



**ADDENDUM
VI**

**Permanent Supportive Housing
Inclusion Plan Requirements**

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Permanent Supportive Housing Inclusion Plan Requirements
Required to meet 10% Supportive Housing General Threshold

I. Overview

Basic Requirements

LIHTC projects that received a competitive allocation under the 2011 Qualified Allocation Plan (QAP) are required to set aside 10% of the family units in the project for Permanent Supportive Housing units (Targeted Units). To qualify as a Targeted Unit, potential residents must be referred by a local human service agency (“Lead Agency”) pursuant to the requirements outlined in the Inclusion Plan/MOU. Projects are not required to provide onsite supportive services or a services coordinator; and participation in supportive services may not be a condition of tenancy. The cost of services is not an eligible project cost; however the sponsor may establish a service fund escrow if funded from a source approved by MSHDA.

Within 60 days after the award of Low Income Housing Tax Credits (“LIHTC”), owners must submit an Inclusion Plan/MOU to MSHDA that identifies a Lead Agency to coordinate referrals to the Targeted Units. The Targeted Units do not establish an upper limit for the number of Supportive Housing tenants who meet the definition of Supportive Housing tenants as defined below. Supportive Housing tenants who can afford the rent and/or have their own Section 8 rental assistance should be encouraged to apply to the project as any other tenant without being referred by the Lead Agency.

Accessible vs. Targeted Units

Accessible units (such as those with curbless showers) are *not* necessarily the same as the Targeted Units, and are not required to be held open during lease up. Some households referred under an Inclusion Plan may have disabilities that require an accessible unit. Others will have disabilities that are not physical in nature. Similarly, some households who may come in on their own to apply for housing may be qualified for a non-targeted unit and yet need an accessible unit.

II. Roles and Responsibilities

As part of each project’s Inclusion Plan/MOU, owners and/or management companies (“Management”) and a Lead Agency have entered into a Memorandum of Understanding (“MOU”) specifying:

- 1) that the Lead Agency will make supportive services available to the applicant(s) and/or act as referral agent for other community services as needed,
- 2) the willingness of all parties to negotiate reasonable accommodations to facilitate the admittance and retention of Supportive Housing tenants,
- 3) a communications plan between the Lead Agency and Management that will accommodate staff turnover and assure continuing linkages for the duration of the compliance period, and

- 4) Acknowledgment of the property's rent structure and a description of how Supportive Housing tenants may access rental assistance, should they require it, to afford the apartment rents.

Lead Agency

The Lead Agency agrees to act as a provider, coordinator or referral agent for the range of community services available to Supportive Housing tenants in their communities.

Individual property managers will develop their own working relationships with the local services community; however, to minimize Management involvement with individual service needs, Lead Agencies have also agreed to act as the point of contact with the Management over the life of the project.

Management

Management will screen each referral, applying the same criteria used for all other applicants. Referred households must be program eligible (income, student status) and project eligible (elderly, non-elderly, household size, credit worthy, criminal background). Management will notify the applicant and Lead Agency as to whether the household's application is approved, placed on a waiting list, or rejected (reason must be disclosed). If the household doesn't meet the project's screening criteria, Management will consider requests for Reasonable Accommodations.

Management must also:

- affirmatively market to Supportive Housing tenants and maintain a record of efforts;
- notify Lead Agency prior to commencement of pre-leasing or upon receipt of notice of intent to vacate Targeted Units;
- include a section on Reasonable Accommodation in the application for tenancy;
- execute all pertinent documents to create a valid tenancy with the tenant;
- identify units with Inclusion Plan referrals in the Rental Compliance Reporting System; and
- contact the Lead Agency with questions regarding a Targeted Unit household's application and/or any issues that may arise during the tenancy.

PBV Housing Agent

If the project is awarded Project Based Vouchers from MSHDA, there will be a separate waiting list established and managed by the assigned MSHDA Housing Agent. The lead agency will verify the supportive housing tenant's eligibility for the development and then refer the prospective tenant to the housing agent to further process their application for the project based subsidy. The housing agent will process the tenant applications and manage the waiting list for the supportive housing units assisted with a project based housing choice voucher in the development. Applicants that have met the MSHDA Housing Choice Voucher screening criteria will be referred to the Property Management Company.

III. Targeted Populations

Permanent Supportive Housing (PSH) units must be targeted to eligible residents/households as defined below:

A. Eligible Special Supportive Housing Tenants

Under the Low Income Housing Tax Credit program eligible supportive housing tenants must meet one of the following definitions (special need, homeless, domestic violence survivor, chronically homeless or homeless youth or youth aging out of foster care).

