The lack of suitable, affordable housing is often a major barrier to successful employment of persons with disabilities. Still, various public and subsidized housing programs available to persons with disabilities can sometimes help to overcome this barrier. In addition, a number of rent-based work incentives allow families and individuals entering the workforce to retain more of their income. This chapter will provide a brief summary of the major federally sponsored programs that should be available in all states, with an emphasis on those policies most applicable to persons with disabilities. The reader should keep in mind: a) this is only an overview of the federal programs and their regulations; and b) this overview is based on federal regulations published as of November 21, 2005. State-subsidized housing programs also exist and may offer additional benefits, although they are not covered in this chapter.

The three main types of federal housing assistance programs sponsored by the Department of Housing and Urban Development (HUD) are public housing, tenant-based Section 8 and the project-based housing subsidy programs.

Public housing is owned and operated by local public housing authorities according to state legislation. Housing units take many forms from high-rise apartment buildings to detached single-family dwellings, and may be located at one site or scattered over several sites.

The Section 8 program was established in 1974 as the government’s primary rental housing assistance program. It is generally administered by a state or local public housing agency (PHA). HUD pays rental subsidies so that eligible families can afford safe, decent and sanitary housing. These Section 8 subsidies take the form of tenant-based or project-based assistance. Tenant-based subsidies allow recipients to rent housing in the private market and move with the tenant. The tenant-based subsidies were merged into the Housing Choice Voucher Program.

Project-based subsidies are attached to specific units in privately owned and operated buildings. Because the subsidy is attached to the unit, rental assistance generally ends for the tenant when the tenant moves except in the Section 8 Project-Based Voucher program. A single building may receive housing assistance under several federal housing subsidy programs. However, current project owners receiving Section 8 Project-Based assistance may not participate in the Project-Based Voucher Program.
HUD’s programs are continually affected by the passage of federal legislation. The *Quality Housing and Work Responsibility Act of 1998* created rent-based work incentives for public housing tenants with new or increased employment income. In April 2000, new regulations expanded these benefits to people with disabilities receiving housing benefits through the HOME Investment Partnerships Program, the Housing Opportunities for People with AIDS program (HOPWA), the Supportive Housing program (24 CFR part 583) and the Housing Choice Voucher program. Effective advocacy may require that you closely examine rent increases linked to increased earned income to confirm that the earned income disregards are being properly implemented in your area.

In this chapter we will provide an overview of the provisions of the federal regulations as they apply to public housing, the Housing Choice Voucher Program, Section 8 project-based assistance, Section 8 Project-Based Vouchers, the HOPWA program, the Supportive Housing program and the Homeownership program. We will also provide comprehensive guidelines for assisting individuals with disabilities to determine how increased earned income impacts on housing costs.

**ELIGIBILITY FOR FEDERALLY SUBSIDIZED HOUSING**

Eligibility for public and subsidized housing is based upon citizenship, income and a family’s prior tenant and criminal history if any. Non-citizens with eligible immigration status may qualify for a housing subsidy, if they are otherwise eligible.

HUD uses three terms to describe income eligibility: “extremely low-income,” “very low-income” and “low-income.”

- An **extremely low-income family** is a family whose income does not exceed 30 percent of the median income of an area as determined by HUD.
- A **very low-income family** is a family whose income does not exceed 50 percent of the area’s median.
- **Low-income families** have an income that is no greater than 80 percent of the area’s median income.

