



**City of Pacific Grove**  
Community Development Department - Housing Division  
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**MEMORANDUM**

TO: Mayor, City Council, and Planning Commission

CC: City Manager, Administrative Services, Community Development Department

FROM: Community Development Department - Housing Division

DATE: May 17, 2024

**SUBJECT: 2024 STATE AND FEDERAL INCOME LIMITS**

The Housing Division is pleased to inform you of the recently updated annual income limits for 2024, effective May 9, 2024, as provided by the California Department of Housing and Community Development (HCD) and April 1, 2024, as provided by the U.S. Department of Housing and Urban Development (HUD). As a non-entitlement jurisdiction, the City of Pacific Grove adheres to HCD's income limits for our housing programs.

These income limits are integral to various federal- and state-funded housing and community development programs within our city, including the Community Development Block Grant (CDBG) Program, CalHOME Program, and Permanent Local Housing Allocation (PLHA) Program. They determine income eligibility criteria based on household size by number of people and Area Median Income (AMI).

Please note that HUD's income limit areas are determined based on FY 2024 Fair Market Rent (FMR) areas. HCD's income limits are derived from HUD's figures.

**The Median Family Income (100%) for Monterey County in 2024 is \$103,200 annually for a family of four.** 2024 HCD and HUD Low-Income (80%) limits match. 2024 HCD CDBG and HUD CDBG limits (effective May 1, 2024) also match. Both federal and state income limits across household size and income levels have increased from the prior year's 2023 limits.

A significant observation in this year's federal and state income limits for Monterey County is that the area median income (100%: \$103,200) is lower than the low-income limit (80%: \$105,950) calculations. This discrepancy may stem from several factors, including adjustments for high housing costs relative to income, the application of state nonmetropolitan income limits in low-income areas, and national maximums in high-income areas ([HCD 2024 State Income Limits, Pg.5](#)). This finding may serve as an indicator of the significant challenges faced by households in Monterey County.

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For your reference, detailed tables outlining the updated federal and state income limits for 2024 are provided on page two and three. These tables delineate household income levels based on number of people, annual and monthly gross income, and the recommended maximum allocation of income towards affordable rents.

<b>*HCD 2024 Income Limits - Monterey County (Effective May 9, 2024)</b>								
Number in Household	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
<b>Acutely Low (0-15%)</b>								
Annual Income	10,850	12,400	13,950	15,500	16,750	18,000	19,200	20,450
Monthly Income	904	1,033	1,163	1,292	1,396	1,500	1,600	1,704
30% of Monthly (Max Monthly Rent)	271	310	349	388	419	450	480	511
<b>Extremely Low (16-30%) (CDBG: "Extremely Low")</b>								
Annual Income	27,800	31,800	35,750	39,700	42,900	46,100	49,250	52,720 <small>(not CDBG, ref HUD)</small>
Monthly Income	2,317	2,650	2,979	3,308	3,575	3,842	4,104	4,393
30% of Monthly (Max Monthly Rent)	695	795	894	993	1,073	1,153	1,231	1,318
<b>Very Low (31-50%) (CDBG: "Low")</b>								
Annual Income	46,350	53,000	59,600	66,200	71,500	76,800	82,100	87,400
Monthly Income	3,863	4,417	4,967	5,517	5,958	6,400	6,842	7,283
30% of Monthly (Max Monthly Rent)	1,159	1,325	1,490	1,655	1,788	1,920	2,053	2,185
<b>**60% Limit (CDBG: "60% Limit")</b>								
Annual Income	55,620	63,600	71,520	79,440	85,800	92,160	98,520	104,880
Monthly Income	4,635	5,300	5,960	6,620	7,150	7,680	8,210	8,740
30% of Monthly (Max Monthly Rent)	1,391	1,590	1,788	1,986	2,145	2,304	2,463	2,622
<b>Low (51-80%) (CDBG: "Moderate")</b>								
Annual Income	74,150	84,800	95,400	105,950	114,450	122,950	131,400	139,900
Monthly Income	6,179	7,067	7,950	8,829	9,538	10,246	10,950	11,658
30% of Monthly (Max Monthly Rent)	1,854	2,120	2,385	2,649	2,861	3,074	3,285	3,498
<b>Median (81-100%)</b>								
Annual Income	72,250	82,550	92,900	103,200	111,450	119,700	127,950	136,200
Monthly Income	6,021	6,879	7,742	8,600	9,288	9,975	10,663	11,350
30% of Monthly (Max Monthly Rent)	1,806	2,064	2,323	2,580	2,786	2,993	3,199	3,405
<b>Moderate (101-120%)</b>								
Annual Income	86,700	99,100	111,450	123,850	133,750	143,650	153,550	163,500
Monthly Income	7,225	8,258	9,288	10,321	11,146	11,971	12,796	13,625
30% of Monthly (Max Monthly Rent)	2,168	2,478	2,786	3,096	3,344	3,591	3,839	4,088

\*HCD Income Limits for Monterey County cover all of the Monterey County jurisdictions, including the City of Pacific Grove.

