

HUD 811 Rental Assistance Funds

Available Funds

The funding in question is being offered to state agencies by HUD, under a substantially revised version of HUD's Section 811 program, and through a competitive NOFA. In California, the Departments of Health Care Services and Housing and Community Development, along with the California Housing Finance Agency, are working together to prepare an application. If successful, these agencies will solicit project-specific applications from developers and owners. The hope at this point is that California would receive funds this year sufficient to assist roughly 400 units, with potentially more to follow in subsequent years. Many program design details remain to be worked out.

Eligible Tenants

First priority would be given to those age 18 to 61 with a significant chronic disability that have been living in a nursing facility for at least three months and would like to return to community living as long as there is assured access to proper Medicaid-funded home and community-based services. Second priority would be those living in a nursing facility for a shorter period, or who are at risk of placement in a nursing facility. The disability may be attributable to physical and/or mental limitations that are significant, but stable and could be improved by more suitable housing conditions. This targeting fits with the thrust of HUD's NOFA, which reflects a much larger collaborative effort with both the State Medi-Cal and the federal Medicaid agencies to transition large numbers of individuals from health facilities to permanent supportive housing when inpatient care is no longer necessary.

Rent Subsidies

HUD is giving states considerable flexibility in structuring rent subsidies. They would be available to cover the difference between 30% of tenant income and a yet-to-be determined payment standard, with annual adjustments based on inflation. The contract term would be 20 years, with five years of funding appropriated at this point.

Improved Supportive Services

The targeting to specific counties correlates with the process underway by the Department of Health Care Services in these 13 counties to deliver medical, long-term care, home and community-based, and behavioral health services through each county's well-established health plan for managed care coordination. These county health plans are responsible for delivering all Medi-Cal benefits and services that help Medi-Cal beneficiaries maintain their well-being and live safely at home as long as feasibly possible. In addition to an expanding array of Medicaid-funded home and community based services, these county health plans will receive California Community Transitions (CCT) funding to ensure successful transitions from nursing homes back to apartment living. CCT resources can be used in a flexible way to cover any necessary transition coordination, home set-up, and follow-up needs of the eligible tenant.

Timing

HUD is encouraging award of these funds to projects that can put them to use within 24 months from when they select the states that will receive them. This means we are most interested in projects that will be in position to move in target population tenants sometime between Spring 2013 and Fall 2014.

Ineligible Projects

As noted above, these funds cannot be used on projects where more than 25% of total units are restricted to disabled households, or where there is a priority for these households. In addition, they cannot be used to replace other rent or operating subsidies.

Survey and More Information

If you have some level of interest in accessing these rental assistance funds, please complete the short survey at <https://www.surveymonkey.com/s/HUD811Interest>. This would assist the State with both its application to HUD and with designing the program.

At this point, HUD's NOFA is the best source of information on this program. It can be accessed at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/grants/section811ptl/demoNOFA

Christina DiFrancesco is also available to answer questions, at cdifranc@hcd.ca.gov or [\(916\) 322-0918](tel:(916)322-0918).