Owner and Property Manager Manual

I. Introduction

Background

The Ohio 811 Project Rental Assistance (PRA) Program (hereinafter Ohio 811 Program) is a project-based rental subsidy demonstration funded by the U.S. Department of Housing and Urban Development (HUD) designed to expand the supply of housing for extremely low-income, non-elderly individuals with disabilities while also making available appropriate supports and services through Ohio’s Medicaid plans. Subsidies are used to assist new and existing multifamily housing units that receive funding from the Ohio Housing Finance Agency (OHFA).

Purpose of this Guide

This guide is for owners and property managers interested or already participating in the Ohio 811 Program to offer direction regarding regulations that govern the program and may affect the way they conduct business.

Roles and Responsibilities

The Ohio 811 Program provides integrated affordable housing opportunities for priority populations identified by the state agency partners (hereinafter Ohio 811 Partners), including the Ohio Housing Finance Agency (OHFA), the Ohio Department of Medicaid (ODM), the Ohio Department of Developmental Disabilities (DODD), and the Ohio Department of Mental Health and Addiction Services (OhioMHAS). OHFA administers rental subsidies and manages the program waiting list. ODM, DODD and OhioMHAS provide outreach and marketing of the program to Ohio’s prioritized populations.

Definitions

Assistance Animal: An animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or that provides emotional support that alleviates one or more identified effects of a person’s disability. An assistance animal is not a pet.

Assisted Unit: A rental unit made available to or occupied by a household that receives rental subsidy through the Ohio 811 Program.

Blueprint: Blueprint Housing Solutions, an organization contracted by OHFA to process monthly vouchers for each property participating in the Ohio 811 Program.

Commitment Letter: Formal correspondence between OHFA and a property owner that commits a property to participate in the Ohio 811 Program.

Fair Market Rent (FMR): The 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market as determined by HUD.
II. Owner Information

Subsidy Details

The Ohio 811 Program provides rental subsidy for up to 25 percent of the total number of units in a property. Extremely low-income households with at least one individual with a HUD-defined disability who is between the ages of 18 and 61 when the initial lease is signed are eligible to participate in the program. The subsidy covers the difference between 30 percent of an eligible household’s income and the 50 percent LIHTC rent limits or HUD’s Fair Market Rent (FMR), whichever is lower.
The owner is required to sign a 20-year Rental Assistance Contract (RAC) and 30-year Use Agreement, binding the owner to maintain the number of contracted units for 30 years. Funding is guaranteed for the first five years, with funding beyond such period subject to Congressional appropriations. Should subsidy not be appropriated at any point during the term of the RAC, HUD will not require OHFA to enforce the RAC.

**Eligible Properties**

Properties applying for funding through any OHFA program or existing properties with at least five housing units may be eligible to apply. Existing properties cannot have a use restriction for persons with disabilities or for individuals age 62 and over. Existing properties with any form of long-term rental subsidy for the entire property cannot participate in the program. Partially subsidized properties, however, are eligible as long as Ohio 811 Program funding is used to support other units in the property without subsidies.

No more than 25 percent of the total units in a property can be set aside for individuals with disabilities, regardless of whether or not the units receive rental assistance. Units are floating and can consist of a mix of accessible units for persons with physical disabilities and non-accessible units for those without physical disabilities. Units must be dispersed throughout a property and must not be segregated in one area of a building. Only one-bedroom units are currently being accepted since most of our waiting list is comprised of one-person households.

**HUD Property Requirements**

The Ohio 811 Program shares many features with other HUD programs. A highlight of key program requirements for properties in the development stage follows.

All developments are subject to Section 504 of the Rehabilitation Act of 1973 as implemented in 24 CFR §§ 8.22-8.33. For new construction projects, at least five percent of all units or one unit (whichever is larger) are required to be accessible for individuals with mobility impairments, and an additional two percent of all units or one unit (whichever is larger) are required to be accessible for persons with a hearing or vision impairment. Owners are encouraged to set aside units that are accessible under Section 504 for residents who participate in the Ohio 811 Program.

