

[In November 2019 HUD began issuing a new version of the HCV Guidebook chapter-by-chapter. Unlike the previous version of the HCV Guidebook in which chapters were numbered, the new version of the guidebook includes chapter names, but no numbers. As the new version of the guidebook has not yet been fully released, and since the previous version of the guidebook contains guidance not found in the new version, the model policy cites both versions of the guidebook. Therefore, where the HCV Guidebook is cited in the model policy, the citation will make a distinction between the “old” and “new” versions of the guidebook. The “old” version of the guidebook will continue to be cited as \*HCV GB\* with a chapter/page reference \(example: \*HCV GB\*, p. 5-4\). If HUD has also released a new chapter on the same topic with information that either adds new information or updates existing information from the previous guidebook, the new guidebook will be cited as \*New HCV GB\* with a chapter title and page reference \(example: \*New HCV GB, Payment Standards\*, p. 11\).](#)

**Abbreviations**

Throughout the model administrative plan, abbreviations are used to designate certain documents in citations. The following is a table of abbreviations of documents cited in the model administrative plan.

Abbreviation	Document
CFR	Code of Federal Regulations
HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), <del>April 2001</del> .
HUD-50058 IB	HUD-50058 Instruction Booklet
RHIIP FAQs	Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions.
VG	PIH Notice 2004-01 Verification Guidance, March 9, 2004.
HB 4350.3	Occupancy Requirements of Subsidized Multifamily Housing Programs

**Resources and Where to Find Them**

Following is a list of resources helpful to HACA or referenced in the model administrative plan, and the online location of each.

**Resources and Where to Find Them**

Following is a list of resources helpful to the PHA or referenced in the model administrative plan, and the online location of each.

**Document and Location**

**Criminal Activity Screening Criteria [24 CFR 982.553]**

This section outlines HACA’s screening criteria when considering an applicant’s history of criminal activity involving crimes of physical violence to persons or property and other criminal acts that would adversely affect the health, safety or welfare of other tenants.

HACA Policy

If any household member has been convicted of the following criminal activities, during the designated review (look back) period, the family will be denied admission. The designated review period commences as of the date of the criminal offense.

**MANDATORY DENIAL OF ASSISTANCE [24 CFR 982.553(a)]**

HACA Policy

- 1) Any member of the household has been evicted from federally-assisted housing in the last 3 years for drug-related criminal activity.
  - a) HACA may considering admitting the applicant if the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by HACA or;
  - b) The circumstances leading to eviction no longer exist (for example, the criminal household member has died or is imprisoned).
- 2) HACA determines that a household member is currently engaging in illegal use of a drug.
- 3) HACA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- 4) Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing or any location.
- 5) Any member of the household is subject to a lifetime sex offender registration requirement under a state sex offender registration program or as required under federal law. HACA will perform criminal history background checks necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the state where the housing is located and in other states where the household members are known to have resided.

Any member of the household has been evicted from federally assisted housing in the

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~~last 3 years for drug-related criminal activity or evicted from federally assisted housing for other reasons in the past 3 years.~~

~~HUD requires denial of any household member that has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing. In accordance with and furtherance of HUD's requirements, HACA will deny any household member that has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine in any location, not just federally assisted housing.~~

~~HUD requires denial of any household member subject to a lifetime sex-offender registration requirement as required under federal law.~~

**~~OTHER PERMITTED REASONS FOR DENIAL OF ASSISTANCE FOR CRIMINAL ACTIVITY~~**

~~If any household member has been convicted of any of the following criminal activities regardless of the date committed the family will be denied admission:~~

- ~~• Capital murder~~
- ~~• Murder~~
- ~~• Rape or aggravated sexual assault~~
- ~~• Arson~~
- ~~• Indecency with a child~~
- ~~• First degree felony injury to a child~~

**~~Five year review (look back) period~~**

~~If any household member has a **felony conviction** for any of the following criminal activities, the family will be denied admission:~~

- ~~• Manslaughter~~
- ~~• Kidnapping, abduction, trafficking, smuggling~~

**~~Three year review (look back) period~~**

~~If any household member has a **felony conviction** for any of the following criminal activities, the family will be denied admission:~~

- ~~• Assault, aggravated assault Use of Firearm Against a Person~~
- ~~• Terroristic threat~~
- ~~• Crimes involving explosives~~
- ~~• Robbery related offenses~~
- ~~• Burglary of a habitation~~
- ~~• Drug related offenses for manufacture, distribution, or possession with intent~~

~~to distribute~~

- ~~• Fraud committed against a government entity~~

**One year review (look back) period**

If any household member has been convicted of the following criminal activities, the family will be denied admission:

