

HUD 811 PROGRAM UPDATE

Grant Description: From US Department of Housing and Urban Development (HUD) for the Section 811 Project Rental Assistance (PRA). The intent of the program is to boost the number of affordable integrated housing opportunities.

Population Served: Extremely low-income persons with disabilities. For Oregon it has been identified as low-income Oregonians with mental illness. Ages 18-61, household income does not exceed 30% AMI at move-in.

Total Grant Amount: \$2,335,000.

Budget: 5 year grant, 8% admin from grant along with Oregon Health Authority and Department of Human Services contributions annually over the five year period for leverage to cover the costs for OHCS to administer the program. No matching funds.

Projected units: 75 units subsidized at 50% median market rents.

Program Portfolio Details: Units for the target population restricted to a maximum of 20% of the units in a property. Program funds will be distributed geographically statewide based on interest and qualifications. There will not be new affordable housing units created, unless a post-2016 NOFA or Requests for Funds (RFP) is included. This will be based on projects currently in the OHCS portfolio that already have restrictions in place which are required by HUD (LIHTC, HOME, etc).

Restrictions and Contract: Rental assistance for target population within existing units, 30 year restrictive covenants with the owner. HUD contract for subsidy, 20-year term with renewal of one additional 20-year term. Alternative funding will be needed if HUD does not fund the program past the initial 5 years, and the program would end.

Requirements and Compliance: Unit inspection schedule will be streamlined with existing funding in place for the property, as an example if the property also has LIHTC funding then the inspection schedule would follow the three year minimum guidelines. TRACS is required for recipients as well; this can be done through the owner, 3rd party service bureau, or OHCS.

Partnership and Resident Referrals: Oregon Health Authority (OHA) has committed to 40 of the 75 units using their existing referral system. Department of Human Services (DHS) has committed to referrals for the remainder of the units.

Additional Staffing Projections: .50 FTE Program Analyst 2 (program implementation), .50 FTE Administrative Specialist (subsidy billing). Other requirements will be absorbed by existing staff.

Current Status and Next Steps

Cooperative Agreement: Signed by OHCS in November 2015, new amendment to language since that time, submitted on January 7th, 2016.

HUD must also then sign the Cooperative Agreement, expectation is within 30-60 days. Once signed by both parties the five year window for unit implementation goes into effect.

Program Design & Policies & Implementation Objectives: Program requirements and systems currently being set up with OHCS, OHA, and DHS. Collaboration and process roadmaps are underway. AFHMP will be submitted for HUD approval by OHCS, but it is a statewide plan which also incorporates the services and client placement elements through the partner state agencies.

Currently identifying potential properties within the OHCS portfolio for ideal placement around the state along with the location in relation to both the OHA and DHS Service Providers. If unable to integrate 811 units into the existing portfolio, have the ability to turn to new development for future properties. Many 811 grantee states are utilizing this integration strategy due to a lack of response for existing units.

Affirmative Fair Housing Marketing Plan: Work completed with OHA and DHS to outreach for those least likely to apply for the HUD 811 program. Clients will be placed into the 811 program housing through referrals by the Service Providers associated with our partner state agencies.

Partner Workgroup and future outreach: Mid-January workgroup is scheduled with housing partners who have expressed interest in the program from outreach conducted up to this point. Objective is to review the program, and pilot best practices and ideas for housing implementation and long-term success.

Further outreach will be scheduled in the coming months as the program ramps up.