El Dorado County General Plan 2021 Housing Element

2021 – 2029 Housing Element Update 4-4

**Income Levels Used in this Document**

Throughout this element, housing affordability is addressed in terms of five income levels: extremely low, very low, lower, moderate, and above moderate. These are defined as:

• Extremely Low: Households with annual incomes that do not exceed 30 percent of the area median income (AMI) based on household size.

• Very Low: Households with annual incomes that do not exceed 50 percent of the AMI.

• Lower: Households with annual incomes greater than 50 percent but no more than 80 percent of the AMI.

• Moderate: Households with annual incomes greater than 80 percent but no more than 120 percent of the AMI.

• Above Moderate: Households with annual incomes greater than 120 percent of the AMI.

Throughout this document, references to “lower income” mean the extremely low-, very low-, and lower-income groups combined.

Because lower-income households are severely limited in their ability to pay for housing, they typically need to rely on high-density or multifamily housing. In many cases, lower-income households need subsidized housing due to the gap between what they can afford and the cost of market-rate housing. A detailed discussion of housing affordability is in Section 2 under “Housing