

**FY2009  
HUD INCOME LIMITS  
BRIEFING MATERIAL**

U.S. Department of Housing and Urban Development  
Office of Policy Development & Research

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# **FY2009 INCOME LIMITS BRIEFING MATERIAL**

- I. [Overview of HUD Public Housing/Section 8 Income Limits](#)
  
- II. [Methodological Changes to the FY2009 Median Family Incomes](#)
  - A. [Overview](#)
  - B. [Use of ACS Income Data](#)
  - C. [Use of BLS Wage Data](#)
  - D. [Margin of Error Ratio Estimates](#)
  - E. [Trending to Current Period](#)
  
- III. [Calculation of Income Limits](#)
  - A. [Background](#)
  - B. [Income Limit Calculations](#)
  - C. [Very Low-Income Limits](#)
  - D. [Low-Income Limits](#)
  - E. [30 Percent of Area Median Family Income Limits](#)
  - F. [Family Size Adjustments](#)
  
- IV. [Housing and Economic Recovery Act of 2008](#)
  
- V. [Income Limit Applications](#)
  - A. [Department of Housing and Urban Development](#)
  - B. [Rural Housing and Community Development Service](#)
  - C. [Treasury Programs](#)
  - D. [Federal Deposit Insurance Corporation](#)
  - E. [Federal Housing Finance Agency](#)
  - F. [Government Sponsored Enterprises \(GSE's\)](#)
  - G. [Other Federal Banking Regulatory Provisions](#)
  - H. [Uniform Relocation Act](#)
  - I. [Department. of Veterans Affairs](#)

**ATTACHMENTS**

**Attachment 1: U.S. Housing Act of 1937 Provisions Related to Income Limits**

**Attachment 2: HUD Methodology for Estimating FY2009 Median Family Incomes**

**Attachment 3: Metropolitan FMR Areas with Adjusted FY 2009 Very Low Income Limits**

**Attachment 4: Metropolitan FMR Areas with Adjusted FY 2009 Low Income Limits**

**Attachment 5: FY 2008 - 2009 Distribution of changes in Very Low-Income (50%) 4 Person Income Limit (100 Percent = FY 2008 Income Level)**

**Attachment 5a: FY 2008 - 2009 Distribution of changes in Very Low-Income (50%) 4 Person Income Limit (100 Percent = FY 2008 Income Level) Metropolitan Areas**

**Attachment 5b: FY 2008 - 2009 Distribution of changes in Very Low-Income (50%) 4 Person Income Limit (100 Percent = FY 2008 Income Level) Non-metropolitan Areas**

**Attachment 6: FY 2009 Median Family Incomes For States, Metropolitan And Nonmetropolitan Portions Of States**

## **I. Overview of HUD Public Housing/ Section 8 Income Limits**

The Department of Housing and Urban Development (HUD) is required by law to set income limits that determine the eligibility of applicants for HUD's assisted housing programs. The major active assisted housing programs are the Public Housing program, the Section 8 Housing Choice Voucher program, Section 202 housing for the elderly, and Section 811 housing for persons with disabilities.

HUD uses the Section 8 program's Fair Market Rent (FMR) area definitions in developing median family income estimates (MFIs), which means that income estimates are developed for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county. HUD income limits are calculated for every FMR area with adjustments for family size and for areas that have unusually high or low income-to-housing-cost relationships.

The statutory basis for HUD's income limit policies is Section 3 of the U.S. Housing Act of 1937, as amended.<sup>1</sup> Attachment 1 provides the key excerpts relevant to income limits, which may be summarized as follows:

- Low-income families are defined as families whose incomes do not exceed 80 percent of the median family income for the area.
- Very low-income families are defined as families whose incomes do not exceed 50 percent of the median family income for the area.
- The amendments in the Quality Housing and Work Responsibility Act of 1998 (the 1998 Act) establish a 30 percent of median family income program targeting standard.
- Income limits for non-metropolitan areas may not be less than limits based on the State non-metropolitan median family income level.
- Income limits are adjusted for family size.
- Income limits are adjusted for areas with unusually high or low family income or housing-cost-to-income relationships.

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<sup>1</sup> 42 U.S.C. 1437b

- The Secretary of Agriculture is to be consulted prior to establishing income limits for rural areas, since these limits also apply to certain Rural Housing and Community Development Service programs.

## II. Methodological Changes to the FY2009 Median Family Incomes

### A. Overview

HUD develops MFI estimates using income data from the annual American Community Survey (ACS). Starting with the completion of the 2007 ACS, the Census Bureau made three-year aggregations of income data available. These three-year data are being used for the first time in the calculation of the FY2009 MFIs. Three-year data provide incomes for all areas with a population of 20,000 or more, representing ninety-five percent of the country's population. For the FY2009 MFIs, there are four changes in the methodology from last year:

1. The use of three-year ACS estimates as the basis for update factors, replacing one-year ACS estimates,
2. The elimination of the use of BLS in the calculation of the MFIs in areas without local ACS data. BLS data is unreliable for these very small areas.
3. An increase in the standard used to determine the validity of local ACS income estimates. Previously, the margin of error ratio could be up to 20 percent of the estimate; now the margin of error ratio has to be 10 percent or less of the estimate, and,
4. The reduction in the trend factor to 3.0 percent per year from 3.5 percent per year. This factor is used to project MFI estimates from the end of the data collection period (December 2007) to the program target date (April 2009). The new 3.0 percent figure reflects annual average change in the ACS national median family income estimate between 2000 and 2007.

All of these changes were made to enhance the accuracy and stability of MFI estimates over time by reducing the influence of sampling error while using the most accurate and current data available.

### B. Use of ACS Income Data

The ACS is designed to produce estimates similar to the long-form sample survey previously conducted with the Decennial Census. Each year since full implementation of the survey in 2005, the Census Bureau collected an ACS sample sufficient to provide estimates of most survey items for areas with populations of 65,000 or more. After the 2007 ACS, the Census Bureau released data aggregated from the ACS samples collected over the three years, 2005, 2006, and 2007. This allowed the Census Bureau to release estimates for most items for areas with populations of 20,000 or more. After the 2009 ACS sample, the Census Bureau will have sufficient data to release aggregated five-year estimates that will be comparable in reliability to the 2000 Census long-form sample survey.

The 2005 ACS provided income data only for areas with a population of 65,000 or more. These one-year income estimates were used in the FY2007 MFI calculation. The FY2008 MFIs used one-year data from the 2006 ACS. For the FY2009 MFIs, 2007 ACS three-year estimates



are available covering areas with a population of 20,000 persons or more. Three-year estimates use Consumer Price Index (CPI) inflation adjustments to bring the data collected in 2005 and 2006 forward into 2007 dollars. Three-year ACS estimates, covering areas with 20,000 or more people, were made available to HUD in the form of special tabulations for HUD-defined areas in January, 2009. HUD is using three-year ACS survey estimates to update all FY2009 Median Family Income estimates for areas of 20,000 or more in population including all areas that also have populations of 65,000 or more for which the Census Bureau releases one-year estimates.

HUD is using three-year ACS estimates for several reasons. HUD has become increasingly concerned about the year-to-year fluctuation in local income estimates in one-year ACS data. These fluctuations are primarily, but not exclusively observed in areas where the margin of error estimates for the ACS data are large. In these areas fluctuations in measured median income are far more likely to be caused by sampling errors. The three-year ACS data have much smaller margins of error because the number of observations in three-year estimates is three times the number of observations in one-year estimates. Perhaps more importantly, because only one third of the data are replaced every year in three-year estimates, use of three-year estimates will have the effect of smoothing out fluctuations in MFIs. This smoothing effect will be particularly important over the next several years as MFIs begin to reflect the effects of the current recession. For instance, FY2009 MFIs incorporate the latest ACS data which was collected in 2007. Median incomes as measured in the ACS show a relatively large increase from 2006 to 2007, a period in which both economic growth and inflation were relatively strong compared with the current period. The full increase from 2006 to 2007 does not reflect expected changes in median incomes between 2008 and 2009 when there have been significant job losses. Using the three-year estimates reduces the impact of the increases observed by the ACS between 2006 and 2007 because only one third of the observations in the three-year estimates come from 2007. When current measured incomes begin to reflect the current economic downturn, changes in MFI will continue to reflect data from prior years and therefore will not fall as precipitously.

### **C. Use of BLS Wage Data**

For areas without local ACS surveys, HUD has been using Bureau of Labor Statistics (BLS) series “covered employment and wage” data as a proxy for local income variations in its estimates. For a variety of reasons, changes in wages do not necessarily mirror changes in income, but these data have been used for lack of a better alternative. BLS data for small areas have the same defects as do all survey data for small areas; limited numbers of observations compromise their reliability. In very small areas, BLS wage data show large and unexplained fluctuations in wages. HUD has been concerned about the effect of using BLS wage data in estimating income changes for some time and reduced the influence of BLS wage data, beginning in 2003, for its FY2005 median family income estimates.

ACS surveys now cover areas down to 20,000 in population. Continuing the use of BLS data would mean applying it only in the smallest areas where BLS anomalies are largest. Therefore, HUD is discontinuing its use of BLS wage data. Previously, BLS wage data were used in conjunction with ACS state-level median family income data to update areas without ACS surveys. Now, these very small areas will be updated exclusively with state level median



family income data.

