

# HUD 811 PRA UPDATE

YOU CAN MAKE A DIFFERENCE!

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# 811 PRA – OVERVIEW

## What Is It?

- A Project-based rental subsidy program that pays owners the difference between the Tenant Rent and the Contract Rent.

## What Properties are Eligible to Participate?

- New or Existing properties funded with Low Income Housing Tax Credits, HOME, Rural Development or Section 8 or other federal funding with at least 5 housing units at the property.
  - Primarily ONE Bedroom units
  - General Occupancy designation
- ❖ Participation is capped at 25% of the total number of units per contract.

# 811 PRA – ELIGIBILITY

## Who is an Eligible Referral?

Persons with disabilities, ages 18 - 61 at move in, who qualify as extremely low-income and meet the following criteria:

- Institutionalized, but able to live in the community with permanent supportive housing.
- At risk of being institutionalized without permanent supportive housing, or
- Living in a congregate setting and are seeking housing within the community

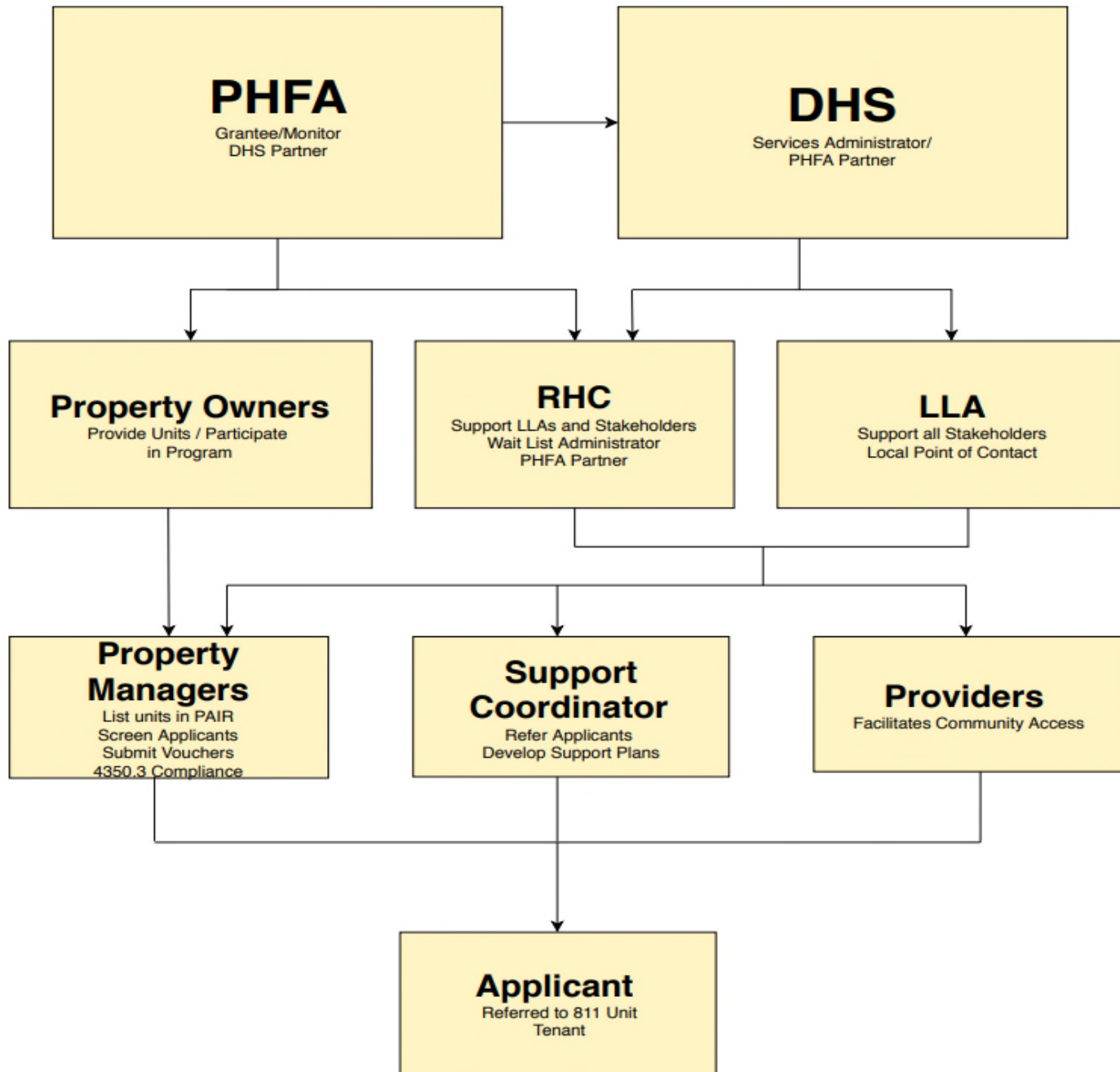
❖ See handout for 811 Fact Sheet.

