

Fostering Stable Housing Opportunities (FSHO)

February 16, 2022



Housekeeping Items

- ▶ This webinar is being recorded.
- ▶ Video and microphone capabilities are disabled on viewer's end.
- ▶ Questions can be typed in the chat box.
 - ▶ HUD's FUP and FYI webpages will be updated with questions and answers.
- ▶ Closed captioning is available.
- ▶ Slides and webinar recording will be posted on HUD's [FUP](#) and [FYI](#) webpages.



Presenters

- ▶ **Danielle Bastarache**

Deputy Assistant Secretary, Office of Public Housing and Voucher Programs

- ▶ **Celia Carpentier**

Senior Housing Programs Specialist, Housing Voucher Management and Operations Division



Welcome

Danielle Bastarache

Deputy Assistant Secretary for Public Housing and
Voucher Programs



FSHO Overview

Celia Carpentier

Senior Housing Programs Specialist, Housing Voucher
Management and Operations Division



What is FSHO?

- ▶ The Fostering Stable Housing Opportunities (FSHO) amendments.
 - ▶ Enacted as part of the Consolidated Appropriations Act, 2021.
 - ▶ Amended the Family Unification Program (FUP), including the Foster Youth to Independence initiative (FYI).
 - ▶ Provides FUP/FYI youth with an extension of the 36-month time limit of assistance for up to an additional 24 months if they meet the requirements of FSHO.



FSHO - Applicability

- ▶ Applies to youth who first leased or leases a unit with a FUP/FYI voucher after the date of enactment of FSHO, i.e., December 27, 2020:
 - ▶ FUP/FYI tenant-based assistance: Applies to youth who first leased a unit where the effective date of the HAP contract execution is after December 27, 2020.
 - ▶ FUP/FYI project-based assistance: Applies to youth who first entered into a lease agreement after December 27, 2020.
- ▶ Applies regardless of whether the PHA was awarded the FUP/FYI voucher allocation before or after December 27, 2020, as long as the youth first leased or leases a unit with FUP/FYI assistance after December 27, 2020.



FSHO - Extension of Assistance

- ▶ FSHO provides an extension of voucher assistance for:
 - ▶ FUP/FYI youth who are participating in a Family Self-Sufficiency (FSS) program under Section 23 of the U.S. Housing Act or an MTW self-sufficiency program.
 - ▶ FUP/FYI youth who were unable to enroll in FSS, but engaged in education, workforce development, or employment activities for at least 9 months of the 12-month period preceding the extension.
 - ▶ FUP/FYI youth who meet one of the statutory exceptions.



FSHO - Extension of Assistance

Family Self-Sufficiency Program

- ▶ **First 36-Months of FUP/FYI Assistance:** If the youth is offered an FSS slot during their first 36 months of FUP/FYI assistance, the youth **must** participate in the FSS program in order to receive an extension of assistance.*
- ▶ **After 36 Months of FUP/FYI Assistance:** If the youth is offered an FSS slot after the 36-month mark, the youth may choose to accept the FSS slot or decline the slot and meet the education, workforce development, or employment requirement instead.*

*Unless the youth meets one of the statutory exceptions.



FSHO - Extension of Assistance

Family Self-Sufficiency Program

▶ Question for Public Comment:

- ▶ In order to receive an extension of FUP/FYI assistance, should the cut-off for requiring a youth to enroll in the FSS program be the 36-month mark or is a different cut-off more appropriate based on the requirements of the FSS program?



FSHO - Extension of Assistance

Education, Workforce Development, or Employment Activities

- ▶ A FUP/FYI youth is entitled to receive an extension of assistance under this provision only if the youth is unable to enroll in FSS.

A FUP/FYI youth is considered to be unable to enroll in FSS if:

- ▶ The PHA does not have an FSS program; or
- ▶ The PHA has an FSS program, but the youth has not been offered an FSS slot during the first 36 months of receiving FUP/FYI assistance.



FSHO - Extension of Assistance

Education, Workforce Development, or Employment Activities

- ▶ The youth must have engaged in at least one of the following activities for not less than 9 months of the 12-month period preceding each extension.
- ▶ Education:
 - ▶ The youth was engaged in obtaining a “recognized postsecondary credential” or a “secondary school diploma or its recognized equivalent;” or
 - ▶ The youth was enrolled in an “institution of higher education” a “proprietary institution of higher education,” or a “postsecondary vocational institution” as defined in the Higher Education Act.
- ▶ Workforce Development: The youth was participating in a career pathway, as such term is defined in section 3 of the Workforce Innovation and Opportunity Act (WIOA).
- ▶ Employment: The youth was employed.