Public housing applicants must be low-income families. However, 40 percent of public housing units newly rented each year must be occupied by extremely low-income households. Housing Choice Voucher applicants must be very low-income families. In addition, 75 percent of new admissions in the Housing Choice Voucher program and the Project-Based Voucher Program must be extremely low-income families. Other Section 8 project-based programs must target 40 percent of all annual project admissions to extremely low-income families.
Median income and the various corresponding income limits vary significantly from area to area. The following are examples for FY2005 for a one person family in the public housing or Section 8 housing programs:

<table>
<thead>
<tr>
<th>Location</th>
<th>Extremely Low-Income (30% of Median)</th>
<th>Very Low-Income (50% of Median)</th>
<th>Low-Income (80% of Median)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo-Niagara Falls, NY</td>
<td>$11,950</td>
<td>$19,950</td>
<td>$31,900</td>
</tr>
<tr>
<td>Chicago, IL</td>
<td>$15,850</td>
<td>$26,400</td>
<td>$40,600</td>
</tr>
<tr>
<td>Nassau-Suffolk, NY</td>
<td>$18,650</td>
<td>$31,100</td>
<td>$43,250</td>
</tr>
</tbody>
</table>

Annual income does include net income from family assets. Income, such as interest, may be imputed if the asset is not in an income bearing account.

Your local PHA can provide information about median income and income limits for your area. This information is also available from the HUD website at www.huduser.org.

### Total Tenant Payment

Federal housing subsidy program rents are income-based. Eligibility and assistance levels are calculated according to a family’s income. In general, families who receive federal housing assistance pay the higher of the following amounts as rent:

- Thirty percent of the family’s monthly adjusted income, or
- Ten percent of the family’s monthly income, or
- If the family is receiving welfare assistance payments, the amount of that assistance that is specifically designated for housing.

The amount that the tenant family is required to pay, based upon the above criteria, is called the **total tenant payment**.

If the cost of utilities (except telephone) is not included in the family rent, a utility allowance equal to a PHA or HUD estimate of the monthly cost of a reasonable consumption of such utilities is established.

For Section 8 programs other than the Section 8 Housing Choice Voucher Program, tenant rent is the total tenant payment minus any utility allowance. Participants in the Section 8 Housing Choice Voucher Program may pay up to 40% of their gross adjusted income for rent.
Minimum Rent

PHAs and housing authorities are required to establish minimum rents for tenants with little or no income. Public housing, Section 8 moderate rehabilitation programs and Section 8 tenant-based and project-based voucher programs may set the minimum rent at an amount between zero and $50. Other Section 8 programs must set a minimum rent of $25.

Housing providers are required to adopt hardship exemptions if a family is unable to pay the minimum rent because of financial hardship. The financial hardship exemption includes situations where:

- A family has lost eligibility or is waiting for an eligibility determination for a Federal, State, or local assistance program
- A family would be evicted because it is unable to pay the minimum rent (this exemption does not apply to any other form of rent)
- Family income has decreased due to changed circumstances (e.g., serious medical problem, family member with income leaving the household)
- A death has occurred in the family

If a family requests a financial hardship exemption, the minimum rent requirement must be suspended beginning the month after family’s request. Housing providers may not evict the family during the 90 day period beginning the month following the family’s request for a hardship exemption.

The PHA or housing authority must determine whether there is a qualifying financial hardship and whether the hardship is temporary or long term.

- If there is no qualifying hardship, the minimum rent will be reinstated and the tenant must pay the minimum rent due for the suspended period.
- In public housing, if the qualifying hardship is determined to be temporary, the housing authority must reinstate the minimum rent from the beginning of the suspension period and enter into a reasonable repayment agreement with the family for the amount of back minimum rent owed.
- In all Section 8 programs, if the qualifying hardship is determined to be temporary, the PHA may not impose the minimum rent for the 90 day period following the date of the family’s request for the exemption. At the end of 90 days, the minimum rent will be reinstated from the beginning of the suspension period and the PHA will enter into reasonable repayment agreement with the family for the amount of back minimum rent owed.
- If the qualifying hardship is determined to be long term, the family will be exempted from minimum rent requirements for as long as the hardship continues.
• An elderly family, which is defined as a family whose head, co-head, spouse, or sole member is at least 62 years of age; or two or more persons, each of whom are at least 62, living together; or one or more persons who are at least 62 living with one or more live-in aides.

