

# **Appendix D: Glossary of Housing Terms**

**Above-moderate Income Household**. A household with an annual income usually greater than 120 percent of the area Median Family Income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a survey, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program.

**Apartment**. An apartment is one (1) or more rooms in an apartment house or dwelling occupied or intended or designated for occupancy by one (1) family for sleeping or living purposes and containing one (1) kitchen.

**Assisted Housing**. Generally multi-family rental housing, but sometimes single-family ownership units, whose construction, financing, sales prices, or rents have been subsidized by federal, State, or local housing programs including, but not limited to federal Section 8 (new construction, substantial rehabilitation, and loan management set-asides), federal Sections 213, 236, and 202, federal Section 221 (d) (3) (below-market interest rate program), federal Section 101 (rent supplement assistance), CDBG, FmHA Section 515, multi-family mortgage revenue bond programs, local redevelopment and in lieu fee programs, and units developed pursuant to local inclusionary housing and density bonus programs.

**Below-market-rate (BMR)**. Any housing unit specifically priced to be sold or rented to low or moderate income households for an amount less than the fair market value of the unit. Both the State of California and the U.S. Department of Housing and Urban Development set standards for determining which households qualify as "low income" or "moderate income." The financing of housing at less than prevailing interest rates.

**Build-out**. That level of urban development characterized by full occupancy of all developable sites in accordance with the General Plan; the maximum level of development envisioned by the General Plan. Build-out does not assume that each parcel is developed to include all floor area or housing units possible under zoning regulations.

**Community Development Block Grant (CDBG).** A grant program administered by the U.S. Department of Housing and Urban Development (HUD) on a formula basis for entitlement communities and by the State Department of Housing and Community Development (HCD) for non-entitled jurisdictions. This grant allots money to cities and counties for housing rehabilitation and community development, including public facilities and economic development.

**Condominium**. A structure of two or more units, the interior spaces of which are individually owned; the balance of the property (both land and building) is owned in common by the owners of the individual units. (See "Townhouse.")

**Covenants, Conditions, and Restrictions (CC&Rs)**. A term used to describe restrictive limitations that may be placed on property and its use, and which usually are made a condition of holding title or lease.

**Deed**. A legal document that affects the transfer of ownership of real estate from the seller to the buyer.



**Density Bonus**. The allocation of development rights that allow a parcel to accommodate additional square footage or additional residential units beyond the maximum for which the parcel is zoned; usually in exchange for the provision or preservation of an amenity at the same site or at another location.

**Density, Residential**. The number of permanent residential dwelling units per acre of land. Densities specified in the General Plan may be expressed in units per gross acre or per net developable acre.

**Developable Land**. Land that is suitable as a location for structures and that can be developed free of hazards to, and without disruption of, or significant impact on natural resource areas.

**Down Payment**. Money paid by a buyer from his own funds, as opposed to that portion of the purchase price that is financed.

**Duplex**. A detached building under single ownership that is designed for occupacy as the residence of two families living independently of each other.

**Dwelling Unit (du)**. A building or portion of a building containing one or more rooms, designed for or used by one family for living or sleeping purposes, and having a separate bathroom and only one kitchen or kitchenette. See Housing Unit.

**Emergency Shelter.** A facility that provides immediate and short-term housing and supplemental services for the homeless. Supplemental services may include food, counseling, and access to other social programs. (See "Transitional Housing.")

**Extremely-low Income Household.** A household with an annual income less than 30 percent of the area median family income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a survey, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program.

**Fair Market Rent**. The rent, including utility allowances, determined by the United States Department of Housing and Urban Development for purposed of administering the Section 8 Existing Housing Program.

**Family**. (1) Two or more persons related by birth, marriage, or adoption [U.S. Bureau of the Census]. (2) An Individual or a group of persons living together who constitute a bona fide single-family housekeeping unit in a dwelling unit, not including a fraternity, sorority, club, or other group of persons occupying a hotel, lodging house or institution of any kind [California].

