

KATINA Good afternoon, and welcome to the Project Rental Assistance Program of the Section 811 Supportive Housing for Persons with Disabilities, better known as the PRA Program NOFA webinar. My name is Katina Washington, and I will be presenting today on the Fiscal Year 2019 Notice of Funding Availability. Today's webinar will cover information about the NOFA, but it will be a high-level overview, with opportunities for listeners to ask questions about the NOFA. We suggest that potential applicants read the NOFA in detail, as to not miss any important information about the application or program requirements.

I want to take a moment and ensure that everyone on the line today is aware that this webinar today will only cover the PRA NOFA and not the Section 811 Capital Advance NOFA. The Capital Advance NOFA webinar has been rescheduled to January 15, at 2:30 PM Eastern Time. If you have not registered for the Capital Advance NOFA webinar, please do so soon. Registration information is available on the HUD exchange. We also have a link in the slide deck for your convenience, as well. I am going to briefly turn it over to our technical assistance provider Liz Stewart, from TAC, who will go over the logistics for today's webinar.

ELIZABETH STEWART: Thanks, Katina. Welcome, everyone. So just real quick, I'm going to run through logistics. Please note that all attendees are going to be muted during the webinar. We have a large attendance rate today, so all lines are muted. We're not going to be opening up lines. So raising your hand is not-- there's not going to be opportunities to talk. So if you have questions, though, either if you're having an issue with the webinar itself, or you have a question that you want to ask about during a particular section that Katina is going over, you can submit that question through the Q&A box. And then, as time permits, we'll be reading questions out loud during the Q&A period at the end of each section.

We do ask that you try to ask questions to the specific section at hand. And there will be an opportunity at the end for more open questions that maybe were not discussed in any of the sections as they relate to the NOFA. Also just want to point out that this webinar, the PowerPoint presentation today is included as a handout. Within the webinar itself, there's a handout tab that everyone has. If you click on that, you can download the PowerPoint yourself, if you want to take notes through that later or use it to distribute to maybe colleagues that were not able to attend today. So Katina, I'll go ahead and hand it back over to you.

KATINA

WASHINGTON:

Thank you, Liz. Today up on your screen, now you should see the agenda. This webinar this afternoon will take place in three parts. The first part will be the program overview and NOFA requirements. The second part two will be the overview of the application submission information. And part three will be PRA resources and wrap-up. After each part we'll take questions.

Now I'm going to provide just a brief overview of the PRA program. The Frank Melville Supportive Housing Investment Act of 2010 established the Project Rental Assistance program. This authorizes the department to provide funding to state housing agencies or other appropriate housing agencies for project-based rental operating assistance for extremely low-income persons with disabilities.

The purpose of the program is to identify, stimulate, and support state-level strategies that will transform and increase housing for persons with disabilities. HUD wants to support the collaborations between the State Housing Agencies and the State Health and Human Service and/or Medicaid Agencies. The overall main goal is to ensure that extremely low-income persons with disabilities have the increased access to affordable permanent supportive housing units, with access to the appropriate long-term support services.

The FY 2019 NOFA provides funding up to \$37 million. We approximately expect to award between five to eight states. But that would be contingent upon the amount awarded to each successful applicant. The maximum award for this NOFA is \$7 million.

For this section part of the webinar, we'll be going over some eligibility information. To apply for this NOFA, an eligible applicant must be a housing agency that is currently allocating the Low Income Housing Tax Credit and/or an agency allocating and overseeing the HOME program and/or an agency that operates a similar federal or state program to the LIHTC or the HOME program. The Housing agency that applies maybe a state, local, regional housing agency or partnership or collaboration of these agencies.

However, only one application can be submitted per state. So if a state has multiple housing agencies interested in applying, only one of those agencies may be the lead applicant. If awarded, the lead applicant will be the one to sign and execute the award document. You may partner or collaborate with multiple agencies to implement the PRA program within your state.

In addition to meeting these requirements, the eligible applicant must have a formal partnership with the state Medicaid and/or the health and human services agency. The state

Medicaid and/or the health and human service agency can only partner with one eligible applicant, who would be the lead applicant.

And we'll discuss the partnership in more detail in the webinar. Lastly, private citizens, for profit entities and nonprofit organizations are not eligible applicants under this program.

Now, what type of properties are eligible to receive this assistance? They can be any new or existing property with at least five units owned by either a nonprofit or private entity. Properties must have financing commitments from LIHTC, HOME, or any other federal, state, or local program. Development costs can be paid with any public or private resources except capital advances from the Section 202 or the 811 program.

What type of properties that are not eligible to receive PRA funds? Projects or units that receive long-term operating subsidies, such as project-based Section 8. Units that had previous tenants receiving voucher-based assistance is not considered project-based rental assistance, and that unit may be eligible to receive PRA funds. Another property that is not eligible to receive PRA funds are projects or units that are restricted to seniors; and lastly, project or units that are already restricted to persons with disabilities.

Now that we've discussed properties, so which type of units are eligible? In this program, we want to ensure community integration. Therefore, no more than 25% of the units in a property can be restricted to supportive housing for persons with disability under PRA or any other federal or state programs or have an occupancy preference for persons with disabilities. Please note that residents may not be prohibited from applying for residency in non-PRA units.