• A displaced family, which is a family in which each member or the sole member is a person displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized by federal disaster relief laws.

• A remaining member of a tenant family is a family member of an assisted tenant family who remains in the unit when other members of the family have left the unit.

• A single person who is not an elderly or displaced person, a person with disabilities, or the remaining member of a tenant family.

Section 504 Requirements

Section 504 of the Rehabilitation Act of 1973 (as amended) prohibits discrimination solely on the basis of disability in any program or activity receiving financial assistance. The rule requires that recipients of federal funds ensure that individuals with a disability receive equal opportunity to participate in programs and services. Public housing authorities and PHAs are considered recipients under the act (private owners are not, but must comply with other fair housing requirements). To ensure that individuals with disabilities have an opportunity to participate in subsidized programs, housing authorities and PHAs must make their admission process accessible. TDD, TTY or other equally effective communication systems must be provided. The cost of an interpreter for a hearing-impaired person, copies of legal documents, and informational materials in Braille or on tape must be available upon request.

Federal Preference Rules

The Quality Housing and Work Responsibility Act permanently repealed federal preference requirements. Under the prior rule, preferences were granted to those applicants who were involuntarily displaced, paid more than 50 percent of household income for rent or were residing in substandard housing. These preferences allowed qualified applicants to move up on the waiting list, thereby reducing their wait for financially assisted housing. Under the new law, public housing authorities and PHAs are required to give a certain percentage of available units to extremely low-income families. In addition, PHAs and housing authorities are required to give families with a member who has a disability a preference for any available accessible units. To minimize displacement of in-place families, new Section 8 Project-Based Voucher regulations give such families an absolute selection preference for the project based voucher program. Admission is based upon program eligibility. PHAs also have substantial discretion to adopt local preferences. This would allow subsidized housing providers to give individuals with disabilities broader access to affordable housing through a disability-related preference. It also gives housing providers the opportunity to reward tenants who are currently working or who are transitioning into the workforce.
• Incremental earnings and benefits received by any family member from participation in qualifying State or local employment training programs

• Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse)

• Deferred periodic amounts from SSI and Social Security benefits that are received in a lump-sum amount or in prospective monthly amounts

**Example:** Joan is a single individual who was recently awarded retroactive SSI benefits totaling $20,000. Joan’s total monthly benefit will be $603 and her first retroactive check is for $7,236 (monthly benefit rate of $603 x 12 months). Six months after receiving her first retroactive check, Joan receives a second check for $7,236. Joan continues to receive retroactive lump sums until the $20,000 is paid in full. Joan’s monthly $603 payment is counted as income. The retroactive payments she receives are not.

• Amounts paid by a State agency to a family with a developmentally disabled member living in the home to offset the cost of services and equipment needed to keep the disabled family member at home

• Amounts received by participants in publicly assisted training programs for job-related expenses (such as special equipment, clothing, transportation, child care, etc.)

• Temporary, non-recurring or sporadic income (including gifts)

• Adoption assistance payments in excess of $480 per adopted child

• Refunds or rebates for property taxes on the dwelling unit

In addition, public housing programs (but not Section 8 programs) may exercise broad discretion in adopting additional exclusions for earned income. These income exclusions may include amounts necessary to replace benefits lost due to employment (e.g., medical insurance or other medical costs), amounts paid to individuals outside the family (e.g., child support or alimony), or costs incurred in order to go to work (e.g., the cost of special tools, equipment or clothing).

