

MSHDA'S Housing Choice Voucher Program

Asset Management Fall Conference

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Presented by:

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MSHDA's Housing Choice Voucher Program

- Section 811 Supportive Housing for Persons with Disabilities Program
- Tenant Based Voucher Program
- Project-Based Voucher Program



Michigan State Housing Development Authority

Investing in People. Investing in Places.

Section 811 Project Rental Assistance (PRA) Program

**Michigan State Housing Development Authority
and
Department of Health and Human Services**

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Section 811 Goals

- Integrated Low Income Housing Tax Credit (LIHTC) rental units for people with disabilities that qualify for Medicaid
- Creates new Project Rental Assistance (PRA)
- Supports people in their transition out of nursing facilities, foster care, or homelessness
- Supports the integration of individuals with disabilities into the community

MSHDA & DHHS Goals

MSHDA

- Support 174 PRA units
- Support 100 Housing Choice Voucher Units

DHHS

- Use Medicaid and other support services
- Establish an MOU between service providers, property owners and managers



Section 811 Owner Eligibility

Eligible Applicants - Low Income Housing Tax Credit Developer

- 4% combined with MSHDA direct lending programs, or 9% LIHTC
- **No Senior LIHTC Developments**
- Owners/property managers experienced with Project Based Section 8 & TRACS



Eligible Units

- Rents are set at 50% AMI by county
- Primarily One bedroom units
- A high need for accessible units
- No more than 25% of total units can:
 - Be provided Section 811 PRA funds
 - Be used for supportive housing for persons with disabilities
 - Have any occupancy preference for persons with disabilities



Desired Development Amenities

- Public Transportation and Community Resources
- Reasonable size and configuration
- Integration throughout the development



Environmental Requirements

A Phase I Environmental Study will be required if:

- You do not have a Phase I from time you took ownership of the property OR if the Phase I you do have was not done in the timing requirements for the acquisition or real estate transaction, such as construction, rehab, or refinancing (prepared within a year, updated within 6 months);
- If you do have a Phase I, it is was done prior to 1995.
- Note: If you have a Phase I and it meets these requirements, but it does not include a “vapor screen” done in accordance with to ASTM 2600-10, then 811 requires this additional screen be performed. Vapor screens became more common in Phase I’s around 2008-2010. Check your report or ask your consultant to be sure.
- Environmental Study Questions:
- Daniel Lince, MSHDA, at: lincd@michigan.gov
- Michael Vollick, MSHDA, at: VollickM2@michigan.gov



Program Requirements

- **Rental Assistance Contract (RAC)**—20 year
 - can be amended to increase or decrease unit count
- **Use Agreement** – for 30 years – shows the number of Assisted Units available for Occupancy.



Program Requirements

- **Use of: Tenant Rental Assistance Certification System (TRACS)** – a computer system created by HUD that enables Grantee to electronically submit their monthly tenant certifications and voucher information
- **Davis-Bacon:** Developments that are in construction/rehab with 12 or more PRA units



811 Development Benefits

LIHTC Developer:

- 811 provides rental assistance paying the landlord directly.
- Community partners provide services to keep the household stable.
- Management company is provided with service agency contact information.



811 Development Benefits

LIHTC Developer:

- Vacancy Loss claims allowed – up to 80% of the contract rent for up to 60 days of vacancy provided the owner (1) commences and performs actions to fill the vacancy, and (2) has not rejected any eligible applicants, except for good cause.



Eligible Tenants

- **Disability & Age**

- Households with at least one individual with a disability
- Non-elderly: between 18 and 61 years of age at time of lease-up
- Household member must be eligible for community-based, long-term services such as those provided through Medicaid waivers
- **Services** must be available and are voluntary

- **Income**

- Extremely low-income households with income at or below 30% AMI
- Tenant must pay 30% of income toward rent and utilities



Timeline for Opening New Subsidized Rental Assistance Units

- 2016: 40 PRA Units
- 2017: 75 PRA Units
- 2018: 59 PRA Units

2016/17: 100 Housing Choice Vouchers



Top 10 Counties with High Need

- Wayne
- Genesee
- Oakland
- Muskegon
- Macomb
- Ingham
- Kent
- Ottawa
- Washtenaw
- Jackson



Questions

- Janet Irrer, MSHDA, irrerj@michigan.gov
- Christine Miller, MSHDA, millerc10@michigan.gov
- Kelly Rose, MSHDA, rosek2@michigan.gov



