



Policy Brief

2.20.18

Achievable Local Housing

POLICY BRIEF PURPOSE

The following policy brief was developed by a working group of the Mountain Housing Council to outline the challenges of and potential solutions for addressing a wide range of housing needs in the region. The Policy Brief will guide the development of a MHC regional Policy Recommendation.

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I. INTRODUCTION

There is a gap between traditional affordable housing programs and available housing in the Tahoe-Truckee region — people who make too much to qualify for affordable housing developments, but too little to buy or rent market rate homes. This group includes teachers, firefighters, business owners and many, many others. Ultimately they're being forced to move away, leaving employers unable to staff businesses, emergency responders struggling with response times and impacting the region's economy, culture and vitality.

HUD (Housing and Urban Development) defines affordable housing as those with monthly payments (rent or mortgage plus utilities) as no more than 30% of a household's gross income (before taxes). **By that definition, almost half (49%) of all residents in the region are overpaying for housing.**

II. REGIONAL HOUSING CHALLENGES

The North Tahoe Truckee Region includes Donner Summit and Serene Lakes to the west, the Town of Truckee, the communities of Hirschdale, and Floriston to the east, and extends to the north shore of Lake Tahoe to include the communities of Kings Beach, Tahoe City, and Tahoma.

The region has a population of about 30,000 people. On holiday weekends, those numbers swell to around 100,000. For part-time residents and vacationers, there are 33,300 housing units available — mostly single family homes built before 1979. Sixty-five percent of those homes are vacant more than half of the year.

As more and more homeowners convert their properties to short-term vacation rentals and new developments are filled with luxury second homes, locals are struggling to find housing in our community — with estimates showing a shortfall of more than 12,000 units to serve the local workforce.¹

A. TRADITIONAL DEFINITION OF AFFORDABILITY NOT REFLECTIVE OF REGION

While there is a great need in the North Tahoe Truckee region for more housing options for low income groups that are most at risk of homelessness and other negative outcomes, the 2016 Regional Housing Study also found that there is a need for housing for middle income earners. These are people who are making decent salaries, but are still priced out of the region's exceptionally high real estate market.

The 2016 Regional Housing Study shows an unmet need for about 12,160 housing units to serve the local workforce of the region. Of those units, over half (57%) are needed for households earning moderate incomes or above. This includes households earning at least 80% of the area median income (AMI), which is \$73,500 for a family of four in Nevada County and \$76,100 in Placer County.

Regional Housing Needs by Household Income Category

HOUSEHOLD INCOME CATEGORY	TOTAL UNITS NEEDED	% OF TOTAL	
Extremely Low (≤ 30% AMI)	911	7.49%	State and Federal Funding Available
Very Low (> 30% ≤ 50% AMI)	1,695	13.94%	
Low (> 50% ≤ 80% AMI)	2,548	20.95%	
Moderate (> 80% ≤ 120% AMI)	2,499	20.55%	No Funding
Above Moderate (> 120% AMI)	4,507	37.06%	
Total	12,160	100.00%	

Source: Table 38, Truckee North Tahoe Housing Study, BAE 2016

¹ Truckee/North Tahoe Housing Study BAE 2016

B. GAPS BETWEEN INCOME LEVELS AND HOUSING PRICES

A family of four earning 100% of the area median income (in Nevada County), could afford a \$278,565 priced home, but this is nowhere near the median home price of \$538,000. **The median for-sale single-family home price is almost double what a household earning the median area income can afford.**

Buying Power for Home Purchase by Income Level (for Nevada County)

INCOME LEVEL FOR FAMILY OF 4	ANNUAL INCOME	BUYING POWER	AFFORDABLE HOME PRICE	MEDIAN HOME PRICE	GAP	DOWN PAYMENT REQUIRED
193% AMI	\$141,953	3.79	\$538,000	\$538,000	\$0	\$107,600
120% AMI	\$88,200	3.79	\$334,587	\$538,000	\$203,413	\$107,600
100% AMI	\$73,500	3.79	\$278,565	\$538,000	\$259,435	\$107,600
80% AMI	\$61,300	3.79	\$232,618	\$538,000	\$305,382	\$107,600

C. LACK OF STATE AND FEDERAL FUNDING FOR INCOME EARNERS OVER 80% AMI

- 1 The nationally accepted definition of housing affordability is set by HUD (U.S. Department of Housing and Urban Development). The HUD definition is applied to household gross income and uses four different levels as the way to classify that income. The income levels are based on Area Median Income (AMI), which is also set by HUD and adjusted by the California Department of Housing and Community Development (HCD). For a family of four in 2017, the Placer County AMI is \$76,100 and the Nevada County AMI is \$73,500.
- 2 The HUD income levels are:
 - ▶ **Extremely Low** ($\leq 30\%$ AMI)
 - ▶ **Very Low** ($> 30\% \leq 50\%$ AMI)
 - ▶ **Low** ($> 50\% \leq 80\%$ AMI)
 - ▶ **Moderate** ($> 80\% \leq 120\%$ AMI)

Anything equal to or greater than 120% of AMI is categorized as Above Moderate income.

