

Answers from 4/24/2012 Community Conversation

Explanation of Median Income:

The chart included in the meeting materials included a listing of Median Household Income levels for Austin and the other spotlighted cities. This Median Household Income was drawn from the 2010 American Community Survey (ACS) 1-year data. As noted by Dr. Mueller during the conversation, Median Household Income is different than Median Family Income (MFI), which is based on a formula from the Housing and Urban Development Office (HUD) at the federal level.¹ The Texas Department of Housing and Community Affairs (TDHCA) and the Neighborhood Housing and Community Development Office at the City (NHCD) generally use income limits based on HUD MFI when determining program eligibility. It was also pointed out that the MFI numbers used by HUD, TDHCA and the City are based on the Austin-Round Rock metropolitan statistical area (MSA), and not strictly by the City of Austin's city limits. The chart included in the meeting materials referenced the median household income for the City of Austin only.

Also note that some other communities utilize the term "Area Median Income" (or AMI), or "Area Median Family Income" (AMFI) to refer to the HUD "Median Family Income."

You can view the income limits that the City of Austin uses to determine program eligibility here:

<http://www.austintexas.gov/page/income-limits>

Here is another helpful resource we've found in explaining affordability levels, area median income, and the definition of low-income:

http://www.policylink.org/site/c.lkIXLbMNJrE/b.5137219/k.2B78/What_Is_It.htm

Affordability Definitions – Who is eligible for programs?²

City of Austin:

Please see attached document for Austin's income requirements for programs:

NHCD Program List-Eligibility.pdf

City of Raleigh:

Our scattered site City-owned rental housing (currently 187 units) is capped at 50% AMI.

Our rental production low-interest loan program (called "Joint Venture" program) is capped at 60% AMI, consistent with HOME and low income tax credits.

¹ Please visit http://www.huduser.org/portal/datasets/il/il12/index_mfi.html for documentation on the HUD formula to calculate MFI.

² Only two replies have been received as of May 1, 2012

Citywide second mortgage program (\$20,000) is for buyers at 60 – 80% AMI. The OWNER (Ownership within Neighborhoods Experiencing Revitalization) program (up to \$30,000), which is available for housing within the low-income Census tracts (which includes all of our redevelopment areas and the conservation districts- or the older central area around our downtown) is for buyers (not necessarily first-time buyers) up to 65% AMI and it is zero-interest. Housing sale prices are capped at \$170,000 for using our second mortgage programs.

Everything else (rehab loans, nonprofit grants) is the basic “up to 80% AMI.”

City of Dallas:

Homerepair and mortgage assistance up to 80% AMFI

Bond funding for single family development up to 140% AMFI

Neighborhood Stabilization Program up to 120% AMFI

Land Bank up to 115% AMFI

Transfer of Surplus Property for affordable single family housing up to 140% AMFI

In summary, non-federal development programs focus on work force housing for up to 140% AMFI

Entitlement programs under the Consolidated Plan focus on low/moderate income up to 80% AMFI