If 12 or more Ohio 811 Program units are included in the project, Davis-Bacon prevailing wage rates in accordance with the Davis-Bacon Act as implemented through 40 USC § 3141 apply. Properties in which construction has fully concluded prior to applying for the Ohio 811 Program subsidy are not subject to Davis-Bacon wage rates.

The Lead Safe Housing Rule as implemented through 24 CFR 35 Subparts B, H, and R applies to properties built before 1978 when a child less than six years of age resides in or is expected to reside in such housing.

**Application Process**

Owners of existing properties who are interested in participating in the Ohio 811 Program should complete the 811 Existing Development Application found on the Ohio 811 Developer and Owners page, and submit to the Ohio 811 Mailbox. An internal, interagency committee will review the application and notify the Owner whether the property is accepted into the program.

Applicants for Competitive Housing Tax Credits (HTC) under the 2022-2023 Qualified Allocation Plan (QAP) will commit at least 10% or five (5) units in the proposed development to participate in the Ohio
811 Program upon request. Proposals will be selected based on need and demand, and proposals with general occupancy/non-age restricted units will be prioritized. This commitment does not guarantee selection, and applicable requirements may result in fewer units. OHFA plans to include threshold or competitive scoring criteria in future versions of the QAP as needed in order to meet unit targets established in grant agreements with HUD.

Environmental Review

The environmental review requirements in § PRA.215 of the HUD 811 Program Guidelines are required of all properties that are proposed to be constructed or rehabilitated, and any properties that are under construction or being rehabilitated at the time of application for Ohio 811 Program assistance. The following properties are not required to comply with the above environmental review requirements:

- Existing properties that are currently HUD-assisted or HUD-insured and will not engage in activities with physical impacts or changes beyond routine maintenance activities or minimal repairs.

- Proposed or existing properties that already have environmental clearance under 24 CFR Part 50 or 24 CFR Part 58, as long as the environmental reviews were completed within five years, and the project description covers the proposed construction or rehabilitation activities.

If a previously conducted Phase I Environmental Site Assessment (ESA) complies with the most recent ASTM E-1527 standards and was prepared within the Phase I continuing viability timeframe for the acquisition of the property or real estate transaction for the property, the Phase I ESA is acceptable.

Commitment Letter

Upon a satisfactory environmental review, OHFA and the owner will sign a Commitment Letter to Enter into a Section 811 Rental Assistance Contract in which the owner agrees to enter into a Rental Assistance Contract (RAC) prior to the placed-in-service date for new construction and substantial rehabilitation projects. For existing properties, the RAC will be signed immediately upon completion of the environmental review.

Rental Assistance Contract

For all newly constructed and rehabilitated properties, the owner signs the Rental Assistance Contract (RAC) following the Notice of Unit Availability and prior to when the property places into service. For existing properties, the owner signs a RAC immediately upon completion of the environmental review. The RAC is a 20-year contract outlining requirements between OHFA and the Owner, including the rent schedule, commitment period, use agreement, model lease, and HUD 811 Program Guidelines. Upon signing, the owner begins participating in the Ohio 811 Program.

Use Agreement

As part of the RAC, the owner must execute a HUD 811 Use Agreement (form HUD-92236-PRA) and submit the original document to OHFA with a copy to the Ohio 811 Mailbox. OHFA will record the document with the appropriate county recording administrator and provide a copy of the recorded document to the owner. The Use Agreement ensures that Ohio 811 Program units will continue to serve extremely low-income individuals for 30 years after the RAC is signed.
III. Property Manager Information

A. Referral Process

Notice of Unit Availability

For all newly constructed and newly renovated properties, the owner or property manager must send a notification to the Ohio 811 Mailbox indicating the project’s placed-in-service date 90 days prior to placing in service.

For existing properties, the owner or property manager must send notification to the Ohio 811 Mailbox of an available unit as soon as the property receives notice that a current tenant will be vacating a potential Ohio 811 Program unit, or as soon as an unanticipated vacancy occurs. OHFA may send a referral for an available unit while the vacating tenant is still occupying the unit.

