

3. Important Terms and References

Tenure – The method by which a household possesses their home: renting, fully owned with no home loan, or owned with a mortgage or other home loan.

Cost-burdened Households – HUD established the term *cost-burdened* to describe households that need more affordable housing. HUD defines cost-burdened households as “families who pay more than 30 percent of their income for housing... and may have difficulty affording necessities such as food, clothing, transportation, and medical care.” Severely cost-burdened households pay 50 percent or more of their income for housing and are likely to be making tough choices between housing and other necessities.

Percent of Area Median Income (AMI) – HUD sets income limits by household size that determine eligibility for assisted-housing programs. HUD develops these income limits based on median family income estimates and fair market rent area definitions for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county. These income limits are useful tools for housing needs assessments because they are a common standard for categorizing households based on income considering household size. HUD publishes only median family incomes for families of four and income limits at 30, 50, and 80 percent of the median for households of up to eight people; however, the department offers documented formulas for calculating limits at other income levels as percentages of the median and for larger household sizes. VCHR follows this methodology for calculating limits at other, unpublished levels such as 100 and 120 percent of AMI.

Table 1: 2020 Montgomery County & City of Radford HUD Income Limits

Blacksburg-Christiansburg-Radford, VA HUD Metro FMR Area Median Family Income: \$87,800				
Income Level	1-person	2-person	3-person	4-person
<30% AMI (extremely low income)	\$17,400	\$19,850	\$22,350	\$26,200
30-50% of AMI (very low income)	\$28,950	\$33,100	\$37,250	\$41,350
50-80% of AMI (low income)	\$46,350	\$52,950	\$59,550	\$66,150
80-100% of AMI* (moderate income)	\$57,900	\$66,200	\$74,450	\$82,700
100-120% of AMI* (moderately high income)	\$73,750	\$84,300	\$94,850	\$105,350
*VCHR tabulation extending HUD formulas				

Table 2: 2020 Floyd HUD Income Limits

Floyd County, VA HUD Metro FMR Area Median Family Income: \$61,600				
Income Level	1-person	2-person	3-person	4-person
<30% AMI (extremely low income)	\$12,950	\$17,240	\$21,720	\$26,200
30-50% of AMI (very low income)	\$21,600	\$24,650	\$27,750	\$30,800

50-80% of AMI (low income)	\$34,550	\$39,450	\$44,400	\$49,300
80-100% of AMI* (moderate income)	\$43,150	\$49,300	\$55,450	\$61,600
100-120% of AMI* (moderately high income)	\$51,750	\$59,150	\$66,550	\$73,900
* VCHR tabulation extending HUD formulas				

Table 3: 2020 Giles HUD Income Limits

Giles County, VA HUD Metro FMR Area Median Family Income: \$61,000				
Income Level	1-person	2-person	3-person	4-person
<30% AMI (extremely low income)	\$12,850	\$17,240	\$21,720	\$26,200
30-50% of AMI (very low income)	\$21,350	\$24,400	\$27,450	\$30,500
50-80% of AMI (low income)	\$34,200	\$39,050	\$43,950	\$48,800
80-100% of AMI* (moderate income)	\$42,700	\$48,800	\$54,900	\$61,000
100-120% of AMI* (moderately high income)	\$51,250	\$58,600	\$65,900	\$73,200
* VCHR tabulation extending HUD formulas				

Table 4: 2020 Pulaski HUD Income Limits

Pulaski County, VA HUD Metro FMR Area Median Family Income: \$60,500				
Income Level	1-person	2-person	3-person	4-person
<30% AMI (extremely low income)	12,760	17,240	21,720	26,200
30-50% of AMI (very low income)	21,200	24,200	27,250	30,250
50-80% of AMI (low income)	33,900	38,750	43,600	48,400
80-100% of AMI (moderate income)	\$42,350	\$48,400	\$54,450	\$60,500
100-120% of AMI (moderately high income)	\$51,250	\$58,600	\$65,900	\$73,200

* VCHR tabulation extending HUD formulas

Housing Affordability – *Housing affordability* is a broad term used to discuss the degree to which housing units in a market or submarket meet the income-based needs of households in that market. Researchers and practitioners generally consider housing affordability for income groups that may face challenges related to affording housing, including the following:

- extremely low-income households that do not make enough money to obtain decent housing
- young professionals who wish to become homeowners but cannot find a starter home with associated costs within their budget

- established owners who cannot find an appropriate home to “upgrade” to as their families grow and they enter their professional prime
- aging adults who cannot afford home modifications and maintenance or to move to a more appropriate home

Housing affordability is not typically a concern for higher-income households that can obtain their desired housing without sacrificing other household needs such as safety, transportation, medical care, food, education, and childcare. However, a shortage of housing for households at any income level may affect businesses expanding in the market or economic development efforts for attracting new businesses.

Householder – This report refers to *householder* when the available data pertains to the householder as defined by the US Census. The Census subject definitions states that “the householder refers to the person (or one of the people) in whose name the housing unit is owned or rented (maintained) or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees. If the house is owned or rented jointly by a married couple, the householder may be either the husband or the wife. The person designated as the householder is the ‘reference person’ to whom the relationship of all other household members, if any, is recordedⁱ.”

Community development is the collective investment in elements that make a place desirable to live and work, such as infrastructure, multi-modal transportation connectivity, business vibrancy, and recreation.