

Section 811 PRA

Property Onboarding Training

AGENDA

1. 811 PRA Overview & Definitions
2. Leases, Rents, Deposits, & Fees
3. Household Eligibility, Tenant Selection, & Occupancy Standards
4. Tenant Files
5. Next Steps

811 PRA Overview & Definitions

811 PRA OVERVIEW

- Project Rental Assistance Program of Section 811 Supportive Housing for Persons with Disabilities
- Purpose of 811 PRA
 - “To identify, stimulate, and support innovative state-level strategies that will transform and increase housing for extremely low-income persons with disabilities while also making available appropriate support and services”
- IHCDCA was funded under the Fiscal Year 2019 and 2023 Notices of Funding Availability (“NOFA”)
 - There are no final regulations for 811 PRA
 - Projects are subject to the compliance requirements of:
 - Section 811 of the Cranston Gonzalez National Affordable Housing Act, as amended by the Frank Melville Supportive Housing Act of 2010
 - 2019 or 2023 811 PRA NOFA and related FAQ documents
 - All terms of the Rental Assistance Contract (“RAC”), Use Agreement, and 811 Model Lease (HUD Form 90106)
 - IHCDCA’s 811 PRA “Leases, Rents, Deposits, & Fees Policy”
 - IHCDCA’s 811 PRA “Tenant Selection & Occupancy Standards Policy”

811 PRA OVERVIEW- KEY TERMS PER NOFA

ELIGIBLE MULTIFAMILY PROPERTY

- “Any new or existing property owned by a non-profit or a private entity with at least 5 housing units”
- Cannot have an existing use restriction for persons with disabilities or a 62+ age restriction
- Cannot duplicate or supplant other project-based rental assistance

ELIGIBLE TENANTS

“Extremely low-income households where at least one person must be an individual with a disability, 18 years of age or older and less than 62 years of age at time of admission into the property.”

“The person with the disability must be eligible for community-based, long-term services as provided through Medicaid waivers, Medicaid state plan options, state funded services, or other appropriate services related to the target population under the Inter-Agency Partnership Agreement.”

EXTREMELY LOW-INCOME

A household “whose annual income does not exceed 30 percent of the median income for the area.”

- Income is determined based on the Part 5 definition (24 CFR 5.609, Section 8 Methodology)

811 PRA OVERVIEW- KEY TERMS PER NOFA

DISABILITY

42 USC 9013(k)(2)

- A physical, mental, or emotional impairment which (A) is expected to be long-continued and indefinite duration, (B) substantially impedes his or her ability to live independently, and (C) is of such a nature that such ability could be improved by more suitable housing conditions.

FY19 811 PRA NOFA – Additional Definitions

- A person who has developmental disability as defined in section 102 of the Development Disabilities Assistance and Bill of Rights Act
- A person with a chronic mental illness, i.e., a severe and persistent mental or emotional impairment that seriously limits his or her ability to live independently, and which impairment could be improved by more suitable housing conditions.

811 PRA OVERVIEW

PROJECT LIMITATIONS PER NOFA

- No more than 25% of the total units can:
 - Be used for supportive housing for persons with disabilities under 811 PRA or any other federal or state program
 - Have any occupancy preference for persons with disabilities
 - However, owner agents may not prohibit persons with disabilities from applying for residency in non-811 PRA units
- Units must be dispersed throughout the property and must not be segregated into one floor, building, wing, etc.
- Specific units are not pre-designated as 811 PRA units
 - Owner will select unit types to designate (e.g., 6 one-bedroom units & 2 two-bedroom units)
- Must have a 30-year use restriction for extremely low-income persons with disabilities
 - However, use restriction can be terminated earlier if 811 PRA funding is no longer appropriated

811 PRA OVERVIEW

THE RENTAL ASSISTANCE CONTRACT (RAC)

The RAC sets forth the rights and obligations of the property owner and IHCD

- Collectively includes HUD Forms 92235 and 92237 and exhibits
- Contract term is for 20 years
- Identifies the project, number of contract units, and contract terms
- Outlines tenant protections

