

MEMORANDUM OF UNDERSTANDING

SECTION 811 INTER-AGENCY PARTNERSHIP AGREEMENT

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*This Memorandum of Understanding (MOU) has been created and entered into on June \_\_, 2012, by and between the following parties in relation to their application for the U.S. Department of Housing and Urban Development (HUD) Section 811 Project Rental Assistance Demonstration funding for FY 2012.*

**Washington State Department of Commerce, Washington State Department of Social and Health Services, Washington State Housing Finance Commission, and Washington State Health Care Authority**

**Introduction and Goals**

Recently enacted legislation updates and modernizes the U.S. Department of Housing and Urban Development Section 811 Supportive Housing for Persons with Disabilities program. It also provides a new opportunity for state HHS/Medicaid agencies to form Section 811 partnerships with State Housing Finance Agencies (HFAs), and other appropriate agencies to compete for new Section 811 Project Rental Assistance (PRA) demonstration funds.

In Washington State, the Department of Commerce (Commerce) is the State Housing Agency through which any PRA demonstration funds received should flow. Commerce invests public resources to create, preserve, and enhance safe and affordable housing for Washington residents. Commerce, in partnership with private lenders, non-profit organizations, local governments, other state agencies, and the federal government strategically invests in affordable housing opportunities to benefit the maximum number of households that these resources will support. Low-income individuals and families, farm workers, disabled, elderly, and other persons with special needs benefit from Commerce's housing services programs. In addition, Commerce contributes to a vital state-wide safety net of emergency shelters and transitional housing programs for homeless families and individuals, and oversees the Housing Trust Fund (HTF). The HTF, established in 1987, is funded through Washington State's capital budget, and since its inception has received \$710 million. The HTF helps Washington communities meet the housing needs of low-income and special needs populations. The HTF provides funds to:

- Support the construction, acquisition or rehabilitation of affordable housing
- Create rental and/or homeownership opportunities for low-income households, and
- Provide housing for clients of the State's social and health programs and services.

The Washington State Department of Social and Health Services (DSHS) is the human services agency responsible for providing long-term care services -- including mainstream supports (Medicaid) and state-funded services through its Aging and Disability Services Administration (ADSA) for disabled individuals and families in need, including non-elderly disabled individuals who could benefit from the Section 811 PRA

demonstration subsidies. In 2007, DSHS was awarded a "Money Follows the Person" (MFP) grant from the Federal Centers for Medicare and Medicaid Services (CMS) for its "Roads to Community Living" (RCL) demonstration project. The purpose of the RCL project is to examine how best to successfully help people with complex, long-term care needs (disabilities) transition from institutional settings into community-based living environments. Additionally, DSHS partnered with several public housing authorities (PHAs) across Washington to apply for the tenant based non-elderly, disabled housing choice vouchers (NED2) for people discharging from institutional settings. As a result of this strong collaboration, five Washington PHAs received a total of 215 NED2 housing choice vouchers in February 2011. All of Washington's NED2 vouchers were issued to eligible non-elderly, disabled ADSA clients by May, 2012. At this time, a client referral and waitlist protocol for NED2 housing choice vouchers has been established between DSHS and the five public housing authorities, which can be replicated with the PRA demonstration subsidies for disabled set-aside units in multifamily housing projects.

The Washington State Housing Finance Commission (the Commission) is the state housing finance agency for the state of Washington. Through the allocation of the federal Housing Tax Credit and the issuance of Multifamily Tax-Exempt bonds, the Commission has helped finance a spectrum of affordable multifamily housing statewide, with properties serving a variety of housing and income needs in nearly every county. Since 1987, the Commission has awarded over \$3.18 billion in federal Housing Tax Credits to project sponsors creating over 61,000 units serving very low and extremely low income residents. The Commission has had a long standing policy priority for setting aside affordable housing to serve disabled populations and has created nearly 8,000 of these units. Many of these properties have also been financed in coordination with the Housing Trust Fund.

The Washington State Health Care Authority (HCA) is the State Medicaid agency which oversees health care programs in the State and collaborates with DSHS in the provision of Medicaid services to eligible people.

The Americans with Disabilities Act (ADA), as interpreted by the U.S. Supreme Court's *Olmstead* decision, requires public entities such as state agencies to administer services, programs (including housing), and activities in the most integrated community-based settings appropriate to meet the needs of individuals with disabilities. Washington State's Section 811 Inter-Agency Partnership Agreement will foster strategies to create integrated community-based housing opportunities for people with long-term disability care needs, and offer them available services necessary to remain successfully housed.

Our goal is to build upon Washington State's pipeline of affordable multifamily housing units by expanding the inventory of disabled set-aside units available to non-elderly, disabled households at or below 30% AMI (extremely low-income), and receiving Medicaid.

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SECTION 811 INTER-AGENCY PARTNERSHIP AGREEMENT

- I. The parties to this MOU agree to work together to ensure that Section 811 project rental assistance demonstration subsidies funded through HUD's 2012 Section 811 NOFA are coordinated for eligible individuals and households with access to appropriate voluntary and elective supportive services.
- II. Furthermore, the parties to this MOU agree to comply with their responsibilities and actions as specified below.

**1 Washington State Department of Commerce (Commerce):**

**1.1 NOFA Application and Project Development**

1.1.1 Commerce will be the lead applicant and will be responsible for submitting the HUD Fiscal Year 2012 Section 811 Project Rental Assistance Demonstration program application.

