



How Do We Define Affordable Housing?

LAC+USC General Hospital and West Campus Feasibility Study

- Housing is considered affordable when a family or individual pays no more than 30% of household income on the total costs of housing (rent, utilities, etc.). Households that pay more than 30% of their income on housing costs are considered cost burdened, and those that pay more than 50% of their income on housing costs are considered severely cost burdened. Unfortunately, most households in Boyle Heights are considered cost burdened or severely cost burdened.
- For new housing to be built to serve community needs, affordability is defined by income level as a percent of the Area Median Income (AMI) as defined by the Department of Housing and Urban

Development (HUD). In LA County, the maximum annual income for a family of 4 earning 80% AMI in 2021, as defined by HUD is \$94,600. This income would mean that an affordable rent or mortgage payment would be around \$2,400 a month for this Low-Income family.

- Most new affordable housing built in LA is now targeted to households earning up to 50% of AMI (Very Low), or \$59,100 for a family of 4, which equates to approximately \$1,500 a month in rent. For supportive housing involving services, the target income levels are usually much lower and always geared to what the families or individuals can reasonably afford based on income.

Los Angeles County Household Income and Estimated Rent 2021								
Income (% AMI)	Number of Persons in Household / Maximum Defined Annual Income by Income Range							
	1	2	3	4	5	6	7	8
Deeply Low (Up to 15%) ¹	\$12,420	\$14,190	\$15,960	\$17,730	\$19,155	\$20,580	\$21,990	\$23,415
Extremely Low (15 to 30%) ²	\$24,850	\$28,400	\$31,950	\$35,450	\$38,300	\$41,150	\$44,000	\$46,800
Very Low (31-50%)	\$41,400	\$47,300	\$53,200	\$59,100	\$63,850	\$68,600	\$73,300	\$78,050
Low (51-80%) ³	\$66,250	\$75,700	\$85,150	\$94,600	\$102,200	\$109,750	\$117,350	\$124,900
Moderate (81-120%) ⁴	\$99,360	\$113,520	\$127,680	\$141,840	\$153,240	\$164,640	\$175,920	\$187,320
Middle Income (120-160%) ⁵	\$132,480	\$151,360	\$170,240	\$189,120	\$204,320	\$219,520	\$234,560	\$249,760
Area Median Income (100%) ⁶	\$56,000	\$64,000	\$72,000	\$80,000	\$86,400	\$92,800	\$99,200	\$105,600
Estimated Rent	Maximum Estimated Monthly Rents for Each Income Range							
Deeply Low (Up to 15%)	\$311	\$355	\$399	\$443	\$479	\$515	\$550	\$585
Extremely Low (15 to 30%)	\$621	\$710	\$799	\$886	\$958	\$1,029	\$1,100	\$1,170
Very Low (31-50%)	\$1,035	\$1,183	\$1,330	\$1,478	\$1,596	\$1,715	\$1,833	\$1,951
Low (51-80%)	\$1,656	\$1,893	\$2,129	\$2,365	\$2,555	\$2,744	\$2,934	\$3,123
Moderate (81-120%)	\$2,484	\$2,838	\$3,192	\$3,546	\$3,831	\$4,116	\$4,398	\$4,683
Middle Income (120-160%)	\$3,312	\$3,784	\$4,256	\$4,728	\$5,108	\$5,488	\$5,864	\$6,244

(1) According to the US Department of Housing and Urban Development (HUD), calculated by multiplying the Very Low Income Limit by 30%
(2) Approximately 30%, normalized by the federal poverty line adjusted for local conditions
(3) According to LAHD, "80% median income exceeding median income is an anomaly just for this county due to HUD historical high-cost adjustments"
(4) According to the California Housing Partnership, calculated by multiplying the Very Low Income Limit by 2.4
(5) Middle Income is not an official income category for HUD or HCD. Calculated by multiplying the Very Low Income Limit by 3.2
(6) Based on data from California Department of Housing and Community Development (HCD), 2021

Source: California Department of Housing and Community Development (HCD), Los Angeles Housing & Community Investment Department (LAHD), 2021, 2022 AECOM

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