

TABLE 1

**AFFORDABLE RENT CALCULATIONS
2023 INCOME STANDARDS
APARTMENT DEVELOPMENT
INCLUSIONARY HOUSING: FINANCIAL EVALUATION
COSTA MESA, CALIFORNIA**

		Studio Units	One-Bedroom Units	Two-Bedroom Units	Three- Bedroom Units
I. <u>General Assumptions</u>					
Area Median Income (AMI)	1	\$89,450	\$102,250	\$115,000	\$127,800
Monthly Utilities Allowance	2	\$95	\$111	\$148	\$183
II. <u>Affordable Rent Calculations</u>					
A. <u>Very Low Income - Rent Based on 50% AMI</u>	3				
Benchmark Annual Household Income		\$44,725	\$51,125	\$57,500	\$63,900
Percentage of Income Allotted to Housing Expenses		30%	30%	30%	30%
Annual Income Available for Housing Expenses		\$13,418	\$15,338	\$17,250	\$19,170
Monthly Income Available for Housing Expenses		\$1,118	\$1,278	\$1,438	\$1,598
(Less) Monthly Utilities Allowance		(95)	(111)	(148)	(183)
Maximum Allowable Rent		\$1,023	\$1,167	\$1,290	\$1,415
B. <u>Low Income - Rent Based on 80% AMI</u>	4				
Benchmark Annual Household Income		\$71,560	\$81,800	\$92,000	\$102,240
Percentage of Income Allotted to Housing Expenses		30%	30%	30%	30%
Annual Income Available for Housing Expenses		\$21,468	\$24,540	\$27,600	\$30,672
Monthly Income Available for Housing Expenses		\$1,789	\$2,045	\$2,300	\$2,556
(Less) Monthly Utilities Allowance		(95)	(111)	(148)	(183)
Maximum Allowable Rent		\$1,694	\$1,934	\$2,152	\$2,373
C. <u>Moderate Income - Rent Based on 110% AMI</u>	3				
Benchmark Annual Household Income		\$98,395	\$112,475	\$126,500	\$140,580
Percentage of Income Allotted to Housing Expenses		30%	30%	30%	30%
Annual Income Available for Housing Expenses		\$29,519	\$33,743	\$37,950	\$42,174
Monthly Income Available for Housing Expenses		\$2,460	\$2,812	\$3,163	\$3,515
(Less) Monthly Utilities Allowance		(95)	(111)	(148)	(183)
Maximum Allowable Rent		\$2,365	\$2,701	\$3,015	\$3,332

¹ Based on the 2023 Orange County household incomes published by the California Department of Housing & Community Development (HCD). The benchmark household size is set at the number of bedrooms in the unit plus one.

² Based on the Orange County Housing Authority utilities allowance schedule effective as of October 1, 2023. Assumes: Electric Cooking, Electric Heating, and Electric Water Heater; and Basic Electric.

³ Based on the calculation methodology defined in California Health & Safety Code Section 50053.

⁴ Based on 80% of AMI. This percentage of AMI is based on the standard identified in AB 1505.

TABLE 2

**AFFORDABLE RENT CALCULATIONS
2023 INCOME STANDARDS
APARTMENT DEVELOPMENT
GOVERNMENT CODE SECTION 65915 RENTS
COSTA MESA, CALIFORNIA**

		Studio Units	One-Bedroom Units	Two-Bedroom Units	Three- Bedroom Units
I. <u>General Assumptions</u>					
Area Median Income (AMI)	1	\$89,450	\$102,250	\$115,000	\$127,800
Monthly Utilities Allowance	2	\$95	\$111	\$148	\$183
II. <u>Affordable Rent Calculations</u>					
A. <u>Very Low Income - Rent Based on 50% AMI</u>	3				
Benchmark Annual Household Income		\$44,725	\$51,125	\$57,500	\$63,900
Percentage of Income Allotted to Housing Expenses		30%	30%	30%	30%
Annual Income Available for Housing Expenses		\$13,418	\$15,338	\$17,250	\$19,170
Monthly Income Available for Housing Expenses		\$1,118	\$1,278	\$1,438	\$1,598
(Less) Monthly Utilities Allowance		(95)	(111)	(148)	(183)
Maximum Allowable Rent		\$1,023	\$1,167	\$1,290	\$1,415
B. <u>Low Income - Rent Based on 60% AMI</u>	3				
Benchmark Annual Household Income		\$53,670	\$61,350	\$69,000	\$76,680
Percentage of Income Allotted to Housing Expenses		30%	30%	30%	30%
Annual Income Available for Housing Expenses		\$16,101	\$18,405	\$20,700	\$23,004
Monthly Income Available for Housing Expenses		\$1,342	\$1,534	\$1,725	\$1,917
(Less) Monthly Utilities Allowance		(95)	(111)	(148)	(183)
Maximum Allowable Rent		\$1,247	\$1,423	\$1,577	\$1,734
C. <u>Moderate Income - Rent Based on 110% AMI</u>	3				
Benchmark Annual Household Income		\$98,395	\$112,475	\$126,500	\$140,580
Percentage of Income Allotted to Housing Expenses		30%	30%	30%	30%
Annual Income Available for Housing Expenses		\$29,519	\$33,743	\$37,950	\$42,174
Monthly Income Available for Housing Expenses		\$2,460	\$2,812	\$3,163	\$3,515
(Less) Monthly Utilities Allowance		(95)	(111)	(148)	(183)
Maximum Allowable Rent		\$2,365	\$2,701	\$3,015	\$3,332

¹ Based on the 2023 Orange County household incomes published by the California Department of Housing & Community Development (HCD). The benchmark household size is set at the number of bedrooms in the unit plus one.

² Based on the Orange County Housing Authority utilities allowance schedule effective as of October 1, 2023. Assumes: Electric Cooking, Electric Heating, and Electric Water Heater; and Basic Electric.

³ Based on the calculation methodology defined in California Health & Safety Code Section 50053.