Now, who is eligible to live in these PRA units? Eligible residents must meet two conditions-- be disabled under the definition included in this NOFA; there must be at least one individual between the ages of 18 and 62 with a disability who is eligible for community-based long-term services, such as those provided through Medicaid waivers or a similar program; and the resident must meet the income requirement of extremely low income, meaning the total annual household income cannot exceed 30% of the area median income. The eligible activities under this program-- the Section 811 PRA funds can only be used to fund the project-based rental assistance and the allowable administrative costs, which is up to 8% of the total of your rental assistance relating to the implementation and administration of the programs. These funds are prohibited to be used for any development costs.

That concludes the eligibility information of the NOFA. Let's discuss the threshold

requirements. The threshold requirements are a type of eligibility requirements. All eligible applicants must meet the threshold requirements in order for their application to be considered.

There are two types of threshold requirements in this NOFA-- the general threshold requirement and program-specific threshold requirement. You can find information on the general threshold requirements in Section III.D.3 of the NOFA. The program-specific threshold for this program is the submission of the Inter-Agency Partnership Agreement.

The Inter-Agency Partnership Agreement outlines the partnership between the lead applicant and the state health and human service agencies and/or the Medicaid agency. If the agencies are separate entities, all agencies must be included in the agreement. The agreement at a minimum must include the following-- a detailed description of the target populations to be served, methods for outreach and referral, and a commitment to make appropriate services available for residents in PRA-assisted units.

The agreement must also identify available services and describe how such services will be made available to the tenant. It must indicate that the tenant participation is not a condition of occupancy, but participation is voluntary. The term of the agreement must have a term of five years co-terminus with the term of the initial PRA funding. If the agencies have an existing agreement to provide housing and services, an addendum may be added to the existing document that addresses the provisions for this 811 PRA program, meaning anything you included in your application under this NOFA. And that can serve as Inter-Agency Partnership Agreement. Any additional agencies providing oversight, coordination, or services should also be included in this agreement.

Here we just provide a brief overview of all of the program requirements that are included in the NOFA. In addition to meeting the NOFA requirements, such as eligibility and threshold requirements, the NOFA provides an overview of the program requirements. If awarded, the grantees must comply with these requirements. Grantees will receive a copy of the program guidelines with their cooperative agreement, which is the award document for this program, that will include program requirements listed in the NOFA.

Here, we just show the brief of rental assistance contract, which is the contract between the grantee and the owner of the multi-family property, with the assistance PRA unit. The initial term for this RAC, as we call it, is 20 years plus renewals. The use agreement must have a

minimum 30-year use restriction for extremely low-income persons with disability. This is a statutory requirement. The initial funding of the program will be provided for the first five years, and any renewals or subsequent funding will be based on annual appropriations.

Other program requirements is Affirmatively Furthering Fair Housing. Davis-Bacon. Davis-Bacon is only applicable for 12 or more units. And we also have Environmental Requirements. These are listed in the NOFA, but will also receive a copy, if you are successful and awarded a PRA award, in our program guidelines.

Now we've come to the part for our Q&As. We'll take a few questions on this section of the webinar. We'll also include these questions in the frequently asked questions, in FAQ, which we'll post on the HUD dot gov funding opportunities page. Liz Stewart from TAC is moderating our questions for today. Liz, do we have any questions on the first part of the webinar?

ELIZABETH STEWART: Yeah, we do. Various questions have been coming in that you've covered parts of in this section. So the first question is regarding the income limits for eligible households. Does this program use the HUD HOME 30% income limit or the HUD HTF 30% income limit, as they differ?

KATINA WASHINGTON: Say that last part again. You said the--

ELIZABETH STEWART: Or the housing trust fund, the housing trust fund ELI requirement. That is different than the 811. They're just verifying what the standard is for the 30% ELI.

KATINA WASHINGTON: And the first part was?

ELIZABETH STEWART: The person was referring to does it use a HOME 30% income limit, or does it use other programs' income limits, like the Housing Trust Fund?

KATINA WASHINGTON: OK, so I will get back to that question, because I need to do a little bit of research on that one. Do we have another question?

ELIZABETH STEWART: Yeah, sure thing. So why is the RAC 20 years, while the Use Agreement is 30 years?

KATINA So in the statute, the RAC has a minimum of 20 years, and the Use Agreement is 30 years,

WASHINGTON: which is a statutory requirement. We wanted to ensure that the rental assistance had long terms and that the housing would be available for extremely low-income persons in a long-term basis, as meaning for permanent supportive housing. So those two requirements are statutory.

ELIZABETH STEWART: OK. We have another question on the Inter-Agency Partnership Agreement. If this current grantee with an existing inter-agency agreement that is open-ended, would we still need to do an amendment?

KATINA WASHINGTON: You wouldn't have to do an amendment unless, in your current application, that you've maybe had any changes in your target population or anything specific to this NOFA. Then you would need to do an amendment. But you can just also add an addendum just to include this application with the inter-agency agreement.

ELIZABETH STEWART: OK. Another question is on the age limit, it's mentioned the tenant applicant for this program needs to be between 18 and 62 years of age. Does this mean that they need to be ages 19 to 61 to be eligible or 18 to 61?

KATINA WASHINGTON: 18 to 61.

