Public housing agencies (PHAs) have the authority to attach (or project-base) up to 20 percent of their voucher assistance to specific housing units. Project-based vouchers provide rental assistance for eligible individuals and families who occupy specific housing units managed by private owners who have entered into agreements with a PHA. The household pays an established amount to the owner each month (typically approximately 30 percent of monthly income) and the PHA pays the balance of the rent due.

While project-based vouchers do not allow residents to take the vouchers with them when they move, some PHAs find that project-based vouchers can help produce more housing, thereby increasing the supply of affordable units in housing markets that are otherwise tight. In addition, by project-basing a share of their housing choice vouchers in well-located housing developments, PHAs can ensure there will be affordable rental units in gentrifying neighborhoods and in areas that provide access to critical resources such as high-quality schools, employment opportunities, public transportation, health care services, and grocery stores and other services and amenities.

NOTE: Public housing agencies that have been selected to participate in the Moving to Work (MTW) demonstration program may receive an exemption from many of the federal rules described in this write-up. For more information on participating MTW sites, click here.

This section discusses how federal funding through the Housing Choice Voucher program can be used to provide rental assistance at specific affordable housing developments. For more information on how local funding can be used to provide project-based rental assistance, click here.

1. Program rules allow another 10 percent to be project-based under specific circumstances. These circumstances are: to assist veterans or people experiencing homelessness, provide supportive housing for seniors or people with a disabilities, or in areas where the poverty rate is 20 percent or below. Policy Basics: Project-Based Vouchers. Center on Budget and Policy Priorities, March 2017.