**b. Annual Income Adjustments**

The annual income of public housing tenant families is further adjusted by the following mandatory income deductions:

• $480 for each dependent

• $400 for elderly families

• $400 for disabled families [defined as families whose head, spouse or sole member is a person with disabilities, or a family with two or more people with disabilities living together, or one or more persons with disabilities living with a live-in aide(s)]
Example: Roberta receives SSI payments totaling $603 per month. Pursuant to her lease agreement, Roberta is not obligated to report increased income until her annual recertification in December. In July 2006 Roberta begins to work earning $1,085 per month and her SSI check is reduced to $103 per month. Without the earned income disregard, Roberta’s rent would have increased in January 2007. However, because in January Roberta benefited from not having to report her increased income for six months, she is entitled only to six more months of the 100 percent disregard. Beginning in July 2007 and for 12 months thereafter, Roberta’s rent will be calculated based upon a 50 percent disregard.

The following tenant families are eligible for the earned income disregard:

- **Families whose income increases as a result of employment of a family member who was previously unemployed (defined as earning no more than would be received for working 10 hours per week for 50 weeks at the established minimum wage in the 12 months previous to employment) for one or more years.**

  For example, this provision may apply to the income of minors who turn 18.

  **Example:** Jose lives with his wife Rosa and their 17-year-old son Michael who is no longer in school. Jose works 20 hours each week as a janitor, Rosa receives SSI, and Michael works bussing tables. When Michael turns 18, his earnings will no longer qualify for an income exclusion. His family will, however, be entitled to an earned income disregard for the increase in household income attributable to Michael’s earnings.

- **Families whose annual income increases due to increased earnings by a family member during participation in a self-sufficiency or other job training program.**

  Substance abuse or mental health treatment programs may be considered self-sufficiency or job training programs. Similarly, enrollment in a community college (despite the fact that the tenant is not enrolled in a special vocational program) may be considered job training as long as the studies pursued are designed to ready the tenant for work.

  **Example:** Robert receives $603 each month in SSI. He transfers from a day treatment program to a supported employment program sponsored by a mental health rehabilitation program, where he begins to earn $685 each month. Robert’s SSI benefits are reduced to $303. However, his total monthly income increases to $988 ($303 + $685). Because Robert’s monthly income increased by $385 ($988 current income minus $603 prior SSI income), he is entitled to an earned income disregard for the additional $385 he receives each month.
• Families with an annual income increase due to new employment or increased earnings during, or within six months after the receipt of TANF-funded assistance (including one-time payments, wage subsidies and transportation assistance totaling at least $500 over a six-month period)

Example: Joan works 15 hours per week and earns $450 each month. She also receives $420 each month in SSI benefits. When Joan’s car breaks down TANF pays a $600 repair bill on her behalf so she can continue to travel to work. Three months later, when Joan’s hours double, Joan is entitled to an earned income disregard for the increase in her monthly income.

d. Individual Savings Accounts

As an alternative to earned income disregards, housing authorities may also offer Individual Savings Accounts for those tenant families who pay an income-based rent. At the option of the tenant family, the housing authority will deposit the total amount that would have been calculated as increased tenant rent resulting from the increased employment income into an interest-bearing savings account. The tenant family may only withdraw the monies deposited in the account for:

• Purchasing a home
• Paying the education costs of a family member
• Moving from public or assisted housing
• Paying other expenses approved by the housing authority that promote economic self-sufficiency

If the family moves from public housing, the housing authority must pay the family any balance in the account, minus any amounts owed to the housing authority.

e. Income Examination Requirements

Federally subsidized housing programs generally use one of two models of income reporting. The first requires the tenant family to report mid-year increases in income as they occur. This reporting model may act as a disincentive to employment for tenants who are faced with immediate rental increases upon entry into the job market. The second model eliminates the family’s obligation to report mid-year income increases, giving newly employed individuals the opportunity to become more financially stable before facing a rent increase.
Program recipients may select housing with a rent above the payment standard. The PHA will pay a monthly housing assistance payment to the landlord that is the lower of either:

- the payment standard for the family minus the total tenant payment; or
- the gross rent minus the total tenant payment

(See the section on “Calculating Rent Payments in Federally Subsidized Housing” for an explanation of “total tenant payment.”)