ELIZABETH STEWART: OK. I think we probably have time for one more question. But you mentioned that we're going to try to get through any questions we didn't cover later. So the next question is on the application for state. So there's only one application per state. How do I know who in my state has applied, so that we can collaborate?

KATINA WASHINGTON: Well, we do have on our HUD exchange a list of our existing grantees and to see which agency within your state was awarded an existing PRA. I will preview our HUD exchange site so you can see where to go to find this information. But we do have information available, of the agencies that were previously awarded a PRA grantee. Also, too, just the note, if you had more than one agency within your state that's interested in applying, you have to come to an agreement of which agency would be the lead applicant.

ELIZABETH STEWART: OK. I think it'd be good to keep going to the next section, Katina, and we can circle back on other ones that we may not have gotten to towards the end of the webinar.

KATINA WASHINGTON: OK. So right now, we're going to show a short video. Today our goal was not just to go over the NOFA, but to highlight and provide some insight to the program. We're going to take a few

minutes to take a look at a video from our existing grantee, the Minnesota Housing Finance Agency, and a resident that moved into a PRA unit. This video provides you a look at how this program can impact the lives of residents.

**ELIZABETH
STEWART:**

Katina, I'm not sure if you can hear me, but I think it might be having trouble loading.

**KATINA
WASHINGTON:**

OK.

I hope you all enjoyed that video. Now we'll move on to Part II-- Overview of the Application Submission. In this section, we'll go over the rating factors. In this NOFA, we only have four rating factors. That was one major change from the previous NOFAs. We removed the rating factor for the leveraging section. The rating factor for leveraging has been replaced with aligning PRA with new or existing state housing initiatives or strategies, which is located under Rating Factor 3-- Soundness of Approach / Implementation Plan.

Our First Rating Factor 1 is Applicant and State Health and Human Service/Medicaid Agencies Relevant Experience, Capacity, and Readiness. Your response to the narrative should include your Abstract. The Abstract should be no more than five pages. It shall contain your demographic information, such as the following-- the name of the applicant, the contact information for the State Health and Human Service and/or Medicaid agency, the unit projection, and the dollar amount requested. In addition, the Abstract should include your narrative for Rating Factor 1A-- Eligible Applicant's Relevant Experience, Capacity, and Readiness, and your narrative for Rating Factor 1B, the State Health and Human Service/Medicaid Agencies' Relevant Experience and Capacity.

We drafted a sample abstract, which will be available with the slide deck. You can pull it down from the handouts on the side. And we will also post it at HUD.gov under the grant, on the Funding Opportunities page.

The Applicant's Relevant Experience, Capacity, and Readiness-- the eligible application should provide a narrative that describes the eligible applicant; or if you have a co-applicant or if you're working with a subcontractor, their experience, as well. The narrative should address the eligible applicant's relevant experience, as well as whose leadership and the key staff capacity, compliance and monitoring experience, management of affordable multifamily rental

housing experience, and management of any Section 8 project-based rental assistance programs utilizing TRACS experience.

You may include any supporting documentation to support your narrative, which is not included in the page limit. Make sure you reference the appropriate Tab section, if you're including any supporting documentation. So for this Rating Factor 1, I believe the section is Tab 8. Please reference all your documents to Tab 8. Also, in this section, you would address your state and health and human service and Medicaid agencies' general experience and their experience with supportive housing, working with housing providers.

Rating Factor 2 is Need for using housing as a platform for life. This is the program's major focus, is how housing will address the needs of the extremely low-income persons with disabilities, especially of those who are eligible for Medicaid or a similar program. Specifically, applications describe how this program will address the specific issue or issues or fill a gap in the state's existing continuum of services for persons with disabilities.

Applicants may want to think about a particular programmatic issue that the state has been assisting to solve beyond its basic need for affordable housing for persons with disabilities. Applicants should describe how this funding may assist the state seeking to transition persons from institutional care into integrated housing or working to ensure that persons at risk of institutionalization remain in a community-based setting. Programs will earn maximum points if they are designed to respond to any Olmstead-related litigation or enforcement.

For example, if you have an existing settlement agreement, a court order, or a consent decree or is it designed to complement a state voluntary affirmative Olmstead planning and/or implementation efforts that are clearly outlined with implementation underway, evidenced by significant progress, such as financial commitments or new government structures or the numbers of persons with disabilities transitioning into the community. Points will be based on how the state has been directing resources or partnership efforts to address the goal relative to the need for this type of subsidy or how this specific gap financing will enable the state to accomplish a specific program initiative or an Olmstead-related objective.

Now we're on to Rating Factor 3, Soundness of Approach in your Implementation Plan. This factor focuses on the eligible applicant's PRA program design and operations, the management and oversight, the integration of services provided by the state health and Human Services and Medicaid agency or agencies, and the timely implementation of the

state's program. We are seeking applicants that have or will have a highly effective program.

Rating Factor 3 should describe how you will implement the PRA. Your implementation plan should address four essential aspects of your program design, such as identification of units, alignment of new and existing housing strategies or initiatives, how will you calculate your PRA refund, and your prevalent implementation schedule. Identification of the unit: your narrative should discuss the strategy for identifying units HUD wants to know the criteria that will be established to select projects under this program.