- 3 There are no federal and very few state and local subsidy programs that provide financial support for housing programs that serve households earning more than 80% AMI. The limited availability of housing subsidy programs, coupled with the high cost of housing and scarcity of housing inventory in the region, leaves the Moderate and Above Moderate income challenged to find and afford housing.
- 4 The majority of federal and state subsidy programs only provide financial support for housing programs that serve households earning no more than 80% AMI. For the Moderate income ($> 80\% \leq 120\%$ AMI) level, the only incentive for housing programs is through the State Density Bonus Law which still only applies to condo projects. There are, however, no state or federal programs for the Above Moderate income level households.

III. RECOMMENDATION

This policy brief provides more in-depth analysis of the challenge in our region and justification for the recommendation that local jurisdictions adopt an expanded definition of affordable to include moderate and above moderate income households.

The Mountain Housing Council proposes expanding the definition of affordable housing to also include the Missing Middle income levels in order improve our region’s ability to address the housing needs for a diversity of households. **The new definition being proposed for an expanded definition of affordability is Achievable Local Housing.**

A. ACHIEVABLE LOCAL HOUSING

Creating housing solutions for lower income earners is still a priority for the region; however, based on the high cost of housing, lack of inventory in the Missing Middle income levels, and the fact that HUD generally recognizes but does not address the Moderate ($\geq 80\%$ AMI) income level, the Mountain Housing Council proposes expanding the definition of affordable housing to include the Missing Middle income levels. Per the HUD resource (see sidebar), it is reasonable for jurisdictions to define their own standards for affordability based on market conditions.²

MHC recommends that its partner jurisdictions consider adoption of an expanded definition of “affordability” in order to design housing programs that begin to address needs of a larger range of income levels.

This recommendation is based on the affordability gap that exists between what a Missing Middle (80% to 195% AMI) household can afford for housing as demonstrated in the tables and charts provided in the appendices, and the significant shortfall of available housing for local residents of the region. Over half (57%) of this need is attributed to the Moderate (80% to 120% AMI) or above ($> 120\%$ AMI) incomes groups. **While local jurisdictions would continue to have subsidized housing programs for low income households as they do now, an expanded definition of affordability will improve our region’s ability to address the housing needs for a diversity of households.**

Moving forward, local jurisdictions will have to determine how to implement Achievable Local Housing in their own jurisdiction. The tables on the following pages provide reference information for Annual Incomes, Housing Buying Power, and Affordable Rents for the Missing Middle income groups.

► Definitions

PER THE HUD GLOSSARY (www.HUDuser.gov)

AFFORDABLE HOUSING: In general, housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities. Please note that some jurisdictions may define affordable housing based on other, locally determined criteria, and that this definition is intended solely as an approximate guideline or general rule of thumb.

COST-BURDENED

When housing costs exceed 30% of income, the household is considered to be Cost Burdened. Households are severely cost-burdened when housing costs comprises 50% or more of gross income.

AREA MEDIAN INCOME (AMI)

The household income for the median — or middle — household in a region. The US Department of Housing and Urban Development (HUD) publishes this data, which will vary by household size, annually for regions. The California Department of Housing and Community Development (HCD) makes minor adjustments based on regional factors to these numbers prior to publishing.

² https://www.huduser.gov/portal/glossary/glossary_a.html

ABOUT MOUNTAIN HOUSING COUNCIL OF TAHOE TRUCKEE

Mountain Housing Council, a project of the Tahoe Truckee Community Foundation, is a regional, multi-stakeholder coalition working to accelerate solutions to housing. Twenty-five members have come together for a three-year commitment to develop an innovative set of policies, programs, funding, and solutions to significantly move the needle on local housing needs.

The Council seeks to address the unique and pressing challenges of housing in the North Lake Tahoe Truckee Region: availability, variety and affordability — defined by the 2016 Regional Housing Study commissioned by the Tahoe Truckee Community Foundation.

For more information about Mountain Housing Council of Tahoe Truckee go to:

www.mountainhousingcouncil.org

NEUTRAL CONVENOR

- ▶ Tahoe Truckee Community Foundation

FUNDING PARTNERS

- ▶ Nevada County
- ▶ Placer County
- ▶ Squaw Valley | Alpine Meadows
- ▶ Squaw Valley Public Service District
- ▶ Tahoe City Public Utility District
- ▶ Tahoe Donner Association
- ▶ Tahoe Forest Hospital District
- ▶ Tahoe Regional Planning Agency
- ▶ Tahoe Truckee Unified School District
- ▶ Town of Truckee
- ▶ Truckee Donner Public Utility District
- ▶ Truckee Tahoe Airport District
- ▶ Vail Resorts

COMMUNITY PARTNERS

- ▶ Community Collaborative of Truckee Tahoe
- ▶ Contractors Association of Truckee Tahoe
- ▶ Family Resource Center of Truckee
- ▶ Mountain Area Preservation
- ▶ North Lake Tahoe Resort Association
- ▶ North Tahoe Family Resource Center
- ▶ North Tahoe Public Utility District
- ▶ Truckee Chamber of Commerce
- ▶ Tahoe Prosperity Center
- ▶ Tahoe Sierra Board of Realtors



APPENDIX A ► HOME OWNERSHIP

In the North Tahoe Truckee Region, the median home price in 2016 was \$538,000.³

If housing is defined as “affordable” when no more than one third of a household’s income should be allocated towards housing, this means that the maximum sale price a household can “afford” is about 3.79⁴ times their annual income and the down payment required to purchase the home will be equal to 20% of this affordable price to secure a 4.0% interest rate.

