

In order to ensure affordability of the units, staff are currently in discussion with the development team of Vickers Village to determine the feasible and sustainable path forward for these 9 units in particular. The following model is an example of the various pieces that will be discussed and put together to make these units a reality. In **Table A**, the project assumptions that have been created are summarized. In **Table B**, the 2021 Area Median Income level limits are presented (these change annually), in **Table C**, the affordable housing costs for each income level will be depicted. The visual aid will demonstrate how each part will come together to ensure affordability of the 9 units. **Table D and Table E** focus on affordable housing costs and home prices by income level. The last table, **Table F** focuses on the contribution breakdown needed to bring a unit within affordable range for the household in the example. Variables are subject to market conditions and additional changes.

Table A: Project Assumptions			
Vickers Village	181 units	AMI Target (min)	65% AMI
Affordable Units	9 units	AMI Target (max)	100% AMI
(Fictional - for model purposes only) Home Price	**\$300,000	Example AMI used	80% AMI

Table B: 2021 HUD AMI Income Levels				
	1	2	3	4
65% AMI	\$ 39,325.00	\$ 44,980.00	\$ 50,570.00	\$ 56,160.00
70% AMI	\$ 42,350.00	\$ 48,440.00	\$ 54,460.00	\$ 60,480.00
75% AMI	\$ 45,375.00	\$ 51,900.00	\$ 58,350.00	\$ 64,800.00
80% AMI	\$ 30,250.00	\$ 55,360.00	\$ 62,240.00	\$ 69,120.00
100% AMI	\$ 51,425.00	\$ 58,820.00	\$ 66,130.00	\$ 73,440.00

Table C: Affordable Housing Costs based on 2021 HUD income levels				
Affordable Housing Costs (Rent/Mortg/Utilities) based on FY21 Income limits Red = calculated				
	Studio/1-Bdr	2-bdr	3-bdr	4-bdr
65% AMI	\$ 983	\$ 1,125	\$ 1,264	\$ 1,404
70% AMI	\$ 1,059	\$ 1,211	\$ 1,362	\$ 1,512
75% AMI	\$ 1,134	\$ 1,298	\$ 1,459	\$ 1,620
80% AMI	\$ 1,210	\$ 1,384	\$ 1,556	\$ 1,728
85% AMI	\$ 1,286	\$ 1,471	\$ 1,653	\$ 1,836
100% AMI	\$ 1,513	\$ 1,730	\$ 1,945	\$ 2,160
110% AMI	\$ 1,664	\$ 1,903	\$ 2,140	\$ 2,376
120% AMI	\$ 1,815	\$ 2,076	\$ 2,334	\$ 2,592

** This value is not representative of current market trends and will value based on the actual unit size as well.

For the purpose of this model, the number \$300,000 for a 3-bedroom unit is being used as an example home price. For a 3 or even 4 person household earning between 65% AMI and 85% AMI, this home price may not be feasible. This creates a gap between the market price and the affordable home price.

	3-bdr
65%	\$ 1,264
70%	\$ 1,362
75%	\$ 1,459
80%	\$ 1,556
85%	\$ 1,653
100%	\$ 1,945

	3-bdr
65%	\$205,100.01
70%	\$220,876.93
75%	\$236,653.86
80%	\$252,430.78
85%	\$268,207.70
100%	\$315,538.47

Example scenario
 For a household of 3 earning 80% AMI, the estimated affordable home price is \$252,430. If the market value of the home they're looking at is \$300,000, there is a \$47,570 that would need to be filled before they could sustainably afford the unit. **The gap of \$47,570 is considered the subsidy need.**

Example:	\$300,000	—	\$252,430	=	\$47,570
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	Amount	Source
Contribution A	\$ 40,000.00	Private funds payment in support of
Contribution B	\$ 7,500.00	Buyers commission fee credit
So far that contri	\$ 47,500.00	
The remaining gap is	\$ 70.00	
Last Contribution	\$ 70.00	
Total Cost	\$ 47,570.00	All sources

When this gap is filled, it brings the value of the unit within the affordable home price range for the household earning 80% AMI.

This gap changes, depending on the level of income that is being served. A household **earning less** than 80% AMI, would have a **larger subsidy need**. A household **earning more**, would have a **smaller subsidy need**. The contribution amounts and sources are currently being discussed. The County hopes to be able to serve a range of units, which means that the total investment from both private and public entities will be determined by the varying subsidy level needs for those households.

