

# HPP GLOSSARY

The purpose of this glossary is to provide an accessible dictionary of housing-related terms that may be used throughout the HPP process and plan.

- **Accessory Dwelling Unit (ADU):** An accessory dwelling unit (ADU) is a smaller, independent residential dwelling unit located on the same lot as a stand-alone (i.e., detached) single-family home.
- **Affordable Housing:** Deed-restricted housing for low- (at or below 80% AMI) or moderate- (between 80% to 100% AMI) income households at a cost that does not exceed 30% of their monthly gross income.
- **Area Median Income (AMI):** The median family income within a given metropolitan area as determined by the U.S. Department of Housing and Urban Development. AMI is used to determine household eligibility for most housing assistance programs.
- **Chapter 40B:** M.G.L. Ch. 40B, § 20-23, is a Massachusetts State law administered locally by the Board of Appeals in order to create affordable housing. In communities below the 10% statutory minimum, it provides eligible developers the ability to supersede local zoning if 20% to 25% of units are Affordable.
- **Chapter 40R:** M.G.L. Ch. 40R, § 1-14, provides for “Smart Growth” overlay districts with increased densities for residential development and multifamily housing by right (subject to site plan review). At least 25% of the units in a Chapter 40R district have to be Affordable Housing for low- or moderate-income households. Municipalities that adopt a 40R Smart Growth Overlay District (SGOD) can receive \$10,000 to \$600,000 in State funding, as well as \$3,000 for every new housing unit created in the district. Communities can also receive State assistance with writing 40R zoning and adopting design standards. Additional funding to address any increases in school enrollment that result from adoption of the SGOD can be accessed through Chapter 40S.
- **Chapter 40S:** M.G.L. Ch. 40S, § 1-4, provides funding to municipalities that establish a 40R district to cover the costs of educating any school-age children who move into such districts.
- **Community Preservation Act (CPA):** M.G.L. Ch. 44B, § 1-17, allows communities to establish a Community Preservation Fund for open space, historic preservation, and Affordable Housing by imposing a surcharge of up to 3% on local property tax bills. Certain households can be exempted from this surcharge, including income-eligible households. The State provides a partial match to these local funds from the Community Preservation Trust Fund, generated from Registry of Deeds fees.
- **Comprehensive Permit:** The permit authorized by Chapter 40B for Affordable Housing development.
- **Cost Burden:** A household is considered cost burdened if more than 30% of monthly income is spent on housing costs.
- **Executive Office of Housing and Livable Communities (EOHLC):** The State’s housing cabinet (*formerly the Dept. of Housing and Community Development/DHCD*). EOHLC oversees state-funded public housing and administers rental assistance programs, Affordable Housing funds, and the administration of Chapter 40B and 3A (MBTA Communities).
- **Extremely-Low-Income Household:** Household with an income less than 30% of AMI.

- **Fair Housing Act:** Established under Title VII of the 1968 Civil Rights Act, the federal Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), sexual orientation, gender identity, and disability.
- **Fair Housing Law:** M.G.L. Ch. 151B, the State Fair Housing Act, prohibits housing discrimination on the basis of race, color religious creed, national origin, sex, sexual orientation, age, children, ancestry, marital status, veteran history, public assistance, or physical or mental disability.
- **Fair Market Rent (FMR):** A mechanism used by HUD to control costs in the Section 8 rental assistance program. HUD sets FMRs annually for metropolitan and non-metropolitan housing market areas. The FMR is the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market.
- **Gross Rent:** Gross rent is the sum of the rent paid to the unit's owner plus any utility costs incurred by the tenant. Utilities include electricity, gas, water and sewer, and trash removal services, but not telephone service.
- **Group Home:** A type of congregate housing for people with disabilities.
- **Household:** One or more people occupying a single housing unit.
- **Housing Choice Voucher Program:** Federal housing assistance vouchers subsidize the cost of rental housing, but high demand and long waiting lists mean many low-income families wait for years to access affordable housing.
- **Housing Subsidies:** Housing subsidies can work in numerous ways, all with the common cause of easing the cost burdens of housing.
- **Inclusionary Zoning:** A zoning ordinance or bylaw that encourages or requires developers to build Affordable Housing in their developments or provide a comparable public benefit, such as providing Affordable Housing in other locations ("off-site units") or paying fees in lieu of units to an Affordable Housing trust fund.
- **Infill Development:** Construction on vacant lots or underutilized land in established neighborhoods and commercial centers.
- **Local Initiative Program (LIP):** Massachusetts housing program created by DHCD. LIP allows developers to work with municipal officials to build mixed-income housing with deed-restricted Affordable Housing units. This differs from typical 40B developments where developers oftentimes override local approvals if a community has less than 10% of housing stock on the Subsidized Housing Inventory (SHI). LIP allows financing, design, and construction decisions to be made by the municipality, with technical support from state agencies.
- **Low Income Housing Tax Credit (LIHTC):** The Low-Income Housing Tax Credit (LIHTC) subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants. The LIHTC was enacted as part of the 1986 Tax Reform Act and has been modified numerous times.
- **MassHousing:** A quasi-public state agency that provides financing for subsidized rental and for-sale housing.
- **Low-Income Household:** Household with an income at or below 80% of AMI.
- **Massachusetts Housing Partnership (MHP):** A public non-profit Affordable Housing organization established by the legislature in 1985. MHP provides technical assistance to cities and towns, permanent financing for rental housing, and mortgage assistance for first-time homebuyers.
- **MassDevelopment:** A quasi-public agency that provides financing for subsidized rental housing developments.