Exhibits

1. Rent and unit schedule, shows number of assisted units by size and their applicable rents
2. iREMS Data Record = IHCD Responsibility, not viewable by owners
3. Affirmative Fair Housing Marketing Plan (HUD Form 92243-PRA)
4. 30-Year Use Agreement (HUD Form 92238-PRA)
5. PRA Model Lease (HUD form 92236-PRA)
6. Definitions
7. Program Guidelines

811 PRA OVERVIEW

IHCDA COMPLIANCE MONITORING

- 811 PRA projects are subject to HUD's National Standards for the Physical Inspection of Real Estate ("NSPIRE") standards
- IHCDA will use the triennial LIHTC inspection to cover its 811 PRA physical inspection
- 811 file monitoring procedures and timeline TBD
- Owner must annually certify compliance with terms of the Use Agreement and RAC (IHCDA will utilize the Annual Owner Certification of Compliance) for these purposes
- All monitoring efforts must include confirmation the owner has displayed Fair Housing posters and the Affirmative Fair Housing Marketing Plan in the leasing office

Leases, Rents, Deposits, & Fees

LEASE TERMS

- Leases must be for at least a 1-year term and must use HUD Model Lease (Form 92236-PRA)
- Termination (eviction or non-renewal) is only permitted for the following *per Model Lease 8(b)(1)*
 - Material noncompliance with the lease- Model Lease 8(d)
 - 1 substantial violation
 - Repeated minor violations which disrupt livability or adversely affect health and safety
 - Failure to timely certify/recertify or knowingly providing incomplete or inaccurate information
 - Nonpayment of rent
 - Criminal activity that threatens health or safety, including drug related criminal activity on or near the premises— Model Lease Part 8(i)
 - Other good cause with prior notice that conduct constitutes grounds for termination- Model Lease 8(e)
- Termination requires 30-day written notice specifying grounds for such action- Model Lease 8(h)
- 811 PRA projects are subject to nondiscrimination requirements of Fair Housing, Section 504 of the Rehabilitation Act, HUD's Equal Access Rule, and VAWA

INITIAL RENTS & RENT INCREASES

- Initial rent is set at 100% of [HUD published Fair Market Rent \(FMR\)](#)
- Owner agent may request an annual rent increase at least 90 days prior to the anniversary date of the effective date of the RAC
- Previous rent will be adjusted by the current HUD Operating Cost Adjustment Factor (OCAF)
- IHCD will review the request and provide written approval
- New rent schedule will be sent to property for execution

TENANT RENT & DEPOSITS

- Eligible tenant pays tenant contribution to rent equal to the greater of (1) 30% of adjusted monthly income or (2) 10% of monthly gross income
 - Owner agent cannot establish a minimum tenant rent
- Must provide 30-day written notice of adjustment of rent amount – Model Lease Part 10
- Security deposit required- capped at the greater of one month's total tenant payment or \$50
- IHCD A mandates owner-paid utilities (0 utility allowance)

ALLOWABLE FEES

- Allowable Fees
 - Damages exceeding normal wear and tear
- Unallowable Fees
 - Application processing fees / screening fees
 - Late rent fees or fees for checks returned for insufficient funds
 - Ongoing pet fees (deposits ok- not to exceed \$300, max \$50 at admission, \$10 per month until paid)
 - Fees for “bad behavior” – however, such behavior could become grounds for termination
 - Other fees not explicitly allowed
 - Fees to turn a unit

Household Eligibility, Tenant Selection, & Occupancy Standards

TENANT SELECTION / ELIGIBILITY OVERVIEW

Must meet federal eligibility requirements of the FY19 811 PRA NOFA

- Extremely low-income (< 30% AMI)
- One household member has a long-term disability and is age 18 or older but less than 62 **at time of admission**
- Person with disability must be **eligible** for long-term, community-based services- e.g., Medicaid
- Student status requirements (see next slide)

Must also meet IHCDA eligibility requirements per IHCDA's HUD-approved 811 PRA program policy/design

- At time of admission, tenants must belong to at least 1 of 3 target populations. Each 811 project will have an assigned target population.
 - Persons experiencing homelessness- referred through Coordinated Entry
 - Persons with intellectual or developmental disabilities- referred through disability service provider
 - Persons living in institutional settings- referred through service provider

TENANT SELECTION / ELIGIBILITY INCOME CALCULATION

Household must be at or below 30% AMI at time of admission

Use the “Section 8 methodology” of income and asset verification per 24 CFR 5.609 and HUD Handbook 4350.3.