OWNERSHIP COST ASSUMPTIONS	
% of Income for Housing Costs	30% of gross annual income
Down payment	3.5% of home value
Annual interest rate	4.0% fixed
Loan term	30 years
Upfront mortgage insurance	1.75% of home value
Annual mortgage insurance	0.85% of mortgage
Annual property tax rate	1.25% of home value
Annual hazard insurance	0.42% of home value

Source: Tables 24 & 25, Affordable For-Sale Housing Prices, Truckee North Tahoe Housing Study, BAE 2016

Based on these parameters, **only households earning at about 190% of the area’s median income — and with \$107,600 in cash available for a down payment — can currently afford to buy a home in the North Tahoe-Truckee Region.**

³ 2016 data was used for this analysis as the median home sale price for the Mountain Housing Council boundary is not readily available for 2017. In addition, using 2016 data keeps this analysis consistent with the BAE Housing Needs Assessment which developed the Ownership Cost Assumptions using 2016 data.

⁴ 3.79 is based on the Ownership Cost Assumptions Table which equates to 3.79 times the annual income of a household. For example, to afford the median single family home sale price of \$538,000, the household must earn \$141,953. $\$141,953 \times 3.79 = \$538,000$

A1 ► Nevada County — Annual Income Buying Power

INCOME LEVEL FOR FAMILY OF 4	ANNUAL INCOME	BUYING POWER	AFFORDABLE HOME PRICE	MEDIAN HOME PRICE	GAP	DOWN PAYMENT REQUIRED
193% AMI	\$141,953	3.79	\$538,000	\$538,000	\$0	\$107,600
170% AMI	\$124,950	3.79	\$473,561	\$538,000	\$64,440	\$107,600
120% AMI	\$88,200	3.79	\$334,587	\$538,000	\$203,413	\$107,600
100% AMI	\$73,500	3.79	\$278,565	\$538,000	\$259,435	\$107,600
80% AMI	\$61,300	3.79	\$232,618	\$538,000	\$305,382	\$107,600

Source: Tables 24 & 25, Affordable For-Sale Housing Prices, Truckee North Tahoe Housing Study, BAE 2016

A2 ► Placer County — Annual Income Buying Power

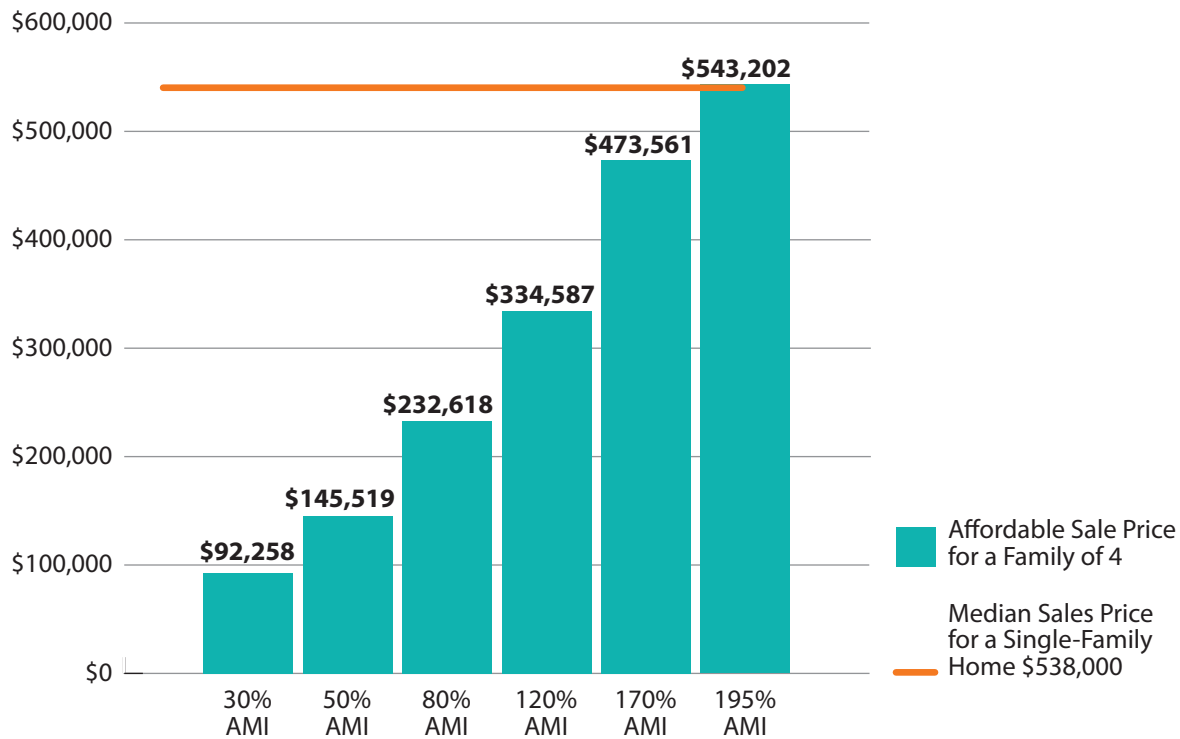
INCOME LEVEL FOR FAMILY OF 4	ANNUAL INCOME	BUYING POWER	AFFORDABLE HOME PRICE	MEDIAN HOME PRICE	GAP	DOWN PAYMENT REQUIRED
187% AMI	\$141,953	3.79	\$538,000	\$538,000	\$0	\$107,600
170% AMI	\$129,370	3.79	\$490,312	\$538,000	\$47,688	\$107,600
120% AMI	\$91,300	3.79	\$346,423	\$538,000	\$191,577	\$107,600
100% AMI	\$76,100	3.79	\$288,419	\$538,000	\$249,581	\$107,600
80% AMI	\$60,900	3.79	\$231,100	\$538,000	\$306,900	\$107,600

