

Voucher Power: Creative Ways to Maximize Your Assisted Living Occupancy



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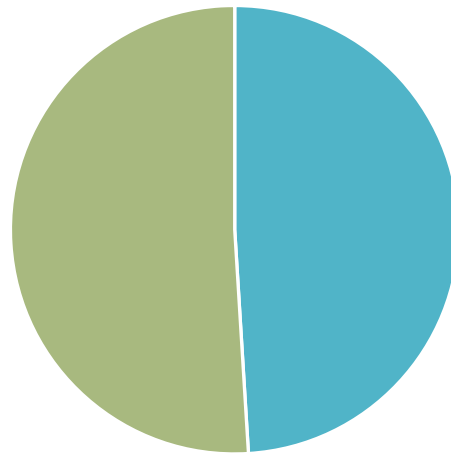
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Using HUD Vouchers in Assisted Living

5.1M HUD Units



- 2.5M HUD non-voucher assisted units
- 2.6M HUD voucher-assisted units

What's so great about a HUD voucher?

- Deeply income targeted to households with extremely low incomes
- Deep rent subsidy for residents
- Rents to landlords of 90 – 110% of Fair Market Rent

Did someone say Public Housing Authority?

YES!

Administer majority of nation's vouchers

About 2800 PHAs administer vouchers

Can decide share, if any, of vouchers that get project-based

Project-Basing Vouchers

Project-based vouchers can be “stuck” to units in assisted living communities to cover shelter costs, offering affordability to residents and steady rental income to owners

Project-Based Voucher Contracts with PHAs

- 1 to 20 years, with the possibility to renew
- Describe initial rents for the units
- Clarify responsibilities of the PHA and the owner (including income certifications, inspections, and rent adjustments)

FYI: Waiting Lists

- PHAS are authorized to use special preferences to select applicants for project-based voucher units
- Establishing such preferences is necessary when residents will also have to qualify for an assisted living community's services

Project-Basing Vouchers

Share of Housing Choice Vouchers that can be Project-Based

20% of number of Public Housing Authority's vouchers

Additional 10% for certain individuals, including older adults

Share of a Building that can have Project-Based Vouchers

Project-based vouchers can be attached to the greater of: 25% of the units in a given property or 25 units. There are exceptions to this limit for certain circumstances, including for buildings exclusively for older adults or other households eligible for supportive services that are made available to the voucher-assisted residents of the project.

The Value of a Project-Based Voucher

- HUD annually establishes Fair Market Rents
- Location and bedroom size
- PHAs can set voucher value between 90 – 110% of FMR, w/ exceptions

Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area Small Area FMRs By Unit Bedrooms					
ZIP Code	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
<u>20001</u>	\$2,300	\$2,340	\$2,660	\$3,330	\$3,970
<u>20002</u>	\$1,530	\$1,560	\$1,770	\$2,210	\$2,640
<u>20003</u>	\$2,390	\$2,430	\$2,760	\$3,450	\$4,120
<u>20004</u>	\$2,390	\$2,430	\$2,760	\$3,450	\$4,120

The Value of a Project-Based Voucher

- Assisted living provider worked with housing authority to get PBVs
- Got 145 vouchers in 180 bed community
- About \$67,000 month revenue from the voucher rents @ Fair Market Rent

Some Fine Print (it's a HUD program!)

Each PHA must have a Housing Choice Voucher “administrative plan.” The administrative plan describes the policies the PHA has adopted in those areas where the PHA has discretion, including whether and how it will project-base vouchers. These plans are updated when necessary (because PHA policies change or HUD/Congress impose new elements that must be included). HUD does not approve these plans; they are official PHA policy as soon as they are approved by the PHA Board of Commissioners.

If the PHA does project-base vouchers, the administrative plan will include how the PHA will solicit applications from owners/developers to participate in its project-based voucher program as well as the PHA's selection process. Project-based voucher sites must meet HUD's site and neighborhood standards for new construction and for existing and rehabilitated housing. Project-based voucher sites are also subject to environmental reviews. In addition, the administrative plan will spell out things like site-based waiting lists and vacancy payments in project-based voucher sites.



In accordance with the definition under Section 232(b) of the National Housing Act (12 USC 1715w(b)), an assisted living facility is a public facility, proprietary facility, or facility of a private nonprofit corporation that:

- (1) is licensed and regulated by the State (or if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located);*
- (2) makes available to residents supportive services to assist the residents in carrying out activities of daily living, such as bathing, dressing, eating, getting in and out of bed or chairs, walking, going outdoors, using the toilet, laundry, home management, preparing meals, shopping for personal items, obtaining and taking medication, managing money, using the telephone, or performing light or heavy housework, and which may make available to residents home health care services, such as nursing and therapy; and*
- (3) provides separate dwelling units for residents, each of which may contain a full kitchen and bathroom, and which includes common rooms and other facilities appropriate for the provision of supportive services to the residents of the facility.*

Assisted living facilities may be referred to as residential care facilities, adult care facilities, congregate care facilities or group homes as long as they meet the requirements noted above. Assisting living facilities are designed for residents who have the physical ability to live independently but need assistance with some activities of daily living such as personal care, transportation, meals, laundry, medication monitoring, security and housekeeping. A person residing in an assisted living unit must not require continual medical or nursing care.

<https://www.hud.gov/sites/documents/12-40PIHN.PDF>

Steps to working with your PHA

- Reach out to administrator / director of PHA's voucher program
- If it's a very small PHA, reach out directly to executive director
- Determine whether PHA project-bases any of its vouchers
- Determine if PHA is at their limit or is interested in exceptions to project-based voucher caps

Figuring out shelter costs

Why PHA Would Want to Use PBVs in AL

- Rental markets are HOT and can be hard for PHA to lease up its vouchers
- Voucher funding
- Seeing increased frailty of PHA residents

“Moving to Work” PHAs

<https://www.hud.gov/sites/dfiles/PIH/docu>

https://www.hud.gov/program_offices/public_wagencies



For Moving to Work PHAs:

- Paperwork can be much less
- Processes can be much more streamlined

In one example:

- Public Housing Authority simply used someone's Medicaid participation to determine housing eligibility and rents
- Assisted living provider does their own inspections and PHA does spot checks

Q & A

Thank you!