



**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

Special Attention of:
Public Housing Agencies with a
Family Unification Program;
Directors of HUD Regional and
Field Office of Public Housing

Notice: PIH 2016-01
Issued: January 15, 2016
Expires: Effective until amended,
superseded or rescinded

Cross references: PIH Notice 2011-52 (HA) and PIH Notice 2011-65(HA)

Subject: Family Unification Program and Family Self Sufficiency Demonstration

1. Announcement: Public Housing Agencies (PHAs) have the opportunity to participate in a demonstration testing the effectiveness of combining housing choice vouchers for eligible youth lacking adequate housing under the Family Unification Program (FUP) with assistance under the Family Self Sufficiency (FSS) program. The purpose is to increase opportunities for housing youth with support to achieve self-sufficiency.

Specifically, this demonstration extends the 18-month time limit to match the length of the FSS contract, typically five years. HUD's Fiscal Year 2015 Appropriations¹ allows the Secretary to establish alternative requirements under section 8(x) of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) to establish a demonstration. This demonstration does not waive or establish alternative requirements under the FSS program.

HUD's Fiscal Year 2015 Appropriations does not include an allocation of new FUP Vouchers.

2. Eligibility: In order to participate in the demonstration, PHAs must currently administer both FUP and an FSS program and be in compliance with all applicable civil rights statutes and regulations.

3. Background: The comprehensive document titled "Opening Doors: Federal Strategic Plan to Prevent and End Homelessness" sets the goal of ending homelessness for youth (along with families and children) by the year 2020.² FUP is a vital tool in achieving this goal. A recent study found that by age 26, one-third of youth who age out of foster care have had at least one episode of homelessness.³ FUP is HUD's only housing program explicitly targeted to youth aging out of foster care.

¹ HUD's Fiscal Year 2015 Appropriations is found in Title II, Division K of the Consolidated and Further Continuing Appropriations Act, 2015, Public Law 113-235, approved December 16, 2014.

² See the full Opening Doors: Federal Strategic Plan to Prevent and End Homelessness at http://usich.gov/opening_doors/.

³ Courtney, M., Dworsky, A., Brown, A., Cary, C., Love, K., & Vorhies, V. (2011). Midwest evaluation of the adult functioning of former foster youth: Outcomes at age 26. Chicago, IL: Chapin Hall at the University of Chicago

In a HUD study of the FUP program, a major barrier to greater youth participation was the time limit on the rental subsidy.⁴ PHAs and public child welfare agencies (PCWAs) suggested the 18-month time limit is too short, noting that landlords generally prefer annual leases with full 12-month renewals. The limited time causes high turnover rates demanding greater staff resources and creating greater administrative costs. The 18-month restriction also does not align with a standard academic term for youth enrolled in an education program. Finally, youth require additional time to become self-sufficient and transition to independent living and adulthood.

4. Eligible Youth: FUP eligibility requires a dual-agency determination. The PCWA certifies at the time of application for FUP that the youth is at least 18 years old and not more than 21 years old (has not reached 22nd birthday) who left foster care at age 16 or older and who does not have adequate housing. The PHA determines eligibility for voucher assistance. Age eligibility (i.e. determining that a youth is between the ages of 18-21) is only performed at the time of admission. Youth can continue their assistance on the FUP-youth program until the time limit of the voucher is reached, even if the youth is older than 21 at that time.

In addition, consistent with the requirements of Section 504 of the Rehabilitation Act of 1973 (Section 504) and Title II of the Americans with Disabilities Act of 1990(ADA), PHAs may be required to make reasonable accommodations in PHA policies and practices for youth with disabilities.

Lack of adequate housing means youth is:

- a) living in substandard or dilapidated housing;
- b) homeless;
- c) in imminent danger of losing their housing;
- d) displaced by domestic violence;
- e) living in an overcrowded unit; or
- f) living in housing not accessible to the youth or the youth's disabled child or children, due to the nature of the disability.

