

**SAMPLE**

Agreement No. [Number]



**Cooperative Agreement**

**Between**

**PBRA Owner A, Legal Name; Property Name; HUD Contract Number**

**And**

**PBRA Owner B, Legal Name; Property Name; HUD Contract Number**

**For**

**Family Self-Sufficiency Programs at the Above Locations.**

*Note: The bold and italicized text explains the purpose of the template. Fill in the text boxes with the details of property owner, property names, and locations. The italicized text should be deleted from the final version of the cooperative agreement. The template may also be modified in whatever way is necessary for your specific needs.*

***Purpose of this template:** The 2022 FSS Final Rule, “Streamlining and Implementation of Economic Growth, Regulatory Relief, and Consumer Protection Act Changes to Family Self-Sufficiency (FSS) Program (24 CFR Parts 887 and 984),” outlines the requirements for operating an FSS program at a HUD-assisted multifamily housing property. The rule creates the groundwork for the pooling of resources between either two PBRA owners or between a PBRA owner and a PHA. This template is designed to be used by two PBRA owners.*

**I. Authority and Purpose**

**A. Legislative Authority**

This cooperative agreement between **PBRA Owner A, Legal Name; Property Name; HUD Contract Number** known as “Owner A” and “Property A” and **PBRA Owner B, Legal Name; Property Name; HUD Contract Number** known as “Owner B” and “Property B” is entered into by the authority of 42 U.S.C. 1437u, and 3535(d). Owners A

and B are guided by 24 CFR Parts 887 and 984, Streamlining and Implementation of Economic Growth, Regulatory Relief, and Consumer Protection Act Changes to Family Self-Sufficiency (FSS) Program from 87 FR 30020.<sup>1</sup>

## **B. Purpose**

The 2022 FSS Final Rule, “Streamlining and Implementation of Economic Growth, Regulatory Relief, and Consumer Protection Act Changes to Family Self-Sufficiency (FSS) Program (24 CFR Parts 887 and 984),” outlines the requirements for operating an FSS program at a HUD-assisted multifamily housing property. The rule creates the groundwork for the pooling of resources between either two PBRA owners or between a PBRA owner and a PHA. This rule was implemented to make it easier for housing providers to hire FSS coordinators, thus expanding the FSS program to a greater number of eligible families. FSS coordinators play a key role in program success. They are tasked with connecting participants to supportive services; examples of such services are provided in the definitions section of this agreement. The FSS program began with the goal of reducing the dependency of low-income families on welfare assistance and housing subsidies, hence achieving self-sufficiency as defined by 24 CFR § 984.102.

The purpose of this agreement is to provide a framework for implementing the FSS program between two Owners, A and B. This agreement outlines the key responsibilities that each signatory must fulfill, which includes managing the FSS escrow account, running the waiting list, enrolling and providing case management/coaching to participants, and communicating over any changes to the Action Plan.

## **II. Responsibilities**

### **A. FSS Escrow Account**

Each signatory to this agreement is responsible for managing their own FSS interest-bearing escrow accounts for participating families residing in their property. Signatories cannot manage accounts for participants living in a different property from that over which they have direct ownership. FSS escrow management entails calculating and tracking escrow amounts and interest in accordance with 24 CFR § 984.305. Each signatory must provide periodic escrow amounts to the FSS Program Coordinator for its administration to FSS participants (24 CFR § 887.107(2)). Deposits into the escrow account will occur monthly (24 CFR § 984.305(a)(1)). HUD allocates funding to the FSS escrow accounts in multifamily housing until participant graduation or termination. Each signatory is responsible for making a report at least once annually to each FSS family on the status of the family's FSS escrow account (24 CFR § 984.305(a)(3)). At a minimum, the report will include:

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<sup>1</sup>Please see: <https://www.federalregister.gov/d/2022-09528>.

- (i) The balance at the beginning of the reporting period;
- (ii) The amount of the family's rent payment that was credited to the FSS escrow account, during the reporting period;
- (iii) Any deductions made from the account at the time of final disbursement of FSS escrow funds (see paragraphs (a)(2)(iii) and (c) of this section) for amounts due the PHA or owner;
- (iv) The amount of interest earned on the account during the year; and
- (v) The total in the account at the end of the reporting period.