1.1.2 Commerce will work collaboratively with DSHS, the Commission, and HCA to create an identification and selection process of existing and upcoming affordable multifamily housing properties that are applicable and appropriate to receive PRA demonstration subsidies.

1.1.3 Commerce will cooperate with HUD and other federal entities in the reporting and evaluation of the Section 811 PRA demonstration program.

**1.2 Outreach and Coordination with Developers/Owners of Multifamily Housing Units**

1.2.1 Commerce will conduct a survey of approximately 350 organizations of housing projects financed with tax-credits through the Washington State Housing Finance Commission or through Commerce's Housing Trust Fund to ascertain which multifamily housing projects would be appropriate (those with capacity to allocate up to 25% of their project units for disabled households), and interested in working with the Section 811 partner agencies to receive the PRA demonstration subsidies.

1.2.2 Commerce will commit awarded PRA demonstration funds through one or more public housing authorities, community action councils, local governments or third party contractors to administer and oversee Rental Assistance Contracts with owners of multifamily properties, and will administer the funds in accordance with the 2012 NOFA guidelines for the Section 811 PRA demonstration program.

**2 Washington State Department of Social and Health Services (DSHS):**

**2.1 NOFA Application and Project Development**

2.1.1 DSHS will assist Commerce with the 2012 NOFA for the Section 811 PRA Demonstration application submittal and project development, as requested.

2.1.2 DSHS will work collaboratively with Commerce and the Commission to create an identification and selection process for affordable multifamily housing properties that are appropriate to receive PRA demonstration subsidies.

2.1.3 DSHS will cooperate with HUD and other federal entities in the reporting and evaluation of the Section 811 PRA demonstration program.

## 2.2 Target Population

2.2.1 All individuals/households served through the 2012 Section 811 NOFA will be non-elderly (18 to 61 years of age), disabled, and receive or be eligible to receive services and supports provided through DSHS Aging and Disabilities Services Administration (ADSA). The target population shall include eligible individuals:

- Enrolled in the Roads to Community Living (MFP) Project
- With developmental disabilities
- With functional or cognitive disabilities
- With mental illnesses or co-occurring disorders

2.2.2 Individuals/households will have incomes at or below 30% AMI (extremely low-income), and receive, or be eligible to receive Medicaid.

## 2.3 Outreach and Referral

2.3.1 ADSA social workers and case managers will identify, screen, and assess clients within their caseloads currently residing in institutional settings as well as those in home and community based residential settings for interest/desire to relocate into multifamily housing units.

2.3.2 ADSA social workers and case managers will inform (educate) clients and family members and supportive services entities of clients rights to decide where they will live, and support/maximize client independence and self-direction whenever possible.

2.3.3 ADSA social workers and case managers will refer clients and work collaboratively with Housing Program Managers and eligible owners/landlords of multifamily housing projects to lease up vacant disabled housing units with clients discharging from institutional settings or other home and community based residential settings.

## 2.4 Supportive Services

2.4.1 ADSA staff will perform face-to-face assessments with referred clients to determine service needs and program eligibility, and provide client-centered services with an over-

arching goal of preventing unnecessary institutionalization. This will include individuals meeting the eligibility criteria for the Roads to Community Living (MFP) demonstration project.

2.4.2 ADSA will offer eligible individuals supportive services to assist the target population toward their goal of successful transition into integrated community placement settings.

2.4.3 ADSA services will be tailored to individual client need based upon a level-of-care assessment, and are subject to program availability. Supportive services are non-mandatory for project participation.

**3 Washington State Housing Finance Commission (the Commission)\*:**

**\*Supportive Role**

3.1 The Commission shall play a supportive role by participating in ongoing meetings and dialogue with Commerce and DSHS to strategize processes for the expansion and availability of affordable multifamily housing units for non-elderly disabled households.

**3.2 NOFA Application and Project Development**

3.2.1 The Commission will assist Commerce and DSHS with the 2012 NOFA for the Section 811 PRA Demonstration program application submittal and project development, as requested.

3.2.2 The Commission shall work collaboratively with Commerce and DSHS to create an identification and selection process for affordable multifamily housing properties that are appropriate and applicable to receive PRA demonstration subsidies through the 2012 Section 811 NOFA.

**4 Washington State Health Care Authority (HCA)\*:**

**\*Supportive role**

4.1 HCA fully supports the Section 811 Inter-Agency Partnership Agreement between Commerce, DSHS, and the Commission, and supports the development and submittal of a state-wide application for the HUD FY 2012 Section 811 Project Rental Assistance Demonstration program, benefiting extremely low-income, non-elderly, disabled individuals and households.

4.2 HCA agrees to the responsibilities and actions outlined above and will sign this MOU as the State Medicaid agency.

Signature Page

Washington State Department of Commerce (Commerce)

Name: Dan McConnon

Title: Deputy Director

Dan McConnon  
Signature

Date: 7/11/12

Washington State Department of Social and Health Services (DSHS)

Name: Robin Arnold Williams

Title: Secretary

Robin Arnold Williams  
Signature

Date: 7/18/12

Washington State Housing Finance Commission (the Commission)

Name: Kim Herman

Title: Exec. Director

Kim Herman  
Signature

Date: 6/19/2012

Washington State Health Care Authority (HCA)

Name: DOUG POTER

Title: DIRECTOR

Doug Potter  
Signature

Date: 7-20-12