

# Affordable Housing NOW!

## Definition Sheet: Housing Terms and Acronyms

**"Affordable"**: As defined by US Housing & Urban Development, a household should pay no more than 30% of monthly income for housing.

**AHP (Affordable Housing Program)** - a grant program sponsored by the Federal Home Loan Banks

**AOCDO (Association of Oregon Community Development Organizations)**: a membership based organization that represents those with an interest in affordable housing and community development. It represents over 100 groups engaged in or supporting community development activities like affordable housing in low income and rural communities throughout Oregon, including non-profit developers, banks, law firms, government entities, and technical assistance providers.

**BHCD (City of Portland-Bureau of Housing and Community Development)**:  
A bureau that works to secure and strengthen the livability of our city's lower income neighborhoods. It offers over 100 community based organizations the financial and technical assistance, planning support, resource connections, and advocacy to create successful projects. In housing they support for profit and non-profit developers to build and rehabilitate homes for rental and ownership to low income people.

**Bond**: public loans that are guaranteed by a voter approved property tax levy. A bond measure is a one-time voter approved ballot initiative to increase property taxes for a limited number of years to pay for physical investments in their communities. It could generate significant revenue for affordable housing (\$50-100 million per year). The bond would be paid off over a period of 10-20 years.

**CAT (Community Alliance of Tenants):** a statewide, grassroots, tenant controlled, tenant membership organization that prioritizes the organization and development of low income renters and people of color. CAT advocates through lobbying and member organizing for the needs of renters at both the city and state levels and provides information and referral to tenants about their rights and options to demand safe, stable and affordable housing.

**CDBG (Community Development Block Grant):** a federal assistance program that provides eligible metropolitan cities and urban counties (called entitlement communities) with annual direct grants that they can use to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve communities principally to benefit low and moderate income persons.

**CDN (Community Development Network):** An association of non-profit community development organizations in Multnomah County that strives to strengthen non-profit community development organizations and to provide a collective voice for healthy diverse communities.

**CLF (Coalition for a Livable Future):** a region wide coalition of more than 60 affordable housing, environmental, transportation, and labor organizations working together to create a more equitable and sustainable Portland metro region.

**EZ (Enterprise Zone):** State legislated areas designated as in need of particular attention by the government to help attract private business investment into those areas and to help businesses to reinvest and grow. Businesses are given tax incentives and other assistance to stimulate sound business investments that support and improve quality of life. Businesses can receive total exemption from property taxes for 3-5 years or even longer.

**FHLB (Federal Home Loan Bank):** A partnership of approximately 6,500 financial institutions around the US. Each year it is required to grant 10% of its profits to help rehabilitate or

create affordable housing. Annually FHLB distributes about \$150 million nationally.

**FIRREA: (Financial Institutions Reform, Recovery and Enforcement Act):** congressional legislation that require FHLB's to allocate 10% of their earnings annually through their AHP to create affordable housing.

**GSE (Government Sponsored Enterprise):** federally chartered, privately owned corporations designed to provide a continuing source of credit nationwide to specific economic sectors, ex: the FHLB promotes home lending.

**HCDC (Housing and Community Development Commission):** A 15 member appointed commission that meets monthly to hear public testimony and make recommendations to City Council and the County Commission on current affordable policy issues.

**MACG (Metropolitan Alliance for Common Good):** a relatively new labor-community coalition working on four issue areas: access to healthcare; sustainable work and development (emphasizing conservation and union wage jobs); affordable housing, and public education.

**MFI (Median Family Income):** The dollar amount which divides the income distribution of a given area into two equal groups – half that have income above the median and half that have income below the median income.

**PDC (Portland Development Commission):** a city agency whose main goal is to use public funds to stimulate private sector investment, job creation, and expansion of the tax base. PDC has three major service areas- housing, neighborhood revitalization, and business retention. PDC finances and develops multi-family housing for a variety of income levels throughout the city.

**RAP (Recovery Association Project):** a grassroots advocacy organization whose mission is to: educate the community regarding the success and hope of recovery; reduce the stigma associated with alcoholism and addiction that often follows the person in recovery; and identify and encourage specific policy direction around recovery related issues.

**RETF (Real Estate Transfer Fee):** nationally a commonly used method to raise funds for affordable housing in which a small fee (ex: \_ -1 %) could be charged when a property is sold. Currently Oregon State law prohibits RETF throughout Oregon. It could generate significant on-going funding for a regional housing fund.

**TIF (Tax Increment Financing):** A designated percentage of funds generated through Urban Renewal Districts referred to as TIF funds that are allocated to affordable housing.

**UGB (Urban Growth Boundary):** A legal boundary that separating urbanizable land from rural land. The boundary controls urban expansion onto farmland, forests, and resource lands. Oregon state law requires that a 20 year supply of urbanizable land be included inside its borders. The UGB is periodically expanded and now contains 369 square miles.

**URA (Urban Renewal Area):** areas designated as needing investment because they are physically deteriorated, unsafe or poorly planned. In Portland the City Council makes this designation. The PDC is the city's urban renewal agency. The assessed value of the area at the time it is created is "frozen". The taxes applied to this frozen tax base continue to pay for general government services. Bonds are issued to finance improvement and new construction in the area. The district increases in value as a result of the new construction in the area, as well as the annual 3% growth allowed by state law. Taxes on the increased value (the tax increment) are used to pay the interest on the bonds.