### **B. Waiting Lists**

Each signatory must manage their own waiting list for FSS program selection. It is a requirement that each waiting list is made open to all FSS-eligible families residing in the property (24 CFR § 887.107(1)). There is only one eligibility requirement, which is that the applicant must be residing in a PBRA (Project Based Section 8) housing unit covered by this agreement. Families that do not receive rental assistance through the PBRA program are not eligible to participate in FSS. In addition, the FSS program is entirely voluntary for residents.

### **C. Action Plan**

Each signatory is required to create their own Action Plan for HUD's approval by the start date of their FSS program (24 CFR § 887.107(3)). The Action Plan's development, content, and submission must conform to 24 CFR § 984.201. The content of the Action Plans created by the signatories may be the same, but separate demographic information for each property served under this agreement must be included and any differences (such as different service partners at different properties) must be specified. The plan must be submitted to HUD by each signatory for approval before beginning enrollment of FSS participants. The plan must be developed in consultation with key stakeholders, such as the local governmental entity, Program Coordinating Committee (PCC), and providers of supportive services. In addition, consideration must be given to coordinating a shared response to minor costs, as HUD will not cover such expenses. The Action Plan should contain the following:

- Family demographics for each property served
- Estimate of number of participating families
- Eligible families from other self-sufficiency programs (if applicable)
- FSS family selection procedures
- Incentives to encourage participation
- Outreach efforts
- FSS activities and supportive services
- Method for identification of family support needs
- Program termination, withholding of services, and available grievance procedures

- Assurances of non-interference with rights of non-participating families
- Timetable for program implementation
- Information on the availability of a PCC
- Any other policies

#### **D. FSS Program Coordinating Committee (PCC)**

A PCC must include the FSS coordinator and at least one FSS program participant who is a PBRA resident. If an existing PCC is available for the signatories of this agreement to join, they must either join that PCC or start their own. If no existing PCC is available for the signatories of this agreement to join, they may start their own PCC. If no existing PCC is available and the signatories choose not to start their own PCC, HUD encourages owners to establish another mechanism for receiving regular feedback from program participants and service partners on how to improve the FSS program at the properties served.

#### **E. FSS Coordination**

The Owners subject to this agreement must refer FSS participants to appropriate supportive services and programs, support and monitor ongoing participation of FSS participants, and manage escrow accounts. The FSS coordinator should be an individual familiar with the supportive services available to the participants at the property, as well as someone who understands the unique needs of the program participants.

Through this agreement, Owner A agrees to serve FSS participants at Property B through Property A's FSS program. Owner A will ensure that the FSS coordinator employed or contracted by Owner A will provide the same level of coordination and service to residents of Property B that are provided to residents of Property A.

Participating owners must coordinate their efforts in securing commitments of public and private resources for the operation of the program. This coordination will also assist the owners in developing the Action Plan and in implementing the program.

#### **F. Communication**

The Action Plan should specify all of the relevant stakeholders responsible for large-scale changes, such as rent calculations, FSS participation, or any other major policy changes. Signatories will notify the other party to this agreement of to any policy changes affecting their Action Plan.

In addition, both signatories must share escrow and rent calculation information on behalf of all participating families at Property B. The party providing the FSS coordinator will be responsible for filling out the [Multifamily Reporting Tool](#)<sup>2</sup> and providing it for review, concurrence, and submission to HUD by the other party at least annually. Owner A will track the services and escrow amounts and provide them periodically to the other party. The information in the Multifamily

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<sup>2</sup> [https://www.hud.gov/sites/dfiles/PIH/documents/Copy\\_of\\_MF\\_FSS\\_Reporting\\_Tool\\_2022.xlsx](https://www.hud.gov/sites/dfiles/PIH/documents/Copy_of_MF_FSS_Reporting_Tool_2022.xlsx)

Reporting tool includes basic household information for each participant, monthly escrow accrued, total escrow amount, types of supportive services used, number of terminations, and the number of graduations.

### **III. Definitions**

*FSS escrow account (or, escrow)* means the FSS escrow account authorized by section 23 of the Housing Act of 1937 Act (the 1937 Act), and as provided by §984.305.

