

Section 811 Project Rental Assistance Demonstration (PRA Demo)

**Expanding Integrated Housing for Persons
with Disabilities in Your State**

Audio can be accessed through the following conference line

Conference Line: 1-866-266-3378

Passcode: 8224620012

Agenda

- Presentation (60 minutes)
 1. NOFA Context
 2. Section 811 PRA Demo Highlights
 3. NOFA Rating Factors
 4. Getting Started
- Questions (30 minutes)
- Participants' phone connections are automatically muted due to the high number of callers
- Materials
 - PowerPoint Slides –
 - Available now at <http://811resourcecenter.tacinc.org/>

Submitting Questions During and After the Webinar

- We will be accepting and answering some questions today through the Private Chat feature of the webinar software.
- Questions can also be submitted to TAC via email at gschaak@tacinc.org and to HUD at PRADemoapplications@hud.gov

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Attendees

Trainings@tacinc.org

Session Details

Session Name: Practice Session: Section 811 Project Rental Assistance (PRA) Demonstration NOFA: Expanding Integrated Housing for Person with Disabilities in your State
Leader: Gina Schaak

Step 1: Click on the Private tab of the Chat box in the lower left corner of your screen.

Feedback

Chat

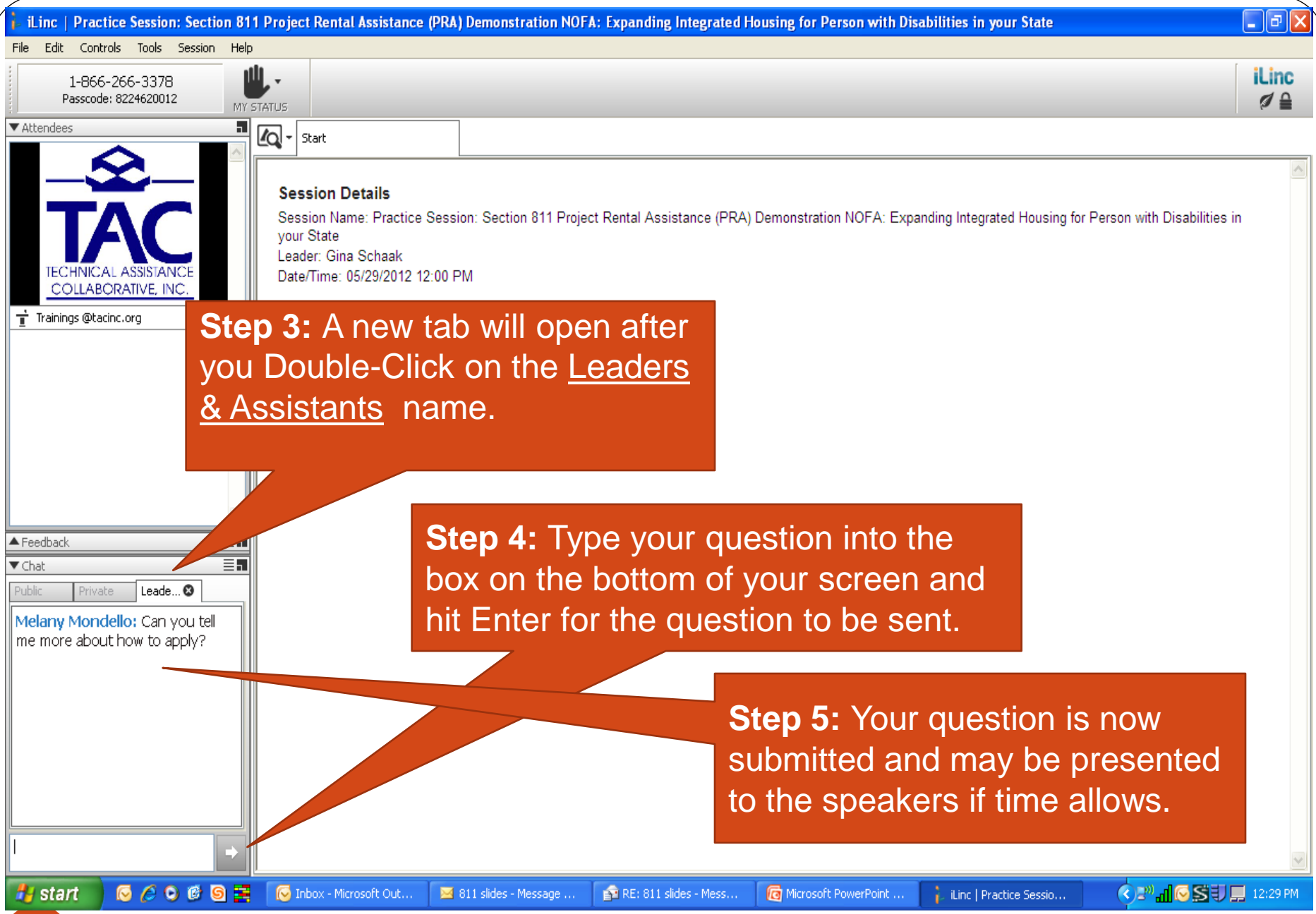
Public Private

Leaders & Assistants
Trainings@tacinc.org

Double-click the Leader or Assistants to chat privately.

Step 2: Double-Click on the Leaders & Assistants text to open a new tab.

TAC



Step 3: A new tab will open after you Double-Click on the Leaders & Assistants name.

Step 4: Type your question into the box on the bottom of your screen and hit Enter for the question to be sent.

Step 5: Your question is now submitted and may be presented to the speakers if time allows.

NOFA Context

Context: States

- States are increasingly challenged to:
 - Reduce reliance on expensive institutional care
 - Assure compliance with the U.S. Supreme Court's *Olmstead* decision
 - Prevent and end homelessness among people with disabilities
- Section 811 Program can help meet this challenge by:
 - Providing community living opportunities for people with disabilities
 - Expanding integrated permanent supportive housing options
 - Engaging the development community in providing units for people with disabilities in mainstream affordable housing
 - Initiating and supporting state-level cross system collaborations