Project Based Voucher Components

Supportive Housing – Kathy

RAD – Lisa

At-Risk in Low-Vacancy Areas - Lisa

PBV Topics of Discussion

- HAP Contract
- HAP Amendments
- HQS Requirements
- PBV 25%/50% RAD Cap and Service requirements
- Subsidy Standards
- Over/Under Housed
- Family Right to Move/Good Standing
- On-going PBV Oversight

Housing Assistance Payment Contract (HAP)

- Contract between the PHA(MSHDA) and the owner.
- Provision of rental assistance to eligible families
- Part 1 and 2



PBV HAP Exhibits

- Exhibit A – Units and initial rents
- Exhibit B - Services
- Exhibit C – Utility Responsibility
- Exhibit D – Units and features 504
- Exhibit E – MOU
- Exhibit F – Tenant Selection Criteria



PBV HAP Amendments

- Adding or deleting Units
- Zero HAP
- Switching units
- Rent Floor
- Vacancy Loss



HUD HQS Inspections

- Initial and annual inspections
- All units must pass HQS
- Abatements
- HQS Variances.



HCV/PBV Subsidy Standards

- One bedroom of each HH
- One bedroom for every two persons
- Live-in Aides
- MSHDA approved RA
- Pregnant women 2 bedroom



Voucher/Bedroom size - # Persons

- 1 Bedroom 1 – 2
- 2 Bedroom 2 – 4
- 3 Bedroom 4 – 6
- 4 Bedroom 6 – 8
- 5 Bedroom 8 – 10



PBV Moves

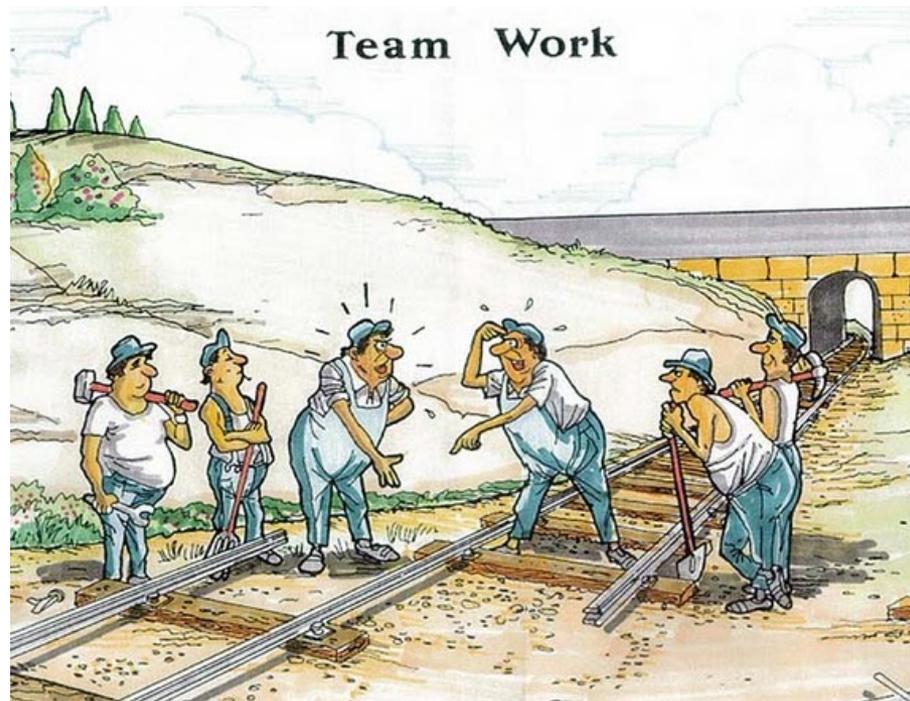
- Required Moves
- Family Right to Move
- Good Standing Process
- PBV Tenancy Addendum



Annual HAP Reviews

- Prior to HAP anniversary date
- Exhibit A – units, rents, excepted units
- Contract Rent Adjustments
- MOU review – change of partners

Project Based Voucher Process





MSHDA Contacts & Resources

- Kathy French, PBV Specialist, RAHS: 517.241.0505 or frenchk@michigan.gov. Lead PBV
- Lisa Kemmis, PBV Specialist, RAHS: 517.241.2427 or kemmisl@michigan.gov . Lead RAD
- PBV Website: http://www.michigan.gov/mshda/0,4641,7-141-5555_60730---,00.html
- Housing Choice Voucher Admin Plan: <http://www.michigan.gov/mshda/0,4641,7-141--269826--,00.html>
- 24 CFR 983: Project-Based Vouchers: http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr983_main_02.tpl



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Questions & Answers!



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