



MAYOR'S OFFICE OF  
**HOUSING & COMMUNITY DEVELOPMENT**

## Area Median Income (AMI) FAQ

### What is AMI?

AMI stands for Area Median Income. AMI is the combined average household income for the San Francisco metropolitan area, which includes San Francisco, San Mateo and Marin counties. Your AMI level determines whether you can apply for income-based services.

Find your AMI level at [www.sf.gov/find-your-area-median-income-ami-level](http://www.sf.gov/find-your-area-median-income-ami-level)

### How does this impact rent?

For units that are AMI-centric, such as dedicated affordable housing and below-market-rate units, the maximum rent is calculated as a percentage of AMI.

For many developments, rent increases are limited by AMI. In San Francisco, the Mayor's Office of Housing and Community Development (MOHCD) caps rent increases at 4% per year.

### What is the Hold Harmless Policy?

The Hold Harmless Policy helps maintain stability in the income, rents and sales prices of affordable housing units. It does this by capping rents and sale price increases at 4% while maintaining rents and sales prices if AMI has decreased.

This Policy limits harm by:

- Protecting tenants from displacement caused by large annual rent increases
- Protecting housing developments so that owners can cover operating costs
- Ensuring that San Francisco's low-, moderate- and middle-income residents have access to homeownership opportunities

### What does a 4% rent increase look like?

A 4% rent increase will translate to a different dollar amount depending on the unit type and the income restriction on the unit.

For example, a one-bedroom apartment that is affordable to a household at 60% of AMI would see an increase of approximately \$64. The actual rent that a

tenant pays to their landlord may increase by a smaller amount based on the basic utilities that the tenant pays.

### **Will tenants have to sign a new lease?**

State law requires that landlords provide at least a 30-day notice before a rent increase takes effect. Depending on the landlord's preference or program requirement, you may need to sign a new lease. However, some tenants may simply receive a rent increase notice.

### **What kinds of units are impacted?**

AMI updates are applicable to affordable multifamily rental housing projects governed by MOHCD, as well as units subject to the Inclusionary Housing Program (BMR units), former SFRA and OCII-developed affordable housing, and any affordable housing development through the Planning Code and subject to the Procedures Manual.

Units subsidized through Section 8, Shelter Plus Care, LOSP, etc. are not impacted. For these tenants, rent is calculated as 30% of the tenant's actual household income, not AMI. The amount of rent due from households with rental subsidy will only change when household income changes.

### **How many units are impacted?**

MOHCD's portfolio consists of approximately 28,000 rental units and over 3,000 for-sale units. Most of these units are subject to the income, rent, and sales restrictions published by MOHCD, with limited exception.

### **How will this impact affordable housing eligibility?**

As rent limits increase by 4%, income limits will also increase by 4%. When applying for affordable housing, either for rent or for purchase, household income must be within the predetermined income limit

Examples:

- A household of four applying for a rental unit restricted to 60% of AMI would need to make \$83,150/year or less.
- A household of two applying for a unit for sale, restricted to 80% of AMI would need to make \$88,700/year or less.

For more information on income limits for MOHCD programs, visit

[www.sfmohcd.org/ami-levels](http://www.sfmohcd.org/ami-levels)