



# **Appendix I**

## **Glossary**

## **U. S. Department of Housing and Urban Development Glossary**

### **Anti-Crime Program**

A category that allows for the promotion of activities that reduce crime, including crime prevention education programs and the payment of security guards and systems. See HUD Activity Categories.

### **Area Benefit Activities**

Activities that benefit a surrounding area where at least 51 percent of the residents are low- and moderate-income persons. See CDBG Low- and Moderate-Income Designated Activities.

### **Area Median Income**

The exact middle of an income range, where 50 percent of the families have incomes above and 50 percent of the families have incomes below.

### **Community Development Block Grant (CDBG)**

A formula-based program that annually allocates funds to metropolitan cities, urban counties, and states for a wide range of eligible housing and community development activities. Over a three-year period, not less than 70 percent of a grantee's CDBG expenditures can be used for activities that benefit low- and moderate-income persons.

### **Comprehensive Grant Program**

The Comprehensive Grant Program provides modernization funding on a formula basis to approximately 908 Housing Authorities with 250 or more units. Eligible Housing Authorities prepare a comprehensive plan assessing their physical and management improvement needs every six years. Housing Authorities are also required to submit an annual plan that details the use of their funds for the current fiscal year. Under this program, up to 20 percent of their annual formula grant may be used by the Housing Authority to:

1. fund management improvements needed to upgrade the operation of their developments,
2. sustain physical improvements, and
3. correct management deficiencies.

## **Comprehensive Improvement Assistance Program (CIAP)**

Under the Comprehensive Improvement Assistance Program (CIAP), Housing Authorities with fewer than 250 units may apply and compete for modernization funds to carry out both physical and management improvements. Approximately 2,500 Housing Authorities compete on an annual basis for CIAP funds by submitting an application to the HUD State/Area Office, which rates and ranks all applications received and makes funding decisions. Of the amount available for public housing, one percent is set aside to carry out goals related to pending civil rights litigation, subject to judicial oversight.

## **CDBG Program Types**

1) The CDBG Metropolitan Community grant program whose grantees are metropolitan cities and urban counties; and 2) The CDBG State grant program whose grantees are states.

## **CDBG Area Benefit Activities**

Proposed projects or activities that benefit a surrounding area, where at least 51 percent of the residents are low- and moderate-income persons. An area that is not primarily residential in character will not qualify under this criterion.

## **CDBG Entitlement Amount**

The amount of funds that a metropolitan city and urban county are entitled to receive under the CDBG Metropolitan Community program formula.

## **CDBG Nonentitlement Amount**

The funds that are distributed to selected communities that apply for CDBG funding through their State or HUD-administered Small Cities program.

## **CDBG Joint Grant Agreement**

An agreement between a CDBG urban county and CDBG metropolitan city, located within that county, for the purpose of receiving CDBG funds. The county and the city use the funds to plan and implement a joint community development and housing program.

## **CDBG National Objectives**

In order for a CDBG activity to be funded, it must either benefit low- and moderate-income persons, or aid in the prevention or elimination of slums and blight. An activity may also be funded if it meets an urgent need.

### **CDBG Low- and Moderate-Income Designated Activities**

Activities that must benefit at least 51 percent of low- or moderate-income persons. The four types of activities that meet this designation are Area Benefit Activities, Housing Activities, Job Creation or Retention Activities, and Limited Clientele Activities.

### **CDBG Slum and Blight Designated Activities**

Activities performed in areas that, under state criteria, are considered slum and blighted areas.

### **CDBG Urgent Need Designated Activities**

Activities where a grantee certifies that a particular activity is needed to meet an urgent need and that the only funds available to finance the activity are CDBG funds.

### **Consolidated Plan**

A plan prepared by all states, cities and counties that receive formula funding through the CDBG, HOME, ESG and HOPWA programs. The plan describes a community's needs, resources, priorities, and the activities that it proposes to fund through these four programs.

### **Drug Elimination Program**

The Public Housing Drug Elimination Program provides grants to fund drug elimination and other crime prevention activities in public and Indian housing. HUD is authorized to make these grants available to selected Public Housing Authorities and Indian Housing Agencies for the purpose of eliminating drug-related crime in their communities. Activities that may be funded through these grants include employment of security personnel and investigators; reimbursement to local law enforcement for additional services; physical improvements for security; support of tenant patrols; and programs to reduce crime and drug-use by residents. This program also provides funding for the Drug Clearinghouse and special purpose grants in order to provide technical assistance to Public Housing Authorities (PHAs) and Indian Housing Authorities (IHAs).

