Glossary of Key Housing Terms and Concepts

Seattle
Office of Housing

Area Median Income (AMI)

The Area Median Income (AMI) is the midpoint of incomes across a region. Seattle's AMI in 2022 was $134,600 — half of households earn more than the median and half earn less than the median.

Area median income is used instead of average income because in a large population of wage earners that earn low to middle incomes, one billionaire could skew the average to be excessively high, disadvantaging low- and mid-wage earners.

HUD Household Income Benchmarks

% of AMI	Categorization	Income*	Monthly rent this household can afford
80% AMI	Low income	$85,800	$2,145
50% AMI	Very low income	$58,250	$1,456
30% AMI	Extremely low income	$34,940	$873

*For a 3-person household.

SOURCE US Department of Housing and Urban Development, FY 2022 Income Limits. City of Seattle, 2022 Income and Rent Limits.
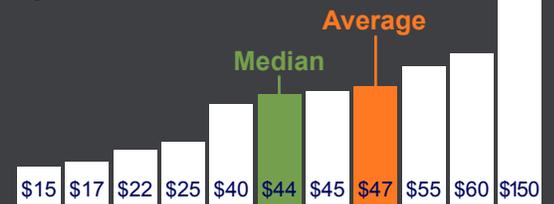
Median vs. Average

Median
The median is the middle value of a set of numbers, where half of the values are less than the median and half the values are greater than the median.

Average
An average is a single number taken as representative of a list of numbers. It is obtained by dividing the sum total of a set of figures by the number of figures in the set.

Median — Average

$15 $17 $22 $25 $40 $44 $45 $47 $55 $60 $150

Affordable Housing

Affordable Housing is defined as not consuming more than 30% of a household's income. It is housing that a household can pay for while still having 70% of their income available for expenses like food, transportation, and health care. What's considered "affordable" depends on a household's income.

It can sometimes refer more broadly to housing that happens to be affordable to people with lower incomes because of the rent set by the landlord.

It is also a term that is used to describe buildings that are intentionally developed and managed. The US Department of Housing and Urban Development (HUD) uses AMI to set income benchmarks establishing eligibility for different housing programs, which are similarly used in Seattle.

Cost Burdened

Households are considered cost burdened when they spend more than 30% of their income on rent, mortgage and other housing needs, and severely cost burdened when they spend more than 50%.

Permanent Supportive Housing (PSH)

Permanent supportive housing (PSH) is an evidence-based housing model that brings together affordable housing with behavioral health and other supportive services. It is rental housing where residents hold an individual lease and maintain all the rights and obligations of tenancy. The housing is affordable and accessible to individuals with extremely low or no incomes, chronic disabilities, or a history of chronic homelessness, and includes access to voluntary, flexible, and community-based supportive services that can ensure a successful tenancy in the housing.
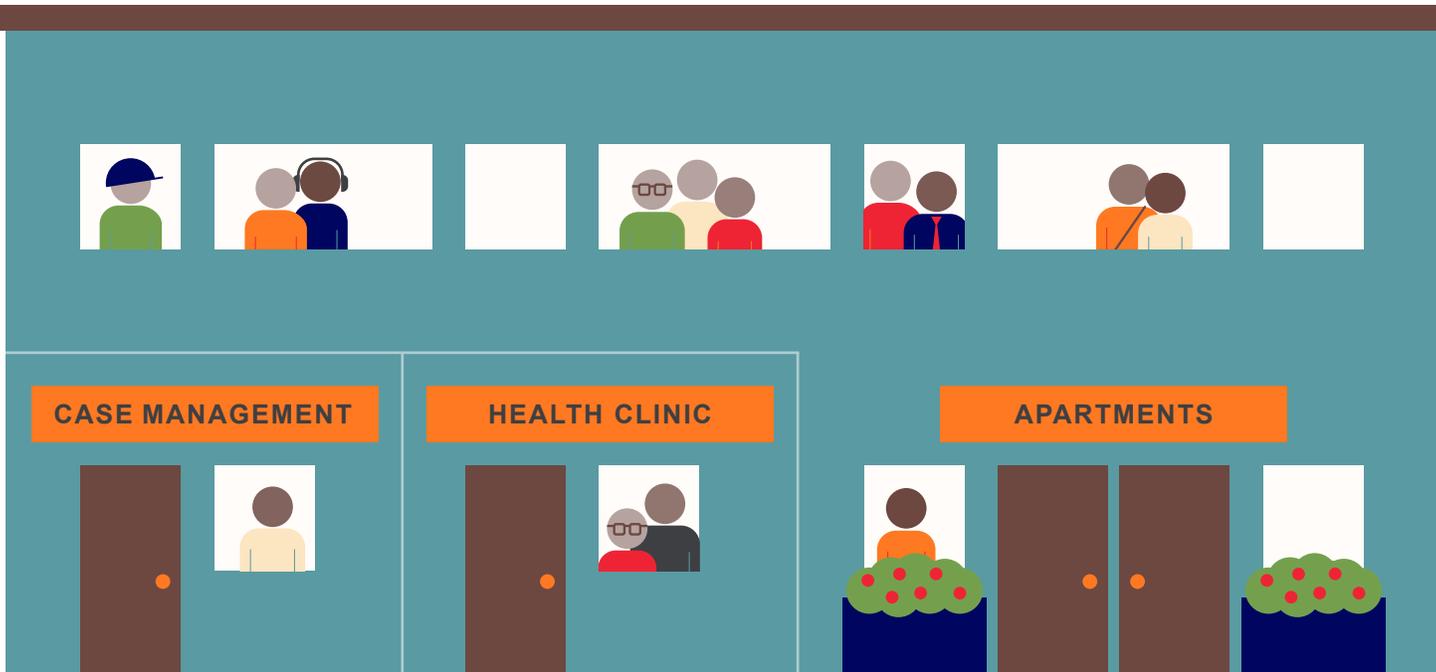
Operations, Maintenance, and Services (OMS)

These are expenses associated with operating and maintaining affordable housing. They include everything from parts and materials for maintenance to a livable wage for maintenance personnel, front desk staff, and case managers to the costs associated with the programs and services those staff provide, as well as other on-site client services.