Context: Federal Government

- PRA Demo are only funds available in FY12 for new Section 811 units
- Funding available for supports (e.g., Money Follows the Person, Home and Community-Based waivers)
- Current Federal policy context is supportive
 - *Olmstead*
 - HUD-HHS Partnership
 - Affordable Care Act

New Section 811 Project Rental Assistance (PRA) Demonstration

- New project-based rental assistance approach
- Helps states systematically and efficiently create integrated and highly cost-effective supportive housing units
- Requires structured state-level partnership linking affordable housing with community-based services and supports
 - Services are elective not mandatory for tenant
- Offers people with significant disabilities the opportunity to live in high quality rental housing alongside other tenants who do not have disabilities

Supportive Housing Partnership

Critical Element	Source	Examples
Capital	<ul style="list-style-type: none"> • HFA • State or local govt. • Private foundation 	<ul style="list-style-type: none"> • Low Income Housing Tax Credit • HOME • CDBG • Foundation funds
Operating Subsidy	<ul style="list-style-type: none"> • HUD 	<ul style="list-style-type: none"> • Section 811 PRA • Section 8 PBV
Support Services	<ul style="list-style-type: none"> • State Medicaid Agency • State Human Services Agency 	<ul style="list-style-type: none"> • Money Follows Person • Home and Community Based Waiver Services • State services funds • Rehab Option

PRA Demo Highlights

Timeline

- NOFA released May 15, 2012
- Applications due July 31, 2012 11:59 p.m.
- Submit through www.grants.gov
- \$85 million available for new units
- Estimated 2,800 units nationally
- 9-16 awards
- Initial award for 5 years with 1 year renewals
- \$2 million minimum and \$12 million maximum
- http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/fundsavail/nofa12/sec811PRAdemo

HUD Demo Goals

- Supporting State Housing and Health and Human Service/Medicaid agency collaborations that have or will result in increased access to affordable permanent supportive housing units combined with access to appropriate and voluntary supports and services
- Seeking innovative, replicable approaches
- Seeking cross-disability, mixed income approaches to develop integrated housing for people with disabilities
- Creating more efficient and effective uses of housing and health care resources

