Westchester County's Area Median Income. And each, by every standard definition used in housing finance, is a low-income rental project.

Yet the word "low-income" appears nowhere in any developer's description of these projects. Not on the IDA's website. Not in the presentations to the board. Not in any marketing materials. The only place the term surfaces is where it cannot be avoided — in the name of the federal tax credit program funding the deals.

Instead, the developers use other labels. One calls its project "Affordable" and "Market Rate." Another calls its project "Workforce Rental Rate Housing." A third describes its project as "Mixed Income" with "Affordable/Workforce" units. These terms have real meanings in housing policy. With the exception of "affordable" — which is vague enough to mean almost anything — none of them apply here.

This matters because of where these applications land. The Mount Vernon IDA is not a housing agency. It is an economic development agency — a public benefit corporation authorized under New York State law to grant tax incentives in exchange for job creation and economic vitality. A developer seeking a 30-year PILOT agreement needs to make the case that its project constitutes economic development. Low-income rental housing — however necessary, however worthy on its own merits — is a difficult fit for that mandate. It doesn't generate significant new employment. It doesn't broaden the tax base. In fact, a PILOT agreement specifically narrows it.

Rebranding solves that problem. "Workforce housing" sounds like economic infrastructure — housing for the workers a growing city needs. "Mixed income" suggests economic diversity and upward mobility. "Market rate" implies market-driven demand, not subsidized housing. These descriptions tell a story the IDA wants to hear. The numbers tell a different one.

The tables below use data supplied by the developers to inform the Storrs Associates financial analyses, cross-referenced against the official Westchester County Area Median Income guidelines. The methodology is straightforward: take the estimated household income needed to afford each unit's rent (at the standard 30% of gross income), divide by the 100% AMI for the corresponding household size, and classify the result using HUD's standard income categories.

Definitions

The terms below are not opinions. They are the standard income classifications used in federal housing policy, each grounded in statute, regulation, or established policy research. When developers apply these labels to their projects, they are invoking specific meanings — whether they intend to or not.

Extremely Low Income — Household income at or below **30% of AMI**. Defined in the United States Housing Act of 1937, as amended, as very low-income families whose incomes do not exceed the greater of 30 percent of area median family income or the federal poverty guidelines. (42 U.S.C. §1437a(b)(2))

Very Low Income — Household income at or below **50% of AMI**. Defined in Section 3(b)(2) of the United States Housing Act of 1937 as families whose incomes do not exceed 50 percent of the area median family income, adjusted for family size. (42 U.S.C. §1437a(b)(2))

Low Income — Household income at or below **80% of AMI**. Defined in Section 3(b)(2) of the United States Housing Act of 1937 as families whose incomes do not exceed 80 percent of the area median family income, adjusted for family size. (42 U.S.C. §1437a(b)(2))

Workforce Housing — Household income between **80% and 120% of AMI**. There is no single federal statutory definition. The term is most commonly used in housing policy to describe households earning too much to qualify for federal housing subsidies but too little to afford market-rate housing. The Brookings Institution defines workforce housing as targeting households with incomes between 80 and 120 percent of AMI, noting that the term is itself contested because many subsidized-housing residents are employed. (Jenny Schuetz, "Workforce housing and middle-income housing subsidies: A primer," Brookings Institution, March 9, 2022)

Mixed Income — A development combining income-restricted units **with market-rate, unrestricted units**, creating economic diversity within a single building or site. HUD's Choice Neighborhoods program — the successor to HOPE VI and the federal government's primary mixed-income housing initiative — defines mixed-income housing as "housing that is affordable to families and individuals with a broad range of incomes including low-income, moderateincome, and market rate/unrestricted.” The inclusion of market-rate units is the defining characteristic; without them, a project is tiered affordable housing, not mixed-income housing. (Federal Register, Vol. 89, No. 155, August 12, 2024; Choice Neighborhoods program authorized under Section 24 of the U.S. Housing Act of 1937, 42 U.S.C. §1437v)

Affordable Housing — Unlike the categories above, “affordable housing” has **no single federal definition tied to a specific income band**. In its broadest usage, it refers to any housing where a household pays no more than 30% of gross income toward housing costs — a benchmark established by the Brooke Amendment to the Housing Act of 1969 and codified across HUD programs. In practice, the term is applied to housing serving households anywhere from 30% to 80% of AMI and sometimes higher. Its vagueness is precisely what makes it useful as a label and unreliable as a description. When a developer calls a project “affordable,” the only meaningful follow-up question is: *affordable to whom, at what income?*

Low-Income Housing Tax Credit (LIHTC) — The primary federal tool for financing rental housing for low-income households, established by the Tax Reform Act of 1986 and codified in Section 42 of the Internal Revenue Code (26 U.S.C. §42). To qualify, projects must restrict a minimum share of units to households earning no more than 60% of AMI (or use income averaging with a 60% AMI average). The program’s full name — the **Low-Income** Housing Tax Credit — is itself a definition. If a project is financed with LIHTC, it is, by the federal government’s own terminology, low-income housing.

