



# CHARLESTON COUNTY

## Housing our Future

### HOUSING GLOSSARY | Key Terms & Acronyms

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#### **Area Median Income (AMI)**

Area Median Income (AMI) is a metric calculated by the U.S. Department of Housing and Urban Development (HUD) to determine the income eligibility requirements of federal housing programs

#### **Extremely Low-Income Household**

Households with incomes below 30 percent of area median income. Most federal affordable housing programs serve households earning up to 80% of area median income.

#### **Fair Market Rent (FMR)**

The Fair Market Rent is the average rent and utility costs for newly leased, non-luxury rental units with basic amenities. Fair Market Rents are used to set rental assistance payment standards for federal housing programs

#### **Gross Annual Household Income**

The total income received by all members of the tenant's household. This is the amount before taxes and deductions are subtracted.

#### **Gross Rent**

Gross rent is the amount of rent stipulated in a lease. When someone signs a lease, they will have to pay rent each month, and the gross rent is the combined amount of monthly payments.

#### **Homeless**

An individual who lacks a fixed, regular and adequate nighttime residence. Additionally, an individual who has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations, an institution that provides a temporary residence for individuals intended to be institutionalized or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

## **Household**

All the people who occupy a housing unit. A household includes the related family members and all the unrelated people. Unrelated people may include lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household.

## **Housing Assistance Payment**

The monthly dollar amount a Public Housing (PHA) would pay, directly to the landlord, on behalf of the Section 8 Voucher holder. The amount of HAP is the difference between the unit rent and the tenant contribution. The tenant contribution in the Section -8 voucher program is 30% of monthly income.

## **Housing Choice Voucher**

HUD's major tenant-based rental assistance program, Section 8 Housing Choice Vouchers allow low-income households to receive rental assistance in a home of their choice. Housing Choice Voucher tenants pay 30% of their monthly income for rent and the federal government pays the landlord the remainder through a local housing authority. Payments to landlords are restricted by the area's Fair Market Rent (FMR). This is called the Housing Assistance Payment, or HAP.

## **Housing Market Area**

A geographic region from which it is likely that renters/purchasers would be drawn to a given housing project. A housing market area most often corresponds to a Metropolitan Statistical Area (MSA).

## **Inadequate Housing**

Housing with severe or moderate physical problems, as defined in the American Housing Survey (AHS) since 1984. A unit is defined as having severe physical problems if it has severe problems in any of five areas: plumbing, heating, electrical system, upkeep and hallways. It has moderate problems if it has problems in plumbing, heating, upkeep, hallways or kitchen, but no severe problems.

## **Low-Income Household**

A household whose combined income does not exceed 80% of the median family income for the area. This is the income eligibility threshold for most federal affordable housing programs.

## **LIHTC**

Low Income Housing Tax Credit Program

## **Market Value**

The most probable price that a property should bring in a competitive and open market. This is provided that all conditions requisite to a fair sale are present, the buyer and seller are knowledgeable and acting prudently, and the price is not affected by any undue stimulus.

## **Metropolitan Statistical Area (MSA)**

An area with at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core. This integration is primarily measured by commuting ties.

## **Net Rent**

Net rent is the rent a lessee pays on average per month of a lease period. It is not the actual amount a lessee pays per month, but a mathematical calculation that considers free months on the lease as if they'd been paid for. The net rent may appear on rental listings to guide potential renters toward the listing with the promise of lower payments.

## **NIMBY (Not In My Backyard)**

Describes the phenomenon in which residents of a neighborhood designate a new development or change in occupancy of an existing development as inappropriate or unwanted for their local area. These sentiments are a common barrier to the creation of new housing opportunities.

## **NOAH**

Naturally occurring affordable housing; housing that is available on the regular market, open to anyone and happens to be affordable to many families

## **Operating Subsidies**

Payments authorized by the U.S. Housing Act of 1937 for operating costs of low-rent public housing properties. Operating subsidies help public housing authorities pay for utilities, maintenance, security, accounting, reporting and similar operating costs.