#### **D. Margin of Error Ratio Estimates**

HUD considers the margin of error ratio (MoER) when incorporating ACS income data into the calculation of MFIs. For the FY2007 and FY2008 MFI calculations, HUD used local survey results with MoER estimates up to 20 percent, although all local ACS estimates were incorporated with a formula that allowed their influence on HUD's MFI estimate to diminish as the ACS estimate's MoER increased. For FY2009, HUD increased its standard for survey accuracy by requiring the MoER to be 10 percent or less of estimates before they will be used. HUD is making this change because it has found that areas using local ACS estimates with large MoERs are showing disproportionate fluctuations in MFI from year to year most likely as a result of sampling error.

Analogous to its use of one-year estimates, HUD uses a formula for incorporating the 2007 three-year ACS local median income estimates into its FY2009 MFI estimates that explicitly considers the MoER in the local ACS results. The formula gives low weight to the potentially less accurate ACS estimates with large MoERs, thereby limiting the influence of the local ACS estimates in these areas on the HUD MFI estimates. Conversely, the formula gives high weights to ACS local median income estimates with small MoERs, allowing the ACS estimate to be the dominant component of the HUD estimates in these areas.

Constraining the MoER to 10 percent or less of the survey estimate has the effect of eliminating 199 out of 854 areas (9 percent of areas) where three-year survey results are newly available. Because of the large MoERs in these areas, none of these surveys would have had a large impact. However, this constraint increases the stability of MFI estimates

#### **E. Trending to Current Period**

MFI estimates are based on the most currently available data, but the delay in collecting and reporting the survey data mean that the 2007 ACS income data is used for FY2009 estimates that have an as-of date of April 1, 2009. A trend factor based on historic patterns of nominal income growth is used to inflate the estimate from the end of 2007 to April, 2009. Previously the trend factor used to move the estimate from the latest available data to the program target date was the annualized change in MFI between the 1990 and 2000 Censuses. This factor was 3.5 percent per year. However, to reflect more current economic activity, this trend factor has been updated to reflect the annualized change in MFI's between the Census 2000 Supplemental Survey (\$49,628)<sup>2</sup> and the one-year 2007 ACS MFI estimate (\$61,173), and is now 3.0 percent per year.

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<sup>2</sup> The Census 2000 Supplemental Survey was a developmental and testing version of the ACS conducted in 2000 to aid comparison of ACS techniques with 2000 Census results.





### III. Calculation of Income Limits

#### A. Background

Income limits start with the development of estimates of median family<sup>3</sup> income for the 532 metropolitan areas and 2,043 non-metropolitan FMR/income limit areas (including U.S. territories). Attachment 2 provides a detailed explanation of how median family income estimates are calculated. The major steps are as follows:

Decennial 2000 Census income distributions are aggregated to the areas used for FMRs and income limits, and mid-1999 estimates of median family income are estimated based on these data.<sup>4</sup> (The Census asks for total income for 1999; the closest “as of” date for this reporting is mid-1999)

For places of less than 20,000 and ACS survey areas with MoERs of 10 percent or more:

State level 2000 Census MFI estimates and 2007 ACS state-level MFI estimates were used to generate an update factor from mid-1999 to end-2007.

For places of 20,000 or more with ACS survey MoERs of 10 percent or less:

- The change from local area 2000 Census MFI to local area 2007 ACS MFI was calculated and used in conjunction with state-level MFI estimates to generate an update factor from mid-1999 to end-2007.

All places:

Delays in the availability of ACS data mean that estimates need to be trended to produce a current estimate. All estimates are trended from December, 2007 to April, 2009 (1 ¼ year) with a trending factor of 3 percent per year, which is based on the annualized change in MFI’s between the Decennial Census and the one-year 2007 ACS MFI estimate.

For the outlying territories,<sup>5</sup> which currently lack ACS coverage, national ACS income changes are used as surrogates.

#### B. Income Limit Calculations

HUD’s Public Housing/Section 8 very low-income and low-income limits are calculated in accordance with Section 3(b)(2) of the U.S. Housing Act of 1937, as amended. The very low-

<sup>3</sup> Family refers to the Census definition of a family, which is a householder with one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The definition of family excludes one-person households and multi-person households of unrelated individuals.

<sup>4</sup> Underlying 2000 Census MFI distributions have not changed from FY2007 and can be found at [www.huduser.org](http://www.huduser.org).

<sup>5</sup> The areas without ACS coverage are the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands. Puerto Rico is covered by the ACS-equivalent Puerto Rico Community Survey.



income limits (usually based on 50 percent of MFI) are considered to have the strongest statutory basis. They are the best-defined income limits and have been the subject of specific, limited legislative adjustments subsequent to reviews of the HUD calculation methodology. In addition, a number of other income limit calculations are tied by legislation to their calculation.

There are currently several legislated income limit standards (e.g., 30%, 50%, 60%, 65%, 80%, 95%, 100%, 115%, 125%) that were intended to have progressive relationships. To ensure that this occurs, the very low-income limits have been used as the basis for deriving other income limits unless that relevant statutory language has no references or relationship to low- and very low-income limits as defined by the U.S. Housing Act of 1937. If this were not done, for instance, HUD low-income limits would be less than very low-income limits in areas where very low-income limits had been adjusted upward by more than 60 percent because of unusually low area median family incomes.

### **C. Very Low-Income Limits**

Very low-income limits are calculated using a set of formula relationships. The first step is to calculate a four-person income limit equal to 50 percent of the estimated area median family income. Adjustments are then made if this estimate is outside formula constraints.

More specifically, the very low-income limit for a four-person family is calculated as follows:

- (1) 50 percent of the area median family income is calculated and set as the preliminary four-person family income limit;
- (2) the four-person very low-income limit is increased if it would otherwise be less than the amount at which 35 percent of it equals 85 percent of the annualized two-bedroom Section 8 FMR (this adjusts income limits upward for areas where rental housing costs are unusually high in relation to the median income);
- (3) the four-person very low-income limit is reduced to the greater of 80 percent of the U.S. median family income level, or the amount at which 30 percent of a four-person's family income equals 100 percent of the two-bedroom FMR (this adjusts income limits downward for areas of unusually high median family incomes);
- (4) income limits are held at FY2008 levels for areas where lower income limits would result because of the implementation of ACS data; and,
- (5) income limits are never set at less than if they were based on the relevant State non-metropolitan median family income level.

Table 1 summarizes the rules governing very low-income limit determinations:

**Table 1**  
**Summary of Income Limits Determinations for**  
**FY2009 Very Low-income Limits**

	Type Income Limit Calculation	Non-metro Counties	Metropolitan Areas
1.	Limits based on 50% of local median family income	688	386
2.	Limits based on State non-metropolitan median family income level	1198	68
3.	Limits increased to the amount at which 35% of 4-person family's income equals 85% of the 2-bedroom Section 8 FMR	14	19
4.	Limits decreased to the greater of 80% of the U.S. median family income or the amount at which 30% of a 4-person family's income equals 100% of the 2-bedroom FMR	1	1
5.	Limits maintained at last year's level if they would otherwise be decreased by reductions in area median family income estimates, FMR Area changes, or reductions in FMRs	142	58
	<b>TOTALS</b>	<b>2043</b>	<b>532</b>

A Housing and Community Development Act of 1987 amendment directed that non-metropolitan area income limits should never be set at less than if they were based on the State non-metropolitan median family income level. In implementing this provision, HUD used its discretion to apply this policy to metropolitan areas to avoid inequities that would otherwise result. Doing so avoids the anomaly of assigning higher income limits to a non-metropolitan county than are assigned to an adjacent metropolitan area where the median family income is less than the State non-metro level but above the non-metro county level.

#### **D. Low-Income Limits**

Most four-person low-income limits are the higher of: 80 percent of the area median family income, or 80 percent of the State non-metropolitan median family income level. Because the very low-income limits are not always based on 50 percent of median, strictly calculating low-income limits as 80 percent of median could produce anomalies inconsistent with statutory intent (e.g., very low-income limits could be higher than low-income limits). The calculation normally used, therefore, is to set the four-person low-income limit at 1.6 (i.e., 80%/50%) times the relevant four-person very low-income limit. The only exception is that the resulting income limit may not exceed the U.S. median family income level (\$64,000 for FY2009) except when justified by high housing costs. Use of very low-income limits as a starting point for calculating other income limits tied to Section (3)(b)(2) of the U.S. Housing Act of 1937 has the effect of adjusting low-income limits in areas where the very low-income limits have been adjusted because of unusually high or low housing-cost-to-income relationships.