- ~~• Non-forcible sex offenses—felony conviction~~
- ~~• Destruction/Damage/Vandalism of Property—felony conviction~~
- ~~• Theft stolen property or fraud committed against a non-government entity—felony conviction~~
- ~~• Prostitution related offenses—felony conviction~~
- ~~• Stalking—felony conviction~~
- ~~• Drug possession—felony conviction~~

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Mainstream Voucher program alternative Criminal Background screening criteriaHACA Policy

As outlined in PIH Notice 2020-22, PHAs are required to apply the same criminal background screening process to all HCV participants. However, HUD encourages PHAs to use Mainstream vouchers to prevent, prepare for, and respond to coronavirus. In Austin, there is a critical need to find long-term solutions for those transitioning out of institutional settings, rapid rehousing or emergency temporary housing into permanent supportive housing. PIH Notice 2020-22, allows PHAs to establish, as an alternative screening requirement for applicants for Mainstream vouchers, which are distinct from those in place for the HCV program. HACA must still comply with the statutory requirements to determine if applicants are subject to lifetime sex offender registration requirements and comply with the other mandatory screening and denial requirements outlined in 42 U.S.C. 13661 and 982.553 (a).

In order to help provide housing solutions to non-elderly disabled individuals and families experiencing homelessness and in an effort to respond to the coronavirus, HACA will apply an alternative criminal screening requirements for Mainstream Voucher wait list applicants, as defined below, as long as the waiver is approved by HUD. At the time the HUD waiver expires, HACA will follow the regular HCV criminal screening criteria for Mainstream Voucher applicants.

This alternative Mainstream Voucher screening criteria includes denials for applicants for the following reasons:

- 1) Any member of the household has been evicted from federally assisted housing in the last 3 years for drug related criminal activity.
- 2) Denial of any household member that has ever been convicted of drug related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- 3) Denial of any household member subject to a lifetime sex offender registration requirement as required under federal law.
- 4) HACA determines that a household member is currently illegally using a controlled substance or such household member's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, is determined by HACA to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

**HACA will not deny an application solely on the basis of an arrest.** If, however, HACA receives arrest information for a disqualifying activity, in addition to a prior conviction within a respective look-back period, it may take that arrest into consideration in making a decision with regard to an applicant's assistance. Additional information may be considered, if available,

have been corrected.

HACA Policy

After the initial occupancy period, the owner may request a rent adjustment.

For rent increase requests after initial lease-up, HACA may request owners to provide information about the rents charged for other units on the premises. In evaluating the proposed rents in comparison to other units on the premises, HACA will consider unit size and length of tenancy in the other units.

Owners are required to request rent increases in writing through the method determined by HACA. HACA will determine whether the rent increase is reasonable and notify the owner in writing. HACA will process only one rent increase in a 12 month period.

Effective dates for rent increases will be determined as follows:

~~If the request is received 60 to 180 days before the annual recertification effective date, the rent increase will be made effective with the next annual recertification.~~

~~If the request is received less than 60 days before the annual recertification date, the rent increase will go into effect on the first of the month following the 60 day period after the owner requests the rent increase.~~

~~A. The owner will provide HACA with the proposed effective date of rent change in accordance with the current lease effective date in effect or the current month-to-month renewal arrangement.~~

~~B. Rent change requests received at least 60-days prior to the proposed effective date will be effective with the proposed effective date.~~

~~C. Rent change requests received less than 60-days prior to the proposed effective date will be effective 60 days after HACA receives the rent increase requested date and then on the 1st of the following month.~~

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**PHA- and HUD-Initiated Rent Reasonableness Determinations**

HUD requires HACA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 10 percent decrease in the fair market rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct HACA to make a determination at any other time. HACA may decide that a new determination of rent reasonableness is needed at any time.

HACA Policy

In addition to the instances described above, HACA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) HACA determines that the initial rent reasonableness determination was in error or (2) HACA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

sources.

Two streamlining options are available, depending upon the percentage of the family's income that is received from fixed sources. If at least 90 percent of the family's income is from fixed sources, the PHA may streamline the verification of fixed income and may choose whether to verify non-fixed income amounts in years where no fixed-income review is required. If the family receives less than 90 percent of its income from fixed sources, the PHA may streamline the verification of fixed income and must verify non-fixed income annually.

