

## Affordable Housing 101

- **AFFORDABLE HOUSING:** In general, housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities. Please note that some jurisdictions may define affordable housing based on other, locally determined criteria, and that this definition is intended solely as an approximate guideline or general rule of thumb.
- **AREA MEDIAN INCOME (AMI):** Each year the U.S. Department of Housing and Urban Development (HUD) estimates Area Median Income for the states, counties, and Metropolitan Statistical Areas (MSA), based on census data.
- **FAIR MARKET RENT (FMR):** Estimates established by HUD of the gross rents (contract rent plus tenant-paid utilities) needed to obtain modest rental units in safe and decent condition in a specific city, county, or MSA.
- **HOUSING FIRST:** An innovative approach to ending chronic homelessness in which people are provided rapid access to low-cost apartments, with mental health and other support services available on site. The reasoning behind the Housing First model is that is more cost effective to house chronically homeless individuals than to pay for individuals to cycle through emergency rooms and jails. Sobriety is not a requirement to obtain housing, research has shown that individuals have better adherence to sobriety programs when stably housed.
- **HOUSING CHOICE VOUCHER (FORMERLY KNOWN AS SECTION 8):** Provides rental assistance to low-income families who are unable to afford market rate rents. Assistance may be in the form of vouchers or certificates, or can be project based (dedicated to a physical housing unit). Federal rent-subsidy program authorized under Section 8 of the U.S. Housing Act, which issues rent vouchers to eligible households to uses for the housing of their choice. The voucher payment subsidizes the difference between the gross rent and the tenant's contribution of 30% of adjusted income.
- **PUBLIC HOUSING:** Public Housing was created with the U.S. Housing act of 1937. The program is federally funded and generally provides rental housing to very low-income families (30% of the Area Median Income or below).
- **SUBSIDY:** Monthly income received by a landlord on behalf of a tenant to pay the difference between the apartment's contract rent and the amount paid by the tenant toward rent.
- **WORKFORCE HOUSING:** Workforce housing can refer to any form of housing, ownership or rental. Workforce housing is generally understood to mean housing affordable to households with earned income that is insufficient to secure quality housing within reasonable proximity to the workplace.

### Housing Types (HUD Definitions)

- **EMERGENCY SHELTER:** Any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless.
- **SAFE HAVEN:** is a form of supportive housing that serves hard-to-reach homeless persons with severe mental illness who come primarily from the streets and have been unable or unwilling to participate in housing or supportive services

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- **TRANSITIONAL HOUSING:** A project that has as its purpose facilitating the movement of homeless individuals and families to permanent housing within a reasonable amount of time (usually 24 months). Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.
- **PERMANENT HOUSING:** Permanent housing (PH) is defined as community-based housing without a designated length of stay in which formerly homeless individuals and families live as independently as possible. Under PH, a program participant must be the tenant on a lease (or sublease) for an initial term of at least one year that is renewable and is terminable only for cause. Further, leases (or subleases) must be renewable for a minimum term of one month.
- **PERMANENT SUPPORTIVE HOUSING:** permanent housing with indefinite leasing or rental assistance paired with supportive services to assist homeless persons with a disability or families with an adult or child member with a disability achieve housing stability.
- **RAPID-REHOUSING:** Rapid re-housing (RRH) emphasizes housing search and relocation services and short- and medium-term rental assistance to move homeless persons and families (with or without a disability) as rapidly as possible into permanent housing.

### Populations

- **CHRONICALLY HOMELESS INDIVIDUAL:** A homeless individual with a disability who lives either in a place not meant for human habitation, a safe haven, or in an emergency shelter, or in an institutional care facility if the individual has been living in the facility for fewer than 90 days and had been living in a place not meant for human habitation, a safe haven, or in an emergency shelter immediately before entering the institutional care facility. In order to meet the “chronically homeless” definition, the individual also must have been living as described above continuously for at least 12 months, or on at least four separate occasions in the last 3 years, where the combined occasions total a length of time of at least 12 months. Each period separating the occasions must include at least 7 nights of living in a situation other than a place not meant for human habitation, in an emergency shelter, or in a safe haven.
- **HOMELESS:** An individual who lacks a fixed, regular, and adequate nighttime residence; as well as 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.
- **Low-Income:** Households earning below 80% of Area Median Income (AMI) but more than 50% of AMI.
- **Very Low-Income:** Households earning below 50% AMI but more than 30% AMI.
- **Extremely Low-Income:** Households earning below 30% AMI.