### **Economic Development Category**

A category that allows grantees to use their funds for projects and activities that increase economic opportunity, principally for persons of low and moderate income. A project may also include one or more activities that address a lack of affordable housing accessible to existing or planned jobs. See HUD Activity Categories.

### **Emergency Shelter Grant (ESG)**

A formula-based program that allocates funds to states, metropolitan cities, and urban counties to support emergency shelters for homeless individuals and families.

### **Empowerment Zone/Enterprise Community (EZ/EC)**

The designees named in a 1994 Federal initiative to revitalize economically-distressed areas of the country. This initiative rewards communities that form local partnerships that help develop a comprehensive revitalization plan for low-income neighborhoods. The four designees are: Empowerment Zone, Supplemental Empowerment Zone, Enterprise Community, Enhanced Enterprise Community.

### **Empowerment Zone (EZ)**

Four cities (Atlanta, Chicago, Detroit, Cleveland) are designated as EZs. Each received \$100 million in Title XX Social Services Block Grant funds, wage tax credits, and new Tax-Exempt Bond Financing. See Empowerment Zone/Enterprise Community (EZ/EC).

### **Enhanced Enterprise Community (EEC)**

Four cities (Boston, Kansas City, Houston, and Oakland) are designated as EECs. Each received a \$22 million Economic Development Initiative Grant, \$3 million in Title XX Social Services Block Grant funds, and new Tax-Exempt Bond Financing. See Empowerment Zone/Enterprise Community (EZ/EC).

### **Enterprise Community (EC)**

Sixty-five cities are designated as ECs. Each received a \$3 million Title XX Social Service Block Grant and new Tax-Exempt Bond Financing. See Empowerment Zone/Enterprise Community (EZ/EC).

### **Extremely Low-Income**

As defined in the Consolidated Plan, a family whose income is between 0 and 30 percent of the Area Median Income. See Income Groups.

### **Family**

All persons living in the same household who are related by birth, marriage or adoption.

### **Fiscal Year**

The Federal Fiscal Year beginning on October 1 and ending on September 30.

## **Formula-based programs**

Programs that provide direct allocations (grants) to states, cities, and urban counties based on specific factors, such as total population count, number of persons with incomes below the poverty line, and housing conditions.

### **Grantee**

A state, metropolitan city, or urban county that receives an annual formula-based allocation directly from HUD under its CDBG, ESG and/or HOPWA programs. For the purpose of Community 2020, HOME-participating jurisdictions are also considered grantees.

### **HOME Community Housing Development Organization (CHDO)**

A private, locally-based housing development organization with federal tax-exempt status. A HOME-participating jurisdiction must invest not less than 15 percent of its HOME funds in CHDO housing activities.

### **HOME Consortium**

A group of units of general local government geographically linked and joined as a participating jurisdiction for the purpose of obtaining and sharing an allocation of HOME funds.

### **HOME Fair Market Rents (FMRs)**

Rents established under the Section 8 Existing Housing Program that represent approximately the 45th percentile of standard housing occupied by recent movers. FMRs are published annually in the Federal Register and are established for each area of the country.

### **HOME Investment Partnership Program**

A formula-based program that provides allocations to states and units of general local governments, known as participating jurisdictions. Its purpose is to retain and expand the supply of affordable housing principally for low- and very-low-income families through housing rehabilitation, new construction, first-time home buyer financing, and rental assistance.

### **HOME Subrecipient**

A public agency or nonprofit organization selected by the participating jurisdiction to administer all or part of the participating jurisdiction's HOME program.

## **Homeless Programs Category**

A category that allows for the construction, conversion, renovation, or rehabilitation of shelters for the homeless. Also eligible are activities that provide for transitional housing and single-room occupancy units for the homeless. See HUD Activity Categories.

## **Hope VI Program**

The HOPE VI Program was created for the purpose of revitalizing severely distressed or obsolete public housing developments. The activities in the program include funding of the capital costs of major reconstruction, rehabilitation and other physical improvements, the provision of replacement housing, management improvements, planning and technical assistance, and implementation of community service programs and supportive services or the planning of such activities. Funds are distributed to Public Housing Authorities (PHA) based upon a selection process in which interested PHAs must specify the activities they would undertake upon selection.

## **Household**

All the persons who are the occupants of a housing unit. The Census Bureau defines occupants as a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

## **Housing Category**

A category that includes activities that retain and expand safe and decent affordable housing for both owner and tenant-occupied units (e.g., housing acquisition and disposition; minor and major housing rehabilitation of single- and multi-unit properties; and new construction). See HUD Activity Categories.