*Family Self-Sufficiency (FSS) Program* means the program established by a PHA within its jurisdiction or by an owner to promote self-sufficiency among participating families, including the coordination of supportive services to these families, as authorized by section 23 of the 1937 Act.

*FSS Program Coordinator* means the person(s) who runs the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; goal-setting and case management/coaching of FSS participants; working with the community and service partners; and tracking program performance.

*Multifamily assisted housing (also known as project-based rental assistance (PBRA))* means rental housing assisted by a Section 8 Housing Payments Program, pursuant to 24 CFR parts 880, 881, 883, 884, and 886.

*Program Coordinating Committee (PCC)* means a representative body whose functions will be to assist the owner in securing commitments of public and private resources for the operation of the FSS program within the owner's jurisdiction, including assistance in developing the Action Plan and in operating the program.

*Public Housing Agency (PHA)* means any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

*Section 8* means assistance provided under section 8 of the 1937 Act (42 U.S.C. 1437f). Specifically, multifamily assisted housing, as defined above; tenant-based and project-based rental assistance under section 8(o) of the 1937 Act; the HCV homeownership option under section 8(y) of the 1937 Act; Family Unification Program (FUP) assistance under section 8(x) of the 1937 Act; and the Section 8 Moderate Rehabilitation (Mod Rehab) for low-income families and Moderate Rehabilitation Single Room Occupancy (Mod Rehab SRO) for homeless individuals under 24 CFR part 882.

*Self-Sufficiency* means that an FSS family is no longer receiving Section 8, public housing assistance, or any Federal, State, or local rent, homeownership subsidies, or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS escrow account funds.

*Supportive services* means those appropriate services that a PHA or owner will coordinate on behalf of an FSS family under a CoP, which may include, but are not limited to:

1. Child care. Child care (on an as-needed or ongoing basis) of a type that provides sufficient hours of operation and serves an appropriate range of ages.
2. Transportation. Transportation necessary to enable a participating FSS family member to receive available services, or to commute to their place(s) of employment.
3. Education. Remedial education, education for completion of high school or attainment of a high school equivalency certificate, education in pursuit of a post-secondary degree or certificate.
4. Employment supports. Job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the CoP.
5. Personal welfare. Substance/alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services.
6. Household management. Training in household management.
7. Homeownership and housing counseling. Homeownership education and assistance and housing counseling.
8. Financial empowerment. Training in financial literacy, such as financial coaching, training in financial management, asset building, and money management, including engaging in mainstream banking, reviewing and improving credit scores.
9. Other services. Any other services and resources, including case management, optional services, and specialized services for individuals with disabilities, that are determined to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency. Reasonable accommodations and modifications must be made for individuals with disabilities consistent with applicable Federal civil rights and nondiscrimination laws.

*Welfare assistance* means (for purposes of the FSS program only) income assistance from Federal (i.e., Temporary Assistance for Needy Families (TANF) or subsequent program), State, or local welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include:

1. Nonrecurrent, short-term benefits that: (a) are designed to deal with a specific crisis or episode of need; (b) are not intended to meet recurrent or ongoing needs; and (c) will not extend beyond four months.
2. Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training).
3. Supportive services such as child care and transportation provided to families who are employed.
4. Refundable earned income tax credits.
5. Contributions to, and distributions from, Individual Development Accounts under TANF.

6. Services such as counseling, case management, peer support, child care information and referral, financial empowerment, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support.
7. Amounts solely directed to meeting housing expenses.
8. Amounts for health care.
9. Supplemental Nutrition Assistance Program and emergency rental and utilities assistance.
10. Supplemental Security Income, Social Security Disability Income, or Social Security.
11. Child-only or non-needy TANF grants made to or on behalf of a dependent child solely on the basis of the child's need and not on the need of the child's current non-parental caretaker.

SAMPLE

**IV. Signatures**

IN WITNESS, WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of [Click or tap to enter a date](#).

<b>PBRA Owner A, Legal Name</b>	<b>PBRA Owner B, Legal Name</b>
Name:	Name:
Address:	Address:
Phone:	Phone:
Email:	Email:
Name of Representative:	Name of Representative:
Signature:	Signature:

SAMPLE