

# What is Affordable Housing?

'A'ffordable		'a'ffordable	
<div> <b>FEDERAL FUNDING</b></div> <p>'A' affordable housing is housing that has been designated as affordable for a predetermined amount of time and relies on subsidies or other forms of government funding. This includes public housing and privately-owned subsidized or tax credit developments. Public housing and housing vouchers are both funded and regulated by the department of Housing and Urban Development (HUD) and administered through public housing authorities (PHAs) across the country. The Low Income Housing Tax Credit (LIHTC) program is a tax incentive for housing developers, not a subsidy, regulated by the IRS. All 'A'ffordable housing programs have requirements for eligibility, and may include income restrictions calculated from the Area Median Income (AMI), age, familial status, or disability status. Additional stipulations, such as housing inspections and annual income verification, may be required.</p>		<div> <b>&gt; 30% OF INCOME SPENT ON HOUSING</b></div> <p>'a' affordable housing more generally refers to housing that does not exceed over 30% of the renter's income. Although there may be federal subsidies or tax incentives available, this is not the major source of funding and the same rental limitations, such as income, age, or disability status, typically do not apply. 'a'ffordable units may be private employer programs, such as "workforce housing," an accessory dwelling unit, like an apartment over a garage, or a large single-family home that has been divided into small "micro-unit" rentals. These apartments are mostly market-rate rent, not subsidized, but the concept of what is 'a'ffordable is based off of the household's income and changes for each individual's financial situation.</p>	
<div> <b>HOUSING AUTHORITIES</b></div> <p>PHAs are located nationwide and are often responsible for administering vouchers and public housing. Funding is limited, resulting in long wait times, but PHAs are able to provide rental assistance to those with little or no income.</p>	<div> <b>PRIVATE DEVELOPERS</b></div> <p>Private developers are mainly responsible for the development of LIHTC or subsidized housing projects. While subsidized units are often accessible to households with very little income, LIHTC projects are geared towards those with moderate incomes.</p>	<div> <b>WORKFORCE HOUSING</b></div> <p>Workforce housing is provided by employers as a more affordable housing option (and a recruitment and retention strategy) for employees. However, the term has recently, and controversially, been used to define affordable housing for "working class" professions, like fire fighters and teachers.</p>	<div> <b>PRIVATE LANDLORD</b></div> <p>"Private Landlord" is being used to define individuals who own small multi-family units or additional income apartments, such as a stacked-flat or an apartment over a garage. These rents are market rate but may also be available to households with Housing Choice Vouchers.</p>
<div> <b>AFFORDABLE RENTAL HOUSING</b></div> <p>Affordable rental housing comes in a variety of types in order to be accessible to a diverse population with unique financial situations.</p>			

Figure 3-3. 'A'ffordable vs 'a'ffordable Rental Housing

Source: usa.gov