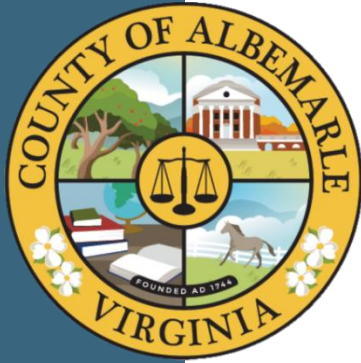


What is affordable housing?

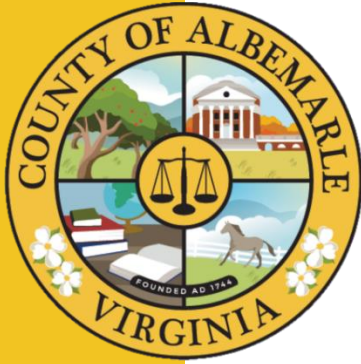
Places29 Hydraulic CAC

June 13, 2022



Overview

- Affordability explained
- Measures of affordability
- Who qualifies to live in affordable housing?
- What does affordable housing look like?
- Housing needs in Albemarle County
- Albemarle County response

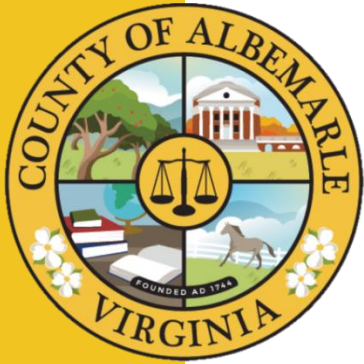


Affordable housing is...

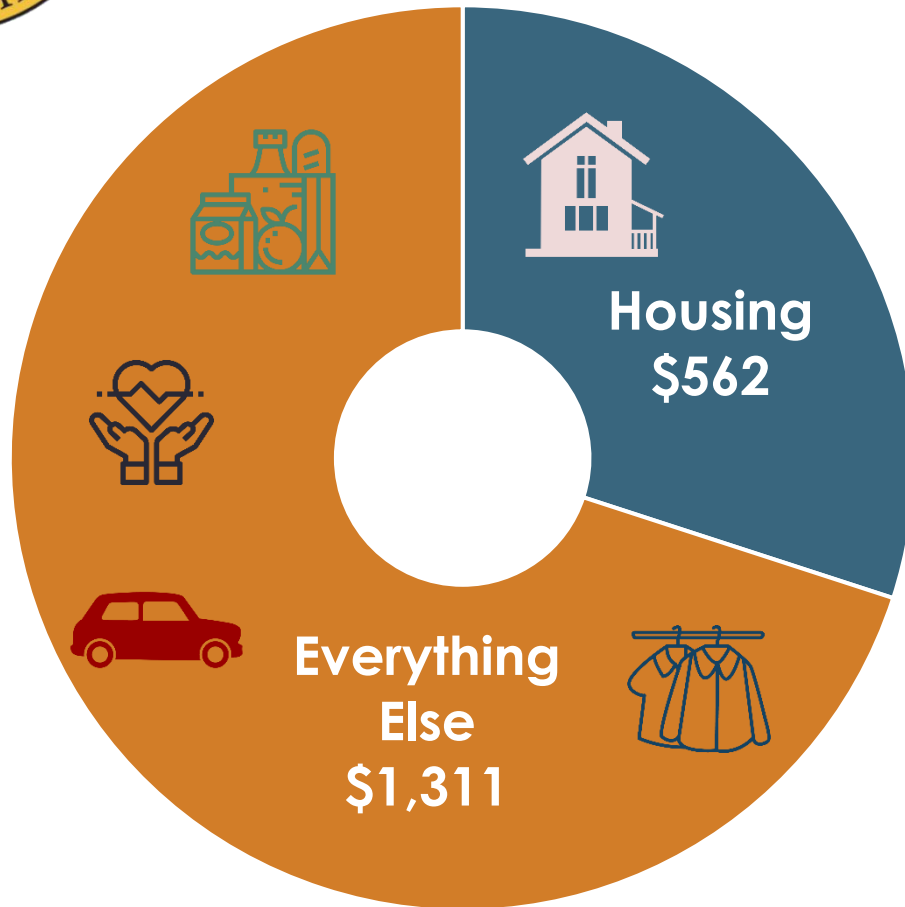
Housing you can afford with the income you have.