## **Housing Activities**

Activities carried out for the purpose of providing or improving permanent residential structures that, upon completion, low- and moderate-income households will occupy. See CDBG Low- and Moderate-Income Designated Activities.

## **Housing Opportunities for Persons with AIDS/HIV (HOPWA)**

A grant program that addresses the needs of persons living with HIV or AIDS and their families.

## **HUD Activity Categories**

Categories of activities that may be assisted with CDBG, HOME, ESG and HOPWA funds. The categories are Anti-Crime Program, Economic Development, Homeless



Programs, Housing, Infrastructure, Other, Planning and Administration, Public Facilities, Public Services, Senior Programs, and Youth Programs.

### **Income**

For the purposes of HUD programs, income is either measured for families or households:

- 1) Household income includes the income of the householder and any person in the household 15 years of age and over, whether related to the householder or not.
- 2) Family income refers to the income of persons 15 years of age and older, related by birth, marriage or adoption, who reside together.

### **Income Groups**

The following income groups refer to the households, families, and persons who are eligible CDBG and HOME beneficiaries because their annual incomes are below the Area Median Income. These income groups also include the two additional income levels added to the Consolidated Plan's list of income definitions: Extremely Low-Income, Very Low-Income, Low-Income, Low- and Moderate-Income, Middle Income, and Moderate-Income.

### **Infrastructure Category**

A category that includes water/sewer improvement activities, such as the replacement of water lines and sanitary and storm sewers. This category also allows a grantee to undertake street projects that may include the installation of street lights, street drains, curbs, and gutters. See HUD Activity Categories.

### **Job Creation or Retention Activities**

Activities that are eligible because they will create or retain permanent jobs, where at least 51 percent of the full-time jobs employ low- and moderate-income persons. See CDBG Low- and Moderate-Income Designated Activities.

### **Limited Clientele Activities**

Activities that benefit a "limited clientele," such as abused children and spouses, homeless persons, and persons living with AIDS. See CDBG Low- and Moderate-Income Designated Activities.

### **Low- and Moderate-Income Area**

An area where 51% or more of the residents have incomes that do not exceed 80 percent of the Area Median Income. There are exception communities where less than 51% of the residents have incomes at or below 80 percent of the Area Median Income.

### **Low- and Moderate-Income**

As defined by the CDBG program, a household or person whose annual income does not exceed 80 percent of the Area Median Income. See Income Groups.

### **Low-Income**

1. As defined by the CDBG program, a household or a person whose annual income is 50% or less than the Area Median Income.
2. As defined by the HOME program, a family whose annual income does not exceed 80 percent of the Area Median Income.

### **Low-rent Public Housing**

Also referred to as conventional Public Housing, these are units built with federal funds provided to local Public Housing Authorities (PHAs) under the auspices of the 1937 Housing Act. The units are available to low-income persons who receive a rent subsidy proportioned to their household income. Residents are selected from a waiting list that is maintained by the PHA, and selections are determined by congressionally-mandated factors such as income, disability, and elderly status. See Low-Income .

### **Median Contract Rent**

The exact middle of a range of contract rents. Such rents represent the monthly contract rent that HUD or the Public Housing Authority pays to the owner of a housing unit on behalf of a family for rental space.

### **Median Gross Rent**

The exact middle of a range of gross rents. Such rents represent the total monthly cost of housing an eligible family and are the sum of the contract rent and any utility allowance.

### **Median Household Income**

The exact middle of a range of household incomes. The Census Bureau defines household incomes as incomes of persons 15 years of age and over residing together, whether related or not. A household may consist of one person only.

## **Metropolitan Cities**

Central cities of metropolitan areas, other metropolitan area cities with a population of 50,000 or more, and cities that retain their metropolitan area status because of their previously-qualifying designation.

## **Middle Income**

As defined in the Consolidated Plan, a family whose income is between 80 percent and 95 percent of the Area Median Income. See Income Groups.

## **Moderate Rehabilitation Program**

This component of the Section 8 Program provides both rental subsidies and funds for limited rehabilitation of the units. Landlords are selected for this program competitively, and must make rehabilitated units available for very low-income Section 8 certificates for a minimum of 10 years. See Section 8 and Very Low-Income .

## **Modernization**

HUD provides annual funds to Public Housing Authorities (PHA) for both physical improvements to the units and management improvements. The program requirements differ, depending on the size of the housing authority. Small PHAs, those with fewer than 250 units, receive funds and must operate under the conditions of the Comprehensive Improvement Assistance Program (CIAP). Large PHAs, those with more than 250 units, operate under the Comprehensive Grant Program. See Comprehensive Improvement Assistance Program (CIAP) and Comprehensive Grant Program .