Table 2 summarizes the rules governing low-income limit determinations and how many areas are affected by each provision:

**Table 2**  
**Summary of Income Limits Determinations**  
**for FY2009 Low-income Limits**

	Type Income Limit Calculation	Non-metro Counties	Metropolitan Areas
1.	Limits based on 80% of local median family income	678	346
2.	Limits based on State nonmetropolitan median family income level	1197	66
3.	Limits increased for high housing costs proportional to such increases for very low-income limits (i.e., set at 80/50ths of the adjusted very low-income limits)	15	23
4.	Limits decreased because of unusually high incomes in relationship to housing costs	0	0
5.	Four-person base low-income limit capped at the higher of the U.S. median of \$64,000 or 80/50ths of the minimum 4-person very low-income limit	13	35
6.	Limits maintained at last year's level if they would otherwise be decreased by reductions in median family income estimates, FMR area changes, or reductions in FMRs	140	62
7	Totals	2043	532

HUD has adjusted low-income limits for areas of unusually high or low income since passage of the 1974 legislation that established the basic income limit system now used. Underlying the decision to set minimum and maximum low-income limits is the assumption that families in unusually poor areas should be defined as low-income if they are unable to afford standard quality housing even if their incomes exceed 80 percent of the local median family income. Similarly, families in unusually affluent areas are not considered low-income even if their income is less than 80 percent of the local median family income level unless justified by area housing costs.

#### **E. 30 Percent of Area Median Family Income Limits**

The Quality Housing and Work Responsibility Act of 1998 established a new income limit standard based on 30 percent of median family income, which was to be adjusted for family



size and for areas of unusually high or low family income. A statutory change was made in 1999 to clarify that these income limits should be tied to the Section 8 very low-income limits. The 30 percent income limits therefore are calculated as 30/50ths (60 percent) of the Section 8 very low-income limits. They are then compared to Supplemental Security Income (SSI) benefits. Since SSI benefits provide the minimum entitlement income for elderly and disabled households, the one-person 30 percent income limits are increased if they would otherwise be less than the minimum SSI level.

## F. Family Size Adjustments

The income limit statute requires adjustments for family size. The legislative history and conference committee report indicates that the Congress intended that income limits should be higher for larger families and lower for smaller families. The same family size adjustments are used for all income limits. They are as follows:

Number of Persons in Family and Percentage Adjustments							
1	2	3	4	5	6	7	8
70%	80%	90%	Base	108%	116%	124%	132%

Income limits for families with more than eight persons are not included in the printed lists because of space limitations. For each person in excess of eight, the four-person income limit should be multiplied by an additional 8 percent. (For example, the nine-person limit equals 140 percent [132 + 8] of the relevant four-person income limit.) Income limits are rounded to the nearest \$50. For simplicity, this is optional for income limits for nine-plus person families.

## IV. Housing and Economic Recovery Act of 2008

Historically, HUD has held Section 8 Income Limits harmless primarily so that Multifamily<sup>6</sup> Tax Subsidy Housing Projects would not be subject to reductions in income limits and maximum rents. Low Income Housing Tax Credit (LIHTC) and tax exempt bond-financed housing project income limits and rents are tied by statute to HUD's area median income estimates, and by regulation to HUD's Section 8 Income Limits.

Section 3009 of HERA provides for immediate holding harmless of "area median gross income" for tax credit and tax-exempt bond-financed housing projects with additional inflation provisions for LIHTC and bond-financed projects held harmless by HUD in 2008. Because the new law provides a statutory mechanism for achieving the effect of the income limit hold-harmless policy HUD no longer plans to hold income limits harmless.

HUD plans to issue a Federal Register Notice to this effect but has not yet done so.

<sup>6</sup>Multifamily Tax Subsidy Projects are those projects which are reliant upon Internal Revenue Code (IRC) section 42 Low Income Housing Tax Credit, or use tax-exempt private activity bonds under IRC section 142 as part of their financing. In the past we have referred to this group as LIHTC Projects.



Therefore, HUD will continue to hold Section 8 income limits at previous year's levels in areas where median family income estimates are lower in FY2009 than in FY2008 but will not continue to do so in future years.

## **V. Income Limit Applications**

HUD income limits apply to the following programs:

<b><u>Program</u></b>	<b><u>Income Limits Standard</u></b>
<b>A. Department of Housing and Urban Development:</b>	
Public Housing	Very low-income or low-income standards
All Section 8 Programs	Very low-income or low-income standards
Indian Housing (1996 Act)	"Low-Income" is defined as the greater of 80 percent of the median family income for the Indian area or of the U.S. national median family income
Section 202 Elderly and Section 811 Handicapped programs	Very low-income or low-income standards
Section 235 (Homeownership program)	"95 percent" of area median income, or higher cost-based income limits
Section 236 (Rental program)	Low-income standard
Section 221(d)(3) (BMIR)(Below Market Interest Rate) rental program	"95 percent" of area median income, defined as 95/80ths of low-income definition
Community Planning and Development programs	Very low-income or low-income standards for current programs under management
HOME Investment Partnerships Act of 1990	"60 percent of median" and "65 percent of median" are used as income targeting and qualification requirements; both limits are tied to Section 8 income limit determinations
National Homeownership Trust Act of 1990	95 percent" of median is referenced as the eligibility standard, with a "115 percent" of median standard for high cost areas



Low-Income Housing Preservation and Resident Homeownership Act of 1990

Affordability of units for current occupant of “moderate income” affects terms under which mortgage may be prepaid; “moderate income” is defined as 80-95 percent of median, with “80 percent” defined as the Section 8 low-income standard

**B. Rural Housing and Community Development Service:**

Rental and ownership assistance programs

Assistance based on HUD Section 8 very low-income or low-income standards, or income limits tied to these standards

**C. Treasury Programs:**

Multifamily Tax Subsidy Projects

Current standard is Section 8 very low-income standard or 120 percent of that definition (i.e., the “60%” of median standard). **Income Limits for this program will no longer be Section 8 Income Limits. A separate income limits publication will be produced for this program.**

Tax-exempt Mortgage Revenue Bonds for homeownership financing

Generally set at 115 percent of area median income, with “115 percent” defined as 230 percent of the Section 8 very low-income standard

“Difficult Development Area” Designation (Low-Income Housing Tax Credit)

Areas with the worst housing cost problems as measured by the FMR to 60 percent of median family income ratio; this designation is awarded to 20 percent of the metro and non-metro areas (using HUD area definitions) with the most severe problems and is recalculated annually; such areas receive special additional tax benefits under this program

“Qualified Census Tract” (Low-Income Housing Tax Credit Program Definition)

Areas, as defined by the Census and designated by HUD, where 50% of all households have incomes less than 60 percent of the area median family income, adjusted for household size, or the poverty rate is 25 percent or higher; such areas receive special additional tax benefits under this program; this calculation is based on 2000 Census data and income limit policies and area definitions in effect as of the date estimates are prepared

“Qualified Census Tract” (Mortgage Revenue Bond Program)

Areas, as defined by the Census, where 70 percent of all families have incomes less than 80 percent of the state median family income, based on 2000 Census data





**D. Federal Deposit Insurance Corporation:**

Disposition of Multifamily Housing to Non-profit and Public Agencies      Not less than 35 percent of all dwelling units must be made available for occupancy and be affordable for low-income families, and at least 20 percent must be made available for occupancy and be affordable for very low-income families. An “affordable rent” is defined as the rent that would be paid by a family paying 30 percent of income for rent whose income is “65 percent of median”. This 65 percent figure is defined in relation to the very low-income standard (i.e., normally as 65/50ths of the standard)

Disposition of Single Family Housing      For rentals, priority is given to non-profits and public agencies that make the dwellings affordable to low-income households. Households who intend to occupy a dwelling as their primary residence whose adjusted income does not exceed 115 percent of area median income, as determined by the Secretary of HUD, are given a purchase priority for the first 3 months a property is for sale.

**E. Federal Housing Finance Agency:**

Rental program funding Priorities      Very low-income, “60 percent of median” (defined as 120% of very low-income), and low-income standards used

Homeownership funding priorities      115 percent and 140 percent of median family income limits are used

**F. Government Sponsored Enterprises (GSE’s):**

Low- and Moderate-Income Housing Goals of Freddie Mac and Fannie Mae      Goals for percentages of loans are established for households with incomes below specified percentages of the HUD-published median family income for metropolitan and nonmetropolitan areas, as detailed in 24 CFR, Part 81. The area definitions used relate to OMB metropolitan area definitions and the median family income estimates for the nonmetropolitan portions of each state.

**G. Other Federal Banking Regulatory Provisions:**

Targeting of loan funds to low-income households and areas      Varies by agency



**H. Uniform Relocation Act:**

Reimbursement to households forced to relocate from their residence by Federal agency	Extent of replacement housing assistance dependent on qualifying as Low-Income, as defined by HUD; Act applies to all Federal agencies that initiate action that forces households to relocate from their residence
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**I. Department of Veterans Affairs:**

Eligibility for disability income support payments to veterans	Eligibility for non-service related income support payments is restricted to families with incomes below the HUD low-income standard
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## ATTACHMENT 1

### U.S. HOUSING ACT OF 1937 PROVISIONS RELATED TO INCOME LIMITS (As Amended through 1999)

#### Section 3:

(a)(1) Dwelling units assisted under this Act shall be rented only to families who are low-income families at the time of their initial occupancy of such units.....

(b) When used in this Act:

(1) The term "low-income housing" means decent, safe, and sanitary dwellings assisted under this Act....

