

INCOME-QUALIFIED HOUSING

IN MCLEAN COUNTY

ISSUE 1: AREA MEDIAN INCOME (AMI)

JULY 2022

Area Median Income

Income-Qualified Housing refers to housing affordability for households making less than 80% of the Area Median Income (AMI). The 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.¹ For Bloomington-Normal, the metropolitan region is defined as McLean County. In Fiscal Year (FY) 2022, the AMI for this region is \$108,500. Based on AMI, HUD defines and calculates three levels of affordability by household size. For McLean County, HUD has set the following levels of affordability for FY 2022²:

Household Size	Extremely Low Income (30% AMI)	Very Low Income (50% AMI)	Low Income (80% AMI)
One-person	\$21,900	\$36,500	\$58,350
Two-person	\$25,000	\$41,700	\$66,700
Three-person	\$28,150	\$46,900	\$75,050
Four-person	\$31,250	\$52,100	\$83,350
Five-person	\$33,750	\$56,300	\$90,050
Six-person	\$37,190	\$60,450	\$96,700
Seven-person	\$41,910	\$64,650	\$103,400
Eight-person	\$46,630	\$68,800	\$110,050

Having an income below these levels makes a household eligible for certain programs. For example, a household with an income at or below 50% AMI is eligible for a Housing Choice Voucher. Households with an income at or below 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 a one-wage earner, positions as a receptionist or nursing assistant would provide an income at 30% AMI; positions as an auto mechanic or graphic designer would provide an income at 50% AMI; and positions as an electrician or audio & video technician would provide an income at 80% AMI.³



30% AMI
Receptionist or
Nursing Assistant



50% AMI
Auto Mechanic or
Graphic Designer



80% AMI
Electrician or
Audio & Video
Technician


Data from the Census Bureau's American Community Survey (ACS) sheds additional light on what these levels mean for our community. In McLean County, there are 66,225 households in total. Of that, about 25,000 households (38%) make less than \$50,000, almost 14,000 households (21%) make less than \$25,000 and just over 6,000 households (9.6%) make less than \$10,000 a year.⁴

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 2022:⁵

Bedrooms	Extremely Low Income (30% AMI)	Very Low Income (50% AMI)	Low Income (80% AMI)
Efficiency	\$547	\$912	\$1,458
One-bedroom	\$586	\$977	\$1,563
Two-bedroom	\$703	\$1,172	\$1,876
Three-bedroom	\$813	\$1,355	\$2,167
Four-bedroom	\$906	\$1,511	\$2,417
Five-bedroom	\$1,000	\$1,668	\$2,668

Again, data from the ACS sheds light on what this means for our community. The median gross rent in McLean County is \$842; Bloomington is \$844 ;and Normal is \$852.⁶ While these rents seem generally affordable, households with an income less than 30% AMI don't have many options available to them.



Nearly 25,000 households
make less than \$50,000

MEDIAN GROSS RENT
\$842
in McLean County

\$844
in Bloomington

\$852
in Normal

The chart below indicates 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 visit mcplan.org.

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

1. Please note, HUD's calculation for AMI differs from the US Census Bureau's reported median income. HUD's calculation varies annually, but typically uses a combination of 5-year or 1-year median income data, and the Consumer Price Index (CPI) published by the Bureau of Labor Statistics. To see HUD's methodology for calculating FY22's Income Limits, visit <https://www.huduser.gov/portal/datasets/il.html>
2. HUD FY 2022 Income Limits Documentation System
3. Based on FY 2022 HUD income limits for McLean County and May 2021 Bureau of Labor Statistics Area Occupational Employment and Wage Estimates
4. Based on Census Bureau ACS 2020 5-year estimates for McLean County; Table S1901
5. Illinois Housing Development Authority (IHDA) 2022 Rent Limits for McLean County
6. Based on Census Bureau ACS 2020 5-year estimates for McLean County; Table B25031



REGIONAL HOUSING INITIATIVE

McLean County Regional Planning Commission
115 E. Washington Street, #M103
Bloomington, Illinois 61701
(309) 828-4331 www.mcplan.org