

How Second Units Can Help Albany

Meet its Housing Construction Objectives and Regional Housing Needs Allocation

2015-2023 Housing Unit Construction Objectives, by income category

Income Categories	Extremely Low (0-30% of AMI*)	Very Low (31-50% of AMI)	Low (51-80% of AMI)	Moderate (81-120% of AMI)	Above Moderate (over 120% of AMI)
New units needed	40	40	53	57	145

Source: City of Albany 2015-2022 Housing Element *AMI=Area Median Income

Albany's objectives for new construction total 335 and correspond to the City's Regional Housing Needs Allocation (RHNA). The Association of Bay Area Governments (ABAG) is responsible for allocating the "fair share" of this total to each of the cities in the area. During the allocation process, known as the Regional Housing Needs Allocation (RHNA), ABAG takes into consideration job growth, water and sewer capacity, land availability, proximity to transit, and market demand for each locality. (Adapted from the *City of Albany 2015-2023 Housing Element*)

As 2015 begins, there is a large project in University Village that includes the plan to construct 175 housing units in the Above Moderate Income category (senior assisted living). If these units are constructed by 2023, this one project alone will meet the City's objective at this income category.

Maximum Housing Costs by Household Size and Income in Albany

Household Size	Median Yearly Income (MYI)	Median Monthly Income (MMI)	Housing Costs* (30% of MMI) (Rent and utilities)				
			Extremely Low (0-30% of AMI)	Very Low (31-50% of AMI)	Low (51-80% of AMI)	Moderate (81-120% of AMI)	Above Moderate (> 120% of AMI)
Citywide	\$72,479	\$6,040	\$544	\$906	\$1,450	\$2,174	> \$2,174
1-person	\$48,023	\$4,002	\$360	\$600	\$960	\$1,441	> \$1,441
2-person	\$78,600	\$6,550	\$590	\$983	\$1,572	\$2,358	> \$2,358
3-person	\$82,651	\$6,888	\$620	\$1,033	\$1,653	\$2,480	> \$2,480
4-person	\$111,742	\$9,312	\$838	\$1,397	\$2,235	\$3,352	> \$3,352
5-person	\$125,096	\$10,425	\$938	\$1,564	\$2,502	\$3,753	> \$3,753
6-person	\$128,357	\$10,696	\$963	\$1,604	\$2,567	\$3,850	> \$3,850

Expanded from Table 3-14 in Albany's 2015-2023 Housing Element

Source for Table 3-14: US Census, American Community Survey, 2007-2011

**Households paying more than 30% of income on housing are said to be "cost burdened."*

Second units provide the opportunity for individual homeowners to help Albany meet its quantified housing construction objectives, by enabling them to create an income stream for themselves and at the same time provide housing that may be affordable to moderate and low income households. Albany's Diverse Housing Working Group encourages property owners to build second units and to work with their architects to create attractive and affordable designs. With owners making second units affordable to low and moderate income renters, diversity in the cost of new housing in our community will be increased.