



CITY OF OCEANSIDE

HOUSING AND NEIGHBORHOOD SERVICES DEPARTMENT

March 1, 2024

TO: Owners and Their Agents of City Assisted and City Restricted Affordable Housing

FROM: Housing and Neighborhood Services Department

AFFORDABLE HOUSING INCOME & RENT LIMITS METHODOLOGY

The City of Oceanside (the City) is required by local and state regulations to follow the California Health and Safety Code (H&SC) in setting income and rent limits for any non-federal funds and housing programs it administers. These limits may differ from those published by other agencies. This correspondence provides a description of the City's Income and Rent Limit methodology. [Income Limits](#) and [Rent Limits](#) are available on the Housing and Neighborhood Services website at [Affordable Rental Housing | Oceanside, CA](#)

Please note that the City's published income and rent limits are provided as a convenience to project owners and tenants by the City. However, they are not intended to modify or override legal standards regarding occupancy and rents as set forth in the applicable governing regulatory agreement for the project. If there is any conflict between the limits set forth here and the legal standards set forth in the regulatory agreement for a project, the standards of the regulatory agreement will apply.

Income Limits

The U.S. Department of Housing and Urban Development (HUD) publishes the Area Median Income (AMI) annually for a family of four in San Diego County. HUD also publishes the Low, Very Low, and Extremely Low-Income limits pursuant to its Section 8 program. These limits are then used by the California Department of Housing and Community Development (CA HCD) to publish its [Official State Income Limits chart](#).

Rent Limits

Pursuant to [H&SC 50053](#), rent limits are calculated true to their mathematical percentage of AMI, without reference to the Low, Very Low, and Extremely Low Income limits. For this reason, rent limits may not correspond to 30% of the applicable income limit. This method differs from other programs that set rents at 30% of the corresponding income limit. Rent limits as published by the City are NOT calculated by multiplying the corresponding income limit times 30%. This skips an important step and may lead to incorrect results. Rent limit calculations must start from the Median Income (100% of AMI) figure as published by CA HCD. Please refer to the City's published [Affordable Housing Costs/Rent Limits](#) to see the calculations and corresponding rent limits.

Oceanside Income & Limits

Hold Harmless Provisions

Depending on economic trends, the AMI, or any of the other income categories published by HUD pursuant to its Section 8 program, may decrease from one year to the next. HUD does not apply a Hold Harmless provision to keep these income limits from decreasing. However, CA HCD does apply such a provision. Because the City follows CA HCD's schedules, the Hold Harmless provision applies to City income limits. Income limits published by the California Tax Credit Allocation Committee (CTCAC) follow a different formula, resulting in a variance from both HUD and CA HCD's limits.

Sources

Below is a comparison of various affordable housing programs, their methodology for setting rent limits, and the relevant statute or program guidance.

Agency	Program	Applicable Rule	Reference
City of Oceanside	Chapter 14C-Inclusionary Housing	H&SC Sections 50053 and 50052.5	Oceanside City Code Chapter 14C
City of Oceanside	State Density Bonus program	H&SC Sections 50053 and 50052.5	H&SC Section 65915(b)(2)(B)(i)
City of Oceanside	State Permanent Local Housing Allocation (PLHA)	PLHA Final Guidelines (10/2019)	
City of Oceanside	HUD HOME Investment Partnerships Program (HOME) funds	Determined by HUD	HOME limits
City of Oceanside	HUD Community Development Block Grant (CDBG) program funds	Determined by HUD	CDBG limits
CTCAC	Low Income Housing Tax Credit (LIHTC)	Multifamily Tax Subsidy Program (MTSP)	HUD MTSP limits TCAC 2023 Income and Rent Limits
HCD	Multifamily Housing Program (MHP), Affordable Housing and Sustainable Communities (AHSC), and Veterans Housing and Homelessness Program (VHHP)	CTCAC limits	H&SC Section 50675.2 (See also H&SC Section 50053(c)) HCD State and Federal Income Limits

If you have any questions regarding this matter, please feel free to contact Cecilia Barandiaran, Management Analyst, at (760) 435-3385.