

Section 811 Project Rental Assistance Demonstration (PRA Demo)

Securing New Housing Opportunities through
the Federal Section 811 Program

June 14, 2012

Panelists

- Kristy Greenwalt, United States Interagency Council on Homelessness (Moderator)
- Lisa Sloane, Technical Assistance Collaborative, Inc.
- Gina Schaak, Technical Assistance Collaborative, Inc.

Agenda

- Section 811 Notice of Funding Availability (NOFA) Context
- Section 811 Project-Based Rental Assistance (PRA) Demo Highlights
- How Homeless Advocates Can Participate
- Q&A

Webinar Format

- Call will last approximately one hour.
- We have reserved time for Q&A.
 - ✓ Submit questions any time through the “questions” function found in the “GoToWebinar” toolbar.
 - ✓ Questions can also be submitted to TAC via email at gschaak@tacinc.org and to HUD at PRADemoapplications@hud.gov
- Call audience members are automatically muted due to the high number of participants.
- Call will be recorded and archived on www.usich.gov
- PowerPoint slides available now at <http://811resourcecenter.tacinc.org/>

Section 811 Notice of Funding Availability (NOFA) Context

New Section 811 Project Rental Assistance (PRA) Demonstration

- NOFA just released!
- New funds available to provide project based rental assistance for extremely low income people with disabilities including people who are homeless
- New opportunity for states to develop integrated supportive housing targeted to extremely low income households, add to portfolio of options available
- Another opportunity to be at the table with state Medicaid agency
- Consistent with *Opening Doors* and HEARTH Act goals of accessing and leveraging mainstream resources

New Section 811 Project Rental Assistance (PRA) Demonstration

- New project-based rental assistance (PRA) 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

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• Shelter + Care PBA
Support Services	<ul style="list-style-type: none">• State Medicaid Agency• State Human Services Agency	<ul style="list-style-type: none">• Home and Community Based Waiver Services• Money Follows Person• State services funds• Rehab Option

PRA Demo Highlights

NOFA 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

Who Can Apply?

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

Eligible Applicants

- Only one Eligible Applicant per state is eligible to receive funding
- State Health and Human Services/Medicaid agency is a required partner in the application
- 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

How PRA Will Work

- HUD will provide PRA funds to the State Housing Finance Agency (HFA) or other appropriate housing agency
- HFA or other appropriate housing agency will commit PRA funds to affordable housing properties
- State Housing Finance Agency will select new or existing properties for the Section 811 PRA rental assistance
- Goal is to build on the state housing pipeline(s)
- Provides **only** HUD Section 811 **Project Rental Assistance**
- **Does not** provide construction or rehabilitation/capital advance funding

Eligible Activities

Section 811 PRA Demo Funds can be used for:

- Project-based rental assistance in eligible multi-family properties
- Administrative Costs
 - No more than 5% of total award

Eligible Properties

- Any new or existing multifamily property owned by a nonprofit or private entity with at least 5 housing units
- Housing assisted with Section 811 PRA Demo funds must have a minimum 30 year use restriction for extremely low-income persons with disabilities
- Properties with existing use restrictions for persons with disabilities are not eligible, unless such PRA Demo funds are being used to support other units in the building without such restrictions.
- Existing units receiving any form of long-term operating housing subsidy within a six-month period prior to receiving PRA Demo funds, such as assistance under Section 8, are ineligible to receive this assistance.

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
- 25% is a maximum; states can choose to place fewer PRA Demo units in an Eligible Property (e.g., State can set a 10% or 15% maximum)

PRA Demo Operations

- Eligible tenants 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
- Initial lease between the tenant and the owner must be not less than one year

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.

HRC Data on Disability and Homelessness

- About 30% of people who are chronically homeless have mental health conditions
- About 50% have co-occurring substance use problems
- Chronicity of homelessness is associated with:
 - more severe symptoms of alcohol abuse, schizophrenia, other major mental illnesses
 - Increasingly high rates (more than 50%) of chronic, disabling, and/or life-threatening health conditions (hypertension, asthma, HIV/AIDS, liver disease, diabetes, etc.)

Not Eligible

- “A person whose sole impairment is a diagnosis of HIV positive or alcoholism or drug addiction (i.e., does not meet the qualifying criteria in section 811 (42 U.S.C. 8013(k)(2)) will not be eligible for occupancy in a Section 811 PRA Demo project.”
- Louisiana data indicates fewer than 37% of tenants in Permanent Supportive Housing had a single disability diagnosis; vast majority had multiple disabilities

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

Getting Involved

What States Are Doing Now

- Inter-Agency Partnership Agreement
 - Identifying target population(s)
 - Identifying available support services
 - Identifying/developing infrastructure for outreach and referral
- NOFA Response
 - Determining number of units in application
 - Determining whether any geographic limitations

How Homeless Providers Can Participate

- Is your state applying?
 - State Housing/Finance Agency
 - State Human Services Agency
 - State Medicaid Agency
- Do the target populations meet state priorities including ending homelessness
- Will the necessary support services be made available?
- Will the proposed infrastructure be able to identify tenant issues and address these to better ensure housing retention?

How Homeless Providers Can Participate

- Service providers play critical role in outreach
 - Ensure your staff are aware of the program, able to assist with referrals
- Advocate for Section 811 PRA funding in FY13 Budget

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 to HUD 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