What Is Affordable Housing?

COHHIO — Coalition on Homelessness and Housing in Ohio

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A home that is affordable based on residents' income. HUD defines affordability as total rent and utilities costs at or below 30% of household income. Owners' cost to purchase and maintain homes requires higher rents than low-wage workers can afford. "Naturally Occurring Affordable Housing" (NOAH) is fast disappearing and usually substandard. New and renovated housing generally requires subsidies to make it affordable to low income households.

HUD-Defined Income Categories
Based on household Area Median Income (AMI)

Extremely Low Income (ELI)	Very Low Income (VLI)	Low Income (LI)	Moderate Income (MI)
0-30% AMI	31-50% AMI	51-80% AMI	81-100% AMI

Spanning the Affordability Gap

Several federal programs are designed to help tenants bridge the gap between low incomes and high rents. Housing assistance programs range from temporary options, like emergency shelter, to permanent solutions to homelessness, like supportive housing and Housing Choice Vouchers. Low Income Housing Tax Credits fill the gap between the high cost of building multifamily housing and low revenue from restricted rents.
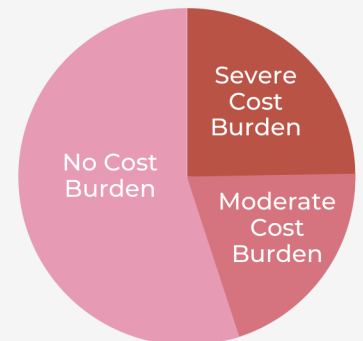
The Affordable Housing Gap

Renters need to earn at least $19.09/hr. working full-time all year to afford a modest 2 bedroom apartment in Ohio. Of Ohio's 10 most common jobs, only 3 actually pay employees more than this 2BR housing wage. There are only 270,000 affordable rental units available to Ohio's 448,000 extremely low-income households, a shortage that grew 6% worse over the past year. **This means only 40 homes available for every 100 ELI households in Ohio:**

Housing Cost Burden

25% of Ohio's 1.56 million renter households are severely cost-burdened" - they spend over half their income on rent and utilities. Another 20% are moderately cost-burdened, spending over 30% of income on rent. "The rent eats first," so when housing costs are too high, families struggle to afford other necessities, such as food, medicine, health care, child care, transportation, and education.

The Housing Spectrum

Emergency Shelter | Transitional Housing | *Permanent Supportive Housing | *Public Housing | *Project Based Rental Assistance | *Housing Choice Vouchers | *Workforce Housing | Market Rate Rental Housing | Home Ownership

* May include Low Income Housing Tax Credit financing