GLOSSARY

American Community Survey (ACS) – Since 1996, the Census Bureau has been phasing in the ACS to provide annual economic, social, demographic, and housing data. Beginning with the 2005 ACS, which was the first to represent a full sample for the United States, the Census Bureau has provided one-year estimates for geographic areas with a population of 65,000 or more.

American Housing Survey (AHS) – This survey is conducted by the Census Bureau for HUD. It collects data on the nation's housing stock, including "apartments, single-family homes, mobile homes, vacant housing units, household characteristics, income, housing and neighborhood quality, housing costs, equipment and fuels, size of housing unit, and recent movers." The national AHS survey is conducted biennially, and surveys for 47 selected metropolitan areas are conducted approximately every six years, on a rotating basis. Two metropolitan areas within Pennsylvania are surveyed by the AHS: Philadelphia and Pittsburgh.

Affordable Rental Units – Housing is assumed to be affordable if a household spends 30 percent or less of its income on gross rent, i.e., rent and utilities.

Affordable Rental Housing Shortage – By definition, shortage occurs when the total number of renter households at or below a specified income threshold is greater than the total number of rental housing units affordable at that threshold. This shortage can also be expressed as a ratio of units per 100 renters: When the ratio is less than 100, there is a shortage.

Affordable and Available Rental Housing Units – These are affordable rental units that are available to an income group. They include (1) housing units affordable at an income threshold that are occupied by renter households at or below that specified income threshold; and (2) units that are vacant, but intended for rent, and affordable to renter households at the specified threshold.

Affordable and Available Rental Housing Shortage – By definition, shortage occurs when the total number of renters at or below a specified income threshold is greater than the total number of affordable rental units *available* to renters at the threshold. This shortage can also be expressed as a ratio of units per 100 renters: When the ratio is less than 100, there is a shortage.

Area Median Income (AMI) – See the definitions of family and HUD-adjusted area median family income (HAMFI). *This study uses AMI and HAMFI interchangeably.*

Comprehensive Housing Affordability Strategies (CHAS) Data – To help states and local jurisdictions develop their CHAS, which were mandated by the National Affordable Housing Act of 1990, HUD funded special tabulations of 1990 and 2000 census data that classified renter and owner households and their housing problems by income in relation to HAMFI, and housing units and their characteristics by affordability.

Cost Burden/Rent Burden – A cost burden exists when a household pays more than 30 percent of household income for housing. A rent burden exists when a renter pays more than 30 percent of household income on gross rent, i.e., rent and utilities. *This study uses cost burden and rent burden interchangeably.*

Extremely Low Income (ELI) Renters – ELI renters are renter households with incomes less than or equal to 30 percent of HAMFI.

Fair Market Rent (FMR) – FMRs are established annually by HUD for each metropolitan area and nonmetropolitan county in the U.S. The FMR is used in the Housing Choice Voucher program as the basis for determining the payment standard, which is the maximum subsidy allowed for renting a moderately priced housing unit in a local area (see rental subsidy and voucher definitions). *This study uses "FMR" rather than "payment standard" in discussing rental subsidies and the voucher program. At local discretion, public housing agencies may set payment standards within 90 to 110 percent of the FMR.*

Family – In this study, "family" is defined in two quite different ways that should be distinguished. As discussed below, HUD's official HAMFI thresholds are based on adjustments to area median family income. "Family" here follows the Census Bureau's definition in including only persons related by blood, marriage, or adoption. It thereby excludes single individuals living alone or in a household with other unrelated persons and is not the same as a "household." For HUD rental programs, by contrast, the definition of "family" has been expanded over the years to include single persons and thus effectively includes all households.

HOME – The HOME Investment Partnerships Program is a federal affordable housing supply program established by the National Affordable Housing Act of 1990 and administered by HUD. It provides grants to state and local governments ("participating jurisdictions") to fund affordable housing for renters and homeowners with incomes at or below 80 percent of HAMFI. By statute, 90 percent of renters assisted by HOME funds must have incomes at or below 60 percent of HAMFI. Also by statute, rents of units assisted with HOME funds must be the lesser of the local FMR or affordable to incomes at 65 percent of HAMFI.

Housing Problem – This refers to either a cost burden or a housing unit problem.

Housing Unit Problem – This refers to a housing unit that lacks plumbing or kitchen facilities or is overcrowded.

HUD – This acronym refers to the U.S. Department of Housing and Urban Development.