**General Plan**. A comprehensive, long-term plan mandated by State Planning Law for the physical development of a city or county and any land outside its boundaries which, in its judgment, bears relation to its planning. The plan shall consist of seven required elements: land

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use, circulation, open space, conservation, housing, safety, and noise. The plan must include a statement of development policies and a diagram or diagrams illustrating the policies.

**Goal**. A general, overall, and ultimate purpose, aim, or end toward which the City will direct effort.

**Green Building.** Green or sustainable building is the practice of creating healthier and more resource-efficient models of construction, renovation, operation, maintenance, and demolition. (US Environmental Protection Agency)

**Group Quarters**. Group quarters include nursing homes, orphanages, and prisons. Non-institutional group quarters include dormitories, shelters, and large boarding houses.

**Historic Preservation**. The preservation of historically significant structures and neighborhoods until such time as, and in order to facilitate, restoration and rehabilitation of the building(s) to a former condition.

**Historic Property.** A historic property is a structure or site that has significant historic, architectural, or cultural value.

**Household**. All those persons—related or unrelated—who occupy a single housing unit. (See "Family.")

**Housing and Community Development Department (HCD)**. The State agency that has principal responsibility for assessing, planning for, and assisting communities to meet the needs of low and moderate income house holds.

**Housing Element**. One of the seven State-mandated elements of a local General Glan. It assesses the existing and projected housing needs of all economic segments of the community, identifies potential sites adequate to provide the amount and kind of housing needed, and contains adopted goals, policies, and implementation programs for the preservation, improvement, and development of housing. Under State law, Housing Elements must be updated every five years.

**Housing Payment**. For ownership housing, this is defined as the mortgage payment, property taxes, insurance, and utilities. For rental housing this is defined as rent and utilities.

**Housing Ratio**. The ratio of the monthly housing payment to total gross monthly income. Also called Payment-to-Income Ratio or Front-End Ratio.

**Housing Unit**. The place of permanent or customary abode of a person or family. A housing unit may be a single-family dwelling, a multi-family dwelling, a condominium, a modular home, a mobile home, a cooperative, or any other residential unit considered real property under State law.

**Housing and Urban Development, U.S. Department of (HUD)**. A cabinet-level department of the federal government that administers housing and community development programs.



**Impacted Areas**. Census tracts where more than 50 percent of the dwelling units house low and very-low income households.

**Implementing Policies**. The City's statements of its commitments to consistent actions.

**Implementation**. Actions, procedures, programs, or techniques that carry out policies.

**Infill Development**. The development of new housing or other buildings on scattered vacant lots in a built-up area or on new building parcels created by permitted lot splits.

**Jobs-Housing Balance**. A ratio used to describe the adequacy of the housing supply within a defined area to meet the needs of persons working within the same area. The General Plan uses the Southern California Association of Government's definition, which is a job total equal to 1.2 times the number of housing units within the area under consideration.

**Land Use Classification**. A system for classifying and designating the appropriate use of properties.

**Live-Work Units**. Buildings or spaces within buildings that are used jointly for commercial and residential purposes where the residential use of the space is secondary or accessory to the primary use as a place of work.

**Low Income Household**. A household with an annual income usually no greater than 51 percent-80 percent of the area median family income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a survey, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program.

**Low Income Housing Tax Credits**. Tax reductions provided by the federal and State governments for investors in housing for low income households.

**Manufactured Housing**. Residential structures that are constructed entirely in the factory, and which since June 15, 1976, have been regulated by the federal Manufactured Home Construction and Safety Standards Act of 1974 under the administration of the U. S. Department of Housing and Urban Development (HUD). (See "Mobile Home" and "Modular Unit.")

**Mixed-use**. Properties on which various uses, such as office, commercial, institutional, and residential, are combined in a single building or on a single site in an integrated development project with significant functional interrelationships and a coherent physical design. A "single site" may include contiguous properties.

**Moderate Income Household**. A household with an annual income usually no greater than 81 percent-120 percent of the area median family income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a

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survey, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program.

