MSHDA
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

811PRA Program Definitions

DEFINITIONS

[NOTE: The definitions below are applicable to the Section 811 Project Rental Assistance Demonstration program (811PRA) and related contracts, such as the Rental Assistance Contract. All the terms below do not necessarily appear in every 811PRA document.]

A. **Act** means the Consolidated and Further Continuing Appropriations Act of 2012, Public Law 112-55.

B. **Annual Income** as defined in 24 CFR part §5.609.

C. **Assisted Units** means rental units made available to or occupied by Eligible Tenants in Eligible Multifamily Properties receiving assistance under 42 U.S.C. § 8013(b)(3)(A).

D. **Contract Rent** means the total amount of rent specified in the Rental Assistance Contract (RAC) as payable to the Owner for the Assisted Units.

E. **Contract Rent Adjustment** means the contract rent that is adjusted at the anniversary of the Rental Assistance Contract (RAC). The contract rent adjustment must be approved in accordance with the RAC and HUD requirements.

F. **Decent, Safe, and Sanitary** means such housing that meets the physical condition requirements of 24 CFR part §5.703.

G. **Eligible Applicants** means an Extremely Low-Income Person with Disabilities, between the ages of 18 and 62, and Extremely Low-Income Families, which includes at least one Person with a Disability, who is between the ages of 18 and 62 at the time of admission. The Person with a Disability must be eligible for community-based, long-term care services as provided through Medicaid waivers, Medicaid state plan options, comparable state funded services or other appropriate services related to the type of disability(ies) targeted under the Inter-Agency Partnership Agreement. The Inter-Agency Agreement describes the specific target population eligible for MSHDA's 811PRA program. The target population can be revised with HUD approval.

H. **Eligible Families** shall have the same meaning as "Eligible Tenant".

I. **Eligible Multifamily Properties** means any new or existing property owned by a nonprofit, public or a private entity with at least 5 housing units. Financing commitments have been made by the Eligible Applicants or any housing agency currently allocating LIHTC under Section 42 of the Internal Revenue Service Code of 1986 (IRC) or any state housing or state community development agency allocating and overseeing assistance under the HOME Investment Partnerships Act (HOME)and/or any federal agency or any state or local government program. Development costs, if any, are paid with other public or private resources. Properties with existing use restrictions for persons with disabilities are not eligible, unless such 811PRA Funds are being used to support other units in the building without such restrictions. Existing units receiving any form of long-term (longer than 6 months), project-based operating housing subsidy, such as assistance under Section 8, within a six-month period prior to receiving Rental Assistance Payments are ineligible to receive this assistance. In addition, units with use agreements requiring housing for persons 62 or older would not be eligible to receive Rental Assistance Payments.

J. **Eligible Tenants** means Eligible Applicants who are being referred to available Assisted Units in accordance with the Inter-Agency Agreement and for whom community-based, long-term care services are available at time of referral. Such services are voluntary; referral shall not be based on Eligible Tenant's willingness to accept or not accept such services.

K. **Extremely Low-Income** means annual income which does not exceed thirty percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than thirty percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. HUD's income exclusions, as defined under 24 CFR § 5.609, apply in determining income eligibility at the time of admission and in calculating the Eligible Tenant's income during the interim/annual recertification stages.

L. **HUD** means the Department of Housing and Urban Development.

M. **Inter-Agency Partnership Agreement** means the formal structure for collaboration to participate in MSHDA's 811PRA program to develop permanent supportive housing for extremely low-income persons with disabilities. This Partnership Agreement must include MSHDA, the Michigan Department of Health and Human Services, which is charged with administering State Health and Human Services programs and policies, and the State's Medicaid programs. The agreement must include: 1) detailed description of the target population(s) to be served, 2) methods for outreach and referral, and 3) a commitment to make appropriate services available for residents in 811PRA units in multifamily

properties. In the agreement, MSHDA will identify the available state administered services and other appropriate services and describe how such services will be made available to the tenants. Participation by tenant in any available supportive services is voluntary.

N. **Owner** means the nonprofit, public or for-profit entity which owns the Eligible Multifamily Property.

O. **Persons with Disabilities** shall have the same meaning as defined under 42 U.S.C. § 8013(k)(2) and shall also include the following, as found in 24 CFR § 891.305:

A person who has a developmental disability, as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(5)), i.e., if he or she has a severe chronic disability which:

(i) Is attributable to a mental or physical impairment or combination of mental and physical impairments.
(ii) Is manifested before the person attains age twenty-two.
(iii) Is likely to continue indefinitely.
(iv) Results in substantial functional limitation in three or more of the following areas of major life activity:
(a) Self-care.
(b) Receptive and expressive language.
(c) Learning.
(d) Mobility.
(e) Self-direction.
(f) Capacity for independent living.
(g) Economic self-sufficiency; and
(h) Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated; or

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; or

A person infected with the human acquired immunodeficiency virus (HIV) and a person who suffers from alcoholism or drug addiction, provided they meet the definition of "person with disabilities" in 42 U.S.C. § 8013(k)(2).

A person whose sole impairment is a diagnosis of HIV positive or alcoholism or drug addiction (i.e., does not meet the qualifying criteria in section 811 (42 U.S.C. § 8013(k)(2)) will not be eligible for occupancy in an Assisted Unit.

P. **Program Requirements** means any requirements that may be required by HUD, including but not limited to regulations, and administrative requirements that may be in the form of notices, handbooks, or guidebooks, as may be amended from time to time.

Q. **Rental Assistance Payments** means the payment made by MSHDA to the owner, as provided in the Rental Assistance Contract. Where the Assisted Unit is leased to an Eligible Tenant, the payment is the difference between the Contract Rent and the Tenant Rent. An additional payment is made to or on behalf of the Eligible Tenant when the Utility Allowance is greater than the total tenant payment. A vacancy payment may be made to the Owner when an Assisted Unit is vacant, in accordance with the Rental Assistance Contract and Program Requirements.

R. **Rental Assistance Contract (RAC)** is the contract (form HUD-92235-PRA and form HUD92237-PRA), as prescribed by HUD, between MSHDA and the Owner of the Eligible Multifamily Property which sets forth the rights and duties of the parties with respect to the Assisted Units in the Eligible Multifamily Property.

S. **Target Population** means the specific group or groups of Eligible Applicants and Tenants described in the Inter-Agency Partnership Agreement who are intended to be solely served or to be prioritized under the MSHDA's 811PRA program.

T. **Tenant Rent** as defined in 24 CFR part 5.

U. **Total Tenant Payment** as defined in 24 CFR part 5.

V. **Utility Allowance** has the same meaning as defined in 24 CFR part 5.

W. **Uniform Physical Condition Standards (UPCS).** Uniform national standards established by HUD for housing that is decent, safe, sanitary, and in good repair. UPCS requires that items in five categories (site, building exterior, building systems, dwelling units, and common areas) and as more specifically described in 24 CFR § 5.703 must be inspected in any physical inspection of the property.