Waiting List

Emphasys is the third-party contractor that operates the centralized waiting list database for the Ohio 811 Program through their site MyHousingSearch.com (formerly known as Socialserve). The waiting list is used by the Ohio 811 Program Coordinator to refer eligible individuals to available units. A representative of Emphasys will reach out to you after the execution of the Rental Assistance Contract (RAC) to set up your property for referrals.

At the end of each month, Emphasys will conduct polling via email where you will report any vacant units available to rent. If units become available in between polling, report them to Emphasys immediately with the date you anticipate they will be ready for occupancy. Contact Emphasys at Polling@emphasys-software.com or (866) 973-3147 to report vacancies at any time.

The availability date reported to Emphasys should be the date the unit will be ready for occupancy, not the date it is reported, unless they are the same. OHFA may request documentation that supports and verifies the date the unit was ready for occupancy, such as correspondence with investors or lenders for new properties, or copies of invoices, maintenance timesheets or maintenance logs following move-out from an existing unit.

It is also helpful for property managers to indicate on the waiting list what accessibility options are included in each unit, as many individuals on the waiting list have specific accessibility needs.

HDAP- and HOME-Assisted Units

OHFA does not permit an Ohio 811 Program unit to be used as an assisted unit under the Housing Development Assistance Program (HDAP) or the HOME program. An exception may be permitted if all one-bedroom units at a property are committed to the Ohio 811 Program, and some are designated as HDAP- or HOME-assisted units. If you have a unit available for the Ohio 811 Program that is designated as a HDAP- or HOME-assisted unit, contact us to discuss options that will work for both programs.
B. Application Process

Applicant Referrals

All applicants for Ohio 811 Program units must be referred to your property by the Ohio 811 Program Coordinator. Referral agents, property managers or anyone other than the Ohio 811 Program Coordinator cannot make referrals directly to a property. Once a potential resident is referred and indicates an interest in your property, proceed with the application process with that individual and their referral agent and/or other support staff. If you are in need of referrals for available units at your property, contact the Ohio 811 Program Coordinator at the Ohio 811 Mailbox.

Applicants and their Referral Agents have ten (10) calendar days to inform the Ohio 811 Program Coordinator of interest in the unit and contact the property to schedule an appointment to see the unit and begin the application process. If circumstances related to the applicant’s disability require an extension, they may submit a reasonable accommodation request for consideration.

If an individual receives a referral and is not interested, the Ohio 811 Program Coordinator will send a new referral to your property. This process will continue for a minimum of 90 days, beginning the later of when the unit is ready for occupancy or when the unit is reported as available on the waiting list. An active referral must continue until the applicant is accepted and moves into the property, is denied occupancy and provided an opportunity to appeal this decision, or decides to withdraw their application.

A documentation checklist designed to assist applicants and their referral agents with gathering the necessary documentation to apply for an Ohio 811 Program apartment is supplied to referral agents at the time of referral. This information may be helpful in obtaining the information property managers need to process the application. Additional items may be requested by the property manager to complete the application process. Follow the HUD Handbook for application requirements and documentation that can be substituted for required information.

OHFA encourages the use of remote capabilities in the application process, such as distributing applications via email, the use of video conferencing and virtual tours, allowing documents to be submitted electronically, and the use of electronic signatures.

Tenant Selection Plan Addendum

The Tenant Selection Plan (TSP) Addendum for the Ohio 811 Program provides guidance to property managers regarding procedures they must follow when processing applicants for program units, and addresses barriers the target population may encounter, including those associated with credit reports, previous rental history and criminal history. The TSP Addendum also sets forth the process for applicant denials and the appeal process. It is the responsibility of the owner and property manager to ensure that all provisions of the TSP Addendum are enforced, and where there is a conflict with the property TSP, the TSP Addendum will prevail. Follow best practices for complying with all relevant laws in this area, including civil rights laws.