For example, your project selection criteria-- your project selection criteria should provide enough justification for how projects will be selected, including any special qualifications or program requirements. This should include the range of properties that you will be using, including whether you use new construction, substantial rehab, or existing property. HUD is also interested to know, do you plan to use properties where you have existing oversight? Meaning properties you have, either funded or responsible for the oversight, ensuring compliance or monitoring; if you are using existing properties, the methodology you will use to track these properties and the strategy if the units do not turn over in a timely manner.

HUD is also interested in knowing the outreach strategy that will be used to ensure participation in the PRA program. How will you attract developers or existing property owners to participate in the PRA program? Just a reminder, under the NOFA, you're not required to identify specific projects within your application. So you do not have to let us know the specific project that you have funded previously, and you're thinking about using PRA. We just want to know what would be basically your overall strategy for identifying the unit.

We also would like to know how the specific development and/or financing will be used to create or develop these PRA units. Are you using state housing trust fund, the 4% or the 9% Low Income Housing Tax Credit program? Are you using tax exempt bond financing, et cetera? We also would like you to include a detailed description of the programs identified, including program requirements and procedures that you can use to award funding these projects.

The next section of the implementation should include alignment of new or existing housing strategies core initiative. HUD seeks to identify eligible applicants that will be able to align their PRA program with state or local initiatives that will increase the supply of permanent supportive housing for persons with disabilities. Eligible applicants should describe key state

housing policies that reflect the commitment to support the program proposed in the PRA application. Approaches may include requiring set-asides in your LIHTC Qualify Allocation Plans, your QAP, any local jurisdiction and capital financing strategies, or other rental housing, finance and development programs that will increase the production of affordable supportive housing aligned with the PRA goals of integrating units into traditional multi-family development.

This NOFA specifically does not offer any preference points for opportunity zones. However, HUD is encouraging grantees to consider placing PRA units in opportunity zones. If you already have an existing strategy or initiative, such as a set aside or incentives or any kind of significant competitive priority in your primary housing production programs, applicants should describe how these existing strategies or initiatives will directly result in the creation of PRA units, such as anything in your LIHTC QAP or a similar program designed to create supportive housing units in newly developed and substantially rehabbed projects.

If you do not have any existing strategies or initiatives, applicants should describe their willingness to implement these set-asides, incentives, or any significant competitive priority for the PRA within a calendar year after execution of this award. If you're solely going to focus on any existing units, you may not receive any points under this sub-factor, as this sub-factor is really wanting to know how will you align any strategies or initiatives that will directly result in any creation of the PRA.

The next section of the implementation plan is the calculation of PRA funds. Applicants should specify how the amount of the requested PRA funds were determined, including the assumptions and the methodology for calculating and tracking the rental assistance and the program administrative costs. In the NOFA, we do have a couple of links. And I did find that we do have a link to where we have the fair rental market, which will take you to our HUD [INAUDIBLE] site, which will provide that within the area, if you're using that to base the calculation on.

The PRA detailed budget, that should be included with your application; and the narrative response of the sub-factors will be used to determine points under this subsection. So we'll be using your narrative, your response, under this sub-factor and your budget to determine the points for this. This also discusses how the rental system specifically would be calculated and as well as the administrative costs.

Now on to the last section, the last narrative section on the implementation plan is your program implementation schedule. HUD seeks to find programs that will begin identifying units within six months to begin the leasing of units within 18 months after execution of the cooperative agreement. Please note, we're not suggesting you'll be fully leased up within 18 months, but at least beginning the process of leasing at that time. HUD will evaluate applications in this rating sub-factor based on milestones that need to be accomplished to develop this program.

Application-- applicants should be reasonable in setting these milestones and to take into consideration factors such as the construction period, especially if you are using any new construction or substantial rehab. Unit turnover-- if you're using some existing, and you're waiting for residents to move out so you can put in new PRA residents, think about the unit turnover. Think about the turnover rate properties. What is their turnover percentage?

The transitioning of residents-- if residents are coming from institutions, you need to think about the time that it takes for transitioning. Some of these residents do not have the proper paperwork, identification. And all those things need to be had in order to be moved into a PRA unit. So transitioning may take a while.

And other factors that might impact the timely occupancy of units-- we want you to be reasonable. We don't want you to just put out an implementation schedule that's requested, but not taking in the factors that could delay your occupancy. We also want you to include a schedule that outlines occupancy goals annually. You should be reasonable in your implementation but timely in execution. Just remember that.

Here, you also should include the methodology used to determine how you're going to get to your unit occupancy goals in the schedule. The schedule should project the number of units to be funded per fiscal year quarters over the five-year funding period for this plan. It should be consistent with your PRA detailed budget. This is the HUD form 92239.

So for example, if you know you're going to occupy units in year two of the program, the implementation schedule should extend out to year six for the full five years of funding per unit in the program. So if you are at year three, if you know you're going to do occupancy in year three, your implementation should extend out to year seven.

Next up in the Soundness of Approach sub-factor is Integration of Services. The details provided in your inter-agency partnership agreement will be used to determine points under

this sub-factor of this rating factor, HUD is seeking applicants that provide a high-quality and detailed inter-agency partnership agreement that goes beyond the minimum program requirement that works in the program-specific personnel requirements. The inter-agency partnership agreement should include already your description of the supportive services; the entities or agencies responsible for the overall integration effort, and how the services will be provided and how tenants will access those services; and whether new or existing programs are involved; and demonstrate an understanding that participation in these services are voluntary.