#### HACA Policy for Fixed Income Families

Fixed Income Sources: A fixed income source includes periodic payment at reasonably predictable levels from one or more of the following sources:

- a) Social Security, Supplemental Security Income, Supplemental Disability Insurance;
  - b) Federal, state, local, or private pension plans; and
  - c) Annuities or other retirement benefits programs, insurance policies, disability or death benefits, or other similar types of periodic receipts.
1. Verifying cost of living (COLA) or interest rate - HACA will verify COLA or current interest rate from a public source or through tenant-provided, the third party generated documentation. HACA will document any fixed source of income and the applicable COLA or interest adjustment for each fixed source of income in the tenant file.
  2. For any family with at least 90 percent of the family's income from fixed sources, HACA will streamline the verification of fixed income and non-fixed income. The following policy applies.
    - a) Third-party verification of all income sources will be obtained during the intake process and at least once every two years thereafter.
    - b) Fixed Income –HACA will apply the cost of living adjustment (COLA) or current interest rate to the previously verified income.
    - c) Non-fixed income – HACA will use the previous year's calculation. However, HACA will review and follow up on discrepancies regarding income sources in EIV.
    - d) Assets and Deductions – HACA will complete verification and the calculation of assets and deductions as required for non-fixed income households.
    - e) Application of current utility allowance and payment standard will occur annually at the reexamination.
    - f) If a family member with a fixed or non-fixed income source is added to the household, HACA will use third-party verification of all new income amounts for that family member.
  3. HACA will obtain third-party verification of all income sources every two years
  4. For households that receive less than 90 percent of the family's income from fixed sources, third-party verification of non-fixed income will be obtained annually, and third-party verification of fixed income will be obtained every two years.

~~HACA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed income sources. HACA will document in the file how the determination that a source of income was fixed was made. Third party verification of fixed sources of income will be obtained during the intake process and at least once every three years thereafter.~~

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~~If a family member with a fixed source of income is added, HACA will use third party verification of all income amounts for that family member.~~

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~~If verification of the COLA or rate of interest is not available, HACA will obtain third party verification of income amounts.~~

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~~Third party verification of fixed sources of income will be obtained during the intake process and at least once every three years thereafter.~~

~~Third party verification of non fixed income will be obtained annually regardless of the percentage of family income received from fixed sources.~~

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**11-I.C. SCHEDULING ANNUAL REEXAMINATIONS**

HACA must establish a policy to ensure that the annual reexamination for each family is completed *within* a 12-month period, and may require reexaminations more frequently [HCV GB p. 12-1].

HACA Policy

HACA will schedule annual reexaminations to coincide with the family’s anniversary date. HACA will begin the annual reexamination process approximately 90-120 days in advance of its scheduled effective date.

*Anniversary date* is defined as 12 months from the effective date of the family’s last annual reexamination or, during a family’s first year in the program, from the effective date of the family’s initial examination (admission).

If the family moves to a new unit, HACA will perform a new annual reexamination, and the anniversary date will change based on the new lease effective date.

HACA may also schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

**Notification of and Participation in the Annual Reexamination Process**

HACA is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of HACA. However, PHAs should give tenants who were not provided the opportunity the option to complete Form HUD-92006 at this



dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances HACA must process interim reexaminations to reflect those changes. HUD regulations also permit HACA to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted [HCV GB, p. 12-10].

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. HACA must complete the interim reexamination within a reasonable time after the family's request.

This part includes HUD and PHA policies describing what changes families are required to report, what changes families may choose to report, and how HACA will process both PHA- and family-initiated interim reexaminations.

#### **11-ILB. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION**

The family is required to report all changes in family composition. HACA must adopt policies prescribing when and under what conditions the family must report changes in income and family composition. However, due to family obligations under the program, HACA has limited discretion in this area.

##### HACA Policy

HACA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations. All changes in family composition must be reported in writing within 30 days from the date of occurrence. The participant must complete an update form and provide necessary documentations to support the change.

##### **New Family Members Not Requiring Approval**

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify HACA of the addition [24 CFR 982.551(h)(2)].

##### HACA Policy

The family must inform HACA in writing of the birth, adoption or court-awarded custody of a child within 30 calendar days.

##### **New Family and Household Members Requiring Approval**

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)].

[Although the PHA must verify aspects of program eligibility when any new family member is added, the Streamlining Final Rule removed the requirement that PHAs conduct a reexamination of income whenever a new family member is added. The PHA may state in policy that an income reexamination will be conducted.](#)

~~When any new family member is added, HACA must make appropriate adjustments in the family share of the rent and the HAP payment at the effective date of either the annual or interim reexamination [24 CFR 982.516(e)(2)].~~

If a change in family size causes a violation of Housing Quality Standards (HQS) space standards (see Chapter 8), HACA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, HACA must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

#### HACA Policy

Families must request HACA's approval to add a new family member, live-in aide, foster child, foster adult, or any person not on the lease who is expected to stay in the unit for more than 30 consecutive days, or 60 cumulative days, within a twelve-month period, and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by HACA prior to the individual moving into the unit.