The Projects

115 MacQuesten Parkway (Opal 115) — AMI Analysis

Developer description: "Affordable" & "Market Rate" · PILOT: 30 years

Largest component of project financing: Federal Low-Income Housing Tax Credits ($81.5M — 38% of $212.6M total)

Unit	#	Gross income	HH size	2023 AMI %	Standard definition	Developer description	2026 AMI %
Market rate units (16 units) — No income restriction stated by developer							
Studio	2	$72,000	1	70%	**Low Income**	**Market Rate**	61%
1 BR	6	$81,000	2	69%	**Low Income**	**Market Rate**	60%
2 BR	7	$104,400	3	79%	**Low Income**	**Market Rate**	68%
3 BR	1	$115,200	4	78%	**Low Income**	**Market Rate**	68%
Affordable units (299 units) — 60% AMI restricted, financed with Federal LIHTC							
Studio	30	$55,173	1	54%	**Low Income**	**Affordable**	46%
1 BR	126	$59,907	2	51%	**Low Income**	**Affordable**	44%
2 BR	129	$71,456	3	54%	**Low Income**	**Affordable**	47%
3 BR	14	$79,040	4	54%	**Low Income**	**Affordable**	47%

Gross income = Storrs report "Estimated Household Income" (income needed so rent ≤ 30% of gross). **AMI %** = gross income ÷ 100% AMI for HH size. All 315 units are Low Income by standard definition. Even "Market Rate" units fall at 60–79% AMI.

Sources: Storrs Associates Financial Assistance and Impact Analysis, Table 9a. Westchester County 2023 & 2026 AMI Guidelines.

QWest Towers — AMI Analysis

Developer description: "Workforce Rental Rate Housing" · PILOT: approved 2024

Largest component of project financing: Federal Low-Income Housing Tax Credits ($65.7M — 42% of $157.6M total)

Unit	AMI cap	#	Est. HH income*	HH size	2024 AMI %	Standard definition	Developer description	2026 AMI %
40% AMI restricted units — 28 of 228 (12%)								
Studio	40%	9	$39,320	1	36%	Very Low Income	Workforce	33%
1 BR	40%	11	$41,680	2	33%	Very Low Income	Workforce	31%
2 BR	40%	8	$49,320	3	35%	Very Low Income	Workforce	32%
50% AMI restricted units — 82 of 228 (36%)								
Studio	50%	16	$50,240	1	46%	Very Low Income	Workforce	42%
1 BR	50%	31	$53,400	2	43%	Very Low Income	Workforce	39%
2 BR	50%	34	$63,360	3	45%	Very Low Income	Workforce	42%
3 BR	50%	1	$72,760	4	47%	Very Low Income	Workforce	43%
60% AMI restricted units — 77 of 228 (34%)								
Studio	60%	19	$57,880	1	53%	Low Income	Workforce	49%
1 BR	60%	33	$61,600	2	49%	Very Low Income	Workforce	45%
2 BR	60%	25	$73,200	3	52%	Low Income	Workforce	48%
80% AMI restricted units — 41 of 228 (18%)								
Studio	80%	14	$63,960	1	58%	Low Income	Workforce	54%
1 BR	80%	16	$77,600	2	62%	Low Income	Workforce	57%
2 BR	80%	11	$86,680	3	62%	Low Income	Workforce	57%

***Est. HH income** = Storrs report Per Unit Annual Rent ÷ 0.30. **AMI %** = est. income ÷ 100% AMI for HH size. All 228 units are Low Income or Very Low Income by standard definition. Not a single unit reaches the workforce housing threshold (80–120% AMI per Brookings/HUD).

Sources: Storrs Associates Financial Assistance and Impact Analysis of the QWest Towers Project, Table 9a. Westchester County 2024 & 2026 AMI Guidelines.

Library Square — AMI Analysis

Overall project description: "Mixed Income" · Developer unit descriptions: "Affordable/Workforce" · Currently before the MV IDA

Largest component of project financing: Federal Low-Income Housing Tax Credits ($39.5M — 32% of $124.7M total)