So we're interested, in this sub-factor, of going beyond just the minimum requirements that work in the inter-agency partnership. We're interested in understanding your management, how the description, how the ongoing housing program management of services will be handled between the agencies. This should include the strategy for how you're going to continuously improve the program, including any specifics regarding operational details relative to the commitment of services, the description on how the housing staff will interact with service providers, plan efforts to support training and coordination of the program implementation, including any necessary training between the housing and service partner.

We're also interested in understanding how these services will be coordinated throughout the state, describing what staffing agency will be doing outreach, the referrals, the wait list, to successfully identify and refer prospective tenant to owners and management agents of the supportive housing units in a timely and efficient manner. Particularly if the state program includes several targeted populations, identify how the staff will be assigned efficiently to work with these owners and management agents of the PRA units throughout the state, and how will they be managed.

Specify how any dispute resolution between residents and owner or management agents will be managed, tracked, and reported, particularly how a range of program and service needs will be addressed within one multi-family property. Lastly, under this sub-factor is systems in place. Applicants should describe the information technology systems and any associating staffing structures that you currently have in place or will be putting in place to track and monitor and oversee the implementation of this program.

Now, we're on to Rating Factor 4-- Achieving Results, Program Innovation, and Evaluation. This rating factor is seeking the applicants to go beyond their approach described in the application and address how the PRA will create a system change and expand cost-cutting

policy knowledge. The system change-- we want you to describe how this system change will impact the PRA program management and operation, as well as the performance measures used to determine effectiveness. The elements you must address are your increase to access to permanent supportive housing. You should describe and document to the extent to which your state system of producing housing and services for persons with disabilities has resulted or will result in access to affordable permanent supportive housing beyond the Section 811 PRA units.

The second element you must address-- removing regulatory barriers to increase the production of affordable housing. Describe any efforts that the state has undertaken to remove regulatory barriers to the development of affordable housing. The third element you must address-- evaluation of existing programs. Discuss existing programs that led to the increased production of permanent supportive housing for persons with disabilities. and anticipated outcomes, savings, approaches, and/or partnerships.

Lastly, under this Rating Factor 4-- expanding cross-cutting policy knowledge. Taking successful models to other communities requires quantitative evidence and public dissemination of this information. Many state and local organizations and governments collect administrative data as part of their regular operations. Policymakers at all levels could benefit from this rich data.

Applicants should demonstrate their willingness to collaborate with policy researchers, and program evaluators quantify the accomplishments of this program and to increase the overall body of knowledge. We are seeking to find applicants that go beyond the specific outcomes of this program to provide information that informs future policy-making and that support knowledge sharing and innovation by disseminating best practices, encouraging peer learning, publishing data analysis and research, and helping to incubate and test new ideas. Applicants must demonstrate the direct impact of their programs, as described in the NOFA. This sub-factor is looking at the applicant to go beyond these requirements and details and other outcomes to be improved.

Application Submission Information-- The application must not exceed 40 pages. Page limits refer to the narrative responses and do not include supporting documentation or forms. Note, if you're using double-spaced pages, application narratives may not exceed 40 pages. Page sizes should be 8 1/2 by 11 inch. Font size may not exceed 12 points. Page limits do not include documentation and other tasks which are cross-referenced in the narrative. All

narrative pages must be numbered and organized by each Tab section. Please do not use any endnotes or footnotes, and do not format any narrative in any columns. We will include this clarification in the FAQ since we receive many questions about the format and form.

Now we'll pause from the presentation and take another round of Q&As. Liz?

ELIZABETH STEWART: Yeah, we have quite a few questions that have come in, so let's get right to it. So one of the first questions regarding this section was related to the abstract-- sorry, the factor, Rating Factor 1 in the abstract, of the five-page abstract that needs to be included. Is the expectation that the narrative for experience, capacity, and readiness, does that need to be part of the five-page abstract, or is that separate from that?

KATINA WASHINGTON: That needs to be part of the five-page abstract, the responses to your narrative for Rating Factor 1.

ELIZABETH STEWART: OK. Next follow-up question-- does the 40-page limit include the 5-page abstract, or is it in addition to, for a total of 45 pages?

KATINA WASHINGTON: The abstract should be included in the 40 pages. So the max is 40 pages. But that doesn't include any supporting documentation. So that doesn't go towards the page limit. So if you have information you need to provide that's not the narrative-- the page limit only refers to your narrative responses and not any supporting documentation. So any letters of intent in your inter-agency partnership agreement or any support and documentation that needs to go along with your narrative is not included in the 40 pages.

ELIZABETH STEWART: OK. And we got a couple of questions regarding Rating Factor 3, around, I think, both the identification of units and alignment of new or existing housing strategies. The question is, how is HUD defining existing, versus new construction, and clarifying whether or not existing units that are not currently receiving PRA would be eligible? And if so, would you receive points for those units in this section?

KATINA WASHINGTON: So can you break that down, like three questions, so I can answer each part?

ELIZABETH STEWART: So I think the first would be, can you confirm that existing units that do not currently have PRA would be eligible? And if so, would they receive points for it in Rating Factor 3?