U.S. Department of Housing and Urban Development (HUD) recommends housing cost \leq 30% of gross household income.

- Renters: rent + tenant paid utilities
- Homeowners: mortgage payment including principal, interest, property taxes and mortgage insurance



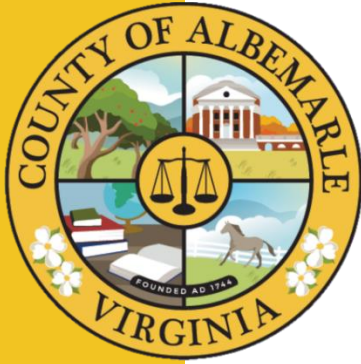
Household budget for a Home Health Aide – affordable home



Annual income = \$22,480

Monthly income = \$1,873

Affordable housing costs = \$562



Household budget for a Home Health Aide – market rate home

Annual income = \$22,480

Monthly income = \$1,873

Affordable rent = \$562/month

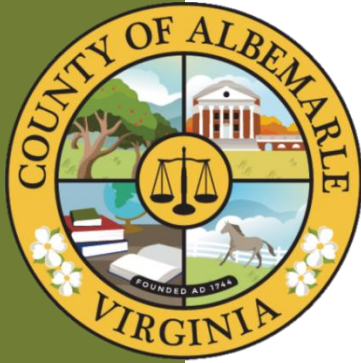
Budget Item	Monthly Cost
Monthly salary*	\$1,873
Median 1-BR Rent**	-\$1,181
Groceries***	-\$357
Transportation***	-\$444
Utilities***	-\$221
Healthcare***	-\$267
Balance	-\$598

Sources:

**Bureau of Labor Statistics Occupation & Wage data*

***US Census Bureau*

****US Dept of Labor Consumer Expenditure Survey 2020*



The housing wage – a measure of affordability

Represents the hourly wage a full-time worker must earn in order to afford to rent a modest two-bedroom apartment at \$1,264/month

\$24.30

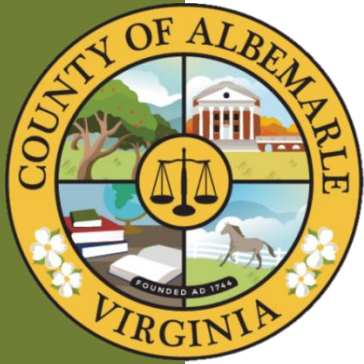
The housing wage
in Albemarle
County

53%

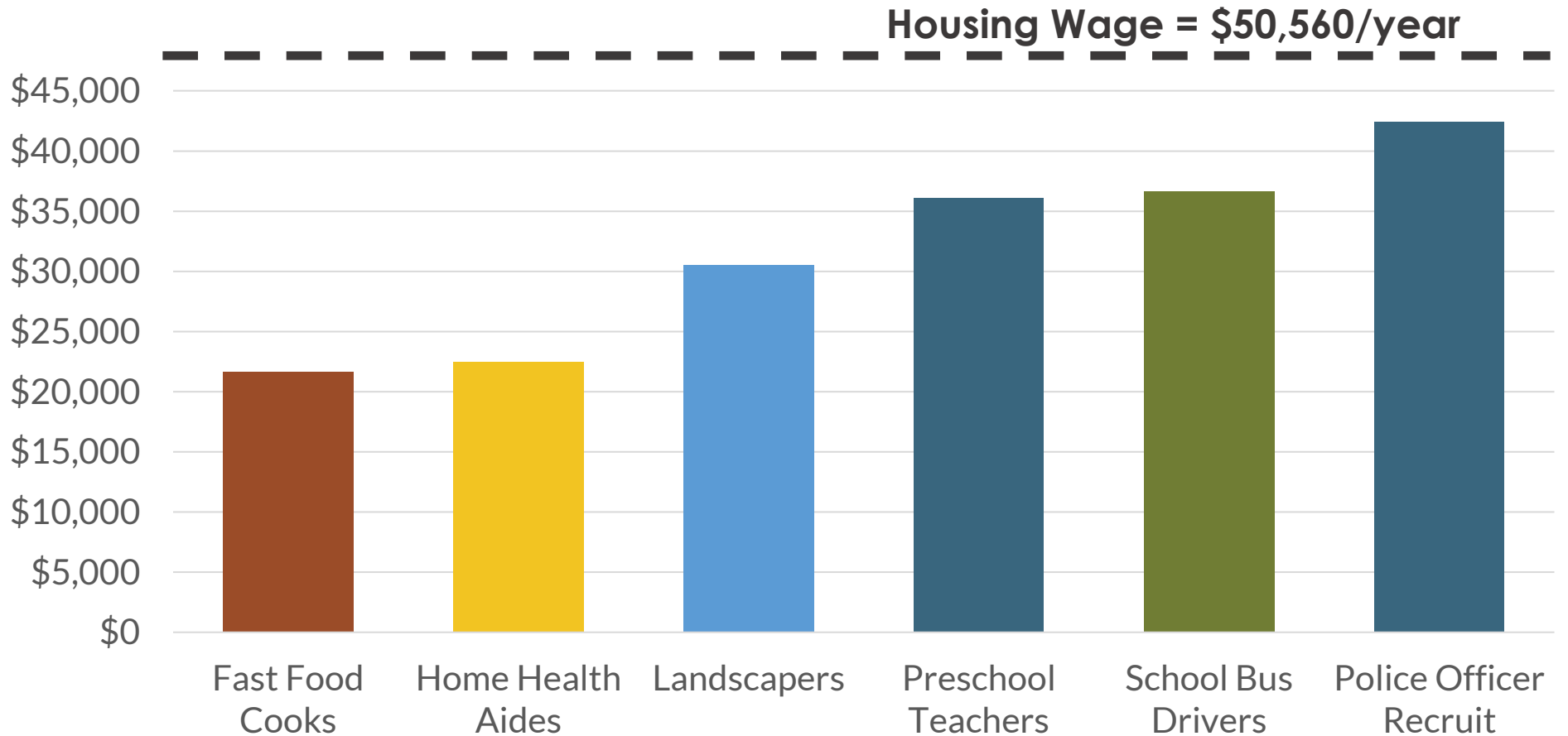
% workers in
county earning less
than the housing
wage