Source: Tables 24 & 25, Affordable For-Sale Housing Prices, Truckee North Tahoe Housing Study, BAE 2016

Based on a comparison of the median sale price, it is clear that only Above Moderate income households earning greater than 193% of Nevada County’s area median income (187% for Placer County) would be able to afford the median sale price for single-family homes in the North Tahoe Truckee area without exceeding the 30% cost burden.

A3 ► OWNERSHIP AFFORDABILITY GAP FOR SINGLE-FAMILY HOMES

Affordable Price Per Income Level Compared to Median North Tahoe Truckee Sales Price

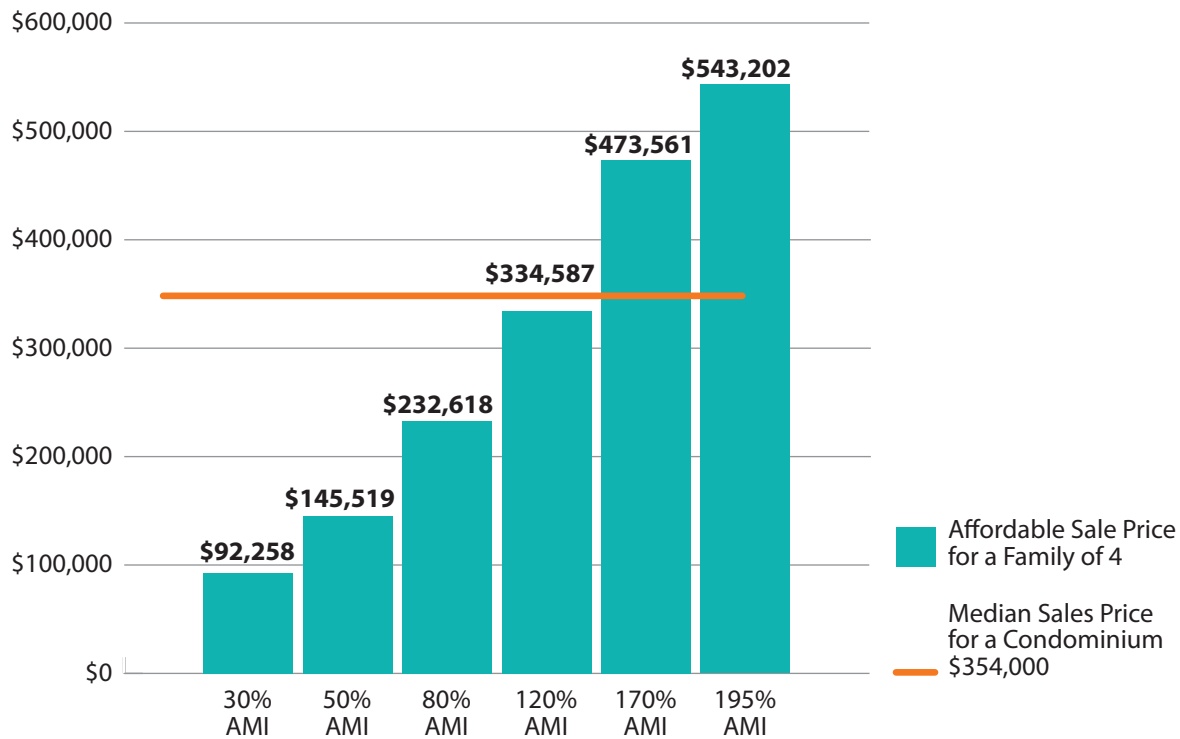


Source of Data: Table 21: Single-Family Home Sales & Table 23: Affordable For-Sale Housing Prices, Truckee North Tahoe Housing Study, BAE 2016. Using Nevada County Median Income of \$73,500 for a family of four (2017) and Single-Family Home Sale Price for North Tahoe Truckee Region (2016).