KATINA So yes, existing properties are eligible. And I just wanted to note there, if you are using

WASHINGTON: existing, we are interested in knowing your criteria and methodology for selecting these existing properties, for these existing properties. And yes, you can receive points for existing properties, but you may not receive as many points in that rating factor.

ELIZABETH STEWART: OK. And I think, then, the other question related to that is, how is HUD defining new and existing properties? If a previously funded property is not yet constructed, is it considered new or existing, related to Factor 3. Sorry-- yeah, Rating Factor 3.

KATINA WASHINGTON: So let me clarify. So if the project is existing, but it hasn't been constructed, is that the question?

ELIZABETH STEWART: Right. I think the questioner is asking if, let's say it's already received. Let's say it's already gotten its tax credit award, but it is not yet constructed, would that be considered new construction, or would it be considered existing, for the purposes of Rating Factor 3?

KATINA WASHINGTON: It's still new construction if it's not yet constructed. I'm trying to gather that they say they have existing land, because there hasn't been a building constructed on it, right? That will still be considered new construction.

ELIZABETH STEWART: OK. Another question-- HUD seeks to fund programs that would begin identifying units within six months. How is identifying units defined?

KATINA WASHINGTON: So how you identify units is that's what you need to provide to us, like the information that you have identified units. Once you are awarded under the program, we do track whether or not you have identified units. And that would be up to the grantee to report on they have identified units.

That means that not necessarily you have executed a rental assistance contract yet on it. You might have executed maybe possibly an agreement to execute a rental assistance contract. We call it an ARAC. It's a form you can use. It's optional. It's not required under their programs. But you also self-identify to HUD, under our reporting requirements, units you have identified.

So when you start the program, you start your implementation, you might have a period that you're just doing outreach. You're reaching out to developers. You're trying to find those. But then you might have some commitments, however your commitment looks like, based on your design of your program, how that is, that is how maybe you identify units. Maybe identification

of units may be that you execute the agreement of the rental assistance contract, that ARAC form, that's really up to the grantee how they self-identify their identification of units to HUD. We don't have a specific definition of, OK, this is how we're counting your identification of units you self-identified. I hope that is clear.

ELIZABETH STEWART:

KATINA WASHINGTON:

ELIZABETH STEWART:

KATINA WASHINGTON:

Our mini-site includes a myriad of resources, such as searchable FAQs, tenant success stories, training materials, and our 811 PRA Startup Guide, which is a guide that is used on all of this start-up information about the programs during your implementation. We have links to these main resources, but we also, on our mini-site, we post news and announcements, as well as postings of the NOFA, samples of the previous year cooperative agreements. We have links to the authorizing statutes, contact information on our existing grantees, and more.

If you are new to PRA, we encourage you to take a look at our website to just gain some insight on the program. You can search around. We've done many materials our technical assistance provider has put together that has been useful to many of our grantees within the program.

So here we are, some quick reminders. Applications are due February 10, 2020. I've also included the Section 811 Supportive Housing for Persons with Disability, the Capital Advance Note, the webinar will be January 15, at 2:30 Eastern Time. The deadline for the NOFA has

been extended to March 10, 2020. And I've also included a link to the registration information, for those who are looking for it. We expect the PRA awards to be announced probably late spring, early summer.

So now we've come to our final questions. We'll take about 25 minutes to answer any final questions. If you didn't get a chance to ask a question or get an answer to your questions today, you can still submit your questions to our NOFA mailbox. The link is included on the slide. And it's also, in the NOFA, this is where we maintain a repository of all of our NOFA questions. So Liz, do we have more questions?

ELIZABETH STEWART: Yeah, and I'm going to start off by going through the questions that came in earlier on that you didn't get to and then keep moving forward through as questions came in. So there were some follow-up questions regarding the time frame of the RAC and the time frame of the use agreement. People are trying to get clarity on understanding what happens after the 20-year RAC, and there's still 10 years left on this 30-year use agreement. Is there still funding available for the RAC? What is the expectation about how that works?

KATINA WASHINGTON: OK, so initially, the PRA, at the NOFA stage, we provide funding up initially for five years. Then the funding after that is subsequent to annual appropriations. So the expectation is that the funding will be in one-year increments after the initial five years. So the 20 years, the RAC is for 20 years. And then after that, we expect that you will renew the RAC for an additional 20 years. So there isn't a gap. Technically, if you renew the RAC after the 20 years, the RAC will be renewed for another 20 years. So there isn't a gap between the 30-year and the 20-year-- the use agreement and the 20-year RAC.

ELIZABETH STEWART: OK. We had another related question regarding to use restrictions. If there is already a use restriction on the property, for example, through the Low-Income Housing Tax Credit, but not specific to people with disabilities, is the requirement, then, that even if a property was already within, let's say, its 10th year of an existing use restriction, that it would then need to still sign another 30-year use restriction specifically for the 811 unit?

KATINA WASHINGTON: Yes. The use restriction for the PRA is 30 years. So if you do execute a rental assistance contract, even if the property has an existing use restriction under the LIHTC program, you would have to execute 30-year use restrictions for the PRA unit.