99

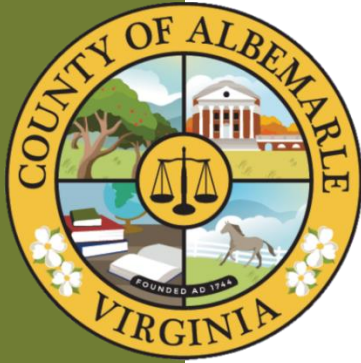
hours/week a
full-time minimum
wage employee
must work



Housing wage and local occupations



Sources: Bureau of Labor Statistics; Albemarle County



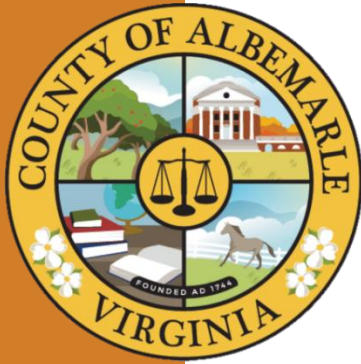
Fair Market Rents

Fair Market Rent (FMR):

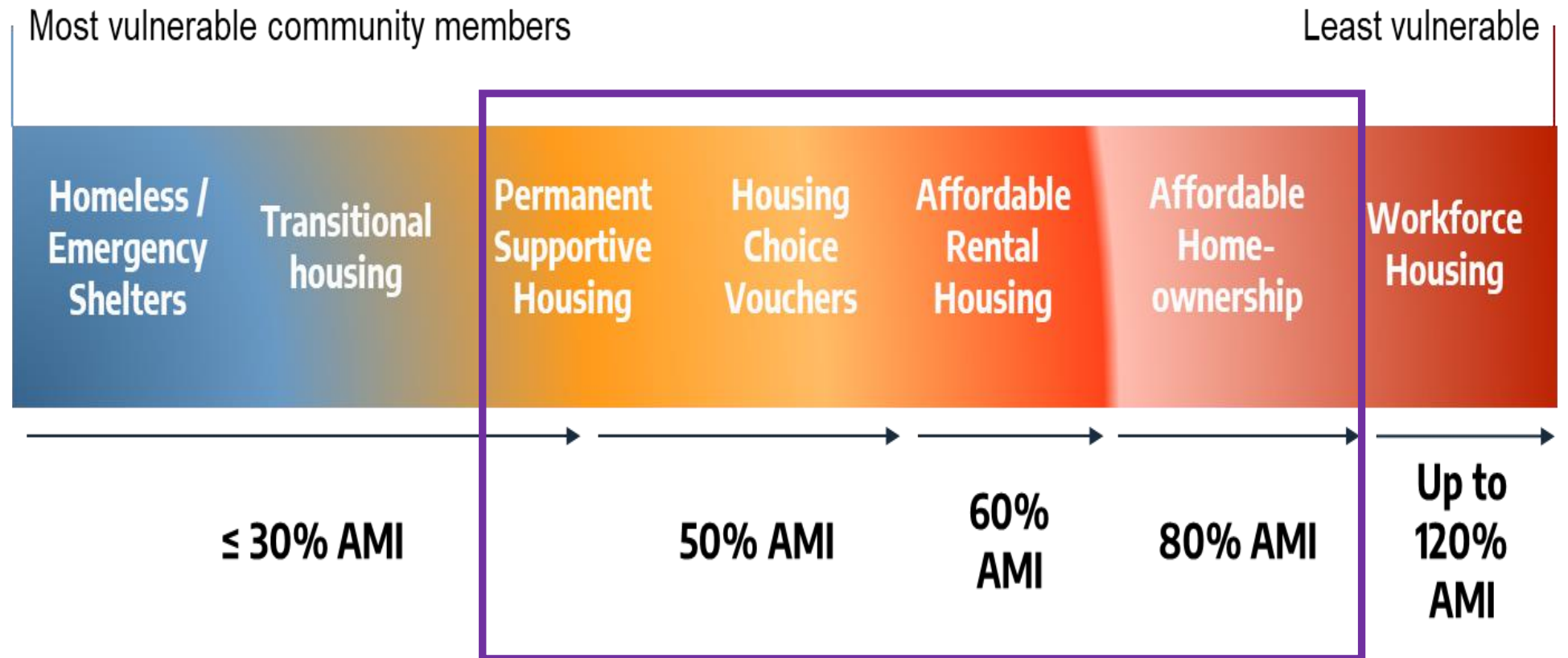
- Established annually by HUD
- Cost to rent a typical non-substandard rental unit

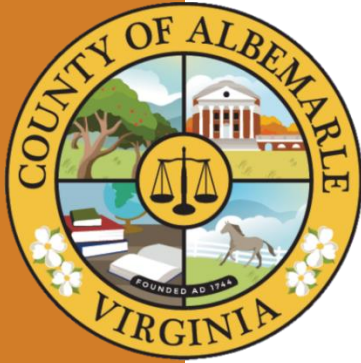
FY 2022 FMR

Eff./Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
\$1,024	\$1,063	\$1,264	\$1,562	\$1,959



Who lives in affordable housing?

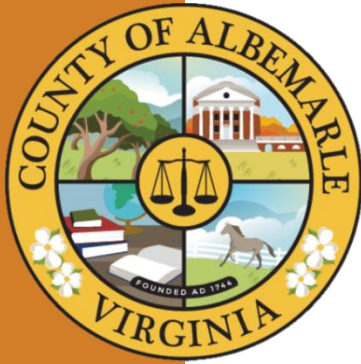




Income Limits

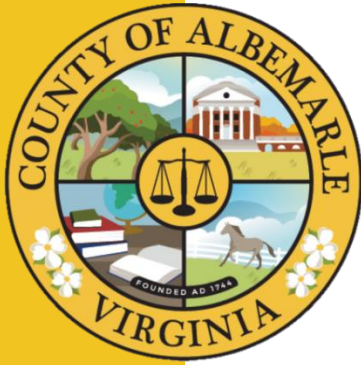
- Based on Area Median Income (AMI) = \$111,200
(as of April 2022)
- Adjusted by size of household

% AMI	Persons in Household							
	1	2	3	4	5	6	7	8
30%	\$22,050	\$25,200	\$28,350	\$31,450	\$34,000	\$37,190	\$41,910	\$46,630
50%	\$36,700	\$41,950	\$47,200	\$52,400	\$56,600	\$60,800	\$65,000	\$69,200
80%	\$58,700	\$67,100	\$75,500	\$83,850	\$90,600	\$97,300	\$104,000	\$110,700