As the chart above demonstrates, households earning below 120% AMI will never be able to afford a single-family home with the significant gap in affordable sale price and median home price. For example, a family of 4 earning 80% AMI in Nevada County has a gap of affordable sale price to median home sale price of \$305,382 (\$306,900 for Placer County) while those earning 120% AMI still have a gap of \$203,413 in Nevada County (\$191,577 in Placer County).

A4 ► OWNERSHIP AFFORDABILITY GAP FOR CONDOMINIUMS

Affordable Condominium Price Per Income Level Compared to Median North Tahoe Truckee Sales Price



Source of Data: Table 22: Condominium Sales & Table 23: Affordable For-Sale Housing Prices, Truckee North Tahoe Housing Study, BAE 2016. Using Nevada County Median Income of \$73,500 for a family of four (2017) and Median Condo Sale Price for North Tahoe Truckee Region (2016).

While the cost of a condominium is roughly aligned with what would be “affordable” for above Moderate income households (> 120% AMI), it is important to note that the income limits represent the maximum that could be reasonably considered affordable. Therefore, moderate (> 80% ≤ 120% AMI) as well as above moderate income households (>120% AMI) at the lower-end of the range, or those that are burdened with other obligations, such as child care costs or student loan debt, may have difficulty affording for-sale housing in the area, regardless of type.

APPENDIX B ► RENTAL HOUSING

For renter households, housing costs are assumed to include a monthly cash rent payment as well associated utility costs. The calculation of affordable rental rates is equal to 30% of gross monthly income minus a utility allowance. Rental rates that would be affordable to moderate income (> 80% ≤ 120% AMI) households in Nevada County range from \$1,487 to \$2,257.

B1 ► Affordable Rental Rates

HOUSEHOLD INCOME CATEGORY	STUDIO 1 PERSON	1 BR 2 PERSONS	2 BR 3 PERSONS	3 BR 4 PERSONS	4 BR 5 PERSONS
Extremely Low (≤ 30% AMI)	\$346	\$392	\$433	\$503	\$587
Very Low (> 30% ≤ 50% AMI)	\$614	\$700	\$779	\$854	\$912
Low (> 50% ≤ 80% AMI)	\$1,017	\$1,158	\$1,295	\$1,428	\$1,532
Moderate (> 80% ≤ 120% AMI)	\$1,487	\$1,696	\$1,900	\$2,100	\$2,257

Source: Table 28 Affordable Rental Rates, Truckee North Tahoe Housing Study, BAE 2016. Using Nevada County Median Income of \$73,500 for a family of four (2017).

B2 ► Gap in Affordability between Median Rental Rates and Affordable Rental Rates for Moderate Income Households (> 80% ≤ 120% AMI)

RENTAL SIZE	MEDIAN RENTAL RATE	AFFORDABLE RENTAL RATE	AFFORDABILITY GAP
Studio	\$850	\$1,487	\$637
1 Bedroom	\$1,260	\$1,696	\$436
2 Bedroom	\$1,350	\$1,900	\$550
3 Bedroom	\$2,200	\$2,100	-\$100
4 Bedroom	\$2,500	\$2,257	-\$243