If the unit rent is greater than the payment standard, the family is required to pay the excess amount in addition to their calculated share of the rent. However, when a family initially moves into a unit where the rent exceeds the payment standard, the family may not pay more than 40 percent of its adjusted monthly income for rent. In addition, Housing Choice Voucher recipients may not pay an amount for rent that exceeds the payment standard, except as described above. Advocates for individuals with disabilities should be sure that because a family is able to afford to pay more than 30 percent of income for rent, they are not required to do so by the PHA. The increased payment standard should be provided to the family who needs such a payment as a reasonable accommodation in order to rent suitable housing.

**Example:** In Jonesville, the payment standard for a three-bedroom unit is $500. When the Maxwell family initially rents their apartment the rent is $400. The Maxwells’ adjusted monthly income is $900. Their share of the rent is $300 (30 percent of $900). The PHA pays $100. After 2 years, a new owner takes over the property, makes substantial improvements and increases the rent to $550. The PHA pays $200 and the Maxwells pay $350 (representing 30 percent of their adjusted income plus the additional amount in excess of the payment standard). Two years later, the rent is again increased this time to $650. The Maxwells’ adjusted monthly income has also increased and is now $2,000. However, because their share of the rent would exceed the payment standard (30 percent of $2,000 is $600), the Maxwells’ are advised by their PHA that they must relocate to continue to take advantage of their Section 8 subsidy.
Payment standards vary significantly from area to area. The following are examples of Fair Market Rents for one-bedroom units for 2006, and the lower and upper limits of the payment standard that can be set by the local PHA. Market rents for other areas are available at [www.huduser.org](http://www.huduser.org).

<table>
<thead>
<tr>
<th>Location</th>
<th>Fair Market Rent (1 bedroom)</th>
<th>Payment Standard Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo-Niagara, NY</td>
<td>$523</td>
<td>$471 to $575</td>
</tr>
<tr>
<td>Chicago, IL</td>
<td>$802</td>
<td>$722 to $882</td>
</tr>
<tr>
<td>Nassau-Suffolk, NY</td>
<td>$1,084</td>
<td>$976 to $1,192</td>
</tr>
</tbody>
</table>

A PHA may be required to establish a higher payment standard when necessary to rent an accessible unit for a family that includes an individual with a disability.

**SECTION 8 PROJECT-BASED ASSISTANCE (Other than the Project-Based Voucher Program)**

Section 8 project-based subsidies provide housing assistance to low-income families while they are residing in subsidized units. Because the housing subsidy is connected to the unit, Section 8 assistance generally ends when the family moves. See exception below for Section 8 Project-Based Vouchers.

1. Just as in the Housing Choice Voucher (Section 8) tenant-based program, very low-income or low-income families are eligible for Section 8 project-based subsidies, provided that they are citizens or non-citizens with eligible immigration status. In any fiscal year, 40 percent of all new project admissions vouchers must go to very low-income families.

**Project Owners’ Preferences**

Subject to income-eligibility criteria, owners participating in Section 8 project-based assistance (other than moderate rehabilitation and the project-based certificate or voucher programs) may adopt particular preferences for selecting applicants for admission. However, these owners must adopt a written tenant selection plan, must inform all applicants about available preferences, and must give applicants an opportunity to show that they qualify for an available preference. Such preferences may include:

- residency preference (admission of persons residing in a specific geographic region) which must be in accordance with non-discrimination and equal opportunity requirements;

- preference for working families where the head, spouse, or sole member is employed; however, an applicant shall be given the benefit of this preference if the head and spouse, or sole member, is age 62 or older, or is a person with disabilities; no preference may be based on the amount of earned income.
• preference for families that include a person with disabilities but no preference may be given to persons with a specific disability;

• preference for families that include victims of domestic violence;

• preference for single persons who are elderly, displaced, homeless or persons with disabilities over other single persons