ELIZABETH STEWART: OK. Another property program eligibility question requirement is related to some follow-up to the Davis-Bacon. I know you mentioned it in one of your slides Katina, but I think folks want

some clarity on the Davis-Bacon trigger requirement, because they've noted that the number of units is not noted in the NOFA. Can you just confirm the Davis-Bacon requirement for 811?

KATINA
WASHINGTON: So yes. So the Davis-Bacon doesn't get triggered until 12 or more units. It will have an FAQ that will clarify this. And also, because it's a primary requirement, we do have program guidelines that you will receive, if you are awarded. And with your cooperative agreement, your award documents, you will receive the program guidelines. And it will have information about the Davis-Bacon requirements.

ELIZABETH
STEWART: OK. Another follow-up question to the Davis-Bacon is whether or not-- does Davis-Bacon get triggered for any complex over 12 units, or is it over 12 811 assisted units that triggers Davis-Bacon?

KATINA
WASHINGTON: You said 12 units?

ELIZABETH
STEWART: So is it your unit size, or is it the number of assisted units?

KATINA
WASHINGTON: OK. So the triggering factor would be, if the property has any other HUD assistance, Davis-Bacon would trigger. But if it has no federal assistance, the PRA is the triggering factor for the Davis-Bacon. So if it's 12 or more units, and you're putting PRA, and you're at construction, before construction has taken place, then Davis-Bacon would be triggered under PRA.

ELIZABETH
STEWART: OK another property eligibility question-- how are units already serving people with disabilities, as indicated in an earlier slide, is that eligible defined?

KATINA
WASHINGTON: You said, is that eligible defined? Say that last part.

ELIZABETH
STEWART: So how are units that are already serving people with disabilities-- so properties, I should say, that have units already serving people with disabilities, if those are not eligible to receive 811 PRA assistance, how are those defined? So is that that they have a use restriction for people with disabilities? Could it be a preference? What are the factors that would make those units not eligible to receive 811 assistance?

KATINA
WASHINGTON: It couldn't have a use restriction or an occupancy preference. So either one-- if there is an existing use restriction or existing occupancy preference, it would be restricted from a place in

PRA within that property. The whole goal of the program is community integration.

ELIZABETH STEWART: OK. Next question is related to tenant eligibility for the program. So permanent supportive housing is typically understood to be for literally homeless individual and families. Is this NOFA to provide PSH for literally homeless persons only?

KATINA WASHINGTON: So homeless-- you could target homeless as a population on your inter-agency partnership agreement. However, anyone that's homeless would have to meet the definition of disability under this program.

ELIZABETH STEWART: OK. But you're clarifying there that it's not specific to just people that are homeless, that as long as they meet the disability requirement and the income requirement, and the grantee chooses its target population, they would be eligible?

KATINA WASHINGTON: Yes. Yes. You could target homeless as a population, but they would have to meet the conditions of an eligible tenant meeting the definition of disability and meeting the income requirement.

ELIZABETH STEWART: OK. The next question is related to senior housing eligibility. Is the senior housing that is prohibited include both 55 and older housing along with 62 in older housing options?

KATINA WASHINGTON: Yes. The property itself could not have a restriction for-- an age restriction on a property, because 811 is allowable between the ages of 18 to 62. So if the property had existing use restrictions for the population of, let's say, senior of 55 plus or 62 plus, you couldn't put PRA within that property.

ELIZABETH STEWART: OK. A follow-up question, moving on, to, I think, the rating factor section-- please describe examples of prior collaborative partnerships successful with 811 PRA.

KATINA WASHINGTON: OK. So I'll address that in the FAQ, because we do have examples. And there are quite a few examples. But I think it would be better described if we wrote it out, and we have some examples of specific grantees that have these partnerships from best practices. So we'll describe that in the FAQ.

ELIZABETH STEWART: OK. Just let's see-- a follow-up on identifying units-- will a commitment letter between the grantee and the property owner qualify as identifying unit?

KATINA As I said earlier, part of this program is we allow the state to design, or the housing Agency to

WASHINGTON: design their program. What your selection criteria is what you need to tell us within your implementation plan. This is how we consider this a commitment. HUD does not provide a defined way of how you identify your commitments or what is a commitment between you and an owner. The only thing that we know, at that point, is when you execute the rental assistance contract with the owner, and we execute it within our system.

But other than that, you design your project selection criteria. You design your requirements. You design your program and how it would operate. So that's the strategy provided to HUD within your application.

ELIZABETH STEWART: So I think this next question is related to the answer you just gave. Someone is outlining that they live in a state where 811 PRA was already received. And it was only in metropolitan areas that the units are being assisted, not rural. Are rural areas eligible places for properties in 811?

KATINA WASHINGTON: We don't have any geographic requirements around eligible properties. If your strategy within your state is to target rural areas, then that's something that you should describe within your application. If your target area is to do metropolitan areas, then that needs to be described within your application. We don't have any requirements specifically around the geographic areas.

This is an opportunity. You use it to design how this program will look like within your state. So if there's a need within the rural housing section, in rural areas within your state, you would need to design your program around that, and not only just think about the housing need, but think about the services. And also, choice is very important in this program. Residents get to choose.

Now, rural may need housing, but are the residents that are transitioning out of institutions, would they want to live in rural areas, or would they want to live in metropolitan areas? These are all things you need to think about with not only the housing agency, your inter-agency partnership partner, your health and human service agency. Where is the need? And telling HUD where you need to align this assistance to, and what areas need it the most. So we don't have any specific geographic areas.

