



**TEXAS DEPARTMENT OF
HOUSING & COMMUNITY AFFAIRS**
Building Homes. Strengthening Communities.

Section 811 PRA Program
Multifamily Application Workshops
December 2013





Presentation Overview

- ❖ Melville Act
- ❖ New Section 811 PRA Demonstration
- ❖ History of Collaboration
- ❖ TDHCA Section 811 PRA Application
- ❖ Integrated Housing Requirements
- ❖ TDHCA Program Design
- ❖ Services and Supports Available to Tenants and Properties
- ❖ Potential Owner Responsibilities
- ❖ 2015 Qualified Allocation Plan

The background of the slide features a soft-focus image of a residential area. On the left, a portion of a red brick house with a white window frame is visible. To the right, there is a field of tall, golden-brown grass or reeds. The overall lighting is warm and bright, suggesting a sunny day.

Melville Act

- ❖ Section 811– HUD’s historic program that serves people with disabilities
- ❖ Melville Act – 2011
 - ❖ New Section 811 Project Rental Assistance (PRA) Program - Allowed State Housing Finance Agency to Apply
 - ❖ Existing Section 811 Program - Kept option for non-profits to develop housing
- ❖ New Section 811 PRA Demonstration program - Requires partnership with State’s Medicaid Agency



Section 811 Program: New PRA

- ❖ Section 811 Supportive Housing Concept
 - Operating (HUD – New Section 811 Funds)
 - Services (Medicaid, HHS)
- ❖ 30% MFI income targeting
- ❖ Person with disability must be at least 18 and less than 62 years of age.
- ❖ New federal integration rule: <25% units reserved for people with disabilities
- ❖ \$85 million NOFA released



TDHCA - History of Collaboration with Health and Human Service Agencies

- ❖ Project Access
 - ❖ Has served over 600 households through Section 8 program
 - ❖ Serving those transitioning out of nursing facilities
 - ❖ Referrals from TX Department of Aging and Disability Services (DADS) and TX Department of State Health Services (DSHS)
- ❖ Real Choice Systems Grant
 - ❖ Collaborative Planning Grant
 - ❖ Partnership with DADS
 - ❖ Collaboration with all Health and Human Service Agencies



Section 811 PRA Program: State of Texas' PRA Application

- ❖ Applied for \$12 million to serve ~ 385 units
- ❖ Texas is 1 of 13 States Awarded – February 2013
- ❖ Current Status:
 - ❖ Reviewing Initial Draft Documents from HUD
 - ❖ After Negotiation – Finalize the Agreement
 - ❖ Documents will Serve as Rules for the Program
- ❖ **The program rules and design will not be final until the Agreement is signed.**



Section 811 PRA Program: State of Texas' PRA Application

- ❖ Inter-Agency Agreement: TDHCA, Texas Health and Human Services Commission (HHSC)
- ❖ Agreement outlines:
 - Target populations
 - Persons with serious mental illness
 - Persons with disabilities exiting institutions
 - Youth with disabilities exiting foster care
 - Outreach and referral methods
 - Supportive service commitments by Medicaid agencies



Section 811 PRA Program: Integrated Housing Regulations

- ❖ Melville Act – Established a new integration rule for the 811 PRA Program
- ❖ TDHCA Integrated Housing Rule
 - ❖ A TDHCA rule which requires integrated community based housing options for persons with disabilities
 - ❖ Large housing developments (50 or more units) cannot set-aside more than 18% of the units exclusively for persons with disabilities and small housing developments (under 50 units) can not cannot set-aside more than 36% of the units exclusively for persons with disabilities
- ❖ Participating developments for 811 PRA will have to adhere to the maximums established by HUD and TDHCA




Section 811 PRA Program: Program Areas – Metropolitan Statistical Areas (MSAs)

- ❖ Austin-Round Rock-San Marcos
- ❖ Brownsville-Harlingen
- ❖ Dallas-Fort Worth-Arlington
- ❖ El Paso
- ❖ Houston-Sugar Land-Baytown
- ❖ McAllen-Edinburg-Mission
- ❖ San Antonio-New Braunfels



Section 811 PRA Program: Notice of Funding Availability

- ❖ TDHCA will create a competitive NOFA for eligible properties
- ❖ Anticipated to be released in Spring 2014
- ❖ Eligible Properties:
 - ❖ New or Existing Multifamily Developments
 - ❖ Financing from TDHCA Multifamily Funds
 - ❖ Not eligible:
 - ❖ Existing units with any form of long-term operating subsidy
 - ❖ Senior Properties
- ❖ Hope to draw in post 1978 established properties



Section 811 PRA Program: Project Based Vouchers

- ❖ TDHCA will enter into Rental Assistance Contracts (RACS) with Properties
 - ❖ Commitment to a Number of Units
 - ❖ 20 year term
 - ❖ 30 year Use Agreement
 - ❖ 5 years of current funding
- ❖ Section 811 Funds will pay the difference of tenant rent payment and approved rent
- ❖ Vacancy Payments – Available
- ❖ HUD Model Lease - Required
- ❖ Monitoring – Done according to existing HTC schedule

Section 811 PRA Program: Referrals and Waiting List

- ❖ Tenant referrals and services provided by 3 State Medicaid agencies that serve target populations
- ❖ TDHCA will maintain waiting lists by property
- ❖ Lease-up Process:
 1. Potential tenant referral from HHSC agency to TDHCA
 2. Tenant Choice!
 3. Potential Tenant referred from waiting list by TDHCA to Property(ies)
 4. Property screens potential tenant using their existing criteria
 5. Property accepts or denies potential tenant based on local screening
 6. Potential Tenant accepts or rejects property
 7. Lease executed
 8. Payments begin



Section 811 PRA Program: Services

- ❖ All tenants eligible for community based long-term services and supports through the State of Texas
- ❖ DADS – lead for all service agencies
- ❖ Tenant Support for Property Managers available through DADS and network of health and human service agencies



Section 811 PRA Program: Owner Responsibilities

TDHCA will provide training and support to participating properties on program requirements.

- ❖ The property must submit tenant data through the TRACS software system
- ❖ The property must use the Enterprise Income Verification (EIV) system for income verification
- ❖ Annual Income Certifications
- ❖ Notify TDHCA of vacancies
- ❖ Use HUD required lease



Section 811 PRA Program: 2015 Qualified Allocation Plan

- ❖ TDHCA Board has indicated to staff an interest to include points in the 2015 QAP to applicants that have participated in the Section 811 PRA program.
- ❖ 2015 QAP – adopted in Fall 2014
- ❖ Encourage participation in NOFA of existing HTC by 2015 applicants

The background of the slide is a collage of three images. On the left is a red house with a white window. In the center is a fountain with water spraying upwards. On the right is a large, textured tree with yellow and orange leaves. The text "Questions???" is centered in a dark blue, serif font.

Questions???

Contact Information

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