2. Computing Income for Section 8 Project-Based Voucher Program Tenants

a. Annual Income and Income Exclusions

The federal regulations that establish the criteria for calculating annual income and income exclusions in public housing apply to the Section 8 Project-Based Voucher program as well. See “Annual Income and Income Exclusions” in the Public Housing section above.

b. Income Adjustments

The federal regulations that establish the criteria for mandatory income adjustments in public housing apply to Section 8 Project-Based Voucher program as well. See the section on Income Adjustments in the Public Housing section above. Note that Public Housing Authorities may adopt deductions in addition to the mandatory deductions listed but housing providers in the Section 8 program may not do so.

c. Earned Income Disregards

The earned income disregards for persons with disabilities extended to the Section 8 Housing Choice program do not apply to Section 8 project-based housing. See the additional information below regarding the PBV program.

d. Individual Savings Accounts

Individual Savings Accounts as described in the Public Housing section are not available to project-based Section 8 tenants.

e. Income Examination Requirements

The Section 8 project-based housing providers must conduct an annual re-examination of family income and composition. Additionally, the housing provider may adopt policies prescribing when and where a family should report changes in income or family composition. At any time, the housing provider may conduct an interim re-examination, or a family may request an interim determination of income.

If the tenant’s income increases to such an extent that the tenant’s share of the rent is equal to, or exceeds, the total rent owed to the owner, the tenant may remain in the unit but will be required to pay fair market rent for the unit.
SECTION 8 PROJECT-BASED VOUCHER (PBV) PROGRAM

Effective November 14, 2005, the final regulations for the PBV program allows a PHA the option of using a portion of its available tenant-based voucher funds for project-based vouchers. These Section 8 Project-Based Vouchers provide housing assistance to low-income families while they are residing in subsidized units. Because the housing subsidy is connected to the unit, Section 8 Project-Based Voucher assistance will end if the family moves before the first year of occupancy is complete. After one year, a family may opt to move with tenant-based assistance.

1. Eligibility Requirements

Just as in the Housing Choice Voucher (Section 8) tenant-based program, very low-income or low-income families are eligible for assistance under the Section 8 Project-Based Voucher program, provided that they are citizens or non-citizens with eligible immigration status. In any fiscal year, 75 percent of all new project-based vouchers must go to very low-income families. Generally, only 25 percent of the units in a building may be designed for Project-Based voucher assistance. However, buildings with units designed for families who are defined as elderly, disabled, or receiving supportive services may be exempted from this limit; these buildings may have more than 25 percent of the available units subsidized by project-based vouchers.

2. Computing Income for Section 8 Project-Based Voucher Program Tenants

a. Annual Income and Income Exclusions

The federal regulations that establish the criteria for calculating annual income and income exclusions in public housing apply to the Section 8 Project-Based Voucher program as well. See “Annual Income and Income Exclusions” in the Public Housing section above.

b. Income Adjustments

The federal regulations that establish the criteria for mandatory income adjustments in public housing apply to Section 8 Project-Based Voucher program well. See the section on Income Adjustments in the Public Housing section above. Note that Public Housing Authorities may adopt deductions in addition to the mandatory deductions listed but housing providers in the Section 8 program may not do so.

c. Earned Income Disregards

Since funding for the Project-Based Voucher program is allocated through the Housing Choice Voucher Program, it appears (but has not been confirmed in written policy by HUD) that tenants with Project-Based Vouchers will be entitled to claim the same earned income disregard as tenants with Housing Choice Voucher subsidies.
Individual Savings Accounts as described in the Public Housing section are not available to tenants with project-based vouchers.

d. Income Examination Requirements

The Section 8 project-based housing providers must conduct an annual re-examination of family income and composition. Additionally, the housing provider may adopt policies prescribing when and where a family should report changes in income or family composition. At any time, the housing provider may conduct an interim re-examination, or a family may request an interim determination of income.