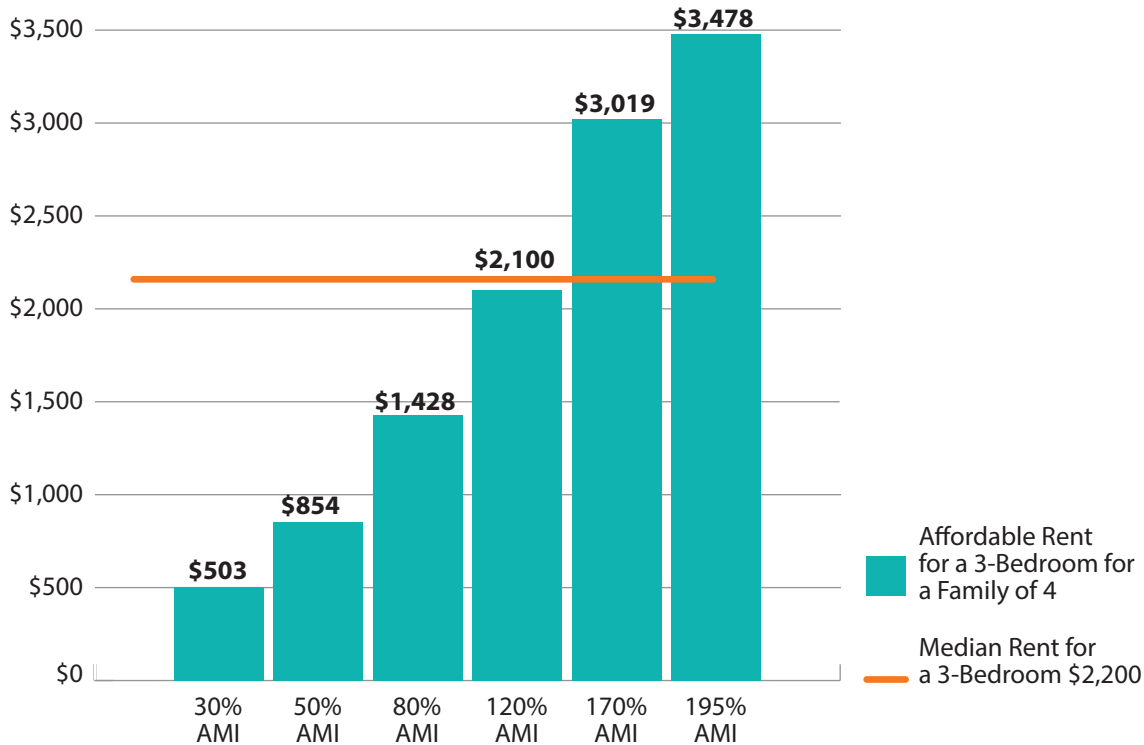
Source: Median Rental Rates, Truckee North Tahoe Housing Study, BAE 2016, pg. 5. Using Nevada County Median Income of \$73,500 for a family of four (2017) and Median Rental Rate (2016).

As seen in the table above, smaller Moderate income households can afford studios and 1- or 2-bedroom apartments. The gap in affordability grows when larger Moderate income households require 3-bedroom (\$100 monthly shortfall) or 4-bedroom (\$243 monthly shortfall) rentals.

B3 ▶

RENTAL AFFORDABILITY GAP

Affordable Rent per Income Level Compared to Median Rental Rate in North Tahoe Truckee Region



Source of Data: Table 28: Affordable Rental Rates, Truckee North Tahoe Housing Study, BAE 2016 — Using Nevada County Median Income of \$73,500 for a family of four (2017) and Median Rent for North Tahoe Truckee Region (2016).

The chart above demonstrates that for Lower income households, there is a significant gap in affordability of rentals. For example, a family of 4 earning 80% AMI can only afford a rental cost of \$1,428, but the median rental rate is \$2,200 for a 3-bedroom. In addition to the gap in affordability of rentals for Lower income households (80% AMI and below), the more significant barrier to rental housing that affects all income levels, however, is the severe rental housing shortage.

APPENDIX C ► REGIONAL HOUSING NEEDS

The tables below represent the Regional Housing Needs for the North Tahoe Truckee Region for year-round residents, seasonal residents, and in-commuter workforce, demonstrating a total need of 12,160 units, with 2,499 needed for Moderate (> 80% ≤ 120% AMI) and 4,507 needed for Above Moderate income households (>120% AMI). To meet this need, our region will need a range of options from apartments to rooms for rent to single family homes.

C1 ► Regional Housing Needs by Unit Size and Income Category

HOUSEHOLD INCOME LEVEL	STUDIO	1 BR	2 BR	3+ BR	TOTAL	% OF TOTAL
Extremely Low (≤ 30% AMI)	225	166	354	165	911	7.49%
Very Low (> 30% ≤ 50% AMI)	272	414	709	300	1,695	13.94%
Low (> 50% ≤ 80% AMI)	371	879	1,014	285	2,548	20.95%
Moderate (> 80% ≤ 120% AMI)	409	714	965	411	2,499	20.55%
Above Moderate (> 120% AMI)	351	1,836	1,724	596	4,507	37.06%
TOTAL	1,627	4,009	4,766	1,757	12,160	100.00%

Source: Table 38, Truckee North Tahoe Housing Study, BAE 2016

C2 ► Regional Housing Needs by Workforce Household Type and Income Category

HOUSEHOLD INCOME CATEGORY	YEAR-ROUND RESIDENT	SEASONAL RESIDENT	IN-COMMUNTER	TOTAL	% OF TOTAL
Extremely Low (≤ 30% AMI)	379	274	258	911	7.49%
Very Low (> 30% ≤ 50% AMI)	440	269	986	1,695	13.94%
Low (> 50% ≤ 80% AMI)	884	291	1,373	2,548	20.95%
Moderate (> 80% ≤ 120% AMI)	1,001	168	1,330	2,499	20.55%
Above Moderate (> 120% AMI)	1,396	194	2,917	4,507	37.06%
TOTAL	4,100	1,196	6,864	12,160	100.00%