All requests to add household members must be in writing and approved by HACA and the owner/manager of the dwelling unit. Each Prospective household member 17 years of age or older is required to provide

Consent to release criminal background information or an original D.P.S. Criminal History Report no older than 60 calendar days.

An original Social Security Card, birth certificate, citizenship verification and income verification.

A valid picture I.D. for all add-ons 16 years or older.

#### **Custody documentation for minors who are not head of household's children:**

- (1) A court order establishing custody; or
- (2) Proof that the adult is receiving income for the child; or
- (3) Records from the school or medical records which establish the unit as the child's residence; or
- (4) Records from a non-profit or government agency providing services to the child which establish the unit as the child's residence; or
- (5) A custodial affidavit or unsworn declaration from at least one of the parents authorizing the head of household to maintain custody of the minor; ~~or and one of the documents from items identified in 1-4 above; or~~
- (6) Records or a letter from the Texas Department of Family and Regulatory Services indicating current placement of the child with the head of household when the child is a blood relative of the head of household.

extended for good cause with HACA approval. HACA will accept required documentation by mail, email, fax, the on-line certification portal or in person. When all necessary verification is complete, the housing eligibility specialist will complete a Rent Change Notice reflecting the change in rent portions and the effective date. A notice will be sent to the family and owner. Generally, the family will not be required to attend an interview for an interim reexamination. However, if HACA determines that an interview is warranted, the family may be required to attend.

### Effective Dates

HACA must establish the timeframes in which any changes that result from an interim reexamination will take effect [24 CFR 982.516(d)]. The changes may be applied either retroactively or prospectively, depending on whether there is to be an increase or a decrease in the family share of the rent, and whether the family reported any required information within the required time frames [HCV GB, p. 12-10].

#### HACA Policy

#### **If the family share of the rent is to increase:**

When the change is reported in a timely manner (within 30 calendar days from the effective date of the income increase), the family will be given a 30-day notice prior to the first of the month for any increase in tenant rent.

All interim increases will be processed at the next annual re-examination.

This includes:

Cost of living adjustments to recipients of Social Security or SSI, Welfare and Veterans Assistance or increased amounts of other current unearned income will be calculated at the next annual re-examination.

Increases in assets will be calculated at the next re-examination.

Increases in ~~current~~ earned income will be calculated at the next re-examination. (i.e. increase in pay rate or hours worked).

#### The following will be processed as interims between re-examinations:

##### Interims as a result of Earned Income Disallowance (EID)

For families receiving the Earned Income Disallowance (EID), HACA will conduct an interim re-examination at the start and conclusion of the 24-month eligibility period.

##### Zero Income

Interim increases, regardless of the amount, will be processed when current household income is zero.

##### FSS Participant

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~~Cost of living adjustments to recipients of Social Security or SSI, Welfare and Veterans Assistance or increased amounts of other current unearned income will be calculated at the next annual re-examination.~~

~~Increases in assets will be calculated at the next re-examination.~~

~~Increases in current earned income will be calculated at the next re-examination (i.e. increase in pay rate or hours worked).~~

~~Interim increases will be processed as a result of new earned income or new unearned income if the increase is greater than \$600.00 a month or equal to or greater than \$7,200 annually.~~

~~Monthly income increases that total less than \$600.00 a month or less than \$7,200 annually will be calculated at the next re-examination.~~

~~Interim increases, regardless of the amount, will be processed when current household income is zero.~~

~~If a family reports an increase in income within 4 months of their next annual re-examination, HACA will include the interim change at the annual re-examination.~~

If HACA experiences a change in HCV administrative fees or staffing, the Vice President of Assisted Housing, with the approval of the President and CEO, has the discretion to make changes regarding the procedures to process interim increases by providing a written notice to staff outlining which interim increases will be processed and when to process interims.

In the event an increase in income was not reported in a timely manner, HACA may:

Retroactively establish the correct Housing Assistance Payment and require the tenant to repay any amounts owed to HACA for the period they earned higher income but did not report;

Terminate the participant from the program for willful intent to commit fraud; or

Report the violation to the HUD Office of Inspector General and or local authorities for prosecution.

The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 14 and 16.

**If the family share of the rent is to decrease:**

Changes will be made only after the tenant reports the change in writing by completing

families to use a particular housing type. No special funding is provided for special housing types.