FSHO - Extension of Assistance

Education, Workforce Development, or Employment Activities

- ▶ The PHA has discretion in implementing this requirement. Specifically:
 - ▶ Defining employment: PHA determines how it will define “employment.”
 - ▶ Minimum number of hours: A PHA may, but is not required, to establish a minimum number of hours that a youth must engage in these activities in order to receive an extension of assistance.
 - ▶ Documentation: The PHA determines what documentation a FUP/FYI youth must provide to demonstrate that they meets this requirement.
- ▶ HUD encourages PHAs to consider how they can provide extensions of FUP/FYI assistance to the broadest population possible while still complying with the statutory requirements.



FSHO - Extension of Assistance

Education, Workforce Development, or Employment Activities

▶ Questions for Public Comment:

- ▶ Should HUD establish a minimum number of classes or credits that a youth must be enrolled in or a minimum number of hours that a youth must work in order to receive an extension of FUP/FYI assistance under this provision?
- ▶ Should HUD establish a maximum number of classes or credits or a maximum number of work hours that a PHA may require in order for a youth to receive an extension of FUP/FYI assistance under this provision?



FSHO - Extension of Assistance

Statutory Exceptions

- ▶ FSHO provides an extension of FUP/FYI voucher assistance for youth who:
 - ▶ Are responsible for the care of a dependent child under the age of 6 or for the care of an incapacitated person;
 - ▶ Are regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program; or
 - ▶ Are incapable of complying with the requirement to participate in an FSS program or engage in education, workforce development, or employment activities, as applicable, due to a documented medical condition.



FSHO - Notification of Youth

- ▶ Family briefing. The PHA must inform the FUP/FYI youth of:
 - ▶ FSHO: FSHO requirements for receiving an extension of assistance.
 - ▶ FSS: The FSS program and offer them an FSS slot, if available, or offer to place them on the FSS waiting list (only applies to PHAs that administer an FSS program).
 - ▶ Supportive Services: The FUP/FYI supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services.
- ▶ Notification of current FUP/FYI youth. The PHA must notify FUP/FYI youth who were issued a voucher prior to the publication of the FSHO notice and who first leased or leases a unit after December 27, 2020 of the FSHO and FSS provisions listed above.



FSHO - Extension of Assistance

Verification of Compliance

- ▶ Timing: The PHA must verify compliance with FSHO on an **annual basis** in conjunction with reviews for determining income eligibility for the HCV program.
 - ▶ FSHO compliance determined in conjunction with the annual reexamination at the end of the 36-month and 48-month time periods.



FSHO - Extension of Assistance

Verification of Compliance

- ▶ **FSS Requirement:** The PHA must check its records or with FSS program staff to determine if the youth is enrolled in FSS and in compliance with FSS program requirements.
- ▶ **Education, Workforce Development, or Employment Requirement:** The FUP/FYI youth must provide documentation to show that they were engaged in these activities for at least 9 months out of the preceding 12-month period.
- ▶ **Statutory Exceptions:** The FUP/FYI youth must certify that they meet one of the statutory exceptions.



FSHO - Notification of Youth

- ▶ At the 24-month reexamination: The PHA **is encouraged to** remind the youth of the education, workforce development, or employment requirement (if applicable).
- ▶ In advance of the 36-month and 48-month reexaminations: If the FUP/FYI youth is not enrolled in FSS, the PHA **must** provide the youth with written notification of how they may demonstrate that they meet the requirements to receive an extension of assistance under FSHO.
 - ▶ This written notification must reflect the actual FSHO provisions that are available to the youth, i.e., must accurately reflect whether the youth may receive an extension under the education, workforce development, or employment provision.



FSHO - Extension of Assistance

- ▶ If the FUP/FYI youth meets FSHO requirements:
 - ▶ The PHA must provide the youth with the extension of voucher assistance (as long as youth still meets the requirements of the HCV program).
- ▶ If the FUP/FYI youth does not meet FSHO requirements:
 - ▶ The youth is subject to the statutory time limit of 36 months or the time limit of any extension that the youth has already received.
 - ▶ Does not serve as a basis for terminating the FUP/FYI assistance prior to the annual reexamination.



FSHO - Extension of Assistance

FUP-FSS Demonstration

- ▶ FSHO does not impact participants in the FUP-FSS Demonstration. Participants are entitled to have their voucher extended for the time period allowed under the Demonstration and are not limited by the maximum 24-month extension under FSHO.
- ▶ FSHO applies to FUP/FYI youth that are not participating in the FUP-FSS Demonstration. The PHA must:
 - ▶ Allow youth who are unable to enroll in FSS during the first 36 months of receiving FUP/FYI assistance to receive an extension of assistance if they meet the education, workforce development, or employment requirement.
 - ▶ Provide an extension of FUP/FYI assistance for youth who meet one of the statutory exceptions.



