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### Affordable Housing Primer

**Definition of affordability:** A home is considered affordable if the household pays no more than 30% of its income in housing expenses. The higher the household income, the more the household can afford to pay.

#### Chicago Area Median Income (AMI)\*

<u>Household size</u>	<u>60% AMI</u>	<u>80% AMI</u>
1	\$47,100	\$62,800
2	\$53,820	\$71,800
4	\$67,260	\$89,700

\*Source: HUD, April 1, 2024

**Chicago faces a huge gap between the supply of affordable rental housing and the need for affordable rental housing, based on the mix of income levels in the city.** Chicago has about 120K fewer units of affordable rental housing than it needs. (Source: Institute for Housing Studies at DePaul University)

#### Lower income families have several ways of securing rental housing that is affordable to them:

- **Income-restricted rental housing.** Housing available only to lower income families, with rents typically set to be affordable to families earning no more than 60% of the Area Median Income (AMI)
- **Naturally-occurring affordable housing.** The concern is that as a community gentrifies, rents increase and become less affordable to lower income families.
- **Housing Choice Vouchers (formerly called section 8 vouchers).** Voucher holders pay 30% of their household income for rent, with the balance paid by the Chicago Housing Authority (CHA). The CHA serves about 47,000 voucher holders. Vouchers are only available to families that earn less than 80% of the AMI. The waiting list to obtain a voucher is years-long.

<u>Community area</u>	<u>CHA voucher holders</u>
Kenwood	1,498
Hyde Park	731
Woodlawn	1,690
South Shore	3,301

Source: Woodstock Institute, 2024

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**CECD Mission Statement: To promote economic, racial, and age diverse communities through preserving and expanding housing that is affordable to low and moderate income households on the south side of Chicago.**