What is Affordable Housing?

The definition of affordable housing varies depending on the contexts and situations it is used. A commonly used definition of affordable housing is housing in which the occupant is paying no more than 30% of monthly or annual income for housing costs, including utilities.[1] Under this definition, households paying *more* than 30% of household income on housing costs are considered **cost burdened** households and those paying *more* than 50% of household income on housing costs are considered **severely cost burdened**. Households that are housing cost-burdened have less income to spend on other essential costs like food, clothing, healthcare, transportation, education, or setting aside money for savings.

Table 1, below, shows annual income ranges (left column), the percentage of Ulster County households that fall into each income range (middle column), and the amount that a household in that income range can afford in housing costs to stay below the 30% of income limit (right column). ***What Housing Costs Can Ulster County Households Afford?***

Table 1. - Affordable Housing Threshold in Ulster County, NY

Annual Household Incomes	% Of Ulster Households	Affordable monthly housing costs (30% of monthly household income)
< $5,000	3%	<=$125
$5,000 to $9,999	3%	$125-$250
$10,000 to $14,999	5%	$250-$375
$15,000 to $19,999	5%	$375-$500
$20,000 to $24,999	4%	$500-$625
$25,000 to $34,999	9%	$625-$875
$35,000 to $49,999	11%	$875-$1,250
$50,000 to $74,999	17%	$1,250-$1,875
$75,000 to $99,999	13%	$1,875-$2,500
$100,000 to $149,999	17%	$2,500-$3,750
$150,000 or more	15%	$3,750 +
Median Income	**$63,306**	**$1,583**

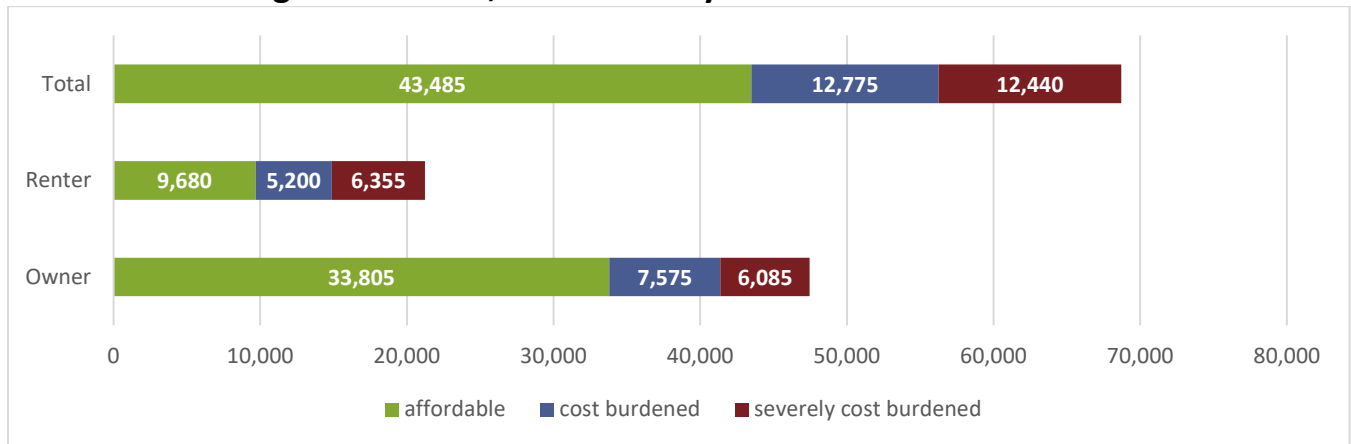*Source: U.S. Census ACS 2020 5-Year Estimates*

As Table 1 demonstrates, affordability is a relative term. What is affordable for one household will not be affordable for a different household. To meet the housing needs

---

[1] Glossary of Terms to Affordable Housing | U.S. Department of Housing and Urban Development

of all households in Ulster County, it is important to have housing options that are affordable to households across the income spectrum.

