

Definition of TERMS



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Federal Works Agency
United States Housing Authority • Nathan Straus, Administrator

This Bulletin Brings USHA Definitions Up To Date

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Definition of Terms

This Bulletin has been revised in order (a) to place the Bulletin in a form which will facilitate reference to specific definitions, (b) to revise the definitions relating to "rooms," (c) to add definitions relating to "density and coverage," and (d) to incorporate the two Addenda to the Bulletin in the appropriate paragraphs thereof.

Addendum No. 1 revised the definition of "USHA projects" to "USHA-aided projects." The revised definition is incorporated as paragraph I-(a). Addendum No. 2 revised the definition of "capital donations." The revised definition is incorporated as paragraph IV-(c). The revised definitions relating to "rooms" appear as paragraph II of the Bulletin and the definitions relating to "density and coverage" comprise paragraph V.

FEDERAL WORKS AGENCY
UNITED STATES HOUSING AUTHORITY
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CONTENTS

	Page
Scope and content	1
Projects	1
USHA-aided project	1
PWA Housing Division project	1
PWA Limited Dividend project	1
Project	1
Statutory project	1
Useful life of a project	1
Rooms	1
Room	1
Half-room	1
Room count	1
Rents and rental values	2
Shelter rent	2
Shelter rent plus utilities	2
Statutory rental value	2
USHA annual contributions, local contributions, and capital	
donations	2
USHA annual contributions	2
Local contributions	2
Capital donations	2
Density and coverage	3
Gross density	3
Net density	3
Net coverage	3

DEFINITION OF TERMS

SCOPE AND CONTENT.

This Bulletin sets forth certain definitions for use in connection with the USHA-aided program. The definitions relate to (I) projects; (II) rooms; (III) rents and rental values; (IV) USHA annual contributions, local contributions, and capital donations; and (V) density and coverage. The list of definitions contained in this Bulletin is, of course, not all-inclusive. Certain other definitions have been adopted for special aspects of the program. These special definitions appear in the Bulletins dealing with such special features of the program. This Bulletin contains merely the definitions of more general application.

I. PROJECTS.

- (a) The term "USHA-aided project" means a project initiated under the United States Housing Act of 1937 (Wagner-Steagall Housing Act).
- (b) The term "PWA Housing Division project" means a public housing project constructed by the Housing Division of the PWA and transferred by Executive Order No. 7732 to the USHA, whether or not such public housing project has been subsequently leased by the USHA to a local housing authority. (This term must not be used for a project constructed by a limited dividend corporation with the aid of a loan or loans from the PWA.)
- (c) The term "PWA Limited Dividend project" means a housing project constructed by a limited dividend corporation with the aid of a loan or loans from the PWA.
- (d) The term "project" (when referring to a "USHA-aided project" as defined in subparagraph (a) above) means that portion of a local housing authority's low-rent housing undertaking to which the USHA has assigned a separate project number. (Ordinarily, this portion will be a development on one site. Each project will, in general, also have a name or geographic designation chosen by the local authority. Names such

as "White Project," "Negro Project," or "Latin American Project" should never be used.)

- (e) The term "statutory project" means a project or group of projects covered by one Loan or Annual Contributions Contract.
- (f) The term "useful life of a project" means the period of physical usefulness of a project for the purpose of providing dwelling accommodations, but in no event less than the number of years during which any of the obligations issued to aid in financing the development of the project remain outstanding.

II. ROOMS.

(a) The term "room" means a space containing a window opening to the outside air and having at least the following area for the use designated:

Living room-150 square feet.

Kitchen—50 square feet, containing equipment adequate for cooking purposes.

Principal bedroom—120 square feet. Two-person bedroom—100 square feet. One-person bedroom—65 square feet.

- (b) The term "half-room" means:
- (1) A space added to the living room, to the kitchen, or distributed between them, which is arranged so as to be useful for dining purposes and which makes the total aggregate net area of living room and kitchen not less than 260 square feet.
- (2) A space added to another room and having (i) kitchen equipment adequate for cooking purposes and (ii) a floor area in addition to the minimum required area of the room to which such space is added. (Such space is sometimes designated as a "kitchenette.")
- (c) The term "room count" means the total of all rooms and half-rooms, half-rooms being counted as one-half each. Bath-rooms, halls, closets, laundries, utility rooms, storage rooms, and community or recreation rooms are not counted as rooms.

