

# Federal Housing Assistance

Most federal housing assistance programs help make housing affordable for low-income families. Most of these programs are funded by the Department of Housing and Urban Development (HUD) and/or the U.S. Department of Agriculture (USDA), and are run by 100 local public housing agencies (PHAs) in Wisconsin and private property owners.

Though its supply is limited, affordable housing is valuable for low-income folks. In addition to providing stability through affordability, participants usually have good cause protections for non-renewal/termination/eviction, the right to pre-eviction filing meetings and/or grievance hearing rights, longer and more protective notice periods (CARES Act requires 30 days notice to vacate prior to eviction) and additional rights under the Violence Against Women Act.

Federal rental assistance has two main types: public housing and subsidized housing. Both aim to provide affordable homes, but they work in different ways.

Public housing means the government owns certain properties for low-income individuals or families, the elderly, and persons with disabilities. These are usually apartment buildings or housing complexes managed by local PHAs. Rent is set at a rate that's affordable based on the tenant's income.

In subsidized housing, the government pays private landlords so they can offer lower rent to tenants with low incomes, the elderly, and the disabled. There are two types of subsidized housing: project-based and tenant-based.

Tenant-based subsidized rental assistance uses housing choice vouchers. With these vouchers, the participant can choose any housing that meets the program rules—they're not limited to living in specific subsidized housing buildings. Because it is tenant-based (not project-based, which is tied to a specific building), the voucher is designed to stay with the tenant if they move. In fact, the housing choice voucher program is designed to allow families to move (or "port") without losing their housing assistance.

As its name suggests, with project-based subsidized housing, a tenant or family must live at a certain housing complex in order to receive the assistance. Although this housing is privately owned, the owner is able to offer affordable rent because they receive government funding. This government funding can come in different forms, including deferred loans, tax credits, and grants. For example, a tenant might say they live in “Section 202” housing (housing for the elderly).

Each housing assistance program has different eligibility criteria, but there are some common rules to keep in mind for most subsidized and public housing that gets funding from HUD or USDA. For most programs, the PHA or owner will look at three main factors to determine basic eligibility:

1. Your yearly gross income.
2. Whether you qualify as elderly (62+), disabled, or as part of a family unit.
3. Your citizenship or immigration status.

## **Annual Gross Income**

Income limits for housing assistance are based on the median income for your family size in the county or metro area where you choose to live. Since these limits can change depending on the location, you might be eligible for public or subsidized housing in one area of the state but not another.

The income limits used to determine eligibility vary by program. There are three main income limits used for federal housing programs:

1. The Below Market Interest Rate (BMIR) limit, which is 95% of the median income.
2. The low-income limit, which is 80% of the median income.
3. The very low-income limit, which is 50% of the median income.

Whether you qualify for assistance depends on the income limit for the type of housing help you are applying for. You may be income-eligible for one program but have too high an income for another program.

The PHA serving your community can provide you with the income levels for your area, family size, and program. [Here you can find a list of links to each PHA in Wisconsin.](#)

Note: These income limits are updated annually

Annual income is the amount of income that is used to determine if a family is eligible for assistance. This includes:

- **Earned Income** - Full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- **Benefit Income** - Money from sources like Social Security, Supplemental Security Income, Disability, unemployment, TANF, welfare, and worker's compensation
- **Regular contributions or gift** - Money from sources like Annuities, retirement funds, pensions, child support, and maintenance
- **Asset Income** - Amount of money earned over 12-month period on assets to which family has access

You can check the [Income and Income Exclusions Resource Sheet](#) for a complete list. There are optional and mandatory deductions (e.g. \$480 for each dependent, \$400 for any elderly or disabled family), exclusions, allowances and adjustments that PHAs and private owners will make to annual income to arrive at an adjusted income. These can be found in the [Income Determination chapter of HUD's Public Housing Occupancy Guidebook](#), starting on page 28.

## Project Eligibility

Project eligibility establishes whether applicants are eligible to live in the specific project to which they have applied.

### Elderly

Definitions for what counts as an elderly family can be a little different depending on the program or project, but usually, an elderly family is one where the head of the family, their spouse, or the only member is at least 62 years old.

You can prove your age with different types of documents, such as a birth certificate, passport, military discharge papers, naturalization certificate, or a Social Security Administration Benefits printout.

## **Person with Disabilities**

Like ‘elderly’, the definition of a person with disabilities can vary by program and project. It can be as simple as saying: “A disabled family is a family whose head, spouse, or sole member is a person with disabilities”

To the complex -

“A person with disabilities:

1. Means a person who:
  1. Has a disability, as defined in 42 U.S.C. 423;
  2. Is determined [ . . . ] to have a physical, mental, or emotional impairment that:
    1. Is expected to be of long-continued and indefinite duration,
    2. Substantially impedes his or her ability to live independently, and
    3. Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
  3. Has a developmental disability as defined in 42 U.S.C. 6001.
2. Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome;
3. [ . . . D]oes not include a person whose disability is based solely on any drug or alcohol dependence [ . . . ].

An owner can check if a family or person is eligible for a project by verifying their disability. However, the owner cannot ask for or verify specific details about the disability. There are ways to confirm disability status without needing detailed information or information that should not be collected.

For example, proof of social security disability payments is adequate verification of disability for many of the housing assistance programs. If verification is done by sending a third-party verification form to an appropriate source of information, like the individual’s physician, care worker, social worker, psychiatrist, or the Veterans

Administration, the form should explain the definition of disability used to decide eligibility. It should ask the person filling out the form to say whether the applicant meets that definition. This way, the owner does not have to decide if a condition is a disability and won't get any information they aren't allowed to have.

## **Citizenship or Immigration Status**

To be eligible for most public and subsidized housing, every member of the family must be either a US citizen or have 'eligible immigration status'. The following noncitizens are eligible for federal housing assistance programs:

- Lawful permanent residents (people with "green cards"),
- "Violence Against Women Act" (VAWA) self-petitioners,
- Asylees, Refugees, and Parolees
- Persons granted withholding of removal/deportation,
- Certain Victims of trafficking,
- Individuals who entered under the Compacts of Free Association with the Marshall Islands, Micronesia, and Palau, and
- Immigrants admitted for lawful temporary residence prior to January 1, 1982

Immigrants with student visas, Temporary Protected Status, U nonimmigrant status, and other statuses are not eligible for federal housing subsidies.

Families with at least one U.S. citizen or eligible immigrant can live in a HUD-subsidized housing unit. These families are referred to as "mixed-status" and receive prorated (reduced) assistance so that the subsidy amount is decreased to only cover family members with eligible immigration status. The prorated assistance is calculated by multiplying a family's full assistance by a fraction (eligible family members / total family members).

EXAMPLE: A family has 4 people. Three are citizens, and one does not have eligible immigration status. The gross rent for the unit is \$500, and the family's Total Tenant Payment (what they are expected to pay) is \$100.

Gross Rent \$500 - TTP \$100 = Section 8 Assistance \$400

Number of eligible family members    3

Total number of family members       4

Prorated assistance             $\$400 \times \frac{3}{4} = \$300$

Amount family is expected to pay        $\$500 - \$300 = \$200$

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[Public & Subsidized Housing Housing](#)

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Table of Contents

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