Verification of Disability

The Ohio 811 Program serves extremely low-income individuals aged 18-61 who have a disability as defined in the HUD Handbook. The Referral Agent certifies that a person has a qualifying disability in order to place that person on the waiting list. The disability must also be verified by the property manager before a person can be offered a lease and accepted into the program.
OHFA has created a Verification of Disability form to standardize this requirement. This form will be sent with all new referrals effective as of the revision date of this manual. The Referral Agent will complete and sign the form, including the signature of the applicant (or their guardian, if applicable) to authorize release of information, and will bring the completed form to the property upon application for your records. The form is required for all 811 applicants, regardless of whether they receive disability benefit income. This form does not apply to any individuals who were previously housed in Ohio 811 program units. In addition, verification of disability is only required at initial occupancy and is not required at recertification.

**Deposits and Fees**

Property managers are not allowed to collect application fees, background check fees, or any other fees associated with the application process for Ohio 811 Program participants. Property managers also cannot charge fees for late payment of rent by either the tenant or the subsidy provider.

If a Security Deposit is required, the amount shall not exceed the greater of $50 or one month’s Total Tenant Payment.

Owners may charge a refundable pet deposit at limits allowed in the HUD Handbook. Pet rent or a non-refundable pet deposit are not permitted. In addition, any charges for pets do not apply to Assistance Animals.

**Income Limits**

Applicants for Ohio 811 Program units must qualify using both (1) the 50% income limit for the LIHTC program, and (2) the Extremely Low-Income Limit published annually by HUD. This meets the intent of the Ohio 811 Program to serve disabled individuals who qualify as extremely low-income under the HUD income limits.

Household income should be calculated according to the HUD Handbook using the most current HUD income limits, which vary based on the number of persons in the household. Income limits are published annually by HUD and must be implemented within 45 days of publication.

**Income Certification**

Owners must certify the amount of household income before the household is allowed to move into an Assisted Unit, and recertify household income at least annually thereafter. The amount of rental assistance paid on behalf of the household is calculated using the annual income for the household less allowable deductions. Refer to the HUD Handbook for details on calculating household income and applying deductions.

**Zero Income Applicants**

Some applicants for Ohio 811 Program units have zero income at the time of application, and later begin receiving social security benefits. Under HUD regulations, they would qualify under the income restriction and their rent share would initially be $0, with an interim recertification performed once Social Security benefits are in place. Property managers must consider anticipated Social Security income when qualifying these applicants under the LIHTC income restrictions.

If a household member claims no income from sources such as Social Security, pensions, or income from assets, the household should complete the OHFA Zero Income Verification (Form PC-E15).
Benefit Verification Letters

Many applicants for Ohio 811 Program units receive Social Security disability payments from the Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) programs. The annual Benefit Verification letter issued by the Social Security Administration (SSA) for social security benefits is acceptable for an entire year to evidence this income, but a current benefit letter must be obtained for SSI and SSDI benefits, since the benefit amount may change at any time throughout the year. Verifications are good for 120 days from receipt and must be no more than 120 days old at the time of receipt. The full benefit amount before any deductions is counted in the calculation of income. An applicant may download or print their benefit verification letter using the SSA website.

ABLE Accounts

The Achieving Better Life Experience (ABLE) Act allows States to establish a program of tax-advantaged ABLE savings accounts to provide for the qualified disability expenses of a designated beneficiary, which are known as STABLE accounts in the State of Ohio.

The full amount of income for a beneficiary of a STABLE account must be included in the income calculation for the Ohio 811 Program. However, if someone other than the designated beneficiary contributes directly to the ABLE account, that contribution will not be counted as income to the designated beneficiary.

In addition, if the designated beneficiary subsequently deposits any amount previously included as income into his/her ABLE account, that deposited amount must not be included in the household’s asset calculation or counted as income again when the beneficiary receives a distribution from the account.

Additional information may be found in HUD Notice H-2019-06, Treatment of ABLE Accounts in HUD-Assisted Programs.

Student Rule

Nearly all Ohio 811 Program units are also LIHTC Program units, however the programs have different rules regarding whether full-time students may reside in them.

The Ohio 811 Program follows the HUD student rule. Property managers must be mindful that the LIHTC student rule is different from the HUD student rule. If a tenant is residing in an Ohio 811 Program unit that is also an LIHTC unit, the household must qualify under both sets of student rules.

