



## Comparison of Section 811 PRA & Multifamily Capital Advance/PRAC Options

	<b>PRA Option</b>	<b>Multifamily Capital Advance/PRAC</b>
<b>Summary Description</b>	The new Section 811 Project Rental Assistance (PRA) option is a 'stand alone' project-based rental assistance approach to help governments systematically & efficiently create integrated & highly cost-effective supportive housing units in affordable rental housing developments.	The Multifamily Capital Advance/Project Rental Assistance Contract (PRAC) modernizes the traditional Section 811 model by providing capital as well as project rental assistance to nonprofit developers for the development of integrated permanent supportive housing for very-low-income households with disabilities.
<b>Eligible Applicants</b>	Eligible applicants are State housing finance agencies & other appropriate entities as defined by HUD through regulation.	Nonprofit agencies only.
<b>Eligible Activities</b>	Project Rental Assistance funding only. No Capital Advance.	Capital Advance & Project Rental Assistance Contract (PRAC).
<b>Target Population</b>	A household composed of one or more persons with a disability who is at least 18 years of age & less than 62 years of age, is extremely low-income (30% AMI), & who can benefit from the supportive services offered in connection with the housing.	A household composed of one or more persons with a disability who is at least 18 years of age & less than 62 years of age, is very low-income (50% AMI), & who can benefit from the supportive services offered in connection with the housing.
<b>How Integration is Achieved</b>	Statute specifies that the number of units for supportive housing for persons with disabilities (including those to which any occupancy preference for person with disabilities applies), in any multifamily housing project containing PRA funds, may not exceed 25% of the total units in the housing project.	Must limit the number of units targeted to people with disabilities including Section 811 supportive housing units <u>plus</u> any other units with occupancy preferences for people with disabilities to 25% of the total number of units in the project.
<b>Use Restrictions</b>	PRA units must be operated as supportive housing for persons with disabilities for not less than 30 years.	Must be operated for not less than 40 years as supportive housing for persons with disabilities & made available for occupancy only by very low-income persons with disabilities, i.e. households with incomes at or below 50% of AMI.

<p><b>Partnership Requirements</b></p>	<p>Requires a formal written agreement with the State health &amp; human services agency that administers or supervises administration of the State Medicaid Plan. This Section 811 agreement must specify:</p> <ul style="list-style-type: none"> <li>• The target population to be served.</li> <li>• Outreach &amp; referral methods for reaching the target population.</li> <li>• Supportive service commitments for tenants.</li> </ul>	<p>Must provide a supportive services plan as well as a certification from the appropriate State or local agency (as determined by the HUD Secretary) that the services in the plan are well designed to serve the housing &amp; community-based services needs of persons with disabilities.</p>
<p><b>Leveraging Requirements</b></p>	<p>Requires development costs to be leveraged from other public or private sources, including projects that have a commitment of federal Low Income Housing Tax Credits, HOME funds, or other commitments of funding from federal, state, or local governments or any other source.</p>	<p>Leveraging of other resources is strongly encourage &amp; incorporated as a rating factor in project selection.</p>
<p><b>Contract Term &amp; Funding</b></p>	<p>HUD's PRA contract will have a term of not less than 15 years. The contract provides funding for 5 years, with renewal funding subject to appropriation.</p>	<p>Multifamily projects that have Low Income Housing Tax Credits (LIHTCs) have an initial contract term of 30 years. Multifamily developments that do not have LIHTCs have an initial term of 20 years. The contract provides funding for 5 years, with renewal funding subject to appropriation.</p>