**Modular Unit**. A factory-fabricated, transportable building or major component designed for use by itself or for incorporation with similar units on-site into a structure for residential, commercial, education, or industrial use. Differs from mobile homes and manufactured housing by (in addition to lacking an integral chassis or permanent hitch to allow future movement) being subject to California housing law design standards. California standards are more restrictive than federal standards in some respects (e.g., plumbing and energy conservation). Also called Factory-built Housing and regulated by State law of the title.

**Monthly Housing Expense**. Total principal, interest, taxes, and insurance paid by the borrower on a monthly basis. Used with gross income to determine affordability.

**Multiple-Family Building**. A detached building designed and used exclusively as a dwelling by three or more families occupying separate suites.

**Ordinance**. A law or regulation set forth and adopted by a governmental authority, usually a city or county.

**Overcrowding Housing Unit**. A housing unit in which the members of the household, or group. Are prevented from the enjoyment of privacy because of small room size and housing size. The U.S. Bureau of Census defines an overcrowded housing unit as one that is occupied by more than one person per room.

Parcel. A lot or tract of land.

**Persons with Disabilities.** Persons determined to have a physical impairment or mental disorder expected to be of long or indefinite duration. Many such impairments or disorders are of such a nature that a person's ability to live independently can be improved by appropriate housing conditions.

**Planning Area**. The area directly addressed by the General Plan. A city's planning area typically encompasses the city limits and potentially annexable land within its sphere of influence.

**Policy**. A specific statement of principle or of guiding actions that implies clear commitment, but is not mandatory. A general direction that a governmental agency sets to follow, in order to meet its objectives before undertaking an action program. (See "Program.")

**Poverty Level**. As used by the U.S. Census, families and unrelated individuals are classified as being above or below the poverty level based on a Poverty Index that provides a range of income cutoffs or "poverty thresholds" varying by size of family, number of children, and age of householder. The income cutoffs are updated each year to reflect the change in the Consumer Price Index.

**Program**. An action, activity, or strategy carried out in response to adopted policy to achieve a specific goal or objective. Policies and programs establish the "who," "how" and "when" for carrying out the "what" and "where" of goals and objectives.



**Redevelop**. To demolish existing buildings; or to increase the overall floor area existing on a property; or both; irrespective of whether a change occurs in land use.

**Regional**. Pertaining to activities or economies at a scale greater than that of a single jurisdiction, and affecting a broad geographic area.

**Regional Housing Needs Assessment (RHNA)**. A quantification by the Southern California Association of Government of existing and projected housing need by household income group, for all localities within a region.

**Rehabilitation**. The repair, preservation, and/or improvement of substandard housing.

**Residential**. Land designated in the General Plan and Zoning Ordinance for building of dwelling units. May be improved, vacant, or unimproved. (See "Dwelling Unit.")

**Residential Care Facility.** A facility that provides 24-hour care and supervision to its residents.

**Residential, Multiple-Family**. Usually three or more dwelling units on a single site, which may be in the same or separate buildings.

**Residential, Single-Family**. A single dwelling unit on a building site.

**Retrofit**. To add materials and/or devices to an existing building or system to improve its operation, safety, or efficiency. Buildings have been retrofitted to use solar energy and to strengthen their ability to withstand earthquakes, for example.

**Rezoning**. An amendment to the map to effect a change in the nature, density, or intensity of uses allowed in a zoning district and/or on a designated parcel or land area.

**Second Unit**. A self-contained living unit, either attached to or detached from, and in addition to, the primary residential unit on a single lot. "Granny Flat" is one type of second unit.

**Section 8 Rental Assistance Program**. A federal (HUD) rent-subsidy program that is one of the main sources of federal housing assistance for low income households. The program operates by providing "housing assistance payments" to owners, developers, and public housing agencies to make up the difference between the "Fair Market Rent" of a unit (set by HUD) and the household's contribution toward the rent, which is calculated at 30 percent of the household's adjusted gross monthly income (GMI). "Section 8" includes programs for new construction, existing housing, and substantial or moderate housing rehabilitation.

