

California Project Rental Assistance Demonstration Program (PRA)

Fact Sheet

Background: The State of California was awarded nearly \$12 million in United States Department of Housing and Urban Development (HUD) funds to provide five-year renewable rental assistance to affordable housing projects serving persons with disabilities. The program is a collaboration between the State Department of Health Care Services (DHCS), the California Housing Finance Agency (CalHFA), the Department of Housing and Community Development (HCD), and the Tax Credit Allocation Committee (TCAC). **The anticipated Over-The-Counter Notice of Funding Availability (NOFA) release date is August 2014.**

Target Population: Medicaid beneficiaries with disabilities ages 18-61, who have resided in a long-term health care facility for at least 90 days and desire to return to community living, or are at risk of institutionalization because of loss of housing. Their primary barrier to returning to the community or remaining in the community is lack of suitable and affordable housing.

Project Parameters:

- No more than 25% of a project's total units can be restricted to/set aside for, persons with disabilities, regardless of the source of that restriction.
- PRA funds must not go to units already restricted to persons with disabilities. Existing units receiving PRA must not have received any form of long-term operating subsidy within a six-month period prior to receiving PRA funds.
- PRA assistance will be targeted to units already restricted to 50% Area Median Income or below, through a TCAC, HCD, or CalHFA development source. PRA assistance will pay the difference between the allowable rent and 30% of the tenant's income. Existing projects and projects under construction may apply for PRA funds; however, all PRA assisted units must be fully occupied by July 2016 (estimated).
- Certain federal overlays apply to PRA-funded projects, including but not limited to, federal accessibility standards and environmental analysis. Federal prevailing wage and energy efficiency requirements may also apply.
- PRA funds cannot be used for capital development expenses.

Transition Coordination and Supportive Services

- Project sponsors must partner with a DHCS-California Community Transitions (CCT) provider, regional center provider serving individuals who have a developmental disability, or community organization willing to become a CCT provider for identifying potential tenants, ensuring MediCal-funded supportive services will be in place, assisting with home set-up, and following up on additional needs.
- Project sponsors and tenant referral organizations must participate in required data collection and program evaluation.

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<http://www.calhfa.ca.gov/multifamily/section811/index.htm>