(2) The term "low-income families" means those families whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceiling higher or lower than 80 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes. The term "very low-income families" means lower income families whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. Such ceilings shall be established in consultation with the Secretary of Agriculture for any rural area, as defined in section 520 of the Housing Act of 1949, taking into account the subsidy characteristics and types of programs to which such ceilings apply. In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this Act, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portions of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties. In determining areas that are designated as difficult development areas for the purposes of the low-income housing tax credit, the Secretary shall include Westchester and Rockland Counties, New York, in the New York City metropolitan area.

## Section 16:

### Sec. 16. (a) Income Eligibility for Public Housing

(2)(A) Targeting. - Except as provided in paragraph 4, of the public housing dwelling units of a public housing agency made available for occupancy in any fiscal year by eligible families, not less than 40 percent shall be occupied by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families.

(4)(D) Fungibility Floor. - Notwithstanding any authority under subparagraph (A), of the public housing dwelling units of a public housing agency made available for occupancy in any fiscal year by eligible families, not less than 30 percent shall be occupied by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

### Sec. 16. (b) Income eligibility for Tenant-Based Section 8 Assistance

(1) IN GENERAL. - Of the families initially provided tenant-based assistance under section 8 by a public housing agency in any fiscal year, not less than 75 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

### Sec. 16. (c) Income Eligibility for Project-Based Section 8 Assistance

(1) Pre-1981 Act Projects. - Not more than 25 percent of the dwelling units that were available for occupancy under section 8 housing assistance payments contracts under this Act before the effective date of the Housing and Community Development Amendments of 1981, and which will be leased on or after such effective date shall be available for leasing by lower income families other than very low-income families.

(2) Post-1981 Act Projects. - Not more than 15 per cent of the dwelling units which became available for occupancy under section 8 housing assistance payments contracts under this Act on or after the effective date of the Housing and Community Development Amendments of 1981 shall be available for leasing by lower income families other than very low-income families.



(3) Targeting.-For each project assisted under a contract for project-based assistance, of the dwelling units that become available for occupancy in any fiscal year that are assisted under the contract, not less than 40 percent shall be available for leasing only by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families.

(5) Exception.-The limitations established in paragraphs (1), (2), and (3) shall not apply to dwelling units made available under project-based contracts under section 8 for the purpose of preventing displacement, or ameliorating the effects of displacement.

Section 567 of the HCD Act of 1987 Amendment Affecting Section 3 of the 1937 Act:

"For purposes of calculating the median income for any area that is not within a metropolitan statistical area (as established by the Office of Management and Budget) for programs under title I of the Housing and Community Development Act of 1974, the United States Housing Act of 1937, the National Housing Act, or title V of the Housing Act of 1949, the Secretary of Housing and Urban Development or the Secretary of Agriculture (as appropriate) shall use whichever of the following is higher:

- (1) the median income of the county in which the area is located; or,
- (2) the median income of the entire non-metropolitan area of the State.



## ATTACHMENT 2

### HUD METHODOLOGY FOR ESTIMATING FY2009 MEDIAN FAMILY INCOMES (ECONOMIC AND MARKET ANALYSIS DIVISION, OFFICE OF ECONOMIC AFFAIRS, PD&R)

FY2009 HUD estimates of median family income are based on 2000 Census median family income (MFI) estimates updated using Census American Community Survey (ACS) state-level MFI estimates and/or ACS local area MFI estimates. Separate HUD MFI estimates are calculated for all Metropolitan Statistical Areas (MSAs), HUD Metro FMR Areas, and nonmetropolitan counties.

FY2009 HUD MFI estimates expand HUD's use of American Community Survey data. Like the two previous years, the manner in which the ACS data are used depends on the type of data available, which differs by place size. Local ACS MFI estimates are available for areas with populations of 20,000 or more, but the statistical reliability of these estimates differs. When local MFI estimates are available, HUD MFI estimates are based partly on local ACS estimates and partly on state-level ACS estimates. The higher the statistical reliability of local estimates, the more heavily HUD estimates rely on local ACS estimates. Local ACS MFI estimates are used in inverse proportion to the size of their margin of error ratios (MoERs)<sup>7</sup>. In practice, estimates for areas with small MoERs are almost entirely based on local ACS estimates but, where MoERs are large, state-level estimates more heavily influence results. All areas with less than 20,000 people and areas with MoERs of more than 10 percent are updated exclusively with update factors generated using 2000 Census to 2007 ACS three-year MFI changes. All estimates are then updated from December 2007 to April 2009 using a trend factor of 3.0 percent, which reflects the annual change in median income from the Census 2000 Supplemental Survey<sup>8</sup> to the 2007 one-year ACS national estimate.

While the ACS provides the best data on local medians since the 2000 Census, ACS estimates differ from those of the 2000 Census in significant ways. Neither annual nor three-year ACS estimates of MFI have the same reliability as Decennial Census estimates. This is primarily due to the fact that ACS survey samples are still significantly smaller than decennial census "long-form" samples, which results in larger estimated MoERs for the ACS surveys. Table 1 summarizes MoER characteristics for the Decennial Census, ACS 2007 one-year estimates, ACS 2007 three-year estimates, and ACS 2007 three-year estimates for one-year survey areas.

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<sup>7</sup> The MoER is computed as the ratio of margin of error for the median family income estimate to form the "90 percent confidence interval" for the estimate itself. There is a 90 percent probability that any random sample of the same size from the population will yield an estimate of the median family income in this range.

<sup>8</sup> The Census 2000 Supplemental Survey was a developmental and testing version of the ACS conducted in 2000 to aid comparison of ACS techniques with 2000 Census results.

Table 1 MoER Summary Statistics for One- and Three-year areas

	Decennial Census	One-year survey areas	Three-year survey areas	Three-year MoERs for one-year areas
Minimum	0.3	0.8	0.6	0.6
Maximum	9	25	26	12
Average	1.5	6.2	6.3	3.5
Percent of areas with less than 2.5% MoERs	91	13	13	33
Number of Areas	All metropolitan areas	546 one-year survey areas	1400 three-year survey areas	546 one-year survey areas

As can be seen in Table 1, three-year MoERs for all three-year areas have similar statistical characteristics as one-year MoERs for one-year areas. They range from less than one percent to approximately twenty-five percent and average about six percent. In both survey types, thirteen percent of the areas have MoERs that are less than two and a half percent. However, three-year MoERs for one year areas show a marked improvement over one-year MoERs; the largest three-year MoER for a one-year area is less than half the size of the largest one-year MoER and almost three times as many areas have MoERs less than 2.5 percent. Nevertheless, three-year estimates are still less reliable than 2000 Census results.

A principal objective of the MFI estimates program is to minimize the possibility of publishing income estimates with annual changes driven more by sampling error than changes in underlying economic conditions. HUD therefore uses a formula to incorporate 2007 ACS local median income estimates into its FY2009 MFI estimates that explicitly considers the MoER in the local ACS results. The formula gives low weight to ACS local median income estimates with large MoERs, thereby limiting the influence of these local ACS estimates on the HUD MFI estimates. Conversely, the formula gives high weights to ACS local median income estimates with small MoERs, allowing the ACS estimate to be the dominant component of the HUD estimate in these areas.

Put simply, the formula produces a multiplicative update factor for the 1999 MFI reported in the 2000 Census. The factor is a weighted average of (a) the change in local area MFI from 1999 (2000 Census) to 2007 (local 2007 ACS), and (b) the change in state MFI from 1999 (state 2000 Census estimates) to 2007 (state 2007 ACS estimates). The weight assigned to the change in state MFI (b) is ten times the local MoER, or one, whichever is smaller. The MoER is defined as the margin of error of the 2007 ACS local estimate divided by the 2007 ACS estimate of local MFI. The weight assigned to the change in local median family income from the ACS (a) is the larger of 1 minus 10 times the MoER or zero.

When multiplied by the 1999 MFI reported in the 2000 Census, the weighted average factor defined above produces a FY2007 MFI estimate equivalent to the ACS survey estimate. This estimate is then trended forward from December 2007 to April 2009 by multiplying it by the national average annual income growth factor.

The step-by-step procedures used to develop FY2009 estimates for areas of 20,000 plus are as follows:

1. The 2000 Census was used to estimate what are treated as mid-1999 local median family income estimates<sup>9</sup>.
2. The 2000 Census estimates are updated from mid-1999 to end-2007 using the following formula:

$$(1 - 10*\text{margin of error}) * (\text{ACS2007 local median}^{10}/\text{Census 2000 local median}) + \\ (10*\text{margin of error}) * (\text{ACS2007 state median}/ \text{Census 2000 state median})$$

3. Median family income estimates for April 1, 2009, are then estimated as follows:

$$\begin{aligned} &\text{Step 1 median family income} \\ &* \text{Step 2 adjusted local update factor} \\ &* 1.03 (3\% \text{ annual trending})^{1.25 \text{ years}}^{11} \\ &= \text{FY 2009 Median Family Income estimate} \end{aligned}$$

Lastly, FY2009 Income Limit estimates continue to reflect HUD's policy of setting income limits at the higher of normal income limit calculations or at the previous year's income limits.