Chart 1, which includes the most recent data available (years 2014-2018) shows that many Ulster County households are cost-burdened and spend more than 30% of household income on housing costs. A portion of these households are severely cost-burdened, meaning they are spending more than 50% of household income on housing costs. Over half of renter households are either cost-burdened or severely cost-burdened.
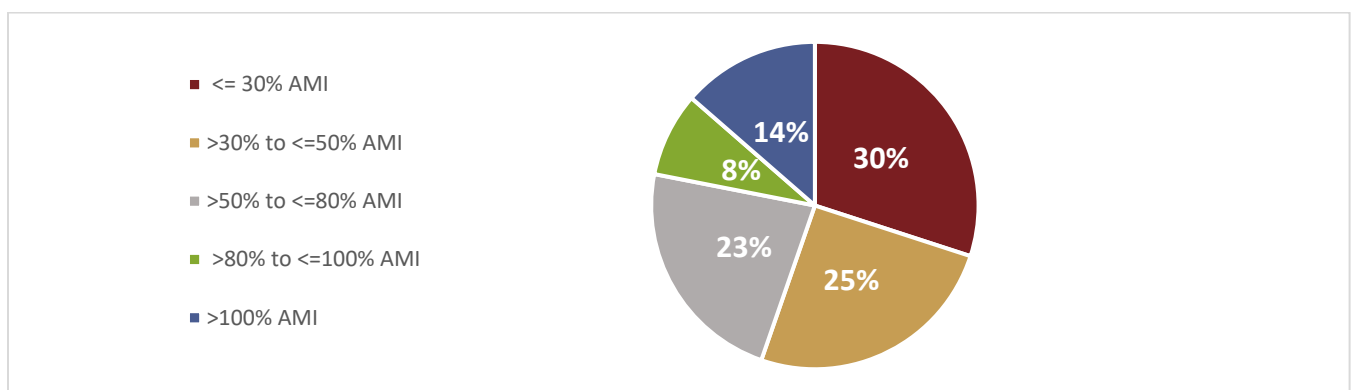
Chart 1. – Housing Cost Burden, Ulster County 2014-2018

	affordable	cost burdened	severely cost burdened
Total	43,485	12,775	12,440
Renter	9,680	5,200	6,355
Owner	33,805	7,575	6,085

Source: U.S. Department of Housing and Urban Development (HUD) CHAS 2014-2018

The chart below shows that most cost burdened households (paying at least 30% of household income on housing costs) are households that have an annual income of less than 50% of the area median income (AMI). In 2021, Ulster County AMI was $90,100. While the county needs more housing options across the income spectrum, the chart demonstrates that the need is greatest among households with annual incomes of less than 50% of the AMI.

Chart 2. – Ulster County Households Paying More than 30% of Income to Housing by Household Income

- <= 30% AMI — 30%
- >30% to <=50% AMI — 25%
- >50% to <=80% AMI — 23%
- >80% to <=100% AMI — 8%
- >100% AMI — 14%

Source: U.S. Department of Housing and Urban Development (HUD) CHAS 2014-2018

PORTRAIT OF HOUSING NEEDS

Family of One

Retail: $35,161

Makes up 15% of employed population in Ulster County

57% of AMI for a household of one

Monthly housing costs should not exceed $879/month

Family of Two

Health care: $47,734

Makes up 16% of employed population in the Ulster County

68% of AMI for a household of two

Monthly housing costs should not exceed $1,193/month

Family of Four

Accommodation and Food Service: $25,261
Makes up 10% of employed population

&

Government: $66,763
Makes up 23% of employed population

Together 102% of AMI for a household of four

Monthly housing costs should not exceed $2,300/month

Sources: NYS Department of Labor Quarterly Census of Employment and Wages (QCEW) 2020a & U.S. Department of Housing and Urban Development (HUD) FY 2021 Income Limits