#### HACA Policy

HACA will permit the use of Single Room Occupancy (SROs) and manufactured homes as an approved special housing type. Families will not be permitted to use other any special housing types, unless use is needed as a reasonable accommodation so that the program is readily accessible to a person with disabilities.

Special housing types include single room occupancy (SRO), congregate housing, group homes, shared housing, cooperative housing, manufactured homes where the family owns the home and leases the space, and homeownership [24 CFR 982.601]. A single unit cannot be designated as more than one type of special housing. The PHA cannot give preference to households that wish to live in any of these types of housing and cannot require households to select any of these types of housing [New HCV GB, *Special Housing Types*, p. 3].

This chapter consists of the following seven parts. Each part contains a description of the housing type and any special requirements associated with it. Except as modified by this chapter, the general requirements of the HCV program apply to special housing types.

#### Part I: Single Room

#### Occupancy Part II:

#### Congregate Housing Part

#### III: Group Homes

#### Part IV: Shared Housing

#### Part V: Cooperative Housing

#### Part VI: Manufactured Homes (including manufactured home space rental) Part VII: Homeownership

### **PART I: SINGLE ROOM OCCUPANCY**

[24 CFR 982.602 through 982.605; Form HUD-52641; New HCV GB, *Special Housing Types*, p. 4]

#### **15-1.A. OVERVIEW**

A single room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation

facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the

number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted person, and the standard form of the HAP contract is used. [\(form HUD-52641\)](#) with the special housing type specified in Part A of the HAP contract, as follows: “This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: [Single room occupancy \(SRO\) housing.](#)”

#### **15-I.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

The payment standard for SRO housing is 75 percent of the 0-bedroom payment standard amount on HACA’s payment standard schedule.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero bedroom utility allowance.

The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP.

#### **15-I.C. HOUSING QUALITY STANDARDS (HQS)**

[HQs requirements described in Chapter 8 apply to SRO housing except that sanitary facilities, and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply:](#)~~HQS requirements described in Chapter 8 apply to SRO housing except as modified below.~~

*Access:* Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by State or local law.

*Fire Safety:* All SRO facilities must have a sprinkler system that protects major spaces. “Major spaces” are defined as hallways, [large](#) common areas, and any other areas specified in local fire, building, or safety codes. SROs must also have hard-wired smoke detectors, and any other fire and safety equipment required by state or local law.

Sanitary facilities and space and security standards must meet local code requirements for SRO housing. In the absence of local code standards the requirements discussed below apply [24 CFR 982.605].

*Sanitary Facilities:* At least one flush toilet that can be used in privacy, a lavatory basin, and a bathtub or shower in proper operating condition must be provided for each six

persons (or fewer) residing in the SRO facility. If the SRO units are leased only to ~~males~~, flush urinals may be substituted for up to one half of the required number of toilets. Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them; and may not be located more than one floor above or below the SRO unit. They may not be located below grade unless the SRO units are located on that level.

*Space and Security:* An SRO unit must contain at least 110 square feet of floor space, and at least four square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SRO unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SRO unit must be lockable.

Because no children live in SRO housing, the housing quality standards applicable to lead-based paint do not apply.

## **PART II: CONGREGATE HOUSING**

[24 CFR 982.606 through 982.609; [Form HUD-52641](#); [New HCV GB, Special Housing Types, p. 6](#)]

### **15-II.A. OVERVIEW**

Congregate housing is intended for use by elderly persons or persons with disabilities. A congregate housing facility contains a shared central kitchen and dining area and a private living area for the individual household that includes at least a living room, bedroom and bathroom. Food service for residents must be provided.

If approved by HACA, a family member or live-in aide may reside with the elderly person or person with disabilities. HACA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family. ~~And~~ the standard form of the HAP contract is used. [\(form HUD-52641\) with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Congregate housing."](#)

### **15-II.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area [for the assisted family](#). If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), HACA must use the payment standard for a 0-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), HACA must use the 1-bedroom payment standard.

The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.

The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The residents' costs for food service should not be included in the rent for a congregate housing unit.

### 15-II.C. HOUSING QUALITY STANDARDS

HQS requirements as described in Chapter 8 apply to congregate housing except for the requirements stated below.

Congregate housing must have ~~(1)~~ a refrigerator of appropriate size in the private living area of each resident, ~~(2)~~ a central kitchen and dining facilities located within the premises and accessible to the residents, and ~~(3)~~ food service for the residents, that is not provided by the residents themselves.