The impact of these rules on LIHTC properties is that you cannot evict an Ohio 811 tenant based on LIHTC student requirements.

Tenant Rent and Utility Reimbursement

Tenant Rent is the portion of the Total Tenant Payment (TTP) that the tenant pays to the Owner each month for rent. Tenant Rent is calculated by subtracting the utility allowance from the TTP. If the TTP is less than the utility allowance, the tenant receives a utility reimbursement to assist in meeting utility costs.

The utility reimbursement is calculated by subtracting the TTP from the utility allowance. The Tenant Rent is $0 if a utility reimbursement is paid. Properties must ensure individuals who qualify receive a utility reimbursement as described in the Model Lease and the HUD Handbook.
Reasonable Accommodations

All prospective tenants referred through the Ohio 811 Program are required to have a HUD-defined disability and are covered by Fair Housing law that governs reasonable accommodations. Individuals referred through the Ohio 811 Program may request a reasonable accommodation from a rule, policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling. This may be for an extension of time to complete the application process, or it may be for another reason related to an individual’s disability.

The Ohio 811 Partners have instructed referral agents to request this in writing, and have created a Request Form for use in making these requests. Reasonable accommodation requests must be reviewed according to guidance in Chapter 2 of the HUD Handbook. Housing providers have an obligation to provide prompt responses to reasonable accommodation requests, defined as 10 days for this program.

Reasonable Modifications

All prospective tenants referred through the Ohio 811 Program are required to have a HUD-defined disability and are covered by Fair Housing law that governs reasonable modifications. Individuals referred through the Ohio 811 Program may request reasonable modifications to units due to accessibility needs.

The Ohio 811 Partners have instructed referral agents to request this in writing, and have created a Request Form for use in making these requests. Reasonable modification requests must be reviewed according to guidance in Chapter 2 of the HUD Handbook. Housing providers have an obligation to provide prompt responses to reasonable modification requests, defined as 10 days for this program.

C. Acceptance, Denials and Appeals

Acceptance and Model Lease

The owner or property manager will notify the Ohio 811 Program applicant if they meet the screening criteria and are eligible for an Assisted Unit. Accepted applicants must sign the Model Lease provided on the Ohio 811 Property Managers page. This is the only acceptable lease for Ohio 811 Program participants.

The applicant must have an opportunity to see the available unit or a substantially similar unit before signing a lease. If being shown a substantially similar unit, properties must make clear to the applicant that this will not be the actual unit they will be renting.

Property managers and owners are expected to enforce program requirements under the terms of the lease and tenants are similarly expected to comply with the program requirements established in the lease. Termination for reasons other than those permitted by HUD is prohibited. If the Owner proposes to terminate a lease, the Owner must give the tenant written notice of the proposed termination, and forward a copy of such notice to the Ohio 811 Mailbox. For tenants with an applicable disability, the notice must be provided in a form accessible to the tenant. The manner of serving this notice must be in accordance with the provisions of state and local law.
Move-In Inspection

Prior to occupancy of any Assisted Unit, the applicant or their representative must be given the opportunity to be present for the move-in inspection conducted by the owner or property manager. The parties both certify that they have inspected the Assisted Unit and determined it to be in decent, safe and sanitary condition. The Move-In/Move-Out Inspection Form (form HUD-90106) may be used for this purpose.

The move-in inspection should be conducted and the form signed by the tenant and by the Owner or property manager on the same day the lease is signed. If this is not possible, the property manager must use the OHFA Clarification Record (Form PC-E20) to explain why documents were signed on a different date.

Denial and Appeal Processes

Denied applicants must be notified in writing of the exact reasons for denying tenancy. The Ohio 811 Denial of Tenancy Template Letter must be used for this purpose. If this template is not used or is incomplete, the property manager must restart the denial process.

The owner or property manager must promptly notify the applicant and the referral agent, in writing, and e-mail a copy of the denial letter to the Ohio 811 Mailbox. Include as much information and supporting documentation as possible in a denial, as this will assist the applicant and their referral agent to prepare an appeal if they so choose.