Special Need – A person (prospective tenant) with special needs must be the adult member of the household and meet the criteria in both categories below, **or** the person is a recipient of SSI/SSDI. The tenant must have:

1. A describable “special need condition”, defined as a physical (including profound deafness and legally blind), mental or emotional impairment that is of long-term duration, **and**
2. At the same time, the tenant must have a *substantial and sustained* need for supportive services in order to successfully live independently. In order to meet the “special needs definition,” tenants must require assistance in at least **two** life-skill areas, such as:
 - The ability to independently meet personal care needs;
 - Economic self-sufficiency (capacity for sustained and successful functioning in vocational, learning or employment contexts);
 - Use of language (ability to effectively understand, be understood and handle communication as needed on a daily and ongoing basis);
 - Instrumental living skills (managing money, getting around in the community, grocery shopping, complying with prescription requirements, meal planning and preparation, mobility, etc.), or
 - Self-direction (making decisions/choices about one’s day-to-day activities and regarding one’s future)

Homeless – A person/prospective tenant/ family must meet the following definition of homeless to qualify. The tenant must:

Lack a fixed, regular, and adequate nighttime residence, with **priority** given to those living in:

- A publicly or privately operated shelter and/or transitional facility designed to provide temporary living accommodations (including those being assisted with hotel vouchers);
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (including living on the streets, in a state park, or automobile);
- An institution that provides a temporary residence for individuals intended to be institutionalized;

Domestic Violence Survivor and or their families - Domestic Violence (DV)/ Intimate Partner Violence (IPV)

- “Domestic Violence” means the occurrence of any of the following acts by a person that is not an act of self-defense:
 - Causing or attempting to cause physical or mental harm to an intimate partner;
 - Placing an intimate partner in fear of physical or mental harm;
 - Causing or attempting to cause an intimate partner to engage in involuntary sexual activity by force, threat of force, or duress;
 - Engaging in activity toward an intimate partner that would cause a reasonable person to feel terrorized, frightened, intimidated, threatened, harassed, or molested.
- “Intimate Partner” includes any of the following:
 - A spouse or former spouse;
 - An individual with whom the person has or has had a dating relationship;
 - An individual with whom the person is or has engaged in a sexual relationship;
 - An individual with whom the person has a child in common.

Chronically Homeless - A chronically homeless person is an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more or has had at least four episodes of homelessness in the past three years. To be considered chronically homeless, persons must have been sleeping in a place not meant for human habitation or in an emergency shelter during that time.

Homeless Youth or Youth aging out of Foster Care – Children aging out of foster care include youth who are placed in a foster care placement (includes Juvenile Justice wards who are in a foster care setting) at the age of 18 or older when their foster care case closes. Foster care placements include:

- Licensed foster family homes
- Relative provider homes
- Group Homes
- Emergency Shelters
- Residential Facilities
- Child Care Institutions
- Pre-adoptive Placements
- Independent Living Placements

Youth is defined as someone (between the ages of 18 and 24) or a legally emancipated minor. This includes youth that are homeless, have runaway, aged out of the foster care system, and/or exited the juvenile justice system.

Eligibility for a Targeted Unit

A unit only qualifies as Targeted if occupied by a household referred by a Lead Agency, as documented by a Letter of Referral. Units otherwise occupied by persons with disabilities do not count towards the required number. "Walk-ins" may reveal that they have a disability or are formerly homeless, but if the project has not received a completed Letter of Referral from the Lead Agency, the household does not count towards the required number of Targeted Units.

In addition to a Letter of Referral and meeting program/project (household size, screening criteria) standards, eligibility for a Targeted Unit depends upon the source of rental assistance.

- For households with Section 8 vouchers or PBV assisted units, the head of household meets the assistance administrator's program's definition of person with a special need, homeless, chronically homeless, homeless youth or youth aging out of foster care, or a domestic violence survivor, .
- For all other units, head of household meets applicable income restrictions for the project.

IV. Processing Referrals to Targeted Units

A unit only qualifies as a Targeted unit if occupied by a household referred by a Lead Agency, as documented by a Letter of Referral. Units otherwise occupied by persons who meet the definition of Supportive Housing tenants do not count towards the required number. If the project is fully occupied at the time of closing; the next available units must prioritize supportive housing referrals until the minimum supportive housing requirements have been met.. See Waiting List below.

Lease-Up and Unit Mix

Management is responsible for contacting the Lead Agency 3 months prior to anticipated occupancy certification or with the commencement of pre-leasing, whichever comes first. Working with the Lead Agency early on will facilitate compliance and avoid delays in referrals and occupancy.

- 1) the Targeted Units will be held open for Lead Agency referrals for a period of sixty (60) days after Certificate of Occupancy;
- 2) after initial lease-up, Targeted Unit vacancies must be held open for referrals for a period of thirty (30) days starting when the Lead Agency receives notice of the vacancy from Management.

Management should not designate which units are going to be targeted prior to receiving referrals and should attempt to avoid concentrating the Targeted Units into one building.

Waitlists

Inclusion Plan MOUs stipulate that management must "maintain a separate waiting list for Supportive Housing tenants and prioritize these individuals for any units that may become vacant after the initial rent-up period, based upon the minimum number of units specified in the application." During and after rent-up, Lead Agency referrals must be moved in first regardless of chronological order of the general waiting list until all Targeted Units are occupied with referrals. Management may not have a preference for referrals with a Section 8 voucher.

Once the Targeted Units are occupied, Management will work with the Lead Agency to maintain a separate waiting list for referrals to Targeted Units. Management will prioritize these households for Targeted Units that become vacant, notifying the Lead Agency of the available unit size. If no prospective tenant on the waiting list needs the available unit size, the Lead Agency has thirty (30) days to refer another prospective tenant.

Federal project-based rental assistance

Leasing and occupancy rules enforced by the provider of federal PBV supersede these procedures and requirements for such units. However, units occupied by Supportive Housing tenants do not count as targeted even if sent to the project pursuant to these federal rules.

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