For additional details on youth eligibility, including definitions for the terms used to define lack of adequate housing, see the 2010 FUP Notice of Funding Availability (NOFA) at <http://archives.hud.gov/funding/2010/fupsec.pdf>.

5. Demonstration Outline: Program participants with a FUP youth voucher who agree to sign an FSS Contract of Participation (Form HUD-52650) will maintain their housing assistance for a period not exceeding the length of the FSS Contract of Participation. In most cases, this limit will be no more than 5 years; however, if the FSS Contract of Participation is extended, in accordance with 24 CFR 984.303(d), the FUP youth voucher can be extended for the entire length of the FSS Contract of Participation.

⁴ See The Family Unification Program: A Housing Resource for Youth Aging Out of Foster Care available at http://www.huduser.org/portal/publications/Supportive_housing_for_youth.pdf.

Current FUP youth must be given the opportunity to participate. The FUP participant is afforded the full length of the FSS Contract of Participation without regard to the amount of time remaining on their original 18 month time limit.

Families cannot be required to participate in the FSS program as condition of receipt of assistance under the HCV program, including receipt of a FUP voucher. However, only FUP youth that sign an FSS Contract of Participation may benefit from the extension of the time limit for voucher assistance. For example, a FUP youth participant in the 13th month of participation is eligible to maintain assistance for the entire length of the FSS Contract of Participation from the time the FUP youth signs such contract.

PHAs must review the availability of this demonstration with all FUP youth during the family briefing (24 CFR 982.301(a)). PHAs must establish written policies describing how current FUP youth will be notified of this opportunity and the time frame to enroll in the demonstration. HUD encourages PHAs to provide no less than 60 days following notification to support FUP youth enrollment. Current FUP youth participants are eligible to enroll in this demonstration until the conclusion of the 18 month time limit of the FUP youth voucher.

6. Program Accessibility: Consistent with Section 504 of the Rehabilitation Act and Title II of the Americans with Disabilities Act, and their implementing regulations, 24 CFR Part 8 (Section 504); 28 CFR Part 35 (Title II), PHAs participating in the demonstration, must take appropriate steps to ensure effective communication with FUP applicants, FUP participants, and members of the public with disabilities, including during outreach, recruitment, enrollment, and trainings.

PHAs are required to provide appropriate auxiliary aids and services, such as qualified sign language interpreters, large print, Braille, and other alternate format materials, where necessary to afford an individual with a disability an equal opportunity to participate in, and enjoy the benefits of, the demonstration program or activities. PHAs must give primary consideration to the requests of the individual with the disability in determining what auxiliary aids and services are necessary. PHAs participating in the demonstration must make reasonable adjustments or modifications to their rules, policies, practices, and procedures in order for individuals with disabilities to equally participate in and benefit from the demonstration program and activities. PHAs must also ensure that meetings and trainings are held in physically accessible locations.

For more information about PHA responsibilities under fair housing and civil rights laws for individuals with disabilities, *see* HUD Notice PIH 2010-26, at <http://www.hud.gov/offices/pih/publications/notices/10/pih2010-26.pdf>.

Consistent with Title VI of the Civil Rights Act of 1964, PHAs participating in the demonstration must also take reasonable steps to ensure meaningful access to their programs and activities to persons with limited English proficiency (LEP). For assistance and information regarding LEP obligations, *see* www.lep.gov/guidance/HUD_guidance_Jan07.pdf. For more information on LEP, please visit <http://www.hud.gov/offices/fheo/lep.xml>.

7. Termination: If a FUP youth participating in this demonstration fails to comply with the terms and conditions of the FSS Contract of Participation without good cause and is terminated from the FSS program, the FUP youth is no longer considered a participant in this demonstration. With FSS termination, the FUP youth is subject to the statutory time limit of 18 months, beginning from the time the first HAP contract is signed. If the FUP youth has been assisted for more than 18 months, the PHA terminates assistance to the FUP youth household.