## **Operating Subsidies Program**

The Public Housing Operating Subsidies Program provides operating subsidies to Public Housing Authorities (PHAs) and Indian Housing Authorities (IHAs) to assist in funding the operations and maintenance expenses of their dwellings, in accordance with Section 9 of the U.S. Housing Act of 1937, as amended. The subsidies are required to help maintain services and provide minimum operating reserves.

## **Other Category**

A category that includes unprogrammed funds, which are funds that have not been programmed for use. See HUD Activity Categories.

## **Overcrowded Housing**

Housing in which the number of persons exceeds the number of rooms in a housing unit. When using a ratio of the number of persons living in a housing unit to the number of rooms in that unit, a ratio of 1.0 means that the number of persons and the number of rooms are the same. Any housing where the ratio of rooms to persons exceeds 1.0 is considered overcrowded.

## **Participating Jurisdiction**

A state or unit of general local government that HUD has designated as eligible for HOME funds.

## **Planning and Administration Category**

A category that allows a grantee to expend a reasonable amount of its grant funds for overall program management, coordination, and evaluation. Such costs include staff salaries and wages, as well as costs associated with the administration of a grantee's housing rehabilitation program. See HUD Activity Categories.

## **Program Income**

Gross income that the grantee, participating jurisdiction, state grant recipient, or subrecipient receives. This income is directly generated from CDBG, HOME, ESG, or HOPWA funds.

## **Public Facilities**

A category that allows grantees to undertake the acquisition, reconstruction, rehabilitation, and installation of public facilities and improvements. Examples of eligible public facilities are neighborhood parks, recreational and parking facilities, and centers for the disabled. Interim Assistance may also be given for the repair of streets, sidewalks, or public buildings to arrest their deterioration before any permanent improvements of the facilities are made. See HUD Activity Categories.

## **Section 8**

Section 8 rental vouchers and certificates are used to provide rental assistance for elderly households and for very low-income households whose income does not exceed 50 percent of area median income. Certificates and Vouchers allow participants in the Section 8 Program to choose a rental housing unit on the open market according to their household needs. The value of the certificate or voucher is the federal government's rental subsidy equal to the difference between 30 percent of the family's monthly household income and a federally-calculated, regional fair market rent. This program is administered by local Public Housing Authorities (PHAs) under a contract with HUD. See Very Low-Income :

## **Senior Programs**

A category that allows grantees to use their funds for activities that provide public services to the elderly, such as Meals on Wheels, and Dial-a-Ride. Funds may also be used for construction and rehabilitation. See HUD Activity Categories.

## **State**

Any state of the United States, the Commonwealth of Puerto Rico, and in some cases, the District of Columbia.

## **Single Room Occupancy (SRO)**

1. A portion of the Section 8 program that provides rental subsidy funding for efficiency accommodations that are to be occupied by only one person. The units need not but may contain food preparation facilities, sanitary facilities, or both. See Section 8 .
2. Housing that consists of a single-room dwelling unit that is the primary residence of its occupant. The unit must contain food preparation and sanitary facilities, if it is a new construction project, conversion of non-residential space, or reconstruction.

## **State Grant Recipient**

A unit of general local government that receives its CDBG funds from its state's CDBG program.

## **Subgrantee**

A unit of general local government that is not eligible to receive direct funding as a HUD formula-based grantee, but is eligible to compete for funds through its state's formula-based grant program.

## **Subrecipient**

A public agency, private nonprofit organization, or a for-profit organization that is authorized to receive funds from a grantee or another subrecipient to undertake eligible activities.

## **Supplemental Empowerment Zone (SEZ)**

Two cities are designated as SEZs. Los Angeles received a \$125 million Economic Development Grant. Cleveland received an \$87 million Economic Development Initiative Grant, \$3 million in Title XX Social Services Block Grant funds, and Tax-Exempt Bond Financing. See Empowerment Zone/Enterprise Community (EZ/EC).

**Urban Counties**

Counties that receive an annual allocation of funds under the CDBG program. To be eligible for HUD funding, a county must meet the eligibility criteria for participation, such as extent of poverty, housing conditions, income levels, etc.

**Unit of General Local Government**

A city, town, township, county, parish, village, or other general purpose political subdivision of a state; or a consortium of such political subdivisions recognized by HUD.

**Very Low-Income**

As defined by the HOME program, families whose annual incomes do not exceed 50 percent of the Area Median Income. See Income Groups.

**Youth Programs**

A category that focuses on the needs of children and teenagers. Activities include the funding of youth centers and facilities, as well as playground and recreation facilities that are part of youth centers. See HUD Activity Categories.