If the tenant’s income increases to such an extent that the tenant’s share of the rent is equal to, or exceeds, the total rent owed to the owner, the tenant may remain in the unit but will be required to pay fair market rent for the unit. See Section 8 Housing Choice Voucher Program “Income Examination Requirements.”

e. Preferences

Any “in-place family” must be added to the waiting list for a voucher and given an absolute selection preference by the project owner. Such families shall be given priority for admission to the Project-Based Voucher Program.

Preference may also be given to disabled families, who need services offered at a particular project and who meet the following requirements:

- The families (or individuals) have disabilities, which significantly interfere with their ability to obtain and maintain themselves in housing;
- The families will not be able to obtain or maintain themselves in housing without appropriate supportive services; and
- Such services cannot be provided for these families in a non-segregated setting.

However, disabled families shall not be required to accept the particular services offered at the project. Also, the prohibition on granting preferences to persons with a specific disability still applies to the selection of tenants for the Project-Based Voucher subsidized units.

**SECTION 811 SUPPORTIVE HOUSING FOR THE ELDERLY AND PERSONS WITH DISABILITIES**

Section 202 and Section 811 Supportive Housing for the Elderly and for Persons with Disabilities offers rental assistance for housing projects serving these specific populations. Projects designed for elderly households often provide a range of services tailored to the needs of their residents, whereas projects for persons with disabilities ensure that residents are provided with necessary supportive services appropriate to their individual needs.
OTHER PROJECT-BASED SUBSIDY PROGRAMS

A number of federal housing programs provide an indirect subsidy to tenants by reducing rental costs for all who reside in a particular housing development. Many tenants benefit from the indirect project subsidy and from a direct subsidy, such as Section 8. Tenants who receive only the project subsidy pay rent according to a rent schedule approved by HUD or a state supervising authority.

Three such programs are described below:

**Section 236** projects vary as to their income eligibility requirements but most projects have an additional subsidy (e.g., Section 8, Rent Supplement, Rental Assistance Payment) for some or all tenants to offset operating expenses and to assist lower income families. HUD establishes a basic rent (minimum or contract) rent for each unit as well as a market rent (maximum) rent. The tenant rent is the greater of the basic rent or 30 percent of the tenant’s adjusted monthly income but not more than the market rent. Re-certification is done annually, but regular excess income of $40 or more per month must be reported immediately. If the tenant’s income increases to such an extent that the tenant rent exceeds the market rent, the tenant may remain in the unit but will be required to pay a surcharge or fair market rent for the unit, depending on the amount of increased income.

The **Rent Supplement Program** provides an additional subsidy for some Section 236 project residents. The number of these subsidies for each project is limited to a certain percentage of the residents. An individual or family is eligible for this assistance if the applicant’s annual income does not exceed 80 percent of the median income for the area as determined by HUD, unless HUD establishes a higher or lower percentage due to unusually high or low-incomes or other local factors. Annual re-certification is required and regular increased income of $40 or more must be reported in order to adjust the total tenant payment. If the total tenant payment exceeds the gross rent, the rent supplement subsidy terminates. The tenant may remain in the unit under the current lease provided that the tenant pays the market rent approved by HUD. Should the tenant’s income decrease, the prior termination does not preclude resumption of the subsidy.

The **Rental Assistance Program (RAP)** offers subsidies to low-income families. The tenant’s share of the rent is income-dependent as in other Section 8 programs, and the minimum rent for project-based assistance is $25.

More information about project-based subsidy programs including the 221(d)(3) program can be found by reviewing the recently revised HUD Handbook 4350.3 Occupancy Requirements of Subsidized Multifamily Housing Programs available at [www hudclips org](http://www.hudclips.org).
• Calculate the new rent payment based upon the higher of:
  – the family’s monthly adjusted income; or
  – the family’s monthly income; or
  – if the family is receiving payments for welfare assistance from a public agency, the amount of assistance designated for housing.
• Income based rent payments cannot exceed the actual rent for the unit.
• Determine the impact of employment on the individual’s or family’s disposable income - new income minus new housing costs vs. old income minus old housing costs.
  – If the individual is in public housing, should that individual switch to flat rent at the next election period?