[The congregate housing must contain adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.](#)

[The housing quality standards applicable to lead-based paint do not apply unless a child under the age of six is expected to reside in the unit.](#)

~~The housing quality standards applicable to lead-based paint do not apply.~~

### PART III: GROUP HOME

[\[24 CFR 982.610 through 982.614; Form HUD-52641; and New HCV GB, Special Housing Types, p. 8\]](#) ~~p. 7-4]~~

[24 CFR 982.610 through 982.614 and HCV GB p. 7-4]

### 15-III.A. OVERVIEW

A group home is a state [approved, licensed, certified, or otherwise approved in writing by the state](#) facility intended for occupancy by elderly persons and/or persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities. Persons living in a group home must not require continuous medical or nursing care.

A group home consists of bedrooms for residents, which can be shared by no more than two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.

No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.

If approved by HACA, a live-in aide may live in the group home with a person with disabilities. HACA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.



When providing HCV assistance in a group home, a separate lease and HAP contract is executed for each assisted family, ~~and the standard form of the HAP contract is used. (form HUD-52641);~~ with the special housing type specified in Part A of the HAP contract, as follows: “This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Group home.”

### **15-III.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

Unless there is a live-in aide, the family unit size ([voucher size](#)) for an assisted occupant of a group home must be 0- or 1-bedroom, ~~depending on HACA’s subsidy standard.~~ If there is a live-in aide, the aide must be counted in determining the household’s unit size.

The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the prorated share of the payment standard for the group home size. The prorated share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home. [The number of persons in the assisted household equals one assisted person plus any PHA-approved live-in aide.](#)

The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted occupant in a group home is the prorated ~~and~~ share of the [family unit size to the](#) utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the prorated portion of the reasonable rent for the group home. In determining reasonable rent, HACA ~~must~~ consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

### **15-III.C. HOUSING QUALITY STANDARDS**

[The entire unit must comply with HQS requirements described in Chapter 8. ~~apply to group homes except for the requirements stated below.~~](#)

~~HQS requirements described in Chapter 8 apply to group homes except for the requirements stated below.~~

*Sanitary Facilities:* A group home must have at least one bathroom in the facility, with a flush toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or bathtub with hot and cold running water. A group home may contain private or

common bathrooms. However, no more than four residents can be required to share a bathroom.

*Food Preparation and Service:* Group home units must contain a kitchen and dining area with adequate space to store, prepare, and serve food. The facilities for food preparation and service may be private or may be shared by the residents. The kitchen must contain a range, an oven, a refrigerator, and a sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.

- *Space and Security:* Group homes must contain at least one bedroom of appropriate size for every two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents. [Doors and windows accessible from outside the unit must be lockable.](#)

*Structure and Material:* To avoid any threat to the health and safety of the residents, group homes must be structurally sound. Elevators must be in good condition. Group homes must be accessible to and usable by residents with disabilities.

*Site and Neighborhood:* Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from [disturbing noises and reverberations, and other](#) hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as:

- Dangerous walks or steps
- Instability
- Flooding, poor drainage
- Septic tank back-ups
- Sewage hazards
- Mud slides
- Abnormal air pollution
- Smoke or dust
- Excessive noise
- Vibrations or vehicular traffic
- Excessive accumulations of trash
- Vermin or rodent infestation, and
- Fire hazards.

[The housing quality standards applicable to lead-based paint do not apply unless a child under the age of six is expected to reside in the unit.](#)

~~The housing quality standards applicable to lead-based paint do not apply.~~

#### **PART IV: SHARED HOUSING**

[24 CFR 982.615 through 982.618]; [Form HUD-52641](#); [Notice PIH 2021-05](#);  
[New HCV GB, \*Special Housing Types\*, p. 11](#)]

##### **15-IV.A. OVERVIEW**

Families in markets with tight rental conditions or with a prevalence of single-family housing may determine a shared housing living arrangement to be a useful way to secure affordable housing. PHAs offering shared housing as a housing solution may also experienced some reduction in the average per-unit-cost (PUC) paid on behalf of assisted families.

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The unit may be a house or an apartment. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons.

Shared housing may be offered in a number of ways, including for-profit co-living (such as a boarding house, single bedroom with common living room/kitchen/dining room) run by a private company [Notice PIH 2021-05].

The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.

If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When shared housing is offered as a housing option, HUD encourages PHAs to consider ways in which the families may be assisted in finding shared housing, including for-profit shared housing matching (such as roommates or single-family homes) and online sites that charge a fee for their matching services, or nonprofit shared housing matching services. HUD further encourages PHAs to include information about this housing possibility in the family's voucher briefing.

