

Affordable Housing, Wages, and “AMI”

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We all know how hard it is to find affordable housing in San Francisco. That’s why it’s so critical to dedicate funding and increase production of community-owned, permanently affordable housing, and to increase the amount of “below-market-rate” units that private developers are required to provide to mitigate the affordable housing needs their projects create. But what incomes and wages do these types of affordable housing serve?

Affordable housing is priced according to “AMI,” or **Area Median Income**, defined by the Federal government for the metropolitan area including San Francisco, Marin, and San Mateo (which means that these AMIs are actually about 10% higher than the actual median in SF). Homes at each of these levels should cost no more than 30% of a household’s gross income. The table below shows rough income levels for typical jobs, and the equivalent AMI.

AMI varies by household size, so that while an entry-level schoolteacher who earns \$50,000 is defined as 70% AMI, a family of four with two teachers earning a combined \$100,000 is at 100% AMI. The corresponding AMI is even higher, at about 125% AMI, for a couple with no kids at the same wages. In setting policy, it is important to dig in the “weeds” of wages, AMI and bedroom mix to decide who affordable housing is being aimed to serve.

	 20% AMI	 45% AMI	 55% AMI	 70% AMI	 90% AMI	 100% AMI	 120% AMI
One-person household	\$14,000/yr. \$7/hr. (SSI Income) Senior or person with disability, Part-time worker	\$32,000/yr. \$15/hr. (Minimum-wage) Hotel worker, Domestic worker, Janitor, Line Cook	\$39,000/yr. \$19/hr. School Paraprofessional, Preschool Worker, Security Guard	\$50,000/yr. \$24/hr. Starting Teacher, Construction Apprentice, Mechanic	\$64,000/yr. \$30/hr. (SF Median) 10-year Teacher, Union Laborer, City Gardener	\$71,000/yr. \$34/hr. (SF-San Mateo-Marin median) City Librarian, Park Ranger	
Two-income four-person household			\$55,000/yr. Hotel worker + part-time worker	\$70,000/yr. Two minimum-wage workers	\$90,000/yr. Teacher + Security Guard	\$100,000/yr. Two entry-level Teacher incomes	\$120,000/yr. Two 10-year teacher incomes
Who builds it?	Nonprofit housing developers, using City and Federal subsidies, build apartments for people from 0-60% AMI		Market-rate rental builders required to provide 12% of units at 55% AMI		Market-rate condo builders required to provide 12% of units at 90% AMI		