Prior to terminations, PHAs offer an informal hearing to a FUP youth wishing to appeal a PHA decision to terminate. Policies specifying such hearing procedures are included in the PHA's FSS Action Plan. See Section 16 of this notice for more information on updating the FSS Action Plan.⁵ The requirements of compliance and consequences for not complying with the terms and conditions of the FSS Contract of Participation are reviewed with the FUP youth at the time the FSS Contract of Participation is signed.

8. PCWA requirements: PCWA requirements remain unchanged under this demonstration. The PCWA must offer FUP youth services for the first 18 months of their participation in FUP. A list of services the PCWAs must offer FUP youth is found in the 2010 FUP Notice of Funding Availability under section C(1)(b)(5)(f): <http://archives.hud.gov/funding/2010/fupsec.pdf>

9. Selection preference: A PHA's waiting lists for enrollment in FSS can be a barrier to FUP youth having access to the demonstration. To ensure prioritization and enrollment for FUP youth before the 18 month time limit on their voucher, PHAs may create a selection preference in their FSS program. This is allowed under 24 CFR 984.203 because the services provided through the PCWA are considered an "FSS related service program." FUP youth participating in the services or are on the waiting list for the services may be considered eligible for the preference.

10. Continuum of Care and Juvenile Justice System referrals: HUD requires Continuums of Care (CoCs) to establish and operate a centralized or coordinated assessment system (commonly referred to as "coordinated entry"), which provides an initial, comprehensive assessment of the housing and service needs of individuals and families experiencing homelessness (24 CFR 578.7(a)(8)). Coordinated entry helps communities prioritize assistance based on vulnerability and severity of service needs to more timely assist those with greatest need.

PCWAs and PHAs may accept referrals from CoCs and local Juvenile Justice Systems for eligible youth in support of a community's effort to prioritize assistance. PCWAs and PHAs accepting referrals from CoCs and local Juvenile Justice Systems should have a clear process outlined for coordinating referrals. PCWA certification of

⁵ This provision differs from the alternative requirement for FSS established in 79 FR 78100, *Waivers and Alternative Requirements for the Family Self-Sufficiency Program*, which does not allow PHAs to terminate voucher assistance for failure to comply with the FSS Contract of Participation. Because the demonstration language that permits HUD to waive sections of Section 8(x) directly connects participation in FSS and FUP, participation in FSS is required after current statutory time limit of 18 months for FUP youth. PHAs may not terminate voucher assistance for FUP youth because of failure to comply with an FSS Contract of Participation prior to the end of the first 18 months of assistance.

eligibility is still required, along with PCWA services for the first 18 months. CoC contact information is found at:

www.hudexchange.info/grantees/?granteesaction=main.searchresults&programid=3

11. How to participate: PHAs must submit a written request to participate in the demonstration, signed by the PHA Executive Director and PCWA Executive Director, and submitted electronically to FUPvouchers@hud.gov, copying the local HUD Office of Public Housing. Submission indicates willingness to participate in the evaluation of this demonstration, outlined in section 19 of this notice. The request must include the following:

- a) Copy of the MOU with the PCWA(s) to serve the target population;
- b) Brief narratives sufficient to demonstrate:
 - i. Capacity to serve the target population, including outreach and engagement, a description of plans for coordinating case management and services provided by the PCWA with those provided through FSS, and voucher utilization.
 - ii. Success of the PHA's existing FSS program in serving residents.
 - iii. Partnerships, or intent to establish a partnership with local organizations that serve homeless youth, including but not limited to participants in the CoC.

12. HUD review: The Office of Housing Choice Vouchers Management and Operations Division (MOD) in HUD headquarters will review submissions to ensure completion and compliance with the requirements described in Section 11 and that the PHA administers both FUP and an FSS program. If any Section 11 element is missing, or the PHA does not administer both FUP and an FSS program, HUD will notify the PHA by email that the application is denied and outline the deficiencies. PHAs may re-submit so to add the previously missing elements from Section 11 within the time limits specified in the notification, subject to a limit of 30 calendar days to correct deficiencies. If an application includes all the necessary elements outlined in Section 11 and HUD determines sufficiency within the narrative requirements, HUD will notify the PHA of its approval to participate via email within 30 days.