The property manager must consider the mitigating circumstances for criminal history specified in the Ohio 811 Program Tenant Selection Plan Addendum, evaluate the events and timeframes of criminal history, and provide a description of this review in the denial letter.

If the property uses a third-party vendor for background checks, the owner or property manager must independently verify that any information in the report used to deny tenancy is not in violation of the TSP Addendum.

The date that all parties receive the denial letter is the start date for the 14-day window for the applicant to appeal the decision. A properly completed letter serves as evidence of compliance with the denial notification process. Properties must hold an Ohio 811 Program unit for the designated applicant until the entire referral process is complete including any appeals requested by an applicant denied tenancy.

D. Post Move-In

Vacancy Payment Guidance

To help mitigate vacancy loss, properties may submit a special claim for vacancy loss beginning the date the unit is ready for occupancy under the Vacancy Payment Policy. A claim may be submitted 60 days after the date the unit is ready for occupancy or when a new tenant has moved in, whichever comes first.
Annual Recertifications

Owners or property managers must conduct an Annual Recertification of household income and composition, and recalculate rents and assistance payments, if applicable, based on the information gathered. Refer to Chapter 7 of the HUD Handbook for timelines and further details.

Ohio 811 Program units that are also LIHTC units must have the LIHTC student status recertified on an annual basis. Tenants will complete the OHFA Student Certification (Form PC-E42) on or before the anniversary of the original certification date.

Interim Recertifications

Each Ohio 811 Program resident may request an Interim Recertification (IR) if their income changes between annual recertifications, to ensure that their share of the rent is commensurate with their ability to pay. In addition, the property manager must conduct an IR when household income increases by at least $200 a month, or decreases by an amount that would change the TTP. Residents are required to report changes in family composition or if household income increases by $200 or more per month. Property managers must complete the IR within the timeframes noted in Chapter 7 of the HUD Handbook.

Termination of Tenancy

The owner may terminate tenancy for reasons outlined in the HUD Handbook, the Model Lease, or applicable state and local laws. A written notice of termination must be provided to the tenant. As a HUD-funded program that serves people with disabilities, the notice must comply with the following:

1. State the specific date the tenancy will be terminated;
2. State the specific reasons for the action with enough detail to enable the tenant to prepare a defense (citing or reciting a paragraph from the lease does not meet this requirement);
3. Advise the tenant that remaining in the unit on the termination date specified in the notice may result in the owner seeking to enforce the termination in court, at which time the tenant may present a defense;
4. Advise the tenant that he/she has 10 days within which to discuss termination of tenancy with the owner, beginning on the day that the notice is deemed effective;
5. Advise that persons with disabilities have the right to request reasonable accommodations to participate in the hearing process; and
6. Advise that the tenant may have someone present to assist them at any discussion, hearing or meeting.

The notice must be served by:

1. Sending a letter by first class mail, properly stamped and addressed and including a return address, to the tenant at the unit address; and
2. Delivering a copy of the notice to any adult person answering the door at the unit. If no adult answers the door, the person serving the notice may place it under or through the door, or affix it to the door.
The date on which the notice is deemed received by the tenant is the later of:

1. The date the first class letter is mailed; or
2. The date the notice is properly given.

Service of the notice is deemed effective once the notice has been both mailed and hand delivered.

**Forward a copy of any 30-day or 3-day notices of termination to the Ohio 811 Mailbox when they are issued**, so that we are aware of these situations and can connect 811 Program residents with case managers or other services to correct violations earlier in the process.

See Chapter 8, Section 3 of the HUD Handbook for additional details regarding the termination process.

**IV. Conclusion**

Please share the information in this manual with anyone in your organization who works with Ohio 811 Program units and residents. All documents referenced above and additional information is available on the Ohio 811 Program pages of the OHFA website.

All members of your organization should read and understand all program guidelines. Owners or property managers who do not adhere to the rules and regulations of the Ohio 811 Program may be referred to the OHFA Program Adherence Committee to determine whether penalties are appropriate.

If you cannot find information that you need in this manual or on the OHFA web site, feel free to contact us at the Ohio 811 Mailbox so that we can address your question. Thank you for your participation in the Ohio 811 Program.