FSHO - Moving to Work (MTW) PHAs

- ▶ **MTW Flexibility:** MTW agencies may establish alternative terms, conditions, or requirements for the extension of FUP/FYI assistance.
 - ▶ Any alternative terms, conditions, or requirements must be included in the Annual MTW Plan (for initial agencies) or the MTW Supplement to the PHA Plan (for expansion agencies).
- ▶ **MTW agencies may not:**
 - ▶ Waive or modify the length of the extension of assistance allowed under FSHO (i.e., 24 months).
 - ▶ Waive or modify the statutory exceptions.



FSHO - Project-Based Voucher (PBV) Provisions

- ▶ **PBV Percentage Limitation:** FSHO amended the provision that allows PHAs to project-base an additional 10 percent of its units above the 20 percent program limit, provided those additional units fall into certain categories. This list of categories now includes units that house eligible youth receiving FUP/FYI assistance.
- ▶ **PBV Income-Mixing Requirement:** FSHO amended the categories of units that may be excluded from the 25 percent or 25-unit project cap on PBV assistance. This list of categories now includes units that are exclusively made available to eligible youth receiving FUP/FYI assistance.



FSHO - Project-Based Voucher (PBV) Provisions

PBV Percentage Limitation

- ▶ **Applicability.** In order for a unit made available to FUP/FYI youth to be covered under the 10 percent exception authority:
 - ▶ The HAP contract must specify that the unit is specifically made available to FUP/FYI youth and the unit must be occupied by an eligible youth receiving FUP/FYI assistance.
 - ▶ The unit must be under a HAP contract that became effective after December 27, 2020.
- ▶ **Submission requirement.** A PHA that wishes to add units made available to FUP/FYI youth under the 10 percent exception authority must submit the information required under section II.C.2.B. of the HOTMA January 18, 2017, Notice to HUD.



FSHO - Project-Based Voucher (PBV) Provisions

PBV Percentage Limitation: Expiration of FUP/FYI Assistance.

- ▶ If the youth vacates the unit: The owner must lease the unit to another FUP/FYI youth for the unit to remain under the FUP-Youth/FYI 10 percent exception authority.
- ▶ If the youth does not vacate the unit: The unit will no longer be covered under the FUP-Youth/FYI 10 percent exception authority. The PHA must take one of the following actions:
 - ▶ Remove the unit from the HAP contract.
 - ▶ Amend the HAP contract to substitute the youth's current unit for another unit in the building if it is possible to do so in accordance with 24 CFR 983.207(a).
 - ▶ Change the unit to one of the other exception categories if the youth, or the unit, happens to qualify for it. Such a change must comply with the income-mixing requirement.



FSHO - Project-Based Voucher (PBV) Provisions

PBV Income-Mixing Requirement

- ▶ **Applicability.** In order for a unit made available to FUP/FYI youth to be excepted from the project cap:
 - ▶ The HAP contract must specify that the unit is specifically made available to FUP/FYI youth and the unit must be occupied by an eligible youth receiving FUP/FYI assistance.
 - ▶ The unit must be under a HAP contract that became effective after December 27, 2020, unless:
 - ▶ The PHA and owner agree by mutual consent to change the terms of a HAP contract already in effect on or prior to December 27, 2020, to add excepted units exclusively made available to FUP/FYI youth or change the exception category of a current excepted unit to be a unit exclusively made available to FUP/FYI youth.



FSHO - Project-Based Voucher (PBV) Provisions

PBV Income Mixing Requirement: Expiration of FUP/FYI Assistance.

- ▶ If the youth vacates the unit: The owner must lease the unit to another FUP/FYI youth for the unit to remain under the FUP-Youth/FYI excepted unit category.
- ▶ If the youth does not vacate the unit: The unit will no longer be covered under the FUP-Youth/FYI excepted unit category. The PHA must take one of the following actions:
 - ▶ Remove the unit from the HAP contract.
 - ▶ Amend the HAP contract to substitute the youth's current unit for another unit in the building if it is possible to do so in accordance with 24 CFR 983.207(a).
 - ▶ Amend the HAP contract to change the unit to another excepted unit category if the youth, or the unit, happens to qualify for it, or change the unit to a non-excepted unit if doing so is allowable under the income-mixing requirement. Any changes must comply with the program limitation.



Next Steps

FSHO - Next Steps

- ▶ FSHO Notice was published in the Federal Register on January 24, 2022
- ▶ Public comments accepted until March 25, 2022.
 - ▶ The purpose of the public comment period is to determine whether future changes are necessary. The FSHO notice will be effective on April 25, 2022.
- ▶ FUP and FYI websites will be updated to incorporate FSHO.
 - ▶ Webinar will be posted.
 - ▶ FSHO Q&As will be added.



The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue, set against a white background. The shapes are primarily triangles and polygons, creating a modern, dynamic feel.

Questions
FYI@hud.gov