Occupations by % AMI

% AMI	30%	50%	60%	80%	100%
Annual income 1 person household	\$22,050	\$36,700	\$46,704	\$58,700	\$93,408
Types of jobs	<ul style="list-style-type: none"> • Home Health Aide • Cashier • Childcare Worker 	<ul style="list-style-type: none"> • Security Guard • Bus Driver • Preschool Teacher 	<ul style="list-style-type: none"> • Mental Health Worker • Social Worker • Carpenter 	<ul style="list-style-type: none"> • Special Education Teacher • Mail Carrier • Police Officer 	<ul style="list-style-type: none"> • Physical Therapist • Librarian • Registered Nurse



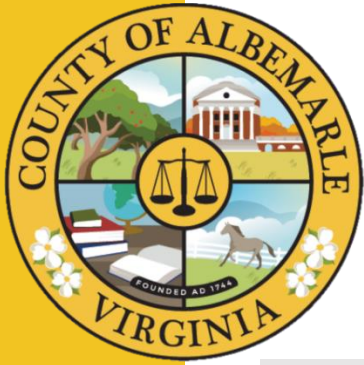
Affordable housing – Common perceptions



Clockwise from top left:

- Penn Plaza Apartments, Pittsburgh, PA
- East Lake Meadows, Atlanta, GA
- Cabrini Green, Chicago, IL