PHAs should be aware of potential local legal barriers to HCV participants using shared housing, which can create additional obstacles for shared housing:

- [Municipalities may have occupancy limits for the number of unrelated persons who may share a housing unit.](#)
- [Local zoning codes for single family housing may restrict occupancy in certain areas to households whose family members are related by blood.](#)

PHAs should work with local jurisdictions to find solutions that encourage affordable housing and are consistent with the Fair Housing Act, Title VI, and other federal, state, and local fair housing laws. PHAs should inform HUD if they encounter barriers to shared housing that may conflict with fair housing laws.

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family. ~~T, and the standard form of the HAP contract is used-~~ (form HUD-52641) with the special housing type specified in Part A of the HAP contract, as follows: “This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Shared housing.”

~~Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.~~

~~An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons. The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.~~

~~If approved by HACA, a live-in aide may reside with the family to care for a person with disabilities. HACA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.~~

~~When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.~~

**15-IV.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION**

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size (voucher size) or the prorated share of the payment standard for the shared housing unit size.

The prorata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private, non-shared space by the total number of bedrooms in the unit.

<p><b>Example:</b> Family holds a two-bedroom voucher.</p> <p><u>Shared housing unit size: bedrooms available to assisted family = 2</u></p> <p><u>Total bedrooms in the unit: 3</u></p> <p><u>2 Bedrooms for assisted family</u></p> <p><u>÷ 3 Bedrooms in the unit</u></p>
--

.667 pro-rata share

2 BR payment standard: \$1200

3 BR payment standard: \$1695  
 $\$1695 \times .667$  (pro-rata share) = \$1131  
\$1131 is lower than the \$1200 payment standard for the 2 BR family unit size  
\$1131 is the payment standard used to calculate the HAP

The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted family living in shared housing is the ~~lower of the utility allowance for the family unit size (voucher size) or the~~ prorata share of the utility allowance for the shared housing unit.

**Example:** A family holds a 2-bedroom voucher. The family decides to occupy 3 out of 4 bedrooms available in the unit.

The utility allowance for a 4-bedroom unit equals \$200

The utility allowance for a 2-bedroom unit equals \$100

The prorata share of the utility allowance is \$150 (3/4 of \$200)

The PHA will use the 2-bedroom utility allowance of \$100.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit. In determining reasonable rent, the PHA ~~should~~ may consider whether sanitary and food preparation areas are private or shared.

The prorated share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.

The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted family living in shared housing is the lower of the utility allowance for the family unit size (voucher size) or the prorata share of the utility allowance for the shared housing unit.

**Example:** A family holds a 2 bedroom voucher. The family decides to occupy 3 out of 4 bedrooms available in the unit.  
The utility allowance for a 4 bedroom unit equals \$200  
The utility allowance for a 2 bedroom unit equals \$100  
The prorata share of the utility allowance is \$150 (3/4 of \$200)  
The PHA will use the 2 bedroom utility allowance of \$100.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the prorated portion of the reasonable rent for the shared unit. In determining reasonable rent, HACA should consider whether sanitary and food preparation areas are private or shared.

**15-IV.C. HOUSING QUALITY STANDARDS**

HACA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.

HQS requirements described in Chapter 8 apply to shared housing except for the requirements stated below.

*Facilities Available for the Family:* Facilities available to the assisted family, whether shared or private, must include a living room, a bathroom, and food preparation and refuse disposal facilities.

*Space and Security:* The entire unit must provide adequate space and security for all assisted and unassisted residents. The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family must not be less than the family unit size (voucher size). A 0-bedroom or 1-bedroom unit may not be used for shared housing.

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## **PART V: COOPERATIVE HOUSING**

[24 CFR 982.619]

### **15-V.A. OVERVIEW**

This part applies to rental assistance for a cooperative member residing in cooperative housing. It does not apply to assistance for a cooperative member who has purchased membership under the HCV homeownership option, or to rental assistance for a family that leases a cooperative housing unit from a cooperative member.

A cooperative is a form of ownership (nonprofit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged “rent” a cooperative member is charged a “carrying charge.”

The monthly carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. It does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

The occupancy agreement or lease and other appropriate documents must provide that the monthly carrying charge is subject to Section 8 limitations on rent to owner, and the rent must be reasonable as compared to comparable unassisted units.

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used, with the special housing type specified in Part A of the HAP contract, as follows: “This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Cooperative housing.”

~~When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used.~~

### **15-V.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION**

The payment standard and utility allowance are determined according to regular HCV program requirements.