Unit	AMI cap	#	Est. HH income*	HH size	2026 AMI %	Standard definition	Developer description	Rent check†
50% AMI restricted units — 41 of 138 (30%)								
Studio	50%	6	$54,120	1	46%	Very Low Income	Affordable/Workforce	$1,353 < $1,487 ✓
1 BR	50%	19	$57,680	2	43%	Very Low Income	Affordable/Workforce	$1,442 < $1,593 ✓
2 BR	50%	16	$68,480	3	45%	Very Low Income	Affordable/Workforce	$1,712 < $1,912 ✓
60% AMI restricted units — 83 of 138 (60%)								
Studio	60%	12	$66,000	1	56%	Low Income	Affordable/Workforce	$1,650 < $1,910 ✓
1 BR	60%	46	$70,400	2	52%	Low Income	Affordable/Workforce	$1,760 < $2,048 ✓
2 BR	60%	25	$83,760	3	55%	Low Income	Affordable/Workforce	$2,094 < $2,459 ✓
80% AMI restricted units — 14 of 138 (10%)								
Studio	80%	2	$89,800	1	76%	Low Income	Affordable/Workforce	$2,245 < $2,375 ✓
1 BR	80%	9	$95,920	2	71%	Low Income	Affordable/Workforce	$2,398 < $2,715 ✓
2 BR	80%	3	$114,360	3	75%	Low Income	Affordable/Workforce	$2,859 < $3,054 ✓

***Est. HH income** = Storrs report Per Unit Annual Rent ÷ 0.30. **†Rent check** = monthly rent vs. 2026 maximum (Low HOME for 50% AMI, High HOME for 60% AMI, 30% of max income ÷ 12 for 80% AMI). **AMI %** = est. income ÷ 2026 100% AMI for HH size. All 138 units are Low Income or Very Low Income. Zero market-rate units. Zero workforce-income units (80–120% AMI). The project is 100% income-restricted — not "mixed income" by any standard definition.

Sources: Storrs Associates Financial Assistance and Impact Analysis of the Library Square Housing Project, Table 9a. Westchester County 2026 AMI Guidelines & HOME Rent Limits.

Conclusion

Across these three projects — 681 total units — every single one serves a household that qualifies as Low Income or Very Low Income under the federal definitions that have governed American housing policy since 1937. Not one unit reaches the workforce housing threshold. Not one project includes a true market-rate component. And all three are financed primarily through a program whose name contains the words the developers refuse to use: the Federal Low-Income Housing Tax Credit.

The labels change from project to project — "Affordable," "Workforce," "Mixed Income," "Market Rate" — but the underlying product does not. These are low-income rental buildings. The question is not whether Mount Vernon should have them. The question is whether the IDA — an economic development agency, not a housing agency — should be granting decades-long tax abatements to build them, and whether the public deserves to know what it is actually paying for.

First call it what it is. Then decide if it's worth the cost.

Methodology and Sources

Estimated household income for each unit type was derived by dividing the Storrs Associates Per Unit Annual Rent by 0.30 (the standard affordability threshold where rent equals 30% of gross household income). This produces the minimum income a household needs to afford the unit without being cost-burdened. For 115 MacQuesten, the Storrs report provided this figure directly as "Estimated Household Income." For QWest and Library Square, it was calculated from the rent data in Table 9a of each respective Storrs report.

Household size was assigned using the standard HUD/Westchester County underwriting rule of 1.5 persons per bedroom: Studio = 1 person, 1BR = 2 persons, 2BR = 3 persons, 3BR = 4 persons.

AMI percentages were calculated by dividing the estimated household income by the 100% AMI for the corresponding household size from the applicable Westchester County Income & Rent Program Guidelines (2023 for 115 MacQuesten, 2024 for QWest, 2026 for Library Square), then rounded to the nearest whole percent.

Standard income classifications follow HUD definitions under Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. §1437a(b)(2)): Very Low Income = at or below 50% AMI; Low Income = at or below 80% AMI.

Sources

Storrs Associates. Financial Assistance and Impact Analysis of the 115 S. MacQuesten Parkway Project. Mount Vernon IDA.

Storrs Associates. Financial Assistance and Impact Analysis of the QWest Towers Project. Mount Vernon IDA.

Storrs Associates. Financial Assistance and Impact Analysis of the Library Square Housing Project. Mount Vernon IDA.

Westchester County Department of Planning. 2023 Income & Rent Program Guidelines — Area Median Income, Sales & Rent Limits.

Westchester County Department of Planning. 2024 Income & Rent Program Guidelines — Area Median Income, Sales & Rent Limits.

Westchester County Department of Planning. 2026 Income & Rent Program Guidelines — Area Median Income, Sales & Rent Limits.

United States Housing Act of 1937, Section 3(b)(2). 42 U.S.C. §1437a(b)(2).

Internal Revenue Code, Section 42. 26 U.S.C. §42.

Jenny Schuetz. "Workforce housing and middle-income housing subsidies: A primer." Brookings Institution, March 9, 2022.

U.S. Department of Housing and Urban Development. "Request for Information for HUD's Choice Neighborhoods Grant Selection Process and Award Implementation." Federal Register, Vol. 89, No. 155, August 12, 2024.

City of Mount Vernon. MV IDA Projects. https://www.mountvernonny.gov/997/MV-IDA-Projects