Eligible Applicants

- Agency currently allocating Low Income Housing Tax Credits (LIHTC)
- Any state housing or community development agency allocating and overseeing assistance under the HOME Investment Partnership (HOME) or a similar federal or state program
- State, regional, or local housing agency or agencies
- Partnership or collaboration of state housing agencies and/or state and local/regional housing agencies
- NOFA permits Co-Applicants

Eligible Applicants

- Only one Eligible Applicant per state is eligible to receive funding
- State Health and Human Services/Medicaid agency can only be included in one application for Section 811 PRA Demo funds
- If the State Health and Human Services/Medicaid agency is included in multiple applications from one state, none will be considered by HUD

Eligible Activities

Section 811 PRA Demo Funds can be used for:

- Project-based rental assistance in eligible multi-family properties
 - Grantee determines unit rent level, up to Fair Market Rent Level
 - Rent increases limited to OCAF or other as approved by HUD
- Administrative Costs
 - No more than 5% of total

Ineligible Activities

PRA Demo funds CANNOT be used for:

- Capital

Eligible Properties

- Any new or existing multifamily property owned by a nonprofit or private entity with at least 5 housing units
- Applicants are not required to identify eligible properties in their NOFA response but are required to specify what housing development and/or financing programs will be used to secure PRA Demo units
- Housing assisted with Section 811 PRA Demo funds must have a minimum 30 year use restriction for extremely low-income persons with disabilities

25% Limitation

- No more than 25% of the total units in Eligible Multifamily Properties can: (1) be provided Section 811 PRA Demo funds; (2) be used for supportive housing for persons with disabilities; or (3) have any occupancy preference for persons with disabilities
- Units must be dispersed throughout the property and cannot be segregated on one floor or in one area of a building
- Owners may designate certain unit types (e.g., accessible unit, 1 bedroom units, etc.) rather than designating specific units (e.g., Unit 101, Unit 102, etc.)
- Units may be both accessible and/or non-accessible

PRA Demo Operations

- Housing agencies may either directly administer the rental assistance contracts to eligible multi-family properties or contract with other qualified parties to administer the long-term rental assistance contracts
- Eligible tenants can be selected in accordance with state approved tenant selection policies, criteria and federal non-discrimination laws
- Tenant's rent contribution cannot exceed 30% of adjusted income and the initial lease between the tenant and the owner must be not less than one year

PRA Demo Operations

- Davis Bacon: requirements apply for 12 or more units
- Housing Standards: must meet local and state housing code, ordinances, and zoning requirements and minimum UPCS standards
- Fair Housing: affirmatively further fair housing as well as compliance with fair housing laws
- Energy and water conservation
- Environmental assurances

Eligible Tenants

- Extremely low-income (i.e., 30% of AMI or below);
- Disabled as defined in NOFA;
- Household must include at least one individual with a disability who is 18 years of age or older and less than 62 years of age at the time of admission into the property; and
- This person must also be eligible for community-based, long-term care services as provided through Medicaid waivers, Medicaid state plan options, state funded services or other appropriate services related to their disability.

Inter-Agency Partnership Agreement

- Threshold requirement
- Must include the Eligible Applicant and the state agency that is charged with administering State Health and Human Services programs and policies and the State's Medicaid program; both if two different agencies

Inter-Agency Partnership Agreement

The Agreement must include:

- A detailed description of the target population(s) to be served;
- Methods of outreach and referral to PRA Demo units; and
- A commitment to make appropriate services available for PRA Demo residents

Rating Factors

Summary Rating Factors

Factor #	Rating Factor	Number of Points
Factor #1	Experience and Capacity	30
Factor #2	Need	5
Factor #3	Soundness of Approach	45
Factor #4	Leveraging	10
Factor #5	Results, Innovation, Evaluation	<u>10</u>
	Total Points	100

Rating Factor 1

Applicant's and State Health and Human Service/Medicaid Agencies' Relevant Experience and Capacity (up to 30 points)

- Management Team and Key Staff (up to 10 points)
- Capacity and Readiness (up to 20 points)
- Past Noncompliance (up to -10 points)

Rating Factor 2

Need/Extent of the Program (up to 5 points)

Rating Factor 3

Soundness of Approach (up to 45 points)

- Implementation Plan – Program Description (up to 20 points)
- Management and Oversight (up to 10 points)
- Integration of Services (up to 10 points)
- Program Implementation Schedule (up to 5 points).