Setting Aside Increased Rent

• Does the PHA or housing authority participate in the Family Self-Sufficiency (FSS) Program? Can the family enroll in the FSS program and have the increased rent payment be deposited in a FSS escrow account?
• If the individual is living in public housing, does the housing authority have the Individual Savings Account program? Could the increased rental payment be placed in an Individual Savings Account to benefit the individual or family?

Make Sure Individuals Are Aware of:

• All available income exclusions.
• All available income adjustments.
• All available income disregards.
• All available rent increase set-asides.
• The right to request re-examination of income at any time, and the importance of immediately reporting any decreases in income.
• The right to switch from flat rent to income-based rent at any time.
• The need to notify the PHA or other administering entity) when the period of income disallowance (the 100 percent disallowance for 12 months, and the 50 percent disallowance for an additional 12 months) has been interrupted.
Benefits Planning, Assistance and Outreach

Chapter 14

Federally-Subsidized Housing Resources

AIDS Housing of Washington
2014 East Madison, Suite 200
Seattle, WA
206-322-9444
www.aidshousing.org

US Department of Housing and Urban Development Project Contacts

- For the **HOME Investment Partnerships Program**, contact Mary Kolesar, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410, telephone (202) 708-2470.

- For the **Housing Choice Voucher Program**, contact Carl Jurison, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410, telephone (202) 708-0477, ext. 4830.

- For the **Housing Opportunities for Persons with AIDS Program**, contact David Vos, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410, telephone (202) 708-1934, ext. 4620.

- For the **Rent Supplement Program**, contact Gail Williamson, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; telephone (202) 708-3000.

- For the **Rental Assistance Payment (RAP) Program**, contact Gail Williamson, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; telephone (202) 708-3000.

- For the **Section 202 Supportive Housing Program for the Elderly** (including **Section 202 Direct Loans for Housing for the Elderly and Persons with Disabilities**), contact Aretha Williams, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410, telephone (202) 708-2866, ext. 2480.

- For **Housing Assistance Payment Program (Project-Based)**, contact Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; telephone (202) 708-3000.

- For the **Section 811 Supportive Housing Program for Persons with Disabilities**, contact Frank Tolliver, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410, telephone (202) 708-2866, ext. 3821.

- For the **Shelter Plus Care Program**, contact Brian Fitzmaurice, State Assistance Division, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410, telephone (202) 708-1234, ext. 4080.
• For the **Supportive Housing Program (McKinney-Vento Act Homeless Assistance)**, contact Lisa Hill, Office of Special Needs Assistance Program, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410, telephone (202) 708-1234, ext. 5183.

• For all of the above telephone numbers, persons with hearing or speech-impairments may call 1-800-877-8339 (Federal Information Relay Service TTY). (Other than the “800” number, the telephone numbers are not toll-free numbers.)

**Center on Budget and Policy Priorities**
820 First St. NE, Suite 510
Washington, DC 20002
202-408-1080
Contact Will Ficher
[www.cbpp.org](http://www.cbpp.org)

**National Housing Law Project**
1012 14th Street NW, Suite 610
Washington, DC 20005
202-347-8775
[www.nhlp.org](http://www.nhlp.org)

**Office of HIV/AIDS Housing**
David Vos, Director
US Dept of Housing and Urban Development
451 7th Street, SW,
Washington, DC 20410
202-708-1934, ext. 4620; TTY 202-708-1455; 1-800-877-8339

**US Department of Housing and Urban Development**
[www.hud.gov](http://www.hud.gov)
[www.hud.gov/group/disabilities.cfm](http://www.hud.gov/group/disabilities.cfm)
[www.hudclips.org](http://www.hudclips.org)
[www.huduser.org](http://www.huduser.org)