- **Missing Middle Housing:** One of the newest terms in the world of urban planning, Missing Middle Housing has generated a lot of attention in recent years as cities around the United States look for ways to create more housing options in a vast sea of single-family homes.
- **Mixed-Income Development:** A residential development that includes market-rate and Affordable Housing.
- **Mixed-Use Development:** A development with more than one use on a single lot. The uses may be contained within a single building or divided among two or more buildings. Typically includes residential above other land uses, like ground-floor retail.
- **Moderate-Income Household:** Household with an income at 80% to 100% of AMI.
- **Multi-Family Housing:** Often discussed in contrast with single-family zoning, multi-family housing includes buildings and complexes that house more than one household in the same property.
- **Municipal Affordable Housing Trust (AHT):** Under M.G.L. Ch. 44, § 55C, an AHT is an entity created to provide for the creation and preservation of Affordable Housing in municipalities for the benefit of low-and moderate-income households. Any community can establish an AHT following adoption of M.G.L. Ch. 44, § 55C, by simple majority vote of the local legislative body.
- **Overlay District:** A zoning district that covers all or portions of basic use districts and imposes additional requirements or offers additional opportunities for the use of land.
- **Public Housing:** Born out of the progressive ideals of the New Deal and a desire to improve the standard of living in poor urban neighborhoods, American public housing has taken several forms as political opinion about subsidized housing shifts.
- **Regional Planning:** Regional planning addresses planning issues that cross local jurisdictional boundaries, like transportation or watershed protection. In other examples, regional planning offers a holistic approach to the interconnected systems and dynamics that shape physical and cultural landscapes.
- **Section 8:** A HUD-administered rental assistance program that subsidizes “mobile” certificates and vouchers to help very-low and low-income households pay for market-rate housing. Tenants pay 30% of income for rent and basic utilities, and the Section 8 subsidy covers the balance of the rent. Section 8 also can be used as a subsidy for eligible rental developments, known as Section 8 Project-Based Vouchers (PBV), which are not “mobile” because they are attached to specific units.
- **Single-Family Zoning:** Single-family zoning is by far the most common form of zoning in the United States, but it's facing increasing criticisms both for its discriminatory origins and its sprawling effects.
- **Smart Growth:** Smart growth is development that protects natural resources, enhances quality of life, offers housing choices, reduces energy consumption, and improves municipal finances by considering the location, design, and long-term costs of development. The Commonwealth has adopted Smart Growth through the State's ten Sustainable Development Principles.
- **Subsidized Housing Inventory (SHI):** A list of deed-restricted Affordable Housing units in each municipality in Massachusetts documenting progress towards their 10% statutory minimum under Chapter 40B.

- **SHI-Eligible Unit:** A housing unit that EOHLC finds eligible for the Subsidized Housing Inventory because its affordability is secured by a long-term use restriction and the unit is made available to low- or moderate-income households through an approved affirmative marketing plan.
- **Severe Cost Burden:** A household is considered severely cost burdened if more than 50% of monthly income is spent on housing costs.
- **Subsidized Housing:** Housing made affordable to low- or moderate-income people through public financing or other assistance.
- **Supportive Housing:** Supportive housing combines affordable housing with social services providers to help people experiencing homelessness, disability, or other hardships transition to permanent housing.
- **U.S. Department of Housing and Urban Development (HUD):** America's lead federal agency for financing Affordable Housing development and administering the Fair Housing Act.
- **Very-Low-Income Household:** Household with an income at 30% to 50% of AMI.
- **Walkability:** Walkability refers to the ability to safely walk to services and amenities within a reasonable distance, usually defined as a walk of 30 minutes or less.