- Income eligibility is based on gross household income
- Tenant rent contribution is based on adjusted household income
- 811 PRA rental assistance is not counted as a source of income

TENANT SELECTION / ELIGIBILITY

STUDENT STATUS

Eligibility of Students for Other Assistance Programs

Owners must determine a student's eligibility for assistance at move-in, initial or annual recertification, and at the time of an interim recertification if one of the changes reported is that a household member is enrolled as a student, at an institution of higher education.

The student must meet all of the following criteria to be eligible:

- Be of legal contract age under state law;
- Have established a household separate from parents or legal guardians for at least one year prior to application for occupancy or meet the U.S. Department of Education's definition of an independent student
- Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations; and
- Owner agent must obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.

TENANT SELECTION / ELIGIBILITY

CITIZENSHIP & SSN

HUD's noncitizen rule does not apply to 811 PRA and owner agents may not impose a citizenship requirement on 811 PRA units

Owner agents must obtain Social Security Numbers for all household members, with the following exceptions:

- Individuals who do not contend eligible immigration status; or
- A child under the age of 6 who does not yet have a Social Security Number assigned and who was added to the applicant household six months or less from the move-in date. The owner agent must give the household 90 days from the effective date of their move-in certification to provide documentation of the SSN for the child. An additional 90-day period may be granted by the owner agent if failure to provide documentation of a SSN is due to circumstances that are outside the control of the household, such as delayed processing by the Social Security Administration, natural disaster, fire, death in the family, etc. During this time period, the child is to be included as part of the household. The penalty associated with the failure to disclose and provide verification of a household member's SSN is termination of tenancy. The owner must terminate if the SSN disclosure and verification requirements are not met in the specified timeframe.

TENANT SELECTION / ELIGIBILITY OCCUPANCY STANDARDS

Unit Size	# Persons in Household (Minimum/Maximum)
Studio	1-2
1 Bedroom/Sleeping Space	1-2
2 Bedroom/Sleeping Space	2-4
3 Bedroom/Sleeping Space	3-6
4 Bedroom/Sleeping Space	4-8
5 Bedroom/Sleeping Space	5-10

Exceptions:

- Adults of opposite sex who are not spouses/domestic partners are allocated separate bedrooms
- Children age 5 or older of opposite sex are allocated separate bedrooms
- Pregnant women with no other dependents are allocated two bedrooms
- Live-in aides allocated a separate bedroom
- Other exceptions if required for Fair Housing reasonable accommodation

TENANT SELECTION PLAN

The RAC requires the property use an IHCDa approved TSP template and receive IHCDa approval for any proposed changes to the TSP

TSP must include all 811 PRA requirements as well as the following information:

- Any additional screening criteria implemented by the owner agent
- Outline of application process, including process for denials and appeals
- Transfer policies implemented by the owner agent
- Eligibility requirements imposed by other funding programs tied to the project, such as LIHTC or HOME
- Description of the EIV Existing Tenant Search and that it will be used prior to move-in
- Policies and procedures to abide by Fair Housing Act and VAWA protection

Owner agent may not restrict occupancy for 811 PRA units to subpopulations, such as veterans

- However, may implement a preference if such preference is nondiscriminatory and approved by IHCDa

TSP may not required participation in supportive services for admission or continued occupancy

Tenant Files

REFERRAL PACKET

Recommend that the referral packet include everything required for property management to determine initial eligibility:

- Property rental application (if owner will require it)
- Income and asset verification (paystubs, bank statements, benefit award letters, etc.)
- Deduction documentation (medical expenses)
- Student Verification (if applicable)
- ROI and consent for 3rd party verification, ([HUD 9887 and HUD 9887A](#))
- Disability verification signed by applicant and referral provider ([HUD 90102](#))
- Verification of age (Birth certificate or other government document)
- Verification of Social Security Number
- Supplement to Application for Federally Assisted Housing (alternate contact form, [HUD 92006](#))

BRIEFING

Schedule briefing, lease signing, move-in inspection, move-in

Briefing

- Provide and go over following documents with all adult household members:
 - [EIV and You brochure](#)
 - [Tenant Consent to Disclose EIV Income Information](#)
 - One for each adult, signed by adult and property representative
 - [Resident Rights & Responsibilities brochure](#)
 - [Fact Sheet for HUD Assisted Residents: How Your Rent is Determined](#)
 - [Notice of Occupancy Rights under VAWA](#) (HUD Form 5380)
 - [Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking](#) (HUD Form 5382)

Each household must sign IHCDa Compliance Form 9E- “Lease Addendum for Section 811 PRA Units: Receipt of Required Forms & Brochures” to acknowledge receipt of the required forms and brochures

LEASE SIGNING AND UNIT MOVE-IN INSPECTION

Must use HUD Model Lease ([HUD-92236-PRA](#))

HUD Attachments

- Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures ([HUD 50059](#))
- Move-In Inspection Form ([HUD 90106](#))
- HUD VAWA Notification Forms (HUD [5380](#) and [5382](#))
- HUD VAWA Lease Addendum

IHCDA Mandated Attachments (confirmed as allowable addenda to HUD Model Lease)

- Lease Addendum for Section 42 LIHTC Units (Form 9A)- if applicable
- Lease Addendum for Section 811 PRA Units – Receipt of Required Forms & Brochures (Form 9E)

Property Attachments

- House Rules
- Pet Rules

HUD FORM 50059

Serves as the Tenant Income Certification for 811 PRA

Completed and submitted to IN Quadel through property management software

Complete Sections B through F and then complete Section A and have tenant sign

HUD FORM 50059, SECTION B

Section B. Summary Information		
1. Project Name	12. Effective Date	21. Unit Number
2. Subsidy Type	13. Anticipated Voucher Date	22. No. of Bedrooms
3. Secondary Subsidy Type	14. Next Recertification Date	23. Building ID
4. Property ID		24. Unit Transfer Code
5. Project Number	15. Project Move-In Date	25. Previous Unit No.
6. Contract Number	16. Certification Type	26. Security Deposit
7. Project iMAX ID	17. Action Processed	27. 236 Basic/BMIR Rent
8. Plan of Action Code	18. Correction Type	28. Market Rent
9. HUD-Owned Project?	19. EIV Indicator	29. Contract Rent
10. Previous Housing Code	20. Prev. Subsidy Type	30. Utility Allowance
11. Displacement Status Code		31. Gross Rent
		32. TTP at RAD Conversion

1. Insert project name
2. 6- 811 PRA Demo
3. Leave Blank
4. Will be assigned in iREMS (IHCDA will notify you once a Property ID is assigned)
5. IN36RDD1901
6. Will be assigned by HUD- IN36RDDXXXX (IHCDA will notify you when a number is assigned)
7. Will be assigned by HUD starts with "TRACM"
8. Leave Blank
9. "N"

HUD FORM 50059, SECTION B (CONT.)

10. For move-ins only, select code that best describes household's previous housing:

- 1- Substandard
- 3- Standard
- 4- Conventional Public Housing
- 5- Lacked a Fixed Nighttime Residence
- 6- Fleeing/Attempting to Flee Violence

11. For move-ins only, Select code that describes reason family was displaced

- 1- Government Action
- 2- Natural Disaster
- 3- Private Action
- 4- Not Displaced

12. Effective date of action (MMDDYYYY)

13. Anticipated Voucher Date (MMDDYYYY), For move-in on the first of a month it will be the following month, for move-in any other day it will be two months later

HUD FORM 50059, SECTION B (CONT.)