III. RENTS AND RENTAL VALUES.

- (a) The term "shelter rent" means the charge established (or estimated) for the use of a dwelling unit excluding the furnishing of any utilities (i.e., water, heat, heating of water, light, cooking fuel, or refrigeration energy).
- (b) The term "shelter rent plus utilities" means "shelter rent" (as defined in subparagraph (a) above) plus the charge established (or estimated) for the furnishing of such utilities (i. e., water, heat, heating of water, light, cooking fuel, or refrigeration energy) as are supplied by the project and which are included in the stipulated periodic payments by the tenant. (In the case of specific projects and in all tabulations, care must be taken to show what utilities are included in "shelter rent plus utilities.")
- (c) The term "statutory rental value" means "shelter rent plus utilities" less any charge included therein for refrigeration energy, plus the value or cost to the tenant of any of the following which are not included in "shelter rent plus utilities": Water, heat, heating of water, light, and cooking fuel. (Statutory rental values will be established for all dwelling units, and will serve in determining the statutory upper limit of income for tenant admission as provided in Sec. 2 (1) of the Act. They do not include the value or cost of refrigeration energy.)
- IV. USHA Annual Contributions, Local Contributions, and Capital Donations.
- (a) The term "USHA annual contributions" means annual grants made by the USHA to a local housing authority to assist it in achieving and maintaining the low-rent character of a housing project, in accordance with the terms of the annual contributions contract entered into between the USHA and the local housing authority.
- (b) The term "local contributions" means aids given by the State, city, county, or other political subdivision in which a housing project is situated, to a local housing author-

ity to assist it in achieving and maintaining the low-rent character of the project, and made in any of the following forms:

- (1) Tax exemption. Complete exemption from taxes will be considered as providing a local contribution of a value equal to the total amount of all taxes which would otherwise be levied against the project by all taxing agencies, less the amount of payments in lieu of taxes, if any, made by the local authority.
- (2) Remission of general or special taxes.
 - (3) Cash payments.

Aids in any of the above three forms made to a project before its physical completion will be allowed as a local contribution; if admitted as part of the development cost of the project, they will also be counted as "capital donations" (see definition in subparagraph (c) below).

The Act requires (Sec. 10 (a)) as a condition for the making of USHA annual contributions that local contributions be received in an amount equal to at least 20 per centum of the USHA annual contribution.

Though the above are the only forms of local aid which are defined as "local contributions" and which count toward the requirement of local contributions equal to 20 per centum of the USHA annual contributions, it should be noted that there are many other forms of local aid (including "capital donations") which will be of great value in reducing rents and which should be secured whenever possible. For a full discussion of these, see Bulletin No. 6 on Policy and Procedure.

(c) The term "capital donations" means outright aids of monetary value (other than capital grants made by the USHA pursuant to Sec. 11 of the Act) given to a local housing authority and which are admitted as part of the development cost of a project.

"Capital donations" to development cost may include such items as:

(1) Cash payments.

(2) Remission of taxes or special assessments levied on property to be included in the project and which are delinquent or unpaid at the time of its acquisition.

(3) Waiver of building permit, inspec-

tion or other similar fees.

(4) Technical, professional, or administrative services in the development of a project furnished without cost.

(5) Land other than the net areas obtained by the vacating of streets and alleys.

(6) New improvements (such as grading, street paving, sidewalks, sewers, water mains, landscaping, and the like) furnished without cost to a project other than improvements, if any, which are (or customarily would be) furnished to private property owners without cost to them.

Capital donations in the form of items (1) and (2) when made by the State, city, county, or other political subdivision in which a project is situated, may also be counted as local contributions.

V. DENSITY AND COVERAGE.

(a) The term "gross density" means the number of dwelling units per acre of gross area of land. The gross area shall be the area of the project within property lines (to be used for immediate development) plus the area of all streets which traverse the site, plus the area to the center line (not measured beyond 40 feet) of all boundary streets and one-quarter the area of all boundary intersections (not figured over 1,600 square feet), plus the area, to a maximum distance of 40 feet, of any adjoining public park, playground, or any other adjoining open or unbuilt-on area which may reasonably be

assumed to be permanently open. Where the project abuts property other than a public park, permanent open space, or streets, no area beyond the property lines shall be included. Gross area shall not include the area of land reserved for future development nor the area of streets traversing such land, nor any area of streets or other open areas adjoining such land.

- (b) The term "net density" means the number of dwelling units per acre of net area of land. The net area shall be the area within property lines (to be used for immediate development) including narrow service drives, small play spaces, sitting-out areas, laundry drying yards, and automobile parking areas, but excluding all public boundary streets and public streets which traverse the site (whether existing or to be dedicated), land reserved for future development, unbuildable land, major recreation or park areas or major automobile parking spaces which are additional to the over-all project pattern of open spaces, and the land covered by and immediately associated with community buildings, central or group heating plants, commercial buildings, and other nonresidential structures.
- (c) The term "net coverage" means the ratio of the ground area of dwelling structures to the net area of land (as defined in connection with "net density" in subparagraph (b) above). The ground area of dwelling structures shall be the area at grade level of all dwelling buildings, including bays, chimneys, and enclosed porches to the outside surfaces of exterior walls. Outside stoops, steps, terraces, and footings shall not be included.

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