CITY OF SEQUIM

FACT SHEET

Housing Definitions

Summary

Housing definitions facilitate clear communication among state and local entities such as, building contractors, Nonprofit organizations, policy decision makers, etc., by establishing common understanding of terms related to housing and affordability. These definitions include concepts such as Area Median Income (AMI), Low-Income Housing, Affordable Housing, and others. The City of Sequim adheres to Washington State Legislative Code, which incorporates Housing and Urban Development (HUD) Definitions.

Key Terms

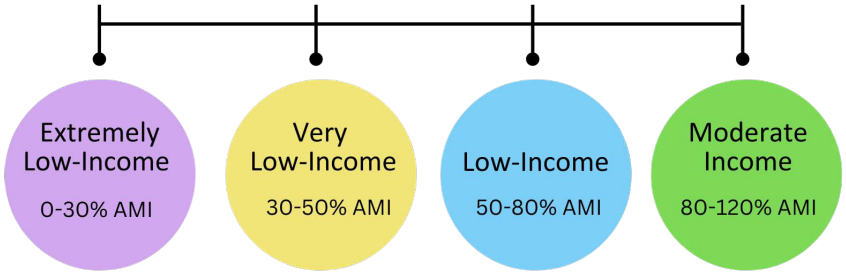
Area Median Income (AMI): The median income for a specific geographic area, such as a metropolitan area, county, or city. It is the income level at which half of the households' in a given area earn more, and half earn less. HUD has calculated Clallam County's AMI at $80,800 (for a household of 4) in 2023.

**For additional information regarding the AMI for various household sizes, please view the chart below provided by the Department of Housing and Urban Development.*

FY 2023 Income Limits Summary

FY 2023 Income Limit Area	Median Family Income	FY 2023 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Clallam County, WA	$80,800	Very Low (50%) Income Limits ($) Click for More Detail	29,250	33,400	37,600	**41,750**	45,100	48,450	51,800	55,150
		Extremely Low Income Limits ($)* Click for More Detail	17,550	20,050	24,860	**30,000**	35,140	40,280	45,420	50,560
		Low (80%) Income Limits ($) Click for More Detail	46,800	53,450	60,150	**66,800**	72,150	77,500	82,850	88,200

WA State Housing Definitions



RCW 36.70A.030

AMI = AREA MEDIAN INCOME

Extremely Low-Income: Means the total annual housing expenses are between 0-30% AMI.
For example, if the AMI is $80,800, a households' annual income is not greater than $24,240; and, the monthly mortgage or rent should not exceed $606/mo (utilities and fees included) to qualify for Extremely Low-Income housing.

Very Low-Income: Means the total annual housing expenses are between 31-50% AMI.
For example, if the AMI is $80,800, a households' annual income is not greater than $40,400; and, the monthly mortgage or rent should not exceed $1,010/mo (utilities and fees included)to qualify for Very Low-Income housing.

Low-Income: Means the total annual housing expenses are between 51-80% AMI.
For example, if the AMI is $80,800, a households' annual income is not greater than $64,640; and, the monthly mortgage or rent should not exceed $1,616/mo (utilities and fees included) to qualify for Low-Income housing.

Moderate Income: Means the total annual housing expenses are between 81-120% AMI.
For example, if the AMI is $80,800, a households' annual income is not greater than $96,960; and the monthly mortgage or rent should not exceed $2,424/mo (utilities and fees included) to qualify for Moderate Income housing.

HUD's "Affordable Housing" Definition: Housing is considered affordable when a household or individual pays no more than 30% of their monthly income for housing costs; including rent or mortgage, utilities, and other related fees.

Washington State's "Affordable Housing" Definition: RCW 36.70A.030 specifies that individuals or households' eligible for affordable housing must have incomes that are 30-60% AMI if a tenant, and 80% AMI if a homeowner. This means that the term "affordable housing" is intended for those with Very Low-Income to Low-Income.