

SAMPLE

Agreement No. [Number]



Cooperative Agreement

Between

Project Based Rental Assistance Owner, Legal Name

And

Public Housing Agency, PHA Code

For

Family Self-Sufficiency Program: Name of Development, Location

Note: The bold and italicized text explains the purpose of the template. Fill in the text boxes with the details of property owner, PHA, housing development 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 a PBRA owner and a PHA.

I. Authority and Purpose

A. Legislative Authority

This cooperative agreement between the housing providers PBRA Owner Name, known as “Owner,” and, Public Housing Agency, PHA Code known as “PHA,” is entered into by the authority of 42 U.S.C. 1437u, and 3535(d). The Owner and PHA 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 30020.¹

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 an Owner and a PHA. 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:

- (i) The balance at the beginning of the reporting period;

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

(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 Section 8 or public housing unit covered by this agreement. Families at privately-owned multifamily housing properties that do not receive Section 8 rental assistance 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 for approval by the PBRA owner before beginning enrollment of FSS participants at the PBRA property. 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
- Certification of coordination
- Any other policies

D. FSS Program Coordinating Committee (PCC)

A PCC must include the FSS Coordinator and at least one program participant from each program served. PHAs with FSS programs are required to have a PCC, and PBRA property owners that are partnering with a PHA to provide FSS to their residents must join the PCC.

E. FSS Coordination

The Owner and PHA 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, the PHA agrees to serve the Owner's FSS participants through the PHA's FSS program. The PHA will ensure that the FSS coordinator employed or contracted by the PHA will provide the same level of coordination and service to the Owner's residents at Name of Development, Location as the PHA residents and/or voucher recipients receive.

Participating housing providers must coordinate their efforts in securing commitments of public and private resources for the operation of the program. This coordination will also assist the housing providers 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 the PBRA property served by the PHA's FSS program. The party providing the FSS Coordinator will be responsible for filling out the [Multifamily Reporting Tool](#)² and providing it for review, concurrence, and submission to HUD by the other party at least annually. The party providing coordination will track the services and escrow amounts and provide them periodically to the other party. The information in the Multifamily Reporting tool includes basic household information for each participant, monthly

² https://www.hud.gov/sites/dfiles/PIH/documents/Copy_of_MF_FSS_Reporting_Tool_2022.xlsx

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 PHA or owner in securing commitments of public and private resources for the operation of the FSS program within the PHA's/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 is 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: [Date]

Public Housing Agency, PHA Code	Project Based Rental Assistance Owner, Legal Name
Name: Address: Phone: Email:	Name: Address: Phone: Email:
Name of Representative: Signature:	Name of Representative: Signature:

SAMPLE