May 5, 2003

MEMORANDUM FOR: SEE LIST ATTACHED

FROM: Richard J. Kennedy, Director, Office of Block Grant Assistance, DGB
Mary A. Kolesar, Director, Office of Affordable Housing Programs, DGH

SUBJECT: “Uncapped” Income Limits for 2003

The Quality Housing and Work Responsibility Act of 1998 (Title V of Public Law 105-276) enacted a provision that directed the Department to grant exceptions to at least 10 jurisdictions that are currently “capped” under HUD’s low-and moderate-income limits. Under this exception, a total of 76 Community Development Block Grant (CDBG) entitlement grantees and 45 HOME Investment Partnerships (HOME) participating jurisdictions may use “uncapped” income limits that reflect 80 percent of the actual median income for the area. This reflects an increase of eight grantees from the original 68 grantees identified in 1999.

The attachment to this memorandum provides the 2003 “uncapped” income limits for the jurisdictions covered by this exception. The “uncapped” income limits for 2000 – 2002 are also included on the attachment. The highlighted uncapped income limits for both San Francisco and Orange County are lower than the normal, formula-based Low-Income limits. These calculations are described in HUD’s FY 2003 Income Limits Briefing Material, which may be obtained at: www.huduser.org/datasets/il/fmr/index.html. Contact Marie L. Lihn in the Office of Policy Development and Research at (202) 708-0590, extension 5866 or by e-mail at Marie_L._Lihn@hud.gov for an explanation of the Income Limits Briefing Material. Please ensure that grantees that choose to use the “uncapped” income limits for some or all of their HOME or CDBG-assisted activities reflect this determination in their Consolidated Plan/Action Plans.

The use of “low-income limits” in the attachment is a reference to the Section 8 low-income limits (i.e., 80 percent of the median income for the area). These are the income limits established by HUD and referred to the definition of low-and moderate-income person in the CDBG regulations at 24 CFR 570.3, and in the definition of low-income families in the HOME regulations at 24 CFR 92.2.
If you have any questions, please contact the Entitlement Communities Division at (202) 708-1577 or the Office of Affordable Housing Programs Policy Division at (202) 708-2470.

Attachments
ADDRESSEES:

Mary Ellen Morgan, Director, Community Planning and Development Division, 1ED
Kathleen Naymola, Director, Community Planning and Development Division, 2FD
Michael Litvin, Acting Director, Community Planning and Development Division, 2AD
Fances Bush, Director, Community Planning and Development Division, 3GD
Steve Sachs, Director, Community Planning and Development Division, 9AD
Bob Ilumin, Acting Director, Community Planning and Development Division, 9DD
"Uncapped" Income Limits Areas

CA ANAHEIM
CA BUENA PARK
CA COSTA MESA
*CA CUPERTINO CITY
CA DALY CITY
CA FOUNTAIN VALLEY
CA FULLERTON
CA GARDEN GROVE
CA GILROY CITY
CA HUNTINGTON BEACH
CA IRVINE
CA LAGUNA NIGUEL
CA LA HABRA
CA LAKE FOREST
CA MARIN COUNTY
CA MILPITAS CITY
CA MISSION VIEJO
CA MOUNTAIN VIEW
CA NEWPORT BEACH
CA ORANGE
CA ORANGE COUNTY
CA PALO ALTO
CA REDWOOD CITY
CA SAN FRANCISCO
CA SAN JOSE
CA SAN MATEO CITY
CA SAN MATEO COUNTY
CA SANTA ANA
CA SANTA CLARA
CA SANTA CLARA COUNTY
CA SOUTH SAN FRANCISCO
CA SUNNYVALE
CA TUSTIN
CA WESTMINSTER
CA YORBA LINDA
CT DANBURY
CT GREENWICH
CT NORWALK
CT STAMFORD
DC WASHINGTON
*MD BOWIE CITY
MD FREDERICK
*MD GAITHERSBURG
MD MONTGOMERY COUNTY
MD PRINCE GEORGES COUNTY

NJ BERGEN COUNTY
NJ CLIFTON
NJ EDISON
*NJ FRANKLIN TOWNSHIP
NJ MIDDLESEX COUNTY
NJ NEW BRUNSWICK
NJ PASSAIC
NJ PATerson
NJ PERTH AMBOY
NJ OLD BRIDGE TOWNSHIP
NJ SAYREVILLE
NJ SOMERSET COUNTY
NJ WAYNE TOWNSHIP
NJ WOODBRIDGE
NY BABYLON TOWN
NY HUNTINGTON TOWN
NY ISLIP TOWN
NY MOUNT VERNON
NY NASSAU COUNTY
*NJ NEW ROCHELLE

NY SUFFOLK COUNTY
NY WESTCHESTER COUNTY
NY WHITE PLAINS
NY YONKERS
VA ALEXANDRIA
VA ARLINGTON COUNTY
VA FAIRFAX COUNTY
VA FREDERICKSBURG
*VA PRINCE WILLIAM CO.

* Indicates new grantee added to list since 1999.