

Affordable Housing, Wages, and “AMI”

The Council of Community Housing Organizations | updated September 2017

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



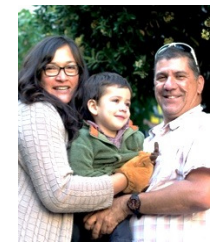
70% AMI



90% AMI



100% AMI



120% AMI

One-person household

\$14,000/yr. \$7/hr.	\$32,000/yr. \$15/hr.	\$39,000/yr. \$19/hr.	\$50,000/yr. \$24/hr.	\$64,000/yr. \$30/hr.	\$71,000/yr. \$34/hr.
(SSI Income) Senior or person with disability, Part-time worker	(Minimum-wage) Hotel worker, Domestic worker, Janitor, Line Cook	School Paraprofessional, Preschool Worker, Security Guard	Starting Teacher, Construction Apprentice, Mechanic	(SF Median) 10-year Teacher, Union Laborer, City Gardener	(SF-San Mateo- Marin median) City Librarian, Park Ranger

Two-income four-person household

\$55,000/yr.	\$70,000/yr.	\$90,000/yr.	\$100,000/yr.	\$120,000/yr.
Hotel worker + part-time worker	Two minimum-wage workers	Teacher + Security Guard	Two entry-level Teacher incomes	Two 10-year teacher incomes

Who builds it?

Nonprofit housing developers, use City and Federal subsidies along with local dedicated funds and linkage fees, to build apartments for households from 0-60% AMI	Market-rate rental builders required to provide 10%-12% of units at 55% AMI Nonprofit housing developers to build housing for paraprofessionals up to 60% AMI	Market-rate rental builders required to provide 4% of units at 80% AMI	Market-rate condo builders required to provide 5-12% of units at 80% AMI Nonprofit housing developers to build teacher housing units from 70-130% AMI	Market-rate rental builders required to provide 4% of units at 110% AMI . Market-rate condo builders required to provide 5% of units at 105% AMI and 5% of units at 130% AMI Nonprofit housing developers to build teacher housing units up to 130% AMI
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