

Housing for Essential Workers

The Covid-19 pandemic brought into focus the critical role of certain occupations that provide essential services to the community but are often overlooked. While these occupations have always been important, their value was further elevated during the pandemic as the term “essential worker” became a part of everyday vocabulary. In the context of pandemic-related policies, there is a very specific definition of what an essential worker is that varies from state to state. However, “essential workers” has been more broadly adopted to describe types of workers that are essential to a functioning society as we know it. Some occupations, like healthcare workers, clearly fit this description. Other essential worker occupations, like grocery store clerks, janitorial services, or food processing, are not as obvious, but no less essential.



Most affordable housing developments rely on state and federal financing programs to make the project financially feasible. These programs define affordability and income limits using Area Median Income (AMI), which is established on an annual basis by the U.S. Department of Housing and Urban Development (HUD) for every county in the country. HUD terminology defines “low income” as households or individuals earning 80% of AMI and “very low income” as earning 50% of AMI. In 2020, the area median income for a 4-family household in Ulster County was \$83,700. Based on this AMI a four-person household earning \$41,850 or a single-person household earning \$29,300 would both be considered very low income.

Data from the NYS Department of Labor shows that in 2020, many essential worker industries in Ulster County had an average annual wage in the range of \$30k - \$40k. This means that housing for “low income” and “very low income” represents housing that is affordable for many essential workers in Ulster County. Furthermore, many affordable housing developments don’t reach such a deep level of affordability, and instead have units designated for households earning 60% or 80% of AMI.

Ulster County Average Annual Wage 2020



Source: NYS Department of Labor, 2020 Quarterly Census of Employment and Wages

Appropriately priced housing for essential workers will help ensure that Ulster County can accommodate the types of people and families that work in these positions. Since it is essential to have these workers in the local economy, then so too is it essential to provide affordable housing for them. Despite a general agreement about the value of essential workers, there is often community pushback against housing that would be appropriate and affordable for essential workers. This is in part due to outdated ideas about subsidized housing, and misconceptions about who affordable housing is for.