



Project Based Voucher (PBV) and Property Based Subsidy (PBS) Overview

October 2023

Agenda

- Overview of the Project Based Voucher (PBV) Program RFP
- Overview of the Property Based Subsidy (PBS) Program RFP
- Q & A

Project Based Voucher (PBV) Program

- The Project Based Voucher program is a partnership between THA and an owner where the property agrees to set aside units and keep the rents affordable. THA pays a subsidy to the UNIT, not the household.
 - Up to 150 Project Based Vouchers
 - Existing housing (complies with HQS)
 - Contract Term: Between 1 and 15 years
 - Units must be located in THA's jurisdiction Tacoma + 2.5 miles
 - THA's Occupancy Standards: 2 Persons Per Bedroom
 - Subsidy: varies month to month based on occupancy
 - Tenant pays approximately 30% of their income toward rent. THA Pays the rest up to the approved contract rent
 - Contract (total) rent is the lowest of the following:
 - The reasonable rent as determined by THA
 - Rent requested by owner
 - THA's then-current payment standards minus applicable utility allowance (Exception payment standards excluded)

Project Based Voucher (PBV) Program

- ❑ Screening criteria should be flexible and low barrier
- ❑ Initial Household Eligibility: household income under 50% AMI
- ❑ The owner manages their own waiting list and advertises vacancies
- ❑ The owner is responsible for developing a written tenant selection plan that is consistent with the purpose of improving housing opportunities for very low-income families
- ❑ Units may not be vacant for more than 120 days or they will be removed from the contract
- ❑ Right to move: tenants can request a move-on voucher after 1 year of tenancy and are in good standing
- ❑ Complete details regarding the PBV Program can be found in Chapter 17 of [THA's Administrative Plan](#)

Project Based Voucher (PBV) Program

- THA will:
 - Inspect units prior to initial occupancy & at turnover
 - THA will subsidize the units, the tenant will pay approximately 30% of their income toward rent, THA will pay the rest.
 - The subsidy may increase or decrease depending on the tenant's income
 - Tenant rents are income-based

- Owner will:
 - Be an expert on Chapter 17 of THA's Administrative Plan
 - Enforce the lease
 - Ensure vacancies are reported as early as possible to avoid units being removed from the contract
 - Request rent increases at Contract Anniversary Date (w/ 60 days notice)

Property Based Subsidy (PBS) Program

The Property Based Subsidy program is a partnership between THA and an owner where the owner receives a stable and predictable monthly subsidy from THA and Tenants pay a fixed amount regardless of their income.

□ THA's Goals

- Make more affordable housing units available to low-income Tacomans
- Create a unique scalable solution to preserve affordable units
- Operate the program with less administrative burden for THA and the Owner

□ Main Differences When Compared to PBV Program:

- Owner selects tenants, not THA
- Owner qualifies family at admission only
- Owner receives fixed rent (lump sum) each month for the property
- Subsidy does not vary based on tenant income
- Owner must maintain 95% occupancy rate and ensure files will pass an audit
- Owner sends THA regular occupancy reports. Owner and THA negotiate AMI levels for covered units

Property Based Subsidy (PBS) Program

- Up to 150 Property Based Subsidies
 - Existing housing (complies with HQS)
 - Contract Term: Between 1 and 10 years
 - Units must be located in THA's jurisdiction Tacoma + 2.5 miles
 - AMI Served: 30%, 40% and/or 50% of AMI
 - Contract (total) rent is the lowest of the following:
 - The reasonable rent determined by THA
 - Rent requested by owner
 - THA's then-current payment standards minus applicable utility allowance (Exception payment standards excluded)
 - Subsidy: Set on an annual basis subject to owner meeting occupancy minimum rates
 - Leasing & Occupancy: Owner advertises vacancies, screens tenants & verifies income. Tenants do not have a relationship with THA

Property Based Subsidy (PBS) Program

- THA will:
 - Pay the owner an annual subsidy for the reserved units. This is a fixed amount rather than one based on a tenant's income
 - Inspect units prior to initial occupancy and at turnover

- Owner will:
 - Commit to serve low-income households below 30-50% of AMI
 - Rent to eligible households per the PBS contract
 - Manage application, eligibility and lease up
 - Work with THA to complete inspections
 - Provide THA with quarterly reports that detail month-by-month occupancy levels and client data points
 - Maintain a 95% occupancy rate

PBS Subsidy Structure

□ Tenant Rents

- are fixed regardless of the tenant's actual income
- May not exceed WSHFC's maximum rent limits which are updated annually

Set-aside Percentage	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	5-Bedroom
20%	376	403	484	559	623	688
30%	564	604	726	838	935	1032
35%	658	705	847	978	1091	1204
40%	753	806	968	1118	1247	1376
45%	847	907	1089	1257	1402	1548
50%	941	1008	1210	1397	1558	1720
60%	1129	1209	1452	1677	1870	2064
70%	1317	1411	1694	1956	2182	2408
80%	1506	1613	1936	2236	2494	2752

□ THA Subsidy

- Subsidies to the owner are set on an annual basis
- THA essentially pays the rest of the rent as long as it is reasonable and does not exceed THA's then-current payment standards (exception payment standards excluded)

PBS

vs.

PBV

- Pay the owner an annual subsidy for the reserved units. This is a fixed amount rather than one based on a tenant's income
 - Tenant's portion of the rent is Fixed and will not change with income increases or decreases
 - Tenants do not have a relationship with THA, they recognize affordable rents. They are not THA participants.
 - The owner is required to conduct eligibility screening and must ensure a family is eligible to receive the subsidy
 - The owner advertises and fills vacancies (sometimes with referral partner). THA is not involved in this process
- Pay the owner a subsidy based on the income of the tenant in each unit. This may vary month to month.
 - Tenant's portion of the rent is income based and may go up or down with income increases or decreases
 - THA conducts eligibility screening and tenants are THA program participants
 - The owner maintains their own waitlist and tenant selection. Families are referred to THA for eligibility screening

Questions?

- If you have any additional questions, you may reach us at:
 - email aprentice@tacomahousing.org
 - phone 253-207-4448