14. Next recertification date, first of the current month plus one year
15. Project Move-in Date, should match effective date (12) for move-in actions
16. Certification type:
 - MI- Move-in
 - AR- Annual Recertification
 - IR- Interim Recertification
 - IC- Initial Certification (in-place tenant begins receiving subsidy)
17. Action Processed, 1 for a correction to a prior 50059 (e.g., correct unreported income), otherwise leave blank
18. Correction Type
 - 1- Administrative Resubmission (i.e., minor clerical/data entry issues)
 - 2-Corrects owner/agent certification errors (i.e., owner agent miscalculated income)
 - 3. Corrects Tenant Misreporting
19. EIV Indicator, 1 if 50059 is being created or corrected as a result of a discovery in EIV, leave blank otherwise

HUD FORM 50059, SECTION B (CONT.)

- 20. Previous Subsidy Type, leave blank
- 21. Unit Number
- 22. No. of bedrooms
- 23. Building ID- leave blank
- 24. Unit Transfer Code- Y if existing household is transferring units
- 25. Previous Unit Number – Only complete if 24 is Y
- 26. Security Deposit – enter amount listed on lease
- 27. Leave Blank
- 28. Leave Blank
- 29. Contract Rent – Rent listed on lease
- 30. Utility Allowance – Enter Zero (all utilities included in rent)
- 31. Gross Rent – Line 29 minus line 30
- 32. Leave Blank

HUD FORM 50059, SECTION C-F

60-65. Complete if HoH has been removed from household

63. Eff. Date of last TRACS Submission

64. SSN of removed HoH

83. – HUD passbook rate

90-95. Leave Blank

96- “N”

108- Total Tenant Payment – Greater of 30% monthly adjusted income or 10% monthly gross income

109. Leave Blank

110. Equal to 108 when property pays all utilities

112. Line 31 minus line 108

113. Enter Zero

114-117. Leave Blank

118- Use only if tenant has not signed certification (reach out for guidance in this situation)

ENTERPRISE INCOME VERIFICATION (EIV)

Anyone conducting income certification will need access, email IHCDa to request access and we will work with you on completing application and requesting access from HUD

At time of referral use EIV to conduct “Existing tenant search”- **Must complete before move-in**
-If EIV identifies the tenant as already receiving assistance at another property they must be exited from that program before or at the same time as move-in

Property management must verify tenant income in EIV within 90 days of submission of a move-in certification to TRACs and at the time of certification thereafter.

If discrepancy is identified the property must investigate the discrepancy. The tenant may be required to pay-back assistance if the discrepancy is due to unreported income.

HUD FORM 52670 - VOUCHERING

[Form 52670](#) – This is the “voucher” and is submitted monthly to HUD through TRACS. Payment cannot be made until the voucher is submitted. Will be generated and submitted by software system (e.g., Yardi) to Quadel who will then submit to HUD.

Additional training on this process will be conducted by Quadel prior to your first voucher submission