Rating Factor 4

Leveraging (up to 10 points)

- Cost-Effective Use of PRA Demo Funds (up to 6 points)
- Commitments of Set-Asides (up to 4 points)

Rating Factor 5

Achieving Results, Program Innovation and Evaluation (up to 10 points)

- Innovation and Replicability (up to 5 points)
- Capacity Building and Knowledge Sharing (Policy Priority - up to 2 Points)
- Expand Cross-Cutting Policy Knowledge (Policy Priority - up to 3 points)

Getting Started

Inter-Agency Partnership Agreement

Considerations might include:

- What are State Housing Agency roles and responsibilities?
- What are State Human Services/Medicaid Agency roles and responsibilities?
- How will State Housing and Human Services/Medicaid Agencies collaborate effectively?

Inter-Agency Partnership Agreement: Target Population

Considerations might include:

- Must meet definition of eligible tenants
- What are state priorities? (e.g., *Olmstead*)
- Sub-populations?
- Geographical limitations?
- Limited or specific due to service eligibility?
- Prioritization if more than one target population?

Inter-Agency Partnership Agreement: Outreach and Referral

Considerations might include:

- How can State ensure a large enough pool of households in the target population is available for the specific PRA Demo unit?
 - What outreach methods are best suited to reaching the target population?
 - Are there entities/agencies to conduct outreach in the geographic area?
 - What infrastructure does the State already have in place or can be put in place to support and track outreach efforts?
 - Be realistic about the number of units you and the number of referrals for those units. Too many applicants for the given number of units will lead to frustration for property manager and applicants
- How can the State ensure that households in the target population are referred to PRA Demo units in a timely manner?
 - Make-or-break component of the program
 - What infrastructure will be designed to support and track referrals?
 - Policies and procedures for initial occupancy and turnover

Inter-Agency Partnership Agreement: Support Services

Considerations might include:

- What specific services are appropriate for the target population?
- Are all services needed by the target population available in the targeted geographic area? If statewide, are there areas of the state where services are not available?
- Is transportation an issue with providing services to the target population, either in getting workforce to the units or in getting the target population to services in the community?
- How will tenant issues be resolved to avoid eviction?
- Reminder: Services must be made available but use of services is voluntary

State Housing Agencies

Considerations might include:

- How many units to apply for?
 - What is the need? Where do target populations want to live? What size units? Accessible units?
 - How many eligible multi-family units in pipeline in target geographic locations?
 - Can units be occupied in 24 months?
- How will rents be set? Rent increases?
- How will projects be selected?
- How will developers be encouraged to apply?

State Housing Agencies

Take advantage of the flexibility offered by HUD

- Set terms for Rental Assistance Contract
- Determine how rent increases will be processed and under what standard
- Propose and enforce terms of deed restriction
- Establish compliance monitoring procedures

Developer Concerns

- How to assure developers a stream of reliable income?
- How to assure developers a reliable pool of timely referrals?
- How to assure tenants will understand and meet their lease requirements?
- How to assure developers that tenancy-related issues will be addressed and resolved in a timely manner?

Tenant Concerns

- How will tenants have access to services and supports that are needed?
- Will accessible public transportation be available?
- How will housing supports be made available to assist tenants when they have problems with their landlord or they cannot meet their lease requirements?

Additional Resources

- <http://811resourcecenter.tacinc.org/>
 - Webinar audio and slides posted on website
- http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/grants/section811ptl

QUESTIONS

Thank you for joining us today!

Applications due July 31, 2012 11:59 p.m.

Questions be submitted to TAC via email at gschaak@tacinc.org and to HUD at PRADemoapplications@hud.gov