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<sup>9</sup> Estimates of income need to be associated with a point in time. This poses the need to attribute an "as of" date to estimates when such dates are not explicitly defined. The 2000 Census income data, for instance, are based on questions regarding total income for 1999. For most households, income for a year is based on an income stream with at least some changes during the year. For purposes of estimation, HUD assumes that the 2000 Census income estimates have an "as of" date of mid-1999.

<sup>10</sup> ACS estimates are based on samples drawn throughout the survey year that ask about income for the previous 12 months, thereby reflecting income over a 24-month period. Three-year estimates reflect income data over a 48-month period. All responses are then adjusted by the Bureau of the Census to "annual" 2007 values using the average of the sum of the CPI indexes for the number of months before the survey date over the annual CPI index for the year. See "Income, Earnings, and Poverty from the 2007 American Community Survey", August 2008 (Update) at <http://www.census.gov/prod/2008pubs/acs-09.pdf>. HUD makes a further adjustment to these values by moving the "as of" date to December of the survey year, again using CPI indexes. Specifically, HUD adjusts the annual 2007 estimate to December using the seasonally adjusted December 2007 CPI (211.680) over the 2007 annual CPI (207.342).

<sup>11</sup> The caret symbol (^) means applying the exponent 1.25, commonly phrased "raised to the power".



## ATTACHMENT 3

METROPOLITAN FMR AREAS WITH ADJUSTED FY 2009 VERY LOW INCOME  
LIMITS

METROPOLITAN AREA	FY2009 MEDIAN INCOME	50% OF MEDIAN	4-PERSON VLI LIMIT	TYPE OF VLI ADJUSTMENT
Abilene, TX MSA	50500	25250	25450	Historical Exception
Aguadilla-Isabela-San Sebastián, PR	16100	8050	11850	High Housing Cost
Altoona, PA MSA	53000	26500	26900	State Median Based
Anderson, IN MSA	56700	28350	32050	Historical Exception
Anderson, SC MSA	53800	26900	27450	Historical Exception
Anson County, NC HMFA	44100	22050	24950	State Median Based
Aransas County, TX HMFA	43700	21850	22800	State Median Based
Arecibo, PR HMFA	18900	9450	13700	Historical Exception
Armstrong County, PA HMFA	51000	25500	26900	State Median Based
Auburn-Opelika, AL MSA	59900	29950	30850	Historical Exception
Bakersfield, CA MSA	52200	26100	27900	State Median Based
Barnstable Town, MA MSA	75400	37700	38800	State Median Based
Barranquitas-Aibonito-Quebradillas,	17100	8550	12300	High Housing Cost
Battle Creek, MI MSA	55700	27850	29100	Historical Exception
Berkshire County, MA (part) HMFA	67900	33950	38800	State Median Based
Billings, MT MSA	60900	30450	30950	Historical Exception
Boone County, WV HMFA	42500	21250	21550	State Median Based
Brown County, OH HMFA	53400	26700	26900	State Median Based
Brownsville-Harlingen, TX MSA	32900	16450	22800	State Median Based
Brunswick, GA MSA	55200	27600	27950	Historical Exception
Burlington, NC MSA	54700	27350	28050	Historical Exception
Caguas, PR HMFA	24200	12100	13750	High Housing Cost
Calloway County, MO HMFA	56800	28400	32250	Historical Exception
Cass County, MI HMFA	55300	27650	27750	State Median Based
Charleston, WV HMFA	53000	26500	26950	Historical Exception
Chicago-Naperville-Joliet, IL HMFA	74900	37450	37700	Historical Exception
Chico, CA MSA	55700	27850	27900	State Median Based
Cleveland, TN MSA	51200	25600	26200	Historical Exception
Cumberland, MD-WV MSA	51700	25850	34600	State Median Based
Dallas County, MO HMFA	42400	21200	22900	State Median Based
Dalton, GA HMFA	51900	25950	26450	Historical Exception
Danville, IL MSA	50300	25150	27150	State Median Based
Danville, VA MSA	49900	24950	26550	State Median Based
Darlington County, SC HMFA	47600	23800	24200	State Median Based
Durham, NC HMFA	65500	32750	35650	Historical Exception
Eastern Worcester County, MA HMFA	103800	51900	51200	Low Housing Cost/USM
El Centro, CA MSA	45100	22550	27900	State Median Based
El Paso, TX MSA	39700	19850	22800	State Median Based
Elkhart-Goshen, IN MSA	59200	29600	29650	Historical Exception
Fajardo, PR MSA	23000	11500	15150	Historical Exception
Fitchburg-Leominster, MA HMFA	69100	34550	38800	State Median Based
Flagstaff, AZ MSA	59800	29900	30450	High Housing Cost
Florence-Muscle Shoals, AL MSA	51400	25700	26150	Historical Exception
Fort Lauderdale, FL HMFA	65400	32700	38250	High Housing Cost
Franklin County, MA (part) HMFA	68000	34000	38800	State Median Based
Fresno, CA MSA	53100	26550	27900	State Median Based
Gadsden, AL MSA	46100	23050	23700	Historical Exception
Gibson County, IN HMFA	56200	28100	29100	Historical Exception
Goldsboro, NC MSA	49800	24900	24950	State Median Based
Greene County, IN HMFA	50000	25000	27750	State Median Based
Greene County, NC HMFA	44800	22400	24950	State Median Based
Guayama, PR MSA	19500	9750	12500	High Housing Cost
Hagerstown, MD HMFA	66600	33300	34600	State Median Based
Hanford-Corcoran, CA MSA	51700	25850	27900	State Median Based
Haywood County, NC HMFA	49700	24850	24950	State Median Based
Henry County, AL HMFA	46700	23350	23800	Historical Exception
Hickman County, TN HMFA	45500	22750	23250	Historical Exception
Hinesville-Fort Stewart, GA HMFA	45300	22650	23200	Historical Exception
Hoke County, NC HMFA	46300	23150	24950	State Median Based
Honolulu, HI MSA	79300	39650	47550	High Housing Cost
Iowa County, WI HMFA	64000	32000	33250	Historical Exception
Ithaca, NY MSA	71300	35650	35900	Historical Exception
Jackson, MI MSA	59400	29700	29850	Historical Exception
Jacksonville, NC MSA	48100	24050	24950	State Median Based

## ATTACHMENT 3

## METROPOLITAN FMR AREAS WITH ADJUSTED FY 2009 VERY LOW INCOME LIMITS

METROPOLITAN AREA	FY2009 MEDIAN INCOME	50% OF MEDIAN	4-PERSON VLI LIMIT	TYPE OF VLI ADJUSTMENT
Jersey City, NJ HMFA	56300	28150	35550	High Housing Cost
Johnson City, TN MSA	48100	24050	24900	Historical Exception
Johnstown, PA MSA	49000	24500	26900	State Median Based
Kokomo, IN MSA	61800	30900	31100	Historical Exception
Lake Havasu City-Kingman, AZ MSA	47400	23700	29550	Historical Exception
Laredo, TX MSA	37300	18650	22800	State Median Based
Las Cruces, NM MSA	43000	21500	22050	State Median Based
Laurens County, SC HMFA	48800	24400	24850	Historical Exception
Le Flore County, OK HMFA	42700	21350	21750	State Median Based
Lima, OH MSA	56400	28200	28450	Historical Exception
Long County, GA HMFA	40300	20150	23200	Historical Exception
Los Angeles-Long Beach, CA HMFA	62100	31050	39650	High Housing Cost
Macon, GA MSA	54900	27450	27500	Historical Exception
Madera, CA MSA	52600	26300	27900	State Median Based
Manchester, NH HMFA	76800	38400	38450	Historical Exception
Marshall County, MS HMFA	41400	20700	23150	State Median Based
Martinsburg, WV HMFA	61300	30650	34600	State Median Based
Mayagüez, PR MSA	20000	10000	13450	High Housing Cost
McAllen-Edinburg-Mission, TX MSA	32000	16000	22800	State Median Based
McDonald County, MO HMFA	39900	19950	22250	Historical Exception
Meade County, SD HMFA	53000	26500	26650	Historical Exception
Merced, CA MSA	50400	25200	27900	State Median Based
Miami-Miami Beach-Kendall, FL HMFA	50800	25400	33700	High Housing Cost
Morgantown, WV MSA	52700	26350	27100	Historical Exception
Muncie, IN MSA	52900	26450	27750	State Median Based
Muskegon-Norton Shores, MI MSA	54800	27400	31050	Historical Exception
New Bedford, MA HMFA	60900	30450	36600	Historical Exception
New Haven-Meriden, CT HMFA	80200	40100	40150	State Median Based
New York, NY HMFA	61600	30800	38400	Historical Exception
Newaygo County, MI HMFA	51200	25600	26350	State Median Based
Oconto County, WI HMFA	57900	28950	29250	State Median Based
Okmulgee County, OK HMFA	44200	22100	23200	State Median Based
Orange County, CA HMFA	86100	43050	46500	Historical Exception
Owen County, IN HMFA	52400	26200	27750	State Median Based
Oxnard-Thousand Oaks-Ventura, CA MS	86100	43050	43750	High Housing Cost
Penobscot County, ME (part) HMFA	47700	23850	26000	State Median Based
Pike County, PA HMFA	62400	31200	34100	Historical Exception
Pittsfield, MA HMFA	66900	33450	38800	State Median Based
Poinsett County, AR HMFA	41400	20700	21750	State Median Based
Polk County, MO HMFA	45200	22600	22900	State Median Based
Ponce, PR MSA	19900	9950	14500	High Housing Cost
Port St. Lucie, FL MSA	59600	29800	29900	Historical Exception
Providence-Fall River, RI-MA HMFA	72500	36250	36600	Historical Exception
Pueblo, CO MSA	51300	25650	28200	State Median Based
Rapid City, SD HMFA	56700	28350	28700	Historical Exception
Redding, CA MSA	55700	27850	27900	State Median Based
Riverside-San Bernardino-Ontario, C	64500	32250	33300	Historical Exception
Saginaw-Saginaw Township North, MI	55500	27750	27900	Historical Exception
Salisbury, MD HMFA	61900	30950	34600	State Median Based
San Diego-Carlsbad-San Marcos, CA M	74900	37450	41300	High Housing Cost
San Francisco, CA HMFA	96800	48400	56550	Historical Exception
San Germán-Cabo Rojo, PR MSA	20000	10000	11700	High Housing Cost
San Jose-Sunnyvale-Santa Clara, CA	102500	51250	53050	Historical Exception
San Juan-Guaynabo, PR HMFA	26500	13250	15150	High Housing Cost
Santa Barbara-Santa Maria-Goleta, C	70400	35200	38900	Historical Exception
Santa Cruz-Watsonville, CA MSA	83800	41900	46350	High Housing Cost
Santa Fe, NM MSA	65500	32750	33000	Historical Exception
Simpson County, MS HMFA	41000	20500	20950	State Median Based
Somerset County, MD HMFA	52000	26000	34600	State Median Based
Springfield, MA HMFA	67200	33600	38800	State Median Based
Springfield, OH MSA	56800	28400	30100	Historical Exception
Sullivan County, IN HMFA	48600	24300	27750	State Median Based
Sumter, SC MSA	47600	23800	24200	State Median Based

