

INCOME-QUALIFIED HOUSING

IN MCLEAN COUNTY

ISSUE 1: AREA MEDIAN INCOME (AMI)

UPDATED APRIL 2020

Area Median Income

Income-Qualified Housing refers to housing affordability for households making less than 80% of the area median income. The Area Median Income (AMI) is the household income for the median, or middle, household in a region. Each year, the U.S. Department of Housing and Urban Development (HUD) calculates the median income for each metropolitan area in the country. For the Bloomington-Normal area, the metropolitan region is defined as McLean County. In FY 2020 the AMI for this region is \$98,400. Based on AMI, HUD defines and calculates three levels of affordability by household size. For McLean County in FY 2020, HUD has set the following levels of affordability:¹

Household Size	Extremely Low Income (30% AMI)	Very Low Income (50% AMI)	Low Income (80% AMI)
One person	\$20,050	\$33,400	\$53,400
Two person	\$22,900	\$38,150	\$61,000
Three person	\$25,750	\$42,900	\$68,650
Four person	\$28,600	\$47,650	\$76,250
Five person	\$30,900	\$51,500	\$82,350
Six person	\$35,160	\$55,300	\$88,450
Seven person	\$39,640	\$59,100	\$94,550
Eight person	\$44,120	\$62,900	\$100,650

Having an income below these levels makes a household eligible for certain programs. For example, a household with an income less than 50% of AMI is eligible for a Housing Choice Voucher. Households with an income less than 80% AMI are eligible to live in certain income-restricted housing throughout the community.

Real World Comparison

Comparing these income levels to earnings in certain occupations helps to understand what these definitions mean in our community. For a four person household with one wage earner, positions such as a preschool teacher or customer service representative would provide an income at 30% AMI; positions such as a licensed practical nurse or highway maintenance worker would provide an income at 50% AMI; and positions such as an administrative services manager or web developer would provide an income at 80% AMI.²

 30% AMI Preschool Teacher or Customer Service Representative	 50% AMI Licensed Practical Nurse or Highway Maintenance Worker	 80% AMI Administrative Services Manager or Web Developer
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Data from the U.S. Census Bureau's American Community Survey (ACS) shed additional light on what these levels mean in our community. In McLean County, there are 66,159 total households. Nearly 26,000 total households make less than \$50,000; around 13,000 households make less than \$25,000; and just over 5,000 households make less than \$10,000 a year.

Affordability in McLean County

These income levels are also used to assess housing affordability in the community. A housing unit is generally considered “affordable” if a household can live there without spending 30% or more of their gross income on housing costs. **Affordable gross rents include contract rent plus utilities** and vary based on household size and number of bedrooms. The following are affordable gross rents in McLean County for different income levels in 2020:³

Bedrooms	Extremely Low Income (30% AMI)	Very Low Income (50% AMI)	Low Income (80% AMI)
Efficiency	\$501	\$835	\$1,335
One bedroom	\$536	\$894	\$1,430
Two bedroom	\$643	\$1,072	\$1,716
Three bedroom	\$743	\$1,239	\$1,982
Four Bedroom	\$829	\$1,382	\$2,211
Five bedroom	\$915	\$1,525	\$2,440



Nearly 26,000 households
make less than \$50,000

MEDIAN GROSS RENT

\$830

in McLean County

\$825

in Bloomington

\$854

in Normal

Again, data from the ACS sheds light on what this means for our community. The median gross rent in McLean County is \$830; Bloomington is \$825 and Normal is \$854.⁴ While these rents seem generally affordable, households with an income less than 30% AMI don't have many options available to them.

Accurate data on housing quality is not available at this level.

The chart below highlights the most applicable aspects of affordable housing in McLean County addressed in this paper. For more information on all aspects of affordable housing in McLean County, please read “What is Affordable Housing in McLean County?”.

	PROVIDER			AGE	
	Public Sector	Non-Profit	Private Sector	New	Existing
Income					
Income Qualified					
Market Rate					
Typology					
Single Family					
Multi-Family					
Specialized Housing					
Funding					
Federal/State					
Local					
Private					

1. HUD FY 2020 Income Limits Documentation System

2. Based on FY 2020 HUD income limits for McLean County and May 2018 BLS Area Occupational Employment and Wage Estimates for Bloomington MSA

3. Illinois Housing Development Authority (IHDA) 2020 Rent Limits

4. Based on Census Bureau ACS 2014–2018 5 year estimates; Table B25064; a household is defined as one or more people who occupy a housing unit.