Housing Owner's Certification and Application for Housing Assistance Payments		U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner		OMB Approval No. 2502-0182 (Exp. 06/30/2016)	
Part I - Contract Information				HUD/CA Use Only	
1. Project Name:		2. FHA/Non-Insured No.		3. Sec. 8/PAC/PHAC/Contract No.	
4. Type of Subsidy:		5a. Management Agent's Name:			Date Received:
		5b. EIN:			Date Paid:
Part II - Occupancy & Income Eligibility Information					
6. General Occupancy Information (contract specific):				7. Exceptions to Limitations on Admission of Low-Income Families (only for Sec. 8 contracts effective on or after 10/1/81):	
a. Total Units in contract				a. Project-based exceptions in use	
b. Number of Units receiving subsidy under this contract				b. Project-based exceptions allocated	
c. Number of units abated under this contract				c. Tenant-based exceptions in use	
d. Number of Units vacant under this contract				d. Total exceptions (line b + line c)	
e. Number occupied by Market Rent Tenants				e. Date Field Office last changed allocations for project-based exceptions (mm/dd/yyyy)	
Note: 5a must equal 5b + 5c + 5d + 5e					
Part III - Breakdown of Assistance Payment Requested				HUD/CA Use Only	
8. Type of Assistance				9. Number of Units in Billing	10. Amount Requested
a. Regular Tenant Assistance Payments for (mo./yr.):					
b. Adjustments to Regular Tenant Assistance Payments					
c. i. Section 8 Special Claims for Unpaid Rent					
ii. Section 8 Special Claims for Tenant Damages					
iii. Section 8 Special Claims for Vacancies					
iv. Section 8 Special Claims for Debt Service					
d. Miscellaneous Accounting Requests					
e. Repayment Agreements					
f. Total Subsidy Authorized under instructions in Handbook 4350.3 Rev. 1					
Part V - Owner's Certification I certify that: (1) Each tenant's eligibility and assistance payment was computed in accordance with HUD's regulations, administrative procedures, and the Contract, and are payable under the Contract; (2) all required inspections have been completed; (3) the units for which assistance is billed are decent, safe, sanitary, and occupied or available for occupancy; (4) no amount included on this bill has been previously billed or paid; (5) all the facts and data on which this request for payment is based are true and correct; and (6) I have not received and will not receive any payments or other consideration from the tenant or any public or private source for the unit beyond that authorized in the assistance contract or the lease, except as permitted by HUD. Upon request by the Department of Housing and Urban Development, its duly authorized representative, or the Comptroller General of the United States, I will make available for audit all books, records and documents related to tenants' eligibility for, and the amount of, assistance payments. Warning: HUD will prosecute false claims & statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. Sections 1001, 1010, 1012; 31 U.S.C. Sections 3729, 3802).				Part IV - Distribution of Subsidy Earned (HUD/CA Use Only)	
				12. Applied to HUD-held mortgage	Amount Approved
				13. Applied to debts owed by mortgagor	
				14. Paid to Project	
				15. \$ of the amount in item F, part III was released from the Residual Receipts Account.	
				Printed Name, Date, Title & Phone No. (include area code) & Signature:	

Previous editions are obsolete Submit an Original and two copies Form HUD-52670 (05/2014) ref. HB 4350.3 Rev. 1

FILE CHECKLIST

- HUD Model Lease (HUD 92336- PRA)
- Unit Inspection Report (HUD-90106)
- IHCDMA Mandated Lease Addenda (IHCDMA Form 9A & 9E)
- HUD Form 50059
- VAWA Lease Addendum
- VAWA Notification Forms (HUD-5280 & HUD-5282)
- Tax Credit Tenant Income Certification (IHCDMA Form 22)
- Income Questionnaire
- Income and Asset Verifications
- EIV Documentation - *MUST BE KEPT SEPARATE FROM TAX CREDIT FILE*
- All referral packet items (see slide 20)- application, verification of age, disability verification, verification of SSN, referral, etc.
 - These are the items sent by the referral provider to the management agent to make a referral to a PRA unit

Next Steps

NEXT STEPS- PREPARING FOR RAC

Approval of AFHMP & TSP- IHCD will provide templates. Must be approved by IHCD prior to RAC execution.

Owner must register through [HUD Multifamily Business Partner Registration](#) if not already registered

IHCD will prepare the RAC

- AFHMP & TSP must be finalized and approved as they are attached to the RAC
- Must confirm Business Partner Registration
- Project must be placed-in-service and pass IHCD NSPIRE inspection

Owner executes RAC and IHCD submits to HUD for system setup. **Expect delay from lease-up to first payment due to HUD systems. You will receive backpay once first vouchering is submitted.**

NEXT STEPS- PREPARING FOR LEASE-UP

Prior to lease-up:

- Receive certificate of occupancy and submit to IHCD
- IHCD conducts NSPIRE inspection and owner corrects any issues
- Lease-up can begin when RAC is executed AND inspection is cleared