**Senior Citizen**. A person 62 years of age or older, or 55 years of age or older in a senior citizen housing development. (California Civil Code Section 51.3.b.1)

**Shared Living**. The occupancy of a dwelling unit by persons of more than one family in order to reduce housing expenses and provide social contact, mutual support, and assistance. Shared

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living facilities serving six or fewer persons are permitted in all residential districts by §1566.3 of the California Health and Safety Code.

**Single-family Dwelling, Attached**. A dwelling unit occupied or intended for occupancy by only one household that is structurally connected with at least one other such dwelling unit. (See "Townhouse.")

**Single-family Dwelling, Detached**. A dwelling unit occupied or intended for occupancy by only one household that is structurally independent from any other such dwelling unit or structure intended for residential or other use. (See "Family.")

**Single Room Occupancy (SRO)**. A single room, typically 80-250 square feet, with a sink and closet, but which may require the occupant to share a communal bathroom, shower, and kitchen.

**Subsidize**. To assist by payment of a sum of money or by the granting to terms or favors that reduces the need for monetary expenditures. Housing subsidies may take the forms of mortgage interest deductions or tax credits from federal and/or State income taxes, sale or lease at less than market value of land to be used for the construction of housing, payments to supplement a minimum affordable rent, and the like.

**Substandard Housing**. Residential dwellings that, because of their physical condition, do not provide safe and sanitary housing.

**Target Areas**. Specifically designated sections of the community where loans and grants are made to bring about a specific outcome, such as the rehabilitation of housing affordable by very-low and low income households.

**Tax Increment**. Additional tax revenues that result from increases in property values within a redevelopment area. State law permits the tax increment to be earmarked for redevelopment purposes but requires at least 20 percent to be used to increase and improve the community's supply of very-low and low income housing.

**Tenure**. A housing unit is "owned" if the owner or co-owner lives in the unit, even if it is "mortgaged or not fully paid for. All other occupied units are classified as "rented," including units rented for cash rent and those occupied without payment of cash rent.

**Townhouse**. A townhouse is a dwelling unit located in a group of three (3) or more attached dwelling units with no dwelling unit located above or below another and with each dwelling unit having its own exterior entrance.

**Transitional Housing**. Shelter provide to the homeless for an extend period, often as long as 18 months, and generally integrated with other social services and counseling programs to assist in the transition to self-sufficiency through the acquisition of a stable income and permanent housing. (See "Emergency Shelter.")

**Undevelopable**. Specific areas where topographic, geologic, and/or superficial soil conditions indicate a significant danger to future occupants and a liability to the City are designated as "undevelopable" by the City.



**Very-low Income Household**. A household with an annual income usually no greater than 50 percent of the area median family income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a survey, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program.



### **ACRONYMS USED**

ACS American Community Survey BMPs: Best Management Practices

**CalHFA:** California Housing Finance Agency **CALTRANS**: California Department of Transportation

**CCRC:** California Community Reinvestment Corporation

CDBG: Community Development Block Grant
CEQA: California Environmental Quality Act
CIP: Capital Improvement Program
CMP: Congestion Management Plan

CMP: Congestion Management
DIF: Development Impact Fee
DU/ac: Dwelling units per acre

**EDD:** California Employment Development Department

**FAR:** Floor Area Ratio

**FEMA:** Federal Emergency Management Agency

**GDP:** General Development Plan

**HCD:** California Department of Housing and Community Development

**HOA:** Homeowners Association

**HUD:** U.S. Department of Housing and Urban Development

**LAFCO:** Local Agency Formation Commission Low Income Housing Tax Credit

MFI: Median Family Income

NPDES: National Pollutant Discharge Elimination System

OCHA: Orange County Housing Authority
PRD: Planned Residential Development
RHNA: Regional Housing Needs Assessment

RTP: Regional Transportation Plan

**SCAG:** Southern California Association of Governments

**SF:** Summary File (U.S. Census)

SOI: Sphere of Influence
SPA: Sectional Planning Area
SPD: Specific Plan District
SRO: Single Room Occupancy

STF: Summary Tape File (U.S. Census)
TOD: Transit-Oriented Development

**TDM:** Transportation Demand Management **TSM:** Transportation Systems Management

**WCP:** Water Conservation Plan