Source: Table ES-1, Truckee North Tahoe Housing Study, BAE 2016

APPENDIX D ►

ASSUMPTIONS FOR ANNUAL INCOME AND HOUSING BUYING POWER TABLES

- ▶ Aqua and white/grey rows for Annual Incomes for each County calculated by HUD and adjusted by CA Department of Housing & Community Development (HCD).⁵
- ▶ Aqua and white/grey rows in **Amount Available for Housing and Affordable Home Purchase Price** Tables reported in **Truckee North Tahoe Housing Study, BAE 2016**.
- ▶ **Monthly Amount Available for Housing** calculation: $(\text{Annual Income}/12) \times .30$. Following BAE methodology, this calculation does not include associated utility costs.
- ▶ **Affordable Purchase Price Calculation:** Annual Income $\times 3.79$, following BAE methodology.
- ▶ HUD calculated income limits are not exactly equal to 30%, 50%, 80% or 120% of the county's median family income. According HUD, this is because there are many exceptions to the arithmetic calculation of income limits. These include adjustments for high housing cost relative to income, the application of state nonmetropolitan income limits in low-income areas, and national maximums in high-income areas.⁶
- ▶ Orange rows are un-verified estimates for households with Above Moderate income levels. Because the details of HUD's adjustments to the % of AMI calculations are not available, we used 170% and 195% of AMI for our calculations rather than the slight adjustments to the percentages that HUD or HCD would most likely apply.
- ▶ With the new definition of Local Achievable Housing, the aqua and orange row income categories (80% to 195% AMI) would be categorized as the Missing Middle.

⁵ <http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/inc2k17.pdf>

⁶ https://www.huduser.gov/portal/datasets/il/il15/faqs_15.pdf

D1 ▶

ANNUAL INCOMES AND THE HOUSING BUYING POWER IN NEVADA COUNTY

Annual Incomes by AMI for the Nevada County Residents (2017)

	INCOME LEVEL	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	
Missing Middle	Extremely Low (up to 30% AMI)	\$16,100	\$18,400	\$20,700	\$24,300	\$28,440	Eligible for State and Federal Assistance
	Very Low (up to 50% AMI)	\$26,850	\$30,700	\$34,550	\$38,350	\$41,450	
	Low (up to 80% AMI)	\$42,950	\$49,050	\$55,200	\$61,300	\$66,250	
	Median (up to 100% AMI)	\$51,450	\$58,800	\$66,150	\$73,500	\$79,400	Eligible for limited State and Federal Assistance
	Moderate (up to 120% AMI)	\$61,750	\$70,550	\$79,400	\$88,200	\$95,250	
	Upper Middle (up to 170% AMI)	\$87,465	\$99,960	\$112,455	\$124,950	\$134,980	No Government Assistance
	Missing Middle (up to 195% AMI)	\$100,328	\$114,660	\$128,993	\$143,325	\$154,830	

Monthly Amount Available for Housing by AMI for Nevada County Residents

	INCOME LEVEL	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	
Missing Middle	Extremely Low (up to 30% AMI)	\$403	\$460	\$518	\$608	\$711	
	Very Low (up to 50% AMI)	\$671	\$768	\$864	\$959	\$1,036	
	Low (up to 80% AMI)	\$1,074	\$1,226	\$1,380	\$1,533	\$1,656	
	Median (up to 100% AMI)	\$1,286	\$1,470	\$1,654	\$1,838	\$1,985	
	Moderate (up to 120% AMI)	\$1,544	\$1,764	\$1,985	\$2,205	\$2,381	
	Missing Middle (up to 170% AMI)	\$2,187	\$2,499	\$2,811	\$3,124	\$3,375	
	Missing Middle (up to 195% AMI)	\$2,508	\$2,867	\$3,225	\$3,583	\$3,871	

Affordable Home Purchase Price by AMI for Nevada County Residents

	INCOME LEVEL	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	
Missing Middle	Extremely Low (up to 30% AMI)	\$61,019	\$69,736	\$78,601	\$92,258	\$107,887	
	Very Low (up to 50% AMI)	\$101,762	\$116,353	\$131,103	\$145,519	\$157,203	
	Low (up to 80% AMI)	\$162,781	\$185,900	\$209,401	\$232,618	\$251,282	
	Median (up to 100% AMI)	\$194,996	\$222,852	\$250,709	\$278,565	\$300,926	
	Moderate (up to 120% AMI)	\$234,033	\$267,385	\$301,204	\$334,587	\$361,293	
	Missing Middle (up to 170% AMI)	\$331,492	\$378,848	\$426,204	\$473,561	\$511,574	
	Missing Middle (up to 195% AMI)	\$380,241	\$434,561	\$488,882	\$543,202	\$586,806	

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ANNUAL INCOMES AND THE HOUSING BUYING POWER IN PLACER COUNTY

Annual Incomes by AMI for the Nevada County Residents (2017)