## **Overcrowding**

The condition of having an average of more than one person per room. Overcrowding is considered a serious housing problem. Overcrowding is not allowed in federally assisted housing.

## **Project-Based Housing Assistance**

When government housing assistance is tied to the unit, not the tenant. When a tenant moves out, they do not take the rental assistance with them. New tenants moving into the unit will benefit from the rental assistance attached to the property.

## **Project-Based Vouchers**

A component of a public housing authority's housing (PHA) [Section 8- Housing Choice Voucher](#) program. A PHA can attach up to 20% of its voucher assistance to specific housing units if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set aside a portion of the units in an existing development.

## **Public Housing**

Housing assisted under the provisions of the U.S. Housing Act of 1937 or under a state or local program having the same general purposes as the federal program. Distinguished from privately financed housing, regardless of whether federal housing subsidies or mortgage insurance are features of such housing development.

## **PHA**

Public Housing Authority.

## **Qualified Census Tract**

Any census tract (or equivalent geographic area defined by the Census Bureau) in which at least 50% of households have an income less than 60% of the area median gross income. In addition, it may also be a Qualified Census Tract if it has a poverty rate of at least 25%.

## **Redlining**

Discrimination based on location is often referred to as redlining. Historically, some lending institutions were found to have maps with red lines delineating neighborhoods where they would not do business. These maps were used by the Home Owners Loan Corporation (HOLC) and effectively starved many neighborhoods (particularly where people of color lived) of investment and the opportunity to build wealth. Redlining is among several parts of the country's housing history which have created entrenched inequities in our housing market.

## **Rehabilitation**

The labor, materials, tools and other costs of improving buildings, other than minor or routine repairs. Includes when the use of a building is changed to an emergency shelter and the cost of this change and any rehabilitation costs does not exceed 75 percent of the value of the building before the change in use.

## **Renovation**

Rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation. Examples of renovation projects include jobs like kitchen or bathroom remodels, upgrading windows or adding a deck.

## **Section 8**

A federally funded rental assistance program that pays private landlords the difference between what a low-income household can contribute and the fair market rent.

Section 8 Housing Choice Vouchers (HCV) provides rental assistance for households to use renting in the private market. Section 8 Project-Based Rental Assistance (PBRA) is attached to a specific home or apartment community. In both programs, the tenant pays 30% of monthly income for rent with HUD paying the owner the remainder, up to the area's Fair Market Rent (FMR).

## **Tenant-Based**

Tenant-based housing assistance, as opposed to Project-based, is a broad category of affordable housing programs where the rental subsidy is tied to the tenant. Households receiving the benefits of a Tenant-based housing assistance program may be able to keep the benefits when moving.

### **TIF**

Tax Increment Financing.

### **TOD**

Transit Oriented Development.

### **Utility Allowance**

An amount used by a Public Housing Authority (PHA) to determine average utility bills for a specific area. It is used to calculate the tenant's portion of the monthly rent.

### **Waiting List**

An ordered list of households who have applied for housing assistance through a Housing Authority or private landlord. Waiting lists are used when affordable housing demand exceeds the supply of available assistance.

### **Workforce Housing**

Workforce housing is housing for the occupations needed in every community, including teachers, nurses, police officers, fire fighters, and many other critical workers. The families in need of workforce housing do not fall neatly into a single narrow income category. Employees in some industries (e.g. retail sales, food service, tourism) are likely to be in the lower income ranges. Seasoned workforce jobs with education or training requirements, such as teachers, police officers, nurses, etc., may fall into the middle income brackets but still find it difficult to afford homes in the community where they work.

Sources:

1. [www.charleston-sc.gov/DocumentCenter/View/25791/Housing-for-a-Fairer-Charleston-Report](http://www.charleston-sc.gov/DocumentCenter/View/25791/Housing-for-a-Fairer-Charleston-Report)
2. <https://affordablehousingonline.com/glossary>