## ATTACHMENT 3

METROPOLITAN FMR AREAS WITH ADJUSTED FY 2009 VERY LOW INCOME  
LIMITS

METROPOLITAN AREA	FY2009 MEDIAN INCOME	50% OF MEDIAN	4-PERSON VLI LIMIT	TYPE OF VLI ADJUSTMENT
Terre Haute, IN HMFA	51900	25950	27750	State Median Based
Texarkana, TX-Texarkana, AR MSA	49500	24750	25850	Historical Exception
Tunica County, MS HMFA	31800	15900	23150	State Median Based
Valdosta, GA MSA	48900	24450	24600	Historical Exception
Visalia-Porterville, CA MSA	47200	23600	27900	State Median Based
Walker County, AL HMFA	46000	23000	23400	State Median Based
Washington County, IN HMFA	51400	25700	26400	Historical Exception
Washington County, MO HMFA	40000	20000	22900	State Median Based
Waterbury, CT HMFA	66900	33450	40150	State Median Based
Weirton-Steubenville, WV-OH MSA	50000	25000	26900	State Median Based
Wenatchee, WA MSA	56500	28250	28500	Historical Exception
West Palm Beach-Boca Raton, FL HMFA	67600	33800	37700	High Housing Cost
Western Worcester County, MA HMFA	64900	32450	38800	State Median Based
Wheeling, WV-OH MSA	48000	24000	24100	Historical Exception
Williamsport, PA MSA	52300	26150	26900	State Median Based
Yakima, WA MSA	50900	25450	27250	State Median Based
Yauco, PR MSA	17100	8550	13400	Historical Exception
Yuba City, CA MSA	55400	27700	27900	State Median Based
Yuma, AZ MSA	44100	22050	22350	High Housing Cost

## ATTACHMENT 4

## METROPOLITAN FMR AREAS WITH ADJUSTED FY 2009 LOW INCOME LIMITS

METROPOLITAN AREA	FY2009 MEDIAN INCOME	50% OF MEDIAN	4-PERSON LI LIMIT	TYPE OF LI ADJUSTMENT
Abilene, TX MSA	50500	25250	40700	Historical Exception
Aguadilla-Isabela-San Sebastián, PR	16100	8050	18950	High Housing Cost
Altoona, PA MSA	53000	26500	43050	State Median Based
Anchorage, AK HMFA	80800	40400	64000	Capped by US Median
Anderson, IN MSA	56700	28350	51300	Historical Exception
Anderson, SC MSA	53800	26900	43900	Historical Exception
Ann Arbor, MI MSA	85200	42600	64000	Capped by US Median
Anson County, NC HMFA	44100	22050	39900	State Median Based
Aransas County, TX HMFA	43700	21850	36500	State Median Based
Arecibo, PR HMFA	18900	9450	21900	Historical Exception
Armstrong County, PA HMFA	51000	25500	43050	State Median Based
Auburn-Opelika, AL MSA	59900	29950	49350	Historical Exception
Bakersfield, CA MSA	52200	26100	44650	State Median Based
Baltimore-Towson, MD HMFA	82100	41050	64000	Capped by US Median
Barnstable Town, MA MSA	75400	37700	62100	State Median Based
Barranquitas-Aibonito-Quebradillas, PR	17100	8550	19700	High Housing Cost
Battle Creek, MI MSA	55700	27850	46550	Historical Exception
Bergen-Passaic, NJ HMFA	91200	45600	64000	Capped by US Median
Berkshire County, MA (part) HMFA	67900	33950	62100	State Median Based
Billings, MT MSA	60900	30450	49500	Historical Exception
Boone County, WV HMFA	42500	21250	34500	State Median Based
Boston-Cambridge-Quincy, MA-NH HMFA	90200	45100	66150	Historical Exception
Boulder, CO MSA	89100	44550	64000	Capped by US Median
Bridgeport, CT HMFA	84800	42400	64000	Capped by US Median
Brown County, OH HMFA	53400	26700	43050	State Median Based
Brownsville-Harlingen, TX MSA	32900	16450	36500	State Median Based
Brunswick, GA MSA	55200	27600	44700	Historical Exception
Burlington, NC MSA	54700	27350	44900	Historical Exception
Caguas, PR HMFA	24200	12100	22000	High Housing Cost
Calloway County, MO HMFA	56800	28400	51600	Historical Exception
Cass County, MI HMFA	55300	27650	44400	State Median Based
Charleston, WV HMFA	53000	26500	43100	Historical Exception
Chicago-Naperville-Joliet, IL HMFA	74900	37450	60300	Historical Exception
Chico, CA MSA	55700	27850	44650	State Median Based
Cleveland, TN MSA	51200	25600	41900	Historical Exception
Colchester-Lebanon, CT HMFA	91400	45700	64000	Capped by US Median
Cumberland, MD-WV MSA	51700	25850	55350	State Median Based
Dallas County, MO HMFA	42400	21200	36650	State Median Based
Dalton, GA HMFA	51900	25950	42300	Historical Exception
Danbury, CT HMFA	107100	53550	70150	High Housing Cost
Danville, IL MSA	50300	25150	43450	State Median Based
Danville, VA MSA	49900	24950	42500	State Median Based
Darlington County, SC HMFA	47600	23800	38700	State Median Based
Durham, NC HMFA	65500	32750	57050	Historical Exception
Eastern Worcester County, MA HMFA	103800	51900	66150	Historical Exception
Easton-Raynham, MA HMFA	100000	50000	64000	Capped by US Median
El Centro, CA MSA	45100	22550	44650	State Median Based
El Paso, TX MSA	39700	19850	36500	State Median Based
Elkhart-Goshen, IN MSA	59200	29600	47450	Historical Exception
Fajardo, PR MSA	23000	11500	24250	Historical Exception
Fitchburg-Leominster, MA HMFA	69100	34550	62100	State Median Based
Flagstaff, AZ MSA	59800	29900	48700	High Housing Cost
Florence-Muscle Shoals, AL MSA	51400	25700	41850	Historical Exception
Fort Lauderdale, FL HMFA	65400	32700	61200	High Housing Cost
Franklin County, MA (part) HMFA	68000	34000	62100	State Median Based
Fresno, CA MSA	53100	26550	44650	State Median Based
Gadsden, AL MSA	46100	23050	37900	Historical Exception
Gibson County, IN HMFA	56200	28100	46550	Historical Exception
Goldsboro, NC MSA	49800	24900	39900	State Median Based
Greene County, IN HMFA	50000	25000	44400	State Median Based
Greene County, NC HMFA	44800	22400	39900	State Median Based
Guayama, PR MSA	19500	9750	20000	High Housing Cost
Hagerstown, MD HMFA	66600	33300	55350	State Median Based
Hanford-Corcoran, CA MSA	51700	25850	44650	State Median Based