13. Deadline to apply: HUD must receive all requests to participate in the demonstration on or before Friday, July 15, 2016.

14. Demonstration period: PHAs must continue to accept participants for the demonstration until notified by HUD.

15. Updating PHA Policy: PHA policy changes in support of this demonstration must be adopted in the PHA's HCV program administrative plan (24 CFR 982.54). Where changes to policies are significant amendments to the PHA's Annual Plan, the PHA must comply with the amendment provisions (24 CFR 903.21), including soliciting public comment and consulting with the resident advisory board.

16. Updating the FSS action plan: Prior to implementing the demonstration, the PHA must submit revisions of the FSS action plan to FUPvouchers@hud.gov and their HUD Field Office. The review will be conducted by the HUD Field Office.

The FSS action plan must be amended in accordance with the outline provided in Section 5 of this notice and include the following:

- Description of notification and outreach to recruit FUP youth. See 24 CFR 984.201(d)(6) for additional information regarding outreach;
- Requirements and expectations of participating FUP youth; and
- Description of PHA policies concerning termination of the FUP youth voucher as described in 24 CFR 984.201(d)(9).

PHAs assess the need to amend the FSS action plan in the following areas:

- FSS family selection procedures per 24 CFR 984.203(a);
- Motivation as a selection factor per 24 CFR 984.203(c);
- Allowance of interim disbursements of escrow funds to the FUP youth per 24 CFR 984.305(c)(2)(ii); and
- FSS program size per 24 CFR 984.201(d)(2).

Per 24 CFR 984.201, revisions of an approved action plan require HUD approval, requiring PHAs to submit changes to HUD. In addition to action plan updates, PHAs may incorporate the local PCWA on the FSS Program Coordinating Committee (PCC) per 24 CFR 984.202.

PHAs should work in collaboration with the PCWA in developing FSS action plan policies that seek to ensure successful implementation of this demonstration. Such policies include establishing outreach efforts that effectively recruit FUP youth and determining suitable approaches for the FUP youth. Approach options include education/training as a first phase (i.e. during FSS participation, participants focus on activities such as securing a GED, job-specific skills, or a degree) or a work-first approach (i.e. the participant focuses on seeking and maintaining employment).

PCWAs must provide or secure service commitments for FUP youth for the first 18 months. Services may include federal and non-federal sources, other than those currently provided to FSS participants.

17. IMS/PIC Reporting: PHAs must enter code FUPY in line 2n of the Family Report (HUD-50058) or line 2p of the MTW Family Report (HUD-50058 MTW), as applicable, to indicate participation in the demonstration by FUP-eligible youth. These codes remain on the Family Report for the duration of the FUP youth's participation. See PIH Notice 2011-52 for additional information on FUP reporting requirements.

Reporting requirements for the FSS program can be found in Notice PIH 2011-65.

18. Portability: Participation in this demonstration does not alter portability provisions under the FSS regulations and the FSS Program Contract of Participation (Form HUD-52650).

19. Evaluation: The authorizing provisions for this demonstration include a requirement for HUD to monitor and evaluate the demonstration and report on whether the demonstration helped homeless youth achieve self-sufficiency. Participating PHAs must agree to participate in an evaluation of the demonstration to be carried out by HUD. To

analyze the implementation of the program and outcomes for program participants, any of the following methodologies may be employed by HUD: phone interviews, site visits, focus groups, online surveys, and/or the review of administrative data.

20. Paperwork Reduction Act: The information collection requirements contained in this notice are approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C 3520). In accordance with the PRA, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. The following active information collection contained in this notice has been approved under OMB Control Numbers 2577-0083, 2577-0169, and 2577-0259.

21. Further Information: Direct questions concerning this notice to: FUPvouchers@hud.gov or your local HUD Office of Public and Indian Housing. Contact information is available on HUD's website at http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/about/field_office. Persons with hearing or speech impairments may access their local HUD Office of Public Housing via TTY by calling the Federal Information Relay Service at (800) 877-8339.

/s/

Lourdes Castro Ramírez, Principal Deputy
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