HUD-Adjusted Area Median Family Income (HAMFI) – The area median family income refers to the median income of all families in a given geographic area, such as a county, state, or metropolitan area. To establish income eligibility for its programs, HUD annually establishes thresholds of area median family income adjusted by household size and other factors required by statute. *This study uses HAMFI and area median income (AMI) interchangeably.*

Low Income Housing Tax Credit (LIHTC) Program – The LIHTC program, established by the Tax Reform Act of 1986, provides a tax credit to encourage private equity in the development and rehabilitation of affordable rental housing. Rents must be chosen to be affordable to households with income at either 50 or 60 percent of HAMFI. Projects financed through this program must meet certain requirements, including remaining affordable to income-eligible renters for 30 years. The program is typically administered by state housing finance agencies. LIHTCs are also called Section 42 credits, in reference to the applicable section of the Internal Revenue Code.

Low Income (LI) Renters – LI renters are renter households with incomes between 50.1 percent and 80 percent of HAMFI.

Lower Income – This category includes households with incomes less than or equal to 80 percent of HAMFI. It includes ELI, VLI, and LI renter households.

Moderately Inadequate Housing Unit – The AHS defines this as a housing unit having plumbing, heating, upkeep, hallway, or kitchen problems, but no severe problems.

Overcrowding – Overcrowding occurs when there is more than one person per room.

Public Use Micro-data Sample (PUMS) – PUMS files from the ACS show population and housing unit responses collected on individual questionnaires without identifying the household. Each one-year sample contains approximately 1 percent of the total number of housing units in the United States.

Public Use Micro-data Areas (PUMAs) – PUMAs are the smallest geographical areas identified on the ACS micro-data. They are special nonoverlapping areas that partition a state, each with a population of at least 100,000. State governments drew the PUMA boundaries at the time of the 2000 census.

Rental subsidy – In this study, a rental subsidy is the monetary amount of assistance provided by the federal government through the Housing Choice Voucher program (see voucher definition). For a family given a voucher, the subsidy is generally the difference between 30 percent of a family's adjusted gross income up to the FMR (or local "payment standard" if different from the FMR) or the gross rent of the unit, whichever is less (see FMR definition). If this subsidy is not sufficient to cover the full rent of the unit, the household has the option to pay the additional amount out of its own pocket. The subsidy is paid by the local public housing agency, on behalf of HUD, directly to the landlord. *(Note: Family is defined for HUD program eligibility to effectively include all households. See 24 CFR 982.)*

For example, a family's adjusted gross monthly income is $900, and it can afford to pay $270 per month in gross rent (30 percent of $900). The FMR in the area is $500 per month. The family has a voucher and is eligible to receive a rent subsidy up to $230 ($500-$270). If the family rents a unit at a cost less than the FMR, the subsidy paid to the landlord will be less than $230. If the family rents a unit priced at the FMR, the subsidy will be $230. However, if the family rents a unit with a cost greater than the FMR, it will have some cost burden because the $230 subsidy will be paid to the landlord and the family will be responsible for paying more than $270 per month.

Severe Cost Burden/Rent Burden – A severe cost/rent burden occurs when a renter pays more than 50 percent of household income on rent and utilities.

Severely Inadequate Housing Unit – The AHS defines this as a housing unit having severe plumbing, heating, upkeep, hallway, or electrical problems. The specific problems are defined in each AHS publication and also in each of HUD's Worst Case Needs reports (e.g., HUD 2003).

Very Low Income (VLI) Renters – VLI renters are renter households with incomes between 30.1 percent and 50 percent of HAMFI.

Voucher – Vouchers are provided to extremely low- and very low-income families through the Housing Choice Voucher program, a federal housing assistance program administered by HUD. The voucher program is a tenant-based rental assistance program that enables a family to choose to live in any private rental unit that is available and meets program requirements, including housing quality standards. Local public housing agencies, which administer the program on behalf of HUD, provide the vouchers to income-eligible families and pay the monthly rent subsidies to the landlord. The amount of the subsidy for the unit is based on the family's adjusted gross income and the FMR or local payment standard (see rental subsidy and FMR definitions). By statute, at least 75 percent of families admitted to the program must have incomes below 30 percent of HAMFI.

The use of tenant-based rental assistance was originally authorized in the Housing and Community Development Act of 1974, which amended the U.S. Housing Act of 1937 that created the nation's public housing program. The Housing Choice Voucher program in its current form was created as part of the Quality Housing and Work Responsibility Act of 1998. Specific details for the voucher program are given in 24 CFR 982.

Worst Case Needs – This is HUD's term for unassisted renters with incomes at or below 50 percent of HAMFI who have one of the two priority problems that formerly gave renters preference in admission to rental assistance programs: (1) They are paying more than half of their income for housing or (2) they are living in severely substandard housing. If the data were available, complete estimates of worst case needs would also include anyone who is homeless.