## 811 Project Rental Assistance

Information Session



### 811 Project Rental Assistance (PRA)

811 PRA is a HUD-funded, project-based rental assistance program for use in multifamily housing.

The program is designed to create permanent supportive housing units for non-elderly persons with disabilities.

The target populations align with the existing target populations for the preference units created through LIHTC.

### 811 Project Rental Assistance (PRA): cont'd

- 811 seeks to expand the supply of supportive housing that promotes community integration for low-income people with disabilities by leveraging mainstream affordable housing, Medicaid, and other community-based supportive service resources.
- 811 awards funds to state housing agencies who: a) partner with state Medicaid and/or health and human services agencies that have developed methods for the identification, outreach, and referral of extremely low-income people with disabilities who need PRA-funded units; and b) allocate rental assistance to housing units set aside in affordable housing projects whose capital costs are funded through federal LIHTC, federal HOME funds, or other federal, state, and local funding sources.
- To ensure community integration of PRA units, no more than 25% of the total units in eligible multifamily properties can: 1) be provided Section 811 PRA funds; 2) be used for supportive housing for persons with disabilities; or 3) have any occupancy preference for persons with disabilities.



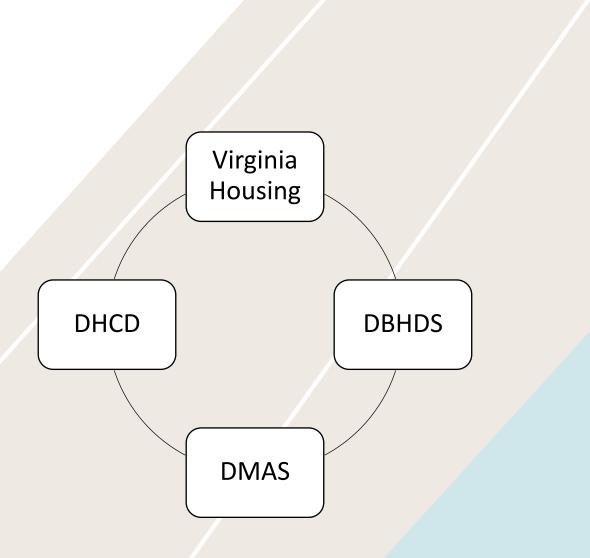


Properties eligible for the Section 811 PRA Program may be new construction, rehabilitation, or existing properties and owned by a nonprofit, public, or a private entity. Properties must also meet the following requirements:

Have a minimum of five housing units	Have financing or capital investment from a federal, state, or local program such as the LIHTC, HOME Program, National Housing Trust Fund (HTF), Community Development Block Grant (CDBG), Rural Housing, state bond funds, or other capital funding sources	Eligible units in the property cannot already have project- based operating housing subsidy, or had a long- term subsidy attached	Projects restricted to persons 62 years and older are not eligible	Properties with existing use restrictions for people with disabilities may not be eligible	Projects must have three or more unassisted studio or one- bedroom units to dedicate to the program.	
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### Interagency Partnership Agreement

Agreement provides evidence of a formal structure for collaboration to participate in the state's **Project Rental Assistance** program to develop permanent supportive housing for extremely lowincome persons with disabilities.



### Target populations

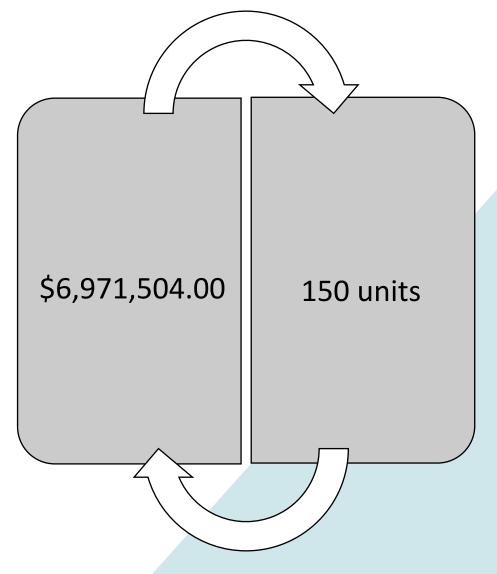
Individuals with an Intellectual or Developmental Disability

*i. Individuals with developmental disabilities must also be current recipients of a Medicaid Developmental Disabilities Waiver service or on a waiting list for such a waiver service.* 

Individuals with a Serious Mental Illness

*i. Individuals identified as requiring affirmative strategies to address long-term or repeated institutional stays or risks of institutionalization.* 

### Virginia Housing's Award





### **811 PRA Frequently Asked Questions**

#### • Is my project eligible for 811?

Your project may be eligible for 811 PRA if it has three or more unassisted studio or one-bedroom units to dedicate to the program. Accessible and adaptable units are highly desirable, and units within visitable or universally designed buildings are preferred. No more than 25% of units at the property may be set aside or prioritized for persons with disabilities (inclusive of 811 units).

#### • What is the 811 payment standard?

Virginia Housing supports HUD's goal of contracting with property owners at the FMR level for the property. However, VH will consider contracting with owners at rents up to 110% of FMR, with the submission of market studies and rent comps. The term of an 811 Rental Assistance Contract is 20 years. The expectation is that the RAC will be renewed at the end of the first 20 years.

#### • Does the 811 program trigger Davis Bacon?

The Davis Bacon threshold for 811 PRA is 11 units. Davis-Bacon is triggered if the sponsor/project has 12 or more units assisted with 811 PRA funds under any one NOFA. 811 units and Section 8 units are not counted cumulatively towards Davis Bacon; you may have up to eight Section 8 units and eleven 811 units without triggering Davis Bacon wages. Please note that projects where construction is fully complete before an application is submitted to the VH to receive assistance under the Section 811 PRA are not subject to Davis-Bacon requirements, except to the extent that the project is also assisted under another federal program that is subject to such requirements.

#### Does 811 require subsidy layering review?

The 811 program does not require a Subsidy Layering Review on its own, but 811 units should be included if you are submitting a Subsidy Layering review triggered by other sources.

#### • Does the 811 program require a recorded use restriction?

All properties with 811 PRA assisted units will have a recorded use restriction on the property for 30 years. HUD does not specify the priority position of the PRA use agreement, and it does not need to be in first position.

#### • How will referrals be made?

• A referral protocol will be developed in collaboration with state partners to support the prioritization of individuals in the target populations

#### Are there services available to support 811 households?

Individuals admitted to the PRA program will be eligible for community-based long-term care services and supports provided for under Medicaid program or other federal, state or other targeted community-based long-term services and supports.



**Program Administration:** 

Owners must agree to record a use agreement for no less than 30 years, in the form prescribed by HUD and use the Section 811 PRA Model Lease for all assisted units. During the Use Agreement period, owners shall make the number of assisted units identified in the executed RAC available for occupancy only by households that meet the eligibility requirements.

### Important Considerations

**Equal Opportunity requirements:** 

Owners are required to comply with all equal opportunity requirements imposed by federal law, including applicable requirements under:

- The Fair Housing Act
- Title VI of the Civil Rights Act of 1964
- Section 504 of the Rehabilitation Act of 1973
- Title II and Title III of the Americans with Disabilities Act
- The Age Discrimination Act

### Important Considerations

Rental Assistance Contract (RAC):

After an ARAC is signed with a property, Virginia Housing may ask the property to sign a RAC if there is sufficient demand for the property. Properties with sufficient demand by the Target Population will enter into Rental Assistance Contracts for a minimum of 20 years with initial funding for a period of 5 years. Funding beyond the first 5 years is subject to additional HUD funding.

# **Questions?**

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