# 811 PRA REFERRAL NETWORK

PHFA and DHS have partnered with Self Determination Housing Project (SDHP) to form stakeholders in participating counties.

- Regional Housing Coordinators (**RHC**) are our liaisons in the field. They manage the 811 waitlist and work with Local Lead Agencies (**LLA**) to identify stakeholders, (referral sources) educate our partners and report 811 progress.
  - LLAs identify all stakeholders with clients who are eligible for the 811 program. They confirm with case managers when supports are in place for a successful transition. The LLA is the direct contact for the property manager. RHCs provide support to the LLAs.
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- ❖ In counties without a formal LLA, RHCs will assume that role.
  - ❖ See Handout for RHC map.
  - ❖ Go to [www.phfa.org/mhp/section811pra/](http://www.phfa.org/mhp/section811pra/) to access list of LLAs by county.





# BENEFITS TO THE PROGRAM

## Vacancy Claims

Approved vacancy claims will be paid based on 80% of the contract rent for the lesser of 60 days or when a new move-in occurs. Properties may request a vacancy claim IF:

- A move out has taken place by an 811 eligible tenant.
- The unit has been made rent-ready.

- ❖ You can locate Special Claim Forms on the 811 webpage:  
[www.phfa.org/mhp/section811pra/](http://www.phfa.org/mhp/section811pra/)
- ❖ The 811 program experiences very low turnover.

## Rent Increases

Properties are eligible to receive an annual OCAF rent increase.

- ❖ Utility allowances will be reviewed annually.
- ❖ Reminder: RD properties will continue to receive Budget-Based Rent Increases from RD.

## HUD Subsidy

Properties will receive subsidy for each leased unit under an 811 contract.



# 811 PRA PARTICIPATION DOCUMENTS

## Agreement to Enter into a Rental Assistance Contract (ARAC)

Owners sign an ARAC when the commitment to the 811 program is made, but the property is not yet constructed. These agreements are in place until approximately 6 months prior to the completion of construction.

## Rental Assistance Contract (RAC)

The RAC is 20 years with funding included for the first 5 years.

Funding for years 6-20 is subject to HUD annual appropriations.

The 811 program utilizes the 30, 40, or 50% tax credit rents, but cannot exceed HUD's FMR at the effective date of the RAC.

## Use Agreement

Owners agree to record a Use Agreement for 30 years. During that time period, owners will continue to provide the agreed upon number of units for the 811 program.

❖ See handout for Indication to Participate.



# WORKING WITH HUD

## Access to HUD's Secure Systems

### APPS – Active Partners Performance System

- The first step to establish a business partnership between HUD and the ownership entity for the participating property.
- This is HUD's opportunity to vet your company and make you a Business Partner.
  - Property must obtain DUNS #
  - Owner and Management Agent must provide TIN #

### iMAX / TRACS - Integrated Multifamily Access Exchange

- Transmits 50059's and vouchers to the Grantee (PHFA)
- 811 vouchers and tenant data must be sent to PHFA using HUDs iMAX system for submission to HUDs Tenant Rental Assistance Certification System (TRACS).





# WORKING WITH HUD (CONT.)

## EIV – Enterprise Income Verification

- EIV must be used to verify tenant income consistent with HUD's rules and regulations. (There is no fee to utilize.)

A coordinator must be established to assign users access to iMAX, TRACS and EIV.

## HUD 4350.3

- This program closely follows Section 8 guidance listed in the 4350.3. A member of staff on the management team should be certified and familiar with the program.

❖ See handout for List of Software Vendors and List of Service Bureaus.

# 811 CURRENT LANDSCAPE

## FY12 Grant – Fully Committed

- 41 RACs
- 214 units

❖ Must lease units by September 2020.

## FY13 Grant

- 13 RACs
- 8 ARACs
- 122 units

- 27 counties have 811 units
- 117 referrals have been housed.
- 100 tenants are currently residing in 811 units.

**811** PROJECT  
RENTAL  
ASSISTANCE