Affordable housing today

Thomas Jefferson
Community Land Trust
Nassau Street Homes



Habitat for Humanity
Greater Charlottesville
Charlton House

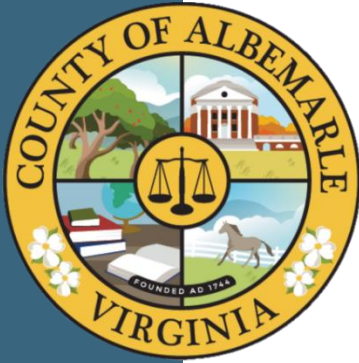


Park Properties
Brookdale Apartments

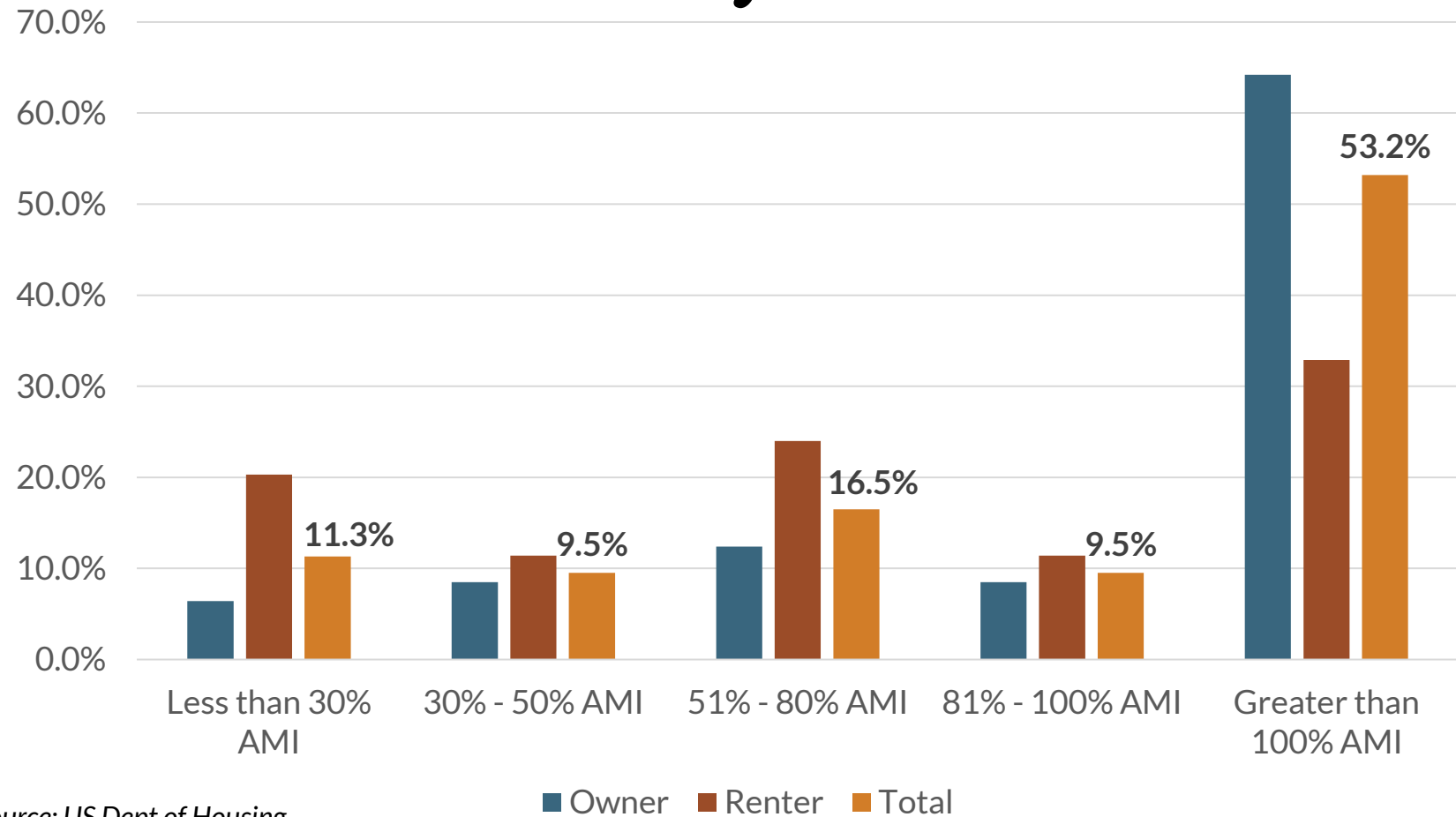


TREK Development
Dinwiddie Housing

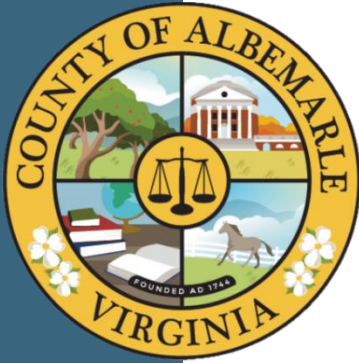




Housing needs: Households by % AMI (2018)



Source: US Dept of Housing
and Urban Development



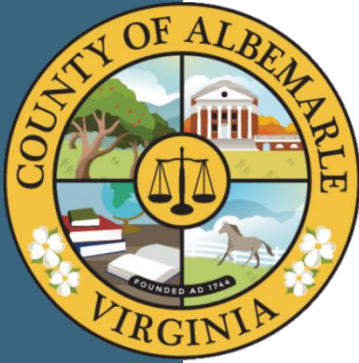
Cost burdened renter households (2018)



2 of every 10 homeowners are housing cost-burdened.



3 in 5 renters with the lowest household incomes are severely cost-burdened.



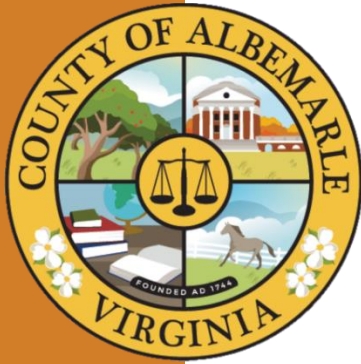
Housing cost burden in 2040 (projected)

1 out of every 4 households
will experience housing cost
burdens by the year 2040



3 out of every 4 households
with incomes below 50%
AMI will experience housing
cost burdens by the year
2040

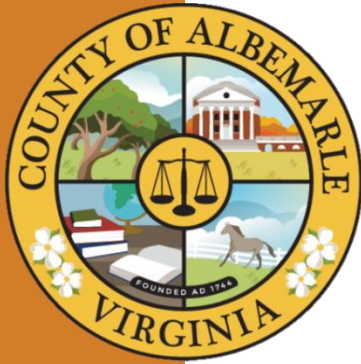




County's response: *Housing Albemarle*

- Board adoption of *Housing Albemarle* – July 2021.

Priority Actions	Status
County land for affordable housing	Inventory underway
Developer incentive package	Under development
Adopt an Affordable Dwelling Unit Program ordinance	Under development
Self-sustaining housing fund	Exploring options
Housing Advisory Committee	Under development
Permanent Supportive Housing project	Project underway!



Other activities (short term)

1. Funding support for construction & preservation of affordable housing.
 - Southwood Redevelopment Project (438 affordable units)
 - Premier Circle (140 affordable units)
 - Brookdale Apartments (96 affordable units)
2. Waiting list for proffer units (under development)
3. Implementation of an Affordable Housing Evaluation tool
4. Awarded 30 Project Based Vouchers to two affordable housing developments
5. Real estate relief for elderly & disabled homeowners
6. Real estate exemption for Veterans
7. Annual report to track progress