\*\* HUD & HCD CDBG Income Limits are effective May 1, 2024. Additional HUD & HCD CDBG Income Limit notes include the following:

1. The 2024 HCD Income Limits provide a slightly higher figure for an 8-person household at the 30% limit than the 2024 HCD CDBG Income Limits. This is a \$270 difference.
2. HCD's 2024 Income Limits for Monterey County match HCD's CDBG Income Limits across several brackets as follows: 30% limits (excluding the 8-person household size), 50% limits, and 80% limits. The 60% limits for a 1- through 8-person household and the 30% limit for an 8-person household in HCD's CDBG Income Limits match the corresponding values in the 2024 HUD CDBG Income Limits table.

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<b>*HUD 2024 Income Limits - Salinas MSA (Effective April 1, 2024)</b>									
<b>Number in Household</b>	<b>1 Person</b>	<b>2 Person</b>	<b>3 Person</b>	<b>4 Person</b>	<b>5 Person</b>	<b>6 Person</b>	<b>7 Person</b>	<b>8 Person</b>	<b>**8 Person (CDBG)</b>
<b>Extremely Low (0-30%)</b>									
Annual Income	27,800	31,800	35,750	39,700	42,900	46,100	49,250	52,720	<b>**52,450</b>
Monthly Income	2,317	2,650	2,979	3,308	3,575	3,842	4,104	4,393	4,371
30% of Monthly (Max Monthly Rent)	695	795	894	993	1,073	1,153	1,231	1,318	1,311
<b>Very Low (31-50%)</b>									
Annual Income	46,350	53,000	59,600	66,200	71,500	76,800	82,100	87,400	
Monthly Income	3,863	4,417	4,967	5,517	5,958	6,400	6,842	7,283	
30% of Monthly (Max Monthly Rent)	1,159	1,325	1,490	1,655	1,788	1,920	2,053	2,185	
<b>**Lower (51-60%)</b>									
Annual Income	55,620	63,600	71,520	79,440	85,800	92,160	98,520	104,880	
Monthly Income	4,635	5,300	5,960	6,620	7,150	7,680	8,210	8,740	
30% of Monthly (Max Monthly Rent)	1,391	1,590	1,788	1,986	2,145	2,304	2,463	2,622	
<b>Low (61-80%)</b>									
Annual Income	74,150	84,800	95,400	105,950	114,450	122,950	131,400	139,900	
Monthly Income	6,179	7,067	7,950	8,829	9,538	10,246	10,950	11,658	
30% of Monthly (Max Monthly Rent)	1,854	2,120	2,385	2,649	2,861	3,074	3,285	3,498	

\*HUD Income Limits are based on the Salinas Metropolitan Statistical Area (MSA). This includes the City of Pacific Grove.

\*\* HUD & HCD CDBG Income Limits are effective May 1, 2024. Additional HUD & HCD CDBG Income Limit notes include the following:

1. The 2024 HCD Income Limits provide a slightly higher figure for an 8-person household at the 30% limit than the 2024 HCD CDBG Income Limits. This is a \$270 difference.
2. 2024 HUD CDBG Limits provide figures for the 60% limit, while the [FY 2024 HUD Income Limits Summary](#) does not.

[2024 State HCD CDBG Income Limits - Effective May 1, 2024](#)

Monterey	Extremely Low 30%	\$27,800	\$31,800	\$35,750	\$39,700	\$42,900	\$46,100	\$49,250	\$52,450
	Low 50%	\$46,350	\$53,000	\$59,600	\$66,200	\$71,500	\$76,800	\$82,100	\$87,400
	60% Limit	\$55,620	\$63,600	\$71,520	\$79,440	\$85,800	\$92,160	\$98,520	\$104,880
	Moderate 80%	\$74,150	\$84,800	\$95,400	\$105,950	\$114,450	\$122,950	\$131,400	\$139,900

For further information on the methodologies employed by the federal and state agencies, please refer to the data source links provided at the end of this memo.

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As a reminder, housing is considered affordable when housing costs do not exceed more than 30% of the household's gross income. This guideline serves as a benchmark for assessing the affordability of housing options within our city. Households spending 30% or more of their gross income on housing expenses like rent or mortgage and utilities are considered cost-burdened. Furthermore, households spending 50% or more are classified as severely cost-burdened.

For additional frame of reference, the monthly maximum Federal Supplemental Security Income (SSI) payment amount for an eligible individual in 2024 is \$943 which falls just above HCD's Acutely Low-Income (15%) category and within the Extremely Low-Income category (30%) ([Social Security Administration, 2024](#)).

### **Data Sources**

**1. California Department of Housing and Community Development (HCD) Income Limits 2024:**

- A. [HCD Income Limits 2024](#) (effective May 9, 2024)
- B. [HCD CDBG Income Limits 2024](#) (effective May 1, 2024)

**2. U.S. Department of Housing and Urban Development (HUD) Income Limits 2024:**

- A. [HUD CDBG Income Limits 2024](#) (effective May 1, 2024)
- B. [HUD Income Limits Summary 2024](#) (effective April 1, 2024)
- C. [HUD Medians Methodology FY24](#)

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