INCOME LEVEL	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	
Extremely Low (up to 30% AMI)	\$16,000	\$18,300	\$20,600	\$24,600	\$28,440	Eligible for State and Federal Assistance
Very Low (up to 50% AMI)	\$26,650	\$30,450	\$34,250	\$38,050	\$41,100	
Low (up to 80% AMI)	\$42,650	\$48,750	\$54,850	\$60,900	\$65,800	
Median (up to 100% AMI)	\$53,250	\$60,900	\$68,500	\$76,100	\$82,200	Eligible for limited State and Federal Assistance
Moderate (up to 120% AMI)	\$63,900	\$73,050	\$82,150	\$91,300	\$98,600	
Missing Middle (up to 170% AMI)	\$90,525	\$103,530	\$116,450	\$129,370	\$139,740	No Government Assistance
Missing Middle (up to 195% AMI)	\$103,838	\$118,755	\$133,575	\$148,395	\$160,290	

Monthly Amount Available for Housing by AMI for Placer County Residents

INCOME LEVEL	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON
Extremely Low (up to 30% AMI)	\$400	\$458	\$515	\$608	\$711
Very Low (up to 50% AMI)	\$666	\$761	\$856	\$951	\$1,028
Low (up to 80% AMI)	\$1,066	\$1,219	\$1,371	\$1,523	\$1,645
Median (up to 100% AMI)	\$1,331	\$1,523	\$1,713	\$1,903	\$2,055
Moderate (up to 120% AMI)	\$1,598	\$1,826	\$2,054	\$2,283	\$2,465
Missing Middle (up to 170% AMI)	\$2,263	\$2,588	\$2,911	\$3,234	\$3,494
Missing Middle (up to 195% AMI)	\$2,596	\$2,969	\$3,339	\$3,710	\$4,007

Affordable Home Purchase Price by AMI for Placer County Residents

INCOME LEVEL	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON
Extremely Low (up to 30% AMI)	\$60,640	\$69,357	\$78,146	\$92,258	\$107,887
Very Low (up to 50% AMI)	\$101,004	\$115,406	\$129,889	\$144,305	\$155,989
Low (up to 80% AMI)	\$161,644	\$184,763	\$208,036	\$231,100	\$249,612
Median (up to 100% AMI)	\$201,818	\$230,811	\$259,615	\$288,419	\$311,538
Moderate (up to 120% AMI)	\$242,181	\$276,860	\$311,674	\$346,423	\$374,039
Missing Middle (up to 170% AMI)	\$343,090	\$392,379	\$441,346	\$490,312	\$529,615
Missing Middle (up to 195% AMI)	\$393,544	\$450,081	\$506,249	\$562,417	\$607,499

D3 ▶

AFFORDABLE RENTAL RATES

Affordable Rental Rates by AMI for Nevada County

Missing Middle

HOUSEHOLD INCOME CATEGORY	STUDIO 1 PERSON	1 BR 2 PERSON	2 BR 3 PERSON	3 BR 4 PERSON	4 BR 5 PERSON
Extremely Low (up to 30% AMI)	\$346	\$392	\$433	\$503	\$587
Very Low (up to 50% AMI)	\$614	\$700	\$779	\$854	\$912
Low (up to 80% AMI)	\$1,017	\$1,158	\$1,295	\$1,428	\$1,532
Median (up to 100% AMI)	\$1,229	\$1,403	\$1,569	\$1,733	\$1,861
Moderate (up to 120% AMI)	\$1,487	\$1,696	\$1,900	\$2,100	\$2,257
Missing Middle (up to 170% AMI)	\$2,129	\$2,432	\$2,727	\$3,019	\$3,250
Missing Middle (up to 195% AMI)	\$2,451	\$2,799	\$3,140	\$3,478	\$3,747

Affordable Rental Rates by AMI for Placer County

Missing Middle

INCOME LEVEL	STUDIO 1 PERSON	1 BR 2 PERSON	2 BR 3 PERSON	3 BR 4 PERSON	4 BR 5 PERSON
Extremely Low (up to 30% AMI)	\$334	\$382	\$419	\$493	\$578
Very Low (up to 50% AMI)	\$600	\$685	\$760	\$836	\$895
Low (up to 80% AMI)	\$1,000	\$1,143	\$1,275	\$1,408	\$1,512
Median (up to 100% AMI)	\$1,265	\$1,446	\$1,616	\$1,787	\$1,923
Moderate (up to 120% AMI)	\$1,532	\$1,750	\$1,958	\$2,168	\$2,332
Missing Middle (up to 170% AMI)	\$2,197	\$2,512	\$2,815	\$3,119	\$3,361
Missing Middle (up to 195% AMI)	\$2,530	\$2,893	\$3,244	\$3,595	\$3,874

APPENDIX E ▶

ASSUMPTIONS FOR AFFORDABLE RENTAL RATES TABLES

- ▶ Aqua and white/grey rows reported in Tables 28 & 29, *Truckee North Tahoe Housing Study, BAE 2016*.
- ▶ Orange rows are un-verified estimates for households with Above Moderate income levels. Following BAE's methodology, the calculation of affordable rental rates is equal to 30% of gross monthly income minus a utility allowance as reported below:

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON
Nevada County	\$57	\$68	\$85	\$105	\$124
Placer County	\$66	\$76	\$96	\$115	\$133