



## **Section 811 Project Rental Assistance Program for Persons with Disabilities Fact Sheet**

**Purpose:** The Section 811 Project Rental Assistance (PRA) Program provides project-based rental assistance for extremely low-income persons with Intellectual Disabilities, Developmental Disabilities or Individuals with serious mental illnesses who are recipients of, or are eligible to receive, Medicaid long-term care services and supports or services certified as equivalent by Virginia. Also, the program will serve persons experiencing chronic homelessness or who are literally homeless and at risk of becoming chronically homeless.

The rental assistance covers the difference between the tenant payment and the property's contract rent. The program is a collaboration between Virginia Housing (VH) Virginia Department Behavioral Health Services (DBHDS) Virginia Department Housing and Community Development (DHCD) and Virginia Department of Medical Assistance Services (DMAS).

The Section 811 PRA program creates the opportunity for persons with disabilities to live as independently as possible through the coordination of voluntary services and providing a choice of subsidized, integrated rental housing options.

Project rental assistance can be applied to non-elderly new or existing multifamily developments with at least 5 housing units that have received or are in the process of applying for public funds, including, but not limited to:

- Housing Tax Credit Program
- Multifamily Bond Program
- HOME Program funds
- Housing Trust Fund
- Multifamily Direct Loan Program
- Local funding sources

The initial contract rent is calculated using the existing rent for the property. For Low Income Housing Tax Credit (LIHTC) properties, the initial gross rent will be either the 50% or 60% of LIHTC rents currently charged if the LIHTC rent is less than or equal to the Fair Market Rent (FMR). In those areas where the 50% or 60% of LIHTC rent is higher than FMR, Virginia Housing will work with the properties that wish to use a rent that is higher than FMR to conduct a market analysis to determine if the rents are attainable in accordance with requirements of Virginia Housing and HUD.

An integration rule ensures persons with disabilities are integrated into the community at-large by setting a cap on the number of units that can be set aside or have a preference for persons with disabilities. The Section 811 PRA Program has an integration rule that requires no more than 25% of the units are available for integration.

**Agreement to Enter into a Section 811 Rental Assistance Contract-form HUD-92238-PRA:**  
The ARAC is the contractual agreement between Virginia Housing and the Property Owner that

commits the Property to participation in the 811 PRA Program, regardless of whether an 811 PRA tenant actually occupies a unit.

**Rental Assistance Contract (RAC):** After an ARAC is signed with a property, VH 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.

**Use Agreement:** Owners must agree to record a Use Agreement for not less than 30 years, in the form prescribed by HUD. 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.

**Vacancy Payments:** VH will provide vacancy payments to properties that have signed RACs. Requested Special Claims for Vacancy may not exceed 80 percent of the contract rent for up to 60 days of vacancy. Vacancy payments may be requested during initial lease-up or ongoing.

**HUD Systems:** Tenant data must be entered into HUD’s Tenant Rental Assistance Certification System (TRACS) and Enterprise Income Verification (EIV) must be used to verify income.

**Tenant Eligibility:** At the time of admission, at least one person in a household considered for a unit receiving 811 PRA rental subsidies must be non-elderly (18-61 years of age), have a disability, and be eligible to receive Medicaid and/or services and supports. Households must have extremely low incomes (30% of Median adjusted for family size) as defined by HUD.

**Referral Process:** VH and the agencies within DBHDS have a referral system to identify prospective Section 811 tenants and refer them to the program. Only qualified tenants will be referred to participating properties. Owners will not be responsible for marketing Section 811 PRA units. Qualified participants will be referred to the program by Referral Agents who will assure that the tenants have access to community-based services and supports.

**Tenant Selection Plan** for the program articulates the referral process procedures and many program policies.

**Fair Housing:** Owners are required to comply with many fair housing and equal treatment laws including the Violence Against Women’s Act (VAWA) these and others are found in the Cooperative Agreement and its Exhibits.

**For more information, contact:**

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Owner Signature of Acceptance of High-Level Program Requirements

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Date