## ATTACHMENT 4

## METROPOLITAN FMR AREAS WITH ADJUSTED FY 2009 LOW INCOME LIMITS

METROPOLITAN AREA	FY2009 MEDIAN INCOME	50% OF MEDIAN	4-PERSON LI LIMIT	TYPE OF LI ADJUSTMENT
Hartford-West Hartford-East Hartfor	85100	42550	64000	Capped by US Median
Haywood County, NC HMFA	49700	24850	39900	State Median Based
Henry County, AL HMFA	46700	23350	38100	Historical Exception
Hickman County, TN HMFA	45500	22750	37200	Historical Exception
Hinesville-Fort Stewart, GA HMFA	45300	22650	37100	Historical Exception
Hoke County, NC HMFA	46300	23150	39900	State Median Based
Honolulu, HI MSA	79300	39650	76100	High Housing Cost
Iowa County, WI HMFA	64000	32000	53200	Historical Exception
Ithaca, NY MSA	71300	35650	57450	Historical Exception
Jackson, MI MSA	59400	29700	47750	Historical Exception
Jacksonville, NC MSA	48100	24050	39900	State Median Based
Jersey City, NJ HMFA	56300	28150	56900	High Housing Cost
Johnson City, TN MSA	48100	24050	39850	Historical Exception
Johnstown, PA MSA	49000	24500	43050	State Median Based
Kendall County, IL HMFA	86500	43250	64000	Capped by US Median
Kokomo, IN MSA	61800	30900	49750	Historical Exception
Lake Havasu City-Kingman, AZ MSA	47400	23700	47300	Historical Exception
Laredo, TX MSA	37300	18650	36500	State Median Based
Las Cruces, NM MSA	43000	21500	35300	State Median Based
Laurens County, SC HMFA	48800	24400	39750	Historical Exception
Lawrence, MA-NH HMFA	84800	42400	64000	Capped by US Median
Le Flore County, OK HMFA	42700	21350	34800	State Median Based
Lima, OH MSA	56400	28200	45500	Historical Exception
Livingston County, MI HMFA	89900	44950	64000	Capped by US Median
Long County, GA HMFA	40300	20150	37100	Historical Exception
Los Angeles-Long Beach, CA HMFA	62100	31050	63450	High Housing Cost
Lowell, MA HMFA	88400	44200	64000	Capped by US Median
Macon, GA MSA	54900	27450	44000	Historical Exception
Madera, CA MSA	52600	26300	44650	State Median Based
Manchester, NH HMFA	76800	38400	61500	Historical Exception
Marshall County, MS HMFA	41400	20700	37050	State Median Based
Martinsburg, WV HMFA	61300	30650	55350	State Median Based
Mayagüez, PR MSA	20000	10000	21500	High Housing Cost
McAllen-Edinburg-Mission, TX MSA	32000	16000	36500	State Median Based
McDonald County, MO HMFA	39900	19950	35600	Historical Exception
Meade County, SD HMFA	53000	26500	42650	Historical Exception
Merced, CA MSA	50400	25200	44650	State Median Based
Miami-Miami Beach-Kendall, FL HMFA	50800	25400	53900	High Housing Cost
Middlesex-Somerset-Hunterdon, NJ HM	100100	50050	64000	Capped by US Median
Milford-Ansonia-Seymour, CT HMFA	85700	42850	64000	Capped by US Median
Minneapolis-St. Paul-Bloomington, M	83900	41950	64000	Capped by US Median
Monmouth-Ocean, NJ HMFA	87700	43850	64000	Capped by US Median
Morgantown, WV MSA	52700	26350	43350	Historical Exception
Muncie, IN MSA	52900	26450	44400	State Median Based
Muskegon-Norton Shores, MI MSA	54800	27400	49700	Historical Exception
Napa, CA MSA	81800	40900	64000	Capped by US Median
Nashua, NH HMFA	90000	45000	64000	Capped by US Median
Nassau-Suffolk, NY HMFA	101800	50900	73700	High Housing Cost
New Bedford, MA HMFA	60900	30450	58550	Historical Exception
New Haven-Meriden, CT HMFA	80200	40100	64000	Capped by US Median
New York, NY HMFA	61600	30800	61450	Historical Exception
Newark, NJ HMFA	87600	43800	64000	Capped by US Median
Newaygo County, MI HMFA	51200	25600	42150	State Median Based
Newport-Middleton-Portsmouth, RI HM	83700	41850	64000	Capped by US Median
Norwich-New London, CT HMFA	80500	40250	64000	Capped by US Median
Oakland-Fremont, CA HMFA	89300	44650	66250	Historical Exception
Oconto County, WI HMFA	57900	28950	46800	State Median Based
Okmulgee County, OK HMFA	44200	22100	37100	State Median Based
Orange County, CA HMFA	86100	43050	74400	Historical Exception
Owen County, IN HMFA	52400	26200	44400	State Median Based
Oxnard-Thousand Oaks-Ventura, CA MS	86100	43050	70000	High Housing Cost
Penobscot County, ME (part) HMFA	47700	23850	41600	State Median Based
Pike County, PA HMFA	62400	31200	54550	Historical Exception

ATTACHMENT 4



## METROPOLITAN FMR AREAS WITH ADJUSTED FY 2009 LOW INCOME LIMITS

METROPOLITAN AREA	FY2009 MEDIAN INCOME	50% OF MEDIAN	4-PERSON LI LIMIT	TYPE OF LI ADJUSTMENT
Pittsfield, MA HMFA	66900	33450	62100	State Median Based
Poinsett County, AR HMFA	41400	20700	34800	State Median Based
Polk County, MO HMFA	45200	22600	36650	State Median Based
Ponce, PR MSA	19900	9950	23200	High Housing Cost
Port St. Lucie, FL MSA	59600	29800	47850	Historical Exception
Poughkeepsie-Newburgh-Middletown, N	81800	40900	64000	Capped by US Median
Providence-Fall River, RI-MA HMFA	72500	36250	58550	Historical Exception
Pueblo, CO MSA	51300	25650	45100	State Median Based
Rapid City, SD HMFA	56700	28350	45900	Historical Exception
Redding, CA MSA	55700	27850	44650	State Median Based
Riverside-San Bernardino-Ontario, C	64500	32250	53300	Historical Exception
Rockland County, NY HMFA	102000	51000	64000	Capped by US Median
Saginaw-Saginaw Township North, MI	55500	27750	44650	Historical Exception
Salisbury, MD HMFA	61900	30950	55350	State Median Based
San Benito County, CA HMFA	80400	40200	64000	Capped by US Median
San Diego-Carlsbad-San Marcos, CA M	74900	37450	66100	High Housing Cost
San Francisco, CA HMFA	96800	48400	90500	Historical Exception
San Germán-Cabo Rojo, PR MSA	20000	10000	18700	High Housing Cost
San Jose-Sunnyvale-Santa Clara, CA	102500	51250	84900	Historical Exception
San Juan-Guaynabo, PR HMFA	26500	13250	24250	High Housing Cost
Santa Barbara-Santa Maria-Goleta, C	70400	35200	62250	Historical Exception
Santa Cruz-Watsonville, CA MSA	83800	41900	74150	High Housing Cost
Santa Fe, NM MSA	65500	32750	52800	Historical Exception
Santa Rosa-Petaluma, CA MSA	80200	40100	64000	Capped by US Median
Seattle-Bellevue, WA HMFA	84300	42150	64000	Capped by US Median
Simpson County, MS HMFA	41000	20500	33500	State Median Based
Somerset County, MD HMFA	52000	26000	55350	State Median Based
Southern Middlesex County, CT HMFA	96700	48350	64000	Capped by US Median
Springfield, MA HMFA	67200	33600	62100	State Median Based
Springfield, OH MSA	56800	28400	48150	Historical Exception
Stamford-Norwalk, CT HMFA	122300	61150	79450	High Housing Cost
Sullivan County, IN HMFA	48600	24300	44400	State Median Based
Summit County, UT HMFA	93400	46700	64000	Capped by US Median
Sumter, SC MSA	47600	23800	38700	State Median Based
Taunton-Mansfield-Norton, MA HMFA	84600	42300	66150	Historical Exception
Terre Haute, IN HMFA	51900	25950	44400	State Median Based
Texarkana, TX-Texarkana, AR MSA	49500	24750	41350	Historical Exception
Trenton-Ewing, NJ MSA	90100	45050	64000	Capped by US Median
Tunica County, MS HMFA	31800	15900	37050	State Median Based
Valdosta, GA MSA	48900	24450	39350	Historical Exception
Visalia-Porterville, CA MSA	47200	23600	44650	State Median Based
Walker County, AL HMFA	46000	23000	37450	State Median Based
Warren County, NJ HMFA	86100	43050	64000	Capped by US Median
Washington County, IN HMFA	51400	25700	42250	Historical Exception
Washington County, MO HMFA	40000	20000	36650	State Median Based
Washington-Arlington-Alexandria, DC	102700	51350	64000	Capped by US Median
Waterbury, CT HMFA	66900	33450	64000	Capped by US Median
Weirton-Steubenville, WV-OH MSA	50000	25000	43050	State Median Based
Wenatchee, WA MSA	56500	28250	45600	Historical Exception
West Palm Beach-Boca Raton, FL HMFA	67600	33800	60300	High Housing Cost
Westchester County, NY Statutory Ex	105300	52650	75050	High Housing Cost
Western Rockingham County, NH HMFA	95200	47600	64000	Capped by US Median
Western Worcester County, MA HMFA	64900	32450	62100	State Median Based
Wheeling, WV-OH MSA	48000	24000	38550	Historical Exception
Williamsport, PA MSA	52300	26150	43050	State Median Based
Yakima, WA MSA	50900	25450	43600	State Median Based
Yauco, PR MSA	17100	8550	21450	Historical Exception
Yuba City, CA MSA	55400	27700	44650	State Median Based
Yuma, AZ MSA	44100	22050	35750	High Housing Cost



