



Property Based Subsidy Project Based VASH Overview

October 29, 2021

Agenda

- Overview of the RFP & Project Based Voucher VASH Program
- Overview of the RFP & Property Based Subsidy Program
- Q & A

2021 PBV VASH RFP

- The Project Based Voucher program is a partnership between THA and a property 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 50 Project Based VASH Vouchers
 - Existing or rehabbed housing (complies with HQS within 6 months)
 - No more than 25 will be awarded per building
 - 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
 - Property Management should expect to partner with the VA
 - Screening criteria should be **flexible and low barrier**
 - Leasing & Occupancy: Owner works with VA to fill vacancies, referrals recieved by THA
 - Complete details regarding the PBV Program can be found in Chaper 17 of [THA's Administrative Plan](#)

PBV – VASH

- National program
 - The VA identifies veterans experiencing long periods or repeated homelessness. They refer clients to the Property and THA provides the subsidy

- THA provides rental assistance. THA enters a HAP contract with the Owner once units pass HQS

- The VA provides case management to connect clients to specific services according to their needs, like health care, mental health treatment, and substance abuse counseling.

PBV – VASH ...

- 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:
 - Work with the VA & enter into an MOU with the VA and THA
 - 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 Program

- 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 & the Owner

- THA is buying down the affordability in a property
 - THA does not own or manage the property
 - THA executes a contract with the owner
 - For example: THA & XYZ owner have a 4 year contract to make rents affordable to households @ 30% AMI

2021 PBS RFP

- Up to 50 Property Based Subsidies
 - Existing or rehabbed housing (complies with HQS within 6 months)
 - 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
 - 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

PBS...

- 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 & at turnover

- Owner will:
 - Commit to serve low-income households below 30-50% of AMI
 - Rent to eligible households per the PBS contract
 - Sometimes, the arrangement sets preference for special populations, such as homeless college students
 - Advertise vacancies, screen tenants, verify income
 - 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

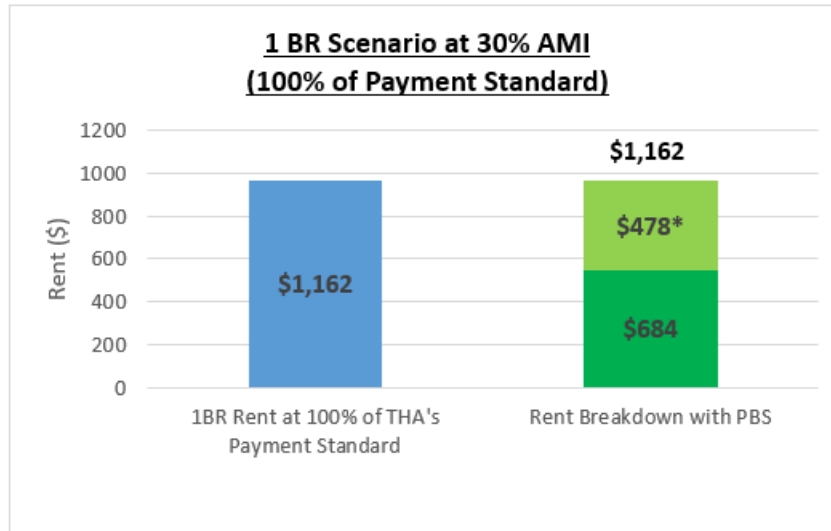
- Tenant Rents
 - are fixed regardless of the tenant's actual income
 - May not exceed WSHFC's maximum rent limits

| Set-aside Percentage | Studio | 1-Bedroom | 2-Bedroom | 3-Bedroom | 4-Bedroom | 5-Bedroom |
|----------------------|--------|-----------|-----------|-----------|-----------|-----------|
| 30% | 478 | 512 | 615 | 710 | 792 | 874 |
| 35% | 558 | 598 | 717 | 829 | 924 | 1020 |
| 40% | 638 | 683 | 820 | 947 | 1057 | 1166 |
| 45% | 717 | 768 | 922 | 1065 | 1189 | 1312 |
| 50% | 797 | 854 | 1025 | 1184 | 1321 | 1458 |
| 60% | 957 | 1025 | 1230 | 1421 | 1585 | 1749 |

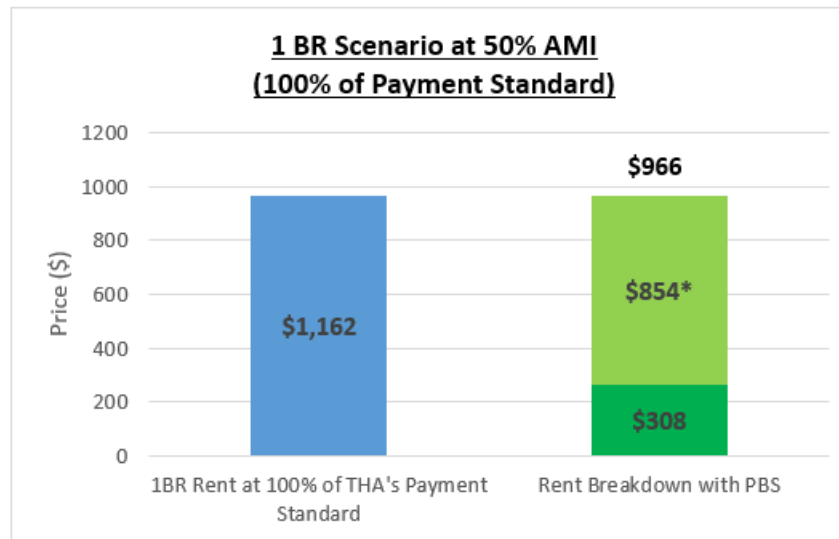
- THA Subsidy
 - Subsidies to the owner are set on an annual basis
 - THA essentially pays the rest of the rent as long as it is reasonable and is less than 110% of THA's Payment Standards

PBS Subsidy Structure

Property Based Subsidy (PBS) Information Sheet



| Bedroom Size | THA 2022 Payment Standard | x 110% |
|--------------|---------------------------|---------|
| 0 | \$1,056 | \$1,162 |
| 1 | \$1,162 | \$1,278 |
| 2 | \$1,484 | \$1,632 |
| 3 | \$2,108 | \$2,319 |
| 4 | \$2,540 | \$2,794 |
| 5 | \$2,921 | \$2,213 |



* Rent limit for 1 bedroom unit per WSHFC's rent limits (30% AMI and 50% AMI)

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 works with the VA to fill vacancies. Families are referred to THA for eligibility screening

Q&A