Regional affordable housing framework: Connecting equitable housing strategies to the needs of residents

What does the housing market currently provide? The private market typically provides new housing for households above 80 percent of median family income; public subsidies tend to be targeted at households earning less than 60 percent.

0-30% MFI
Housing affordable at this level requires an ongoing subsidy, such as rental assistance vouchers. Many households in this income bracket also benefit from support services for residents on site, which require additional subsidies or resources. The private market does not provide housing affordable at this level.

30-60% MFI
The private market does not typically provide new housing affordable at this level – at least not in locations with good access to transit and amenities. Regulated affordable housing at this level often requires subsidies to construct.

60-80% MFI
The private market does not provide much new rental housing at this level. Most people in this group live in older rental housing stock that has “filtered” down to become more affordable.

80-120% MFI
Smaller format housing types like condos, cottage clusters and accessory dwelling units can create more modest market-rate housing options for this group, including a mix of rental and homeowner units.

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Median Family Income</th>
<th>Annual Income*</th>
<th>Affordable Monthly Housing Costs**</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30% MFI</td>
<td>$9,000</td>
<td>$13,000</td>
<td>$1,815</td>
</tr>
<tr>
<td>30-60% MFI</td>
<td>$23,000</td>
<td>$31,000</td>
<td>$2,358</td>
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<tr>
<td>60-80% MFI</td>
<td>$37,000</td>
<td>$40,000</td>
<td>$2,853</td>
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<tr>
<td>80-120% MFI</td>
<td>$51,000</td>
<td>$66,000</td>
<td>$3,108</td>
</tr>
</tbody>
</table>

*Median family income, or MFI, refers to the income level earned by a given household where half of households earn more and half earn less.
**Affordable monthly housing costs are calculated at 30 percent of monthly income.

Mitigate displacement
( helps families with 0-80% MFI)
Support public and nonprofit partners to prevent rent increases and evictions that may accompany property improvements and infrastructure investments with tools such as:
• tax increment financing
• revolving loan funds
• donation of public/surplus land
• housing trust funds
• rental assistance vouchers
• dedicated public funding
• transit-oriented development grants.

Leverage growth for affordability
( helps families with 30-80% MFI)
Encourage for-profit developers to include some income-restricted units in market-rate projects or to pay into a fund for affordable housing with tools such as:
• tax exemptions
• density bonuses
• fast-tracked permitting
• linkage fees
• inclusionary zoning.

Increase and diversify market-rate housing
( helps families with 60-120% MFI)
Eliminate regulatory barriers, deliver education, and create incentives for transit oriented development, missing middle housing and accessory dwelling units using tools such as:
• zoning/building code changes
• developer/homeowner education
• fast-tracked permitting
• innovative financing for accessory dwelling units
• scaled or waived system development charges
• reduced parking requirements
• vertical housing tax credits
• transit-oriented development grants.

Stabilize homeowners and expand access to homeownership
( helps families with 60-120% MFI)
Pursue strategies that bridge the homeownership gap for lower-income groups and communities of color and create stability for homeowners with diminishing or fixed incomes with tools such as:
• foreclosure prevention
• weatherization assistance
• community land trusts
• limited equity cooperatives and shared appreciation mortgages
• accessory dwelling unit financing tools
• down payment assistance.

Increase and optimize resources
( helps families with 0-60% MFI)
Increase funding flexibility and pursue coordinated investment strategies to expand the region’s supply of regulated affordable housing with tools such as:
• tax increment financing
• revolving loan funds
• donation of public/surplus land
• housing trust funds
• rental assistance vouchers
• dedicated public funding
• transit-oriented development grants.

Strategies:
Regional partners are working with a variety of tools to serve families at different income levels.

Learn more about Metro’s Equitable Housing Initiative at oregonmetro.gov/equitable-housing.


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