Attachment 5  
 FY 2008 - 2009 Distribution of changes in Very Low-Income (50%) 4 Person Income Limit  
 (100 Percent = FY 2008 Income Level)

STATE	Percent Change											Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125	125.1% or more	
AK					1	16	10					105
AL					2	47	3	1				104
AR					1	56	9					104
AZ						12	2					104
CA					1	39	11					104
CO						42	13					105
CT						11	1					104
DE							2					107
FL						44	6	2				103
GA					1	97	12					104
GU						1						104
HI						4	1					103
IA						26	64					106
ID					1	33	3	1				104
IL					1	55	26					105
IN						51	15					104
KS						77	15					104
KY						87	7					103
LA					1	34	8	1				104
MA						15	2					104
MD						9	4					104
ME						7	11	1				106
MI					1	54	19	1				104
MN					1	59	11					104
MO						67	30					105
MS					2	61	6	1				104
MT				1	1	46	7					104
NC					1	65	15					104
ND	1				1	41	9					105
NE					1	84	3					104
NH					1	7	1	1				103
NJ						3	1					104
NM					1	28	1					103
NV						15	1					102
NY					2	36	9					105
OH					1	41	23	1				105
OK					1	31	35					106
OR					1	25	5					104
PA						39	12					104
PR						8	4					105
RI						1	4	1				108
SC					1	29	5	1				104
SD					3	57	2					102
TN						56	18					105
TX					9	153	51					104
UT						18	8					105
VA						22	37	1				106
VI						2						104
VT						5	7					106
WA					1	23	9					103
WI						43	19					105
WV						31	9					105
WY						4	19					107
US	1			1	39	1916	605	13				104



Attachment 5a  
 FY 2008 - 2009 Distribution of changes in Very Low-Income (50%) 4 Person Income Limit  
 (100 Percent = FY 2008 Income Level)  
 Metropolitan Areas

STATE	Percent Change												Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125%	125.1% or more		
AK						2	1						105
AL					2	11	1						103
AR						7	4						105
AZ						4	2						105
CA						23	7						104
CO						7	1						104
CT						9	1						104
DE							1						108
FL						21	2	1					102
GA					1	17	3						104
HI						1							103
IA						3	8						106
ID						5	1						104
IL						12	4						105
IN						15	5						104
KS						1	3						106
KY						9							103
LA						7	2						104
MA						13	2						104
MD						6							104
ME						2	6						106
MI						10	8						105
MN						4	1						104
MO						9	7						105
MS						4	1						104
MT					1	1	1						105
NC						16	5						104
ND						3							104
NE						3	1						104
NH						3							103
NJ						3	1						104
NM						4							102
NV						3							102
NY					1	18	2						104
OH					1	12	4	1					105
OK						4	3						105
OR						4	2						104
PA						14	2						104
PR						7	4						105
RI						1	4	1					108
SC					1	10							104
SD					2	1							99
TN						13	4						104
TX					2	23	11						105
UT						4	3						105
VA						6	9	1					106
VT							1						107
WA					1	5	5						104
WI						12	3						104
WV						5	1						104
WY						1	1						104
US					13	377	138	4					104





Attachment 5b  
 FY 2008 - 2009 Distribution of changes in Very Low-Income (50%) 4 Person Income Limit  
 (100 Percent = FY 2008 Income Level)  
 Non-metropolitan Areas

STATE	Percent Change												Median
	less than 80%	80% to 84.9%	85% to 89.9%	90% to 94.9%	95 to 99.9	100% to 105%	105.1% to 110%	110.1% to 115%	115.1% to 120%	120.1% to 125%	125.1% or more		
AK					1	14	9						105
AL						36	2	1					104
AR					1	49	5						104
AZ						8							104
CA					1	16	4						103
CO						35	12						105
CT						2							104
DE							1						107
FL						23	4	1					103
GA						80	9						104
GU						1							104
HI						3	1						103
IA						23	56						106
ID					1	28	2	1					104
IL					1	43	22						105
IN						36	10						104
KS						76	12						104
KY						78	7						103
LA					1	27	6	1					104
MA						2							104
MD						3	4						106
ME						5	5	1					106
MI					1	44	11	1					104
MN					1	55	10						104
MO						58	23						105
MS					2	57	5	1					104
MT				1		45	6						104
NC					1	49	10						104
ND	1				1	38	9						105
NE					1	81	2						103
NH					1	4	1	1					103
NM					1	24	1						103
NV						12	1						103
NY					1	18	7						105
OH						29	19						105
OK					1	27	32						106
OR					1	21	3						104
PA						25	10						104
PR						1							105
SC						19	5	1					104
SD					1	56	2						102
TN						43	14						105
TX					7	130	40						104
UT						14	5						105
VA						16	28						106
VI						2							104
VT						5	6						106
WA						18	4						103
WI						31	16						105
WV						26	8						105
WY						3	18						107
US	1			1	26	1539	467	9					104



## ATTACHMENT 6

## FY 2009 MEDIAN FAMILY INCOMES FOR STATES, METROPOLITAN AND NONMETROPOLITAN PORTIONS OF STATES

	-----	FY 2009	-----	-----	1999	-----
	TOTAL	METRO	NONMETRO	TOTAL	METRO	NONMETRO
ALABAMA	53200	56600	46800	41657	44345	36633
ALASKA	76300	79000	70100	59036	61161	54260
ARIZONA	60400	62000	43700	46723	47998	33811
ARKANSAS	49100	53800	43500	38664	42408	34268
CALIFORNIA	70400	70900	55800	53024	53451	42074
COLORADO	71000	73800	56400	55870	58000	44319
CONNECTICUT	85700	86300	80300	65521	65943	61354
DELAWARE	70800	75100	57900	55258	58619	45203
DISTRICT OF COLUMBIA	64600	64600	51300*	46283	46283	.
FLORIDA	58800	59700	46700	45625	46300	36238
GEORGIA	61200	65200	46300	49280	52536	37277
HAWAII	76000	80300	67500	56961	60118	50547
IDAHO	56300	60300	50700	43490	46523	39157
ILLINOIS	69400	72800	54300	55545	58262	43476
INDIANA	61000	62800	55500	50261	51692	45683
IOWA	62000	67700	56600	48005	52409	43847
KANSAS	62300	69800	52300	49624	55623	41651
KENTUCKY	52800	62200	42300	40938	48265	32782
LOUISIANA	52600	55800	43200	39774	42193	32654
MAINE	58600	64400	52000	45179	49629	40087
MARYLAND	85500	86500	69200	61875	62636	50109
MASSACHUSETTS	82000	82000	77600	61663	61673	58382
MICHIGAN	63800	67300	52700	53457	56384	44086
MINNESOTA	72900	79900	58900	56872	62325	45957
MISSISSIPPI	46800	54000	41900	37405	43160	33535
MISSOURI	58300	64500	45800	46045	50949	36187
MONTANA	55500	59200	53500	40488	43226	39044
NEBRASKA	62000	70500	53700	48032	54645	41598
NEVADA	65900	66200	63800	50849	51078	49209
NEW HAMPSHIRE	77600	84100	68700	57577	62442	50966
NEW JERSEY	85600	85600	51300*	65370	65370	.
NEW MEXICO	51700	56600	44100	39425	43195	33627
NEW YORK	67900	69500	54900	51691	52887	41753
NORTH CAROLINA	57000	61200	49900	46335	49800	40571
NORTH DAKOTA	60700	69300	55100	43656	49842	39664
OHIO	61400	63400	53800	50037	51617	43778
OKLAHOMA	53100	57700	46400	40709	44258	35546
OREGON	61100	65200	50000	48680	51880	39834
PENNSYLVANIA	63800	66100	53800	49184	50959	41452
RHODE ISLAND	72800	72800	51300*	52780	52780	.
SOUTH CAROLINA	55000	57500	48400	44227	46219	38930
SOUTH DAKOTA	57500	64800	52500	43234	48701	39484
TENNESSEE	54500	58500	46300	43517	46735	36972
TEXAS	57400	59800	45600	45862	47797	36410
UTAH	64200	65800	51800	51022	52316	41227
VERMONT	64800	73800	61400	48625	55412	46087
VIRGINIA	73700	79000	53100	54169	58055	39000
WASHINGTON	69300	72000	54500	53761	55868	42260
WEST VIRGINIA	48400	53700	43100	36484	40433	32454
WISCONSIN	66300	70200	58500	52912	56008	46677
WYOMING	63900	64600	63600	45685	46159	45472
US	64000	67000	51300	50046	52398	40117

\* US non-metropolitan median