But this program truly is set up and designed for you to address the issues within your state, so fulfilling those gaps in the continuum of services and then addressing the specific target populations. So we don't really necessarily tell you, you can't do rural, or you can't do

metropolitan areas. But it's really telling us where your need. It's really that state system that comes into play in addressing your needs and the needs of the population.

ELIZABETH STEWART: OK. Our next question is related to the deadline. So we know that the capital advance NOFA deadline was extended. Is this also the case for the PRA NOFA deadline?

KATINA WASHINGTON: No. As I mentioned in the presentation, the NOFA firm deadline is still February 10.

ELIZABETH STEWART: OK. The next question is from a current grantee that has funding that needs to be spent by 2026 under their other award. And they're still working on meeting that goal. They want to know, will the funds under this NOFA have an end date that would be before our original fund?

KATINA WASHINGTON: That the funds will have an end date before the original fund?

ELIZABETH STEWART: The timeline of this funding opportunity, is there a time frame where these funds will have to get spent by?

KATINA WASHINGTON: Yes. So any funds that are appropriated have an expiration date. So for this program, this program has a 10-year disbursement period. These funds have a period of obligation that's three years from the time of appropriations. And then after the obligation period, it has a 10-year disbursement date. So all of that would be clarified when you get your rewards documents. And we'll have the dates plugged in, into the cooperative agreement.

ELIZABETH STEWART: OK. Next question is around the 25% limitation. Can the 25% limitation be applied to scattered site projects? For example, how would duplexes or triplexes be considered? Or would they be ineligible properties?

KATINA WASHINGTON: So scattered sites are not ineligible properties. And it would be how you quantify your project. So scattered sites are encouraged. We don't have a prohibition against them. But even if it's a scattered site, you've still gotta think about-- if it's a condo, depending on how the scattered site is set up-- so if it's a condo, you may not want to do 100% of the units within that one site. This is still about integration, so thinking about integrating documents. And the 25% is within the building, and it's within the property, let me clarify, within that property-- so no more than 25% of the total units within a property.

ELIZABETH OK. And this is regarding the timing of leasing up, if an applicant was to receive an award. So I

STEWART: believe you shared that lease-ups should begin within 18 months of award. This does not really allow for any new construction projects which still have to raise capital funding to construct the project. Therefore, should only projects be considered if they are already underway? For example, funding is already secured or already existing developments?

KATINA
WASHINGTON: So we're encouraging that leasing begins in 18 months. If you have a strategy that you know that-- this really comes down to how you execute your implementation plan. If you have a strategy of projects that are coming in, and you're saying that you're not going to-- this is where we are. These new construction properties will come on line this day, and we'll have all of our units occupied and filled by this date, and we'll still meet before the initial five years of funding has run out. Then you should present that within your application.

We're just encouraging. We want applicants that are ready and that may have some projects that are ready to go. You may not be ready to go. You have six months to begin. And then you should think about, we're really looking for applicants that are ready to identify within six months and begin leasing. That doesn't mean you're finished with leasing process. You may have a project that's already ready to go.

So it really depends on what you put in your application. We're just encouraging finding applicants that really are ready, can be ready within two years, under this program. And that's what we're encouraging.

ELIZABETH
STEWART: OK. This next question is related to the 30-year use restriction. If funding is no longer available from HUD under the Section 811 PRA, and their contract cannot be renewed at some point, can the grantee choose to release the property owners from the 30-year use restriction at that point, if there is not funding available for the rental assistance?

KATINA
WASHINGTON: Yes. Grantees can cancel transfer of the rental assistance contract and can cancel the use agreement, if HUD provides no more funding under this program.

ELIZABETH
STEWART: OK. A follow-up question to that is, can the use agreement be contingent on future appropriations? Related, I'm not sure if they're asking if they could add a contingent into their use agreement or whether or not you have to use a specific form that HUD provides.

KATINA
WASHINGTON: So yes, HUD provides a specific form for the use agreement. Any addendums related to the use agreement or any addendums to the rental assistance contract has to come in to HUD for approval and review by our legal.

ELIZABETH STEWART: OK, another question related to forms-- someone asked whether or not the forms that were used for FY '12 and FY '13, whether or not those would be updated for this NOFA award?

KATINA WASHINGTON: Yes. We're already in the process, and the forms have been updated. And it's going through the paperwork production process. So hopefully, the forms will be ready by the time we have the execution of the cooperative agreement, so you can have the forms attached to your cooperative agreement, if awarded.

ELIZABETH STEWART: That's pretty much all of the questions right now that I have in the box related specifically to the NOFA. So I'll just hand it back over to you, Katina, to close things out.

KATINA WASHINGTON: If we do not have any more questions, I would like to thank everyone for participating in the webinar today. This webinar will be posted at HUD.gov on the Grant Funding Opportunity page. We will post the questions answered today in the FAQ, along with any questions we already have received, which will also be posted on the Funding Opportunity page. Thank you once again for tuning in today to our webinar. If you have any questions, we have sent the link to the webinar. If you have any questions after, and you forgot to ask today, we have that link within the slide deck. So thank you, everyone.

ELIZABETH STEWART: Thank you.