The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the gross rent (monthly carrying charge for the unit, plus any utility allowance), minus the TTP. The monthly carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include

down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

### **15-V.C. HOUSING QUALITY STANDARDS**

All standard HQS requirements apply to cooperative housing units. There are no additional HQS requirements. The PHA remedies described in 24 CFR 982.404 do not apply. Rather, if the unit and premises are not maintained in accordance with HQS, the PHA may exercise all available remedies regardless of whether the family or cooperative is responsible for the breach of HQS.

No housing assistance payment can be made unless unit meets HQS and the defect is corrected within the period as specified by the PHA and the PHA verifies correction (see Chapter 8).

In addition to regular breaches of HQS, breaches of HQS by the family include failure to perform any maintenance for which the family is responsible in accordance with the terms of the cooperative occupancy agreement [HCV GB].

**PART VI: MANUFACTURED HOMES**

[24 CFR 982.620 through 982.624; FR Notice 1/18/17; New HCV GB, Special Housing Types, p. 15]

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**15-VI.A. OVERVIEW**

A manufactured home is a manufactured structure, transportable in one or more parts that is built on a permanent chassis, and designed for use as a principal place of residence. HCV- assisted families may occupy manufactured homes in ~~three~~ different ways.

(1) ~~(4)~~ A family can choose to rent a manufactured home already installed on a space and HACA must permit it. In this instance program rules are the same as when a family rents any other residential housing, except that there are special HQS requirements as provided in 15-VI.D below.

(2) A family can purchase a manufactured home under the Housing Choice Voucher Homeownership program.

(3) HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space as well as certain other housing expenses. PHAs may, but are not required to, provide assistance for such families.

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**15-VI.B. SPECIAL REQUIREMENTS POLICIES FOR MANUFACTURED HOME OWNERS WHO LEASE A SPACE**

**Family Income**

In determining the annual income of families leasing manufactured home spaces, the value of the family’s equity in the manufactured home in which the family resides is not counted as a family asset.

### Lease and HAP Contract

~~There is a designated separate HAP Contract (form HUD-52642) and designated Tenancy Addendum (form HUD 52642-Aa) and separate HAP Contract (Form 52642) for this special housing type.~~

~~There is a separate Tenancy Addendum (Form 52642-a) and separate HAP Contract (Form 52642) for this special housing type.~~

### 15-VI.C. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION [FR Notice 1/18/17]

#### Payment Standards

The PHA payment standard for manufactured homes is determined in accordance with 24 CFR 982.505 and is the payment standard used for the PHA's HCV program. It is based on the applicable FMR for the area in which the manufactured home space is located.

The payment standard for the family is the lower of the family unit size (voucher size) or the payment standard for the number of bedrooms in the manufactured home.

#### Utility Allowance

HACA must establish utility allowances for manufactured home space rental. For the first 12 months of the initial lease term only, the allowance must include an amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This allowance will not be given to a family that leases in place. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

If the amount of the monthly assistance payment for a family exceeds the monthly rent for the manufactured home space (including the owner's monthly management and maintenance charges), the PHA may pay the remainder to the family, lender, or utility company.

#### Space Rent

The rent for the manufactured home space (including other eligible housing expenses) is the total of:

- The rent charged for the manufactured home space;
- Owner maintenance and management charges for the space;
- The monthly payments made by the family to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes; and

- The applicable allowance for tenant-paid utilities

### **Amortization Costs**

The monthly payment made by the family to amortize the cost of purchasing the manufactured home is the debt service established at the time of application to a lender for financing the purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home may not be included in the amortization cost. Debt service for set-up charges incurred by a family may be included in the monthly amortization payments made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize the charges.

### **Housing Assistance Payment**

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the manufactured home space rent (including other eligible housing expenses) minus the TTP.

### **Rent Reasonableness**

Initially, and at least annually thereafter HACA must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. HACA must consider the location and size of the space, and any services and maintenance to be provided by the owner. By accepting the monthly housing assistance payment~~HAP check~~, the owner of the manufactured home space certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the same ~~manufactured home park~~ or elsewhere.

If requested by the PHA, the owner must give the PHA information on rents charged by the owner for other manufactured home spaces.

## **15-VI.D. HOUSING QUALITY STANDARDS**

Under either type of occupancy described in 15-VI.A above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in Chapter 8 of this plan. In addition, the following requirement applies:

### ***Manufactured Home Tie-Down***

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage. The home must be securely anchored by a tie-down

device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

## **PART VII: HOMEOWNERSHIP**

[24 CFR 982.625 through 982.643]

### **15-VII.A. OVERVIEW [24 CFR 982.625]**

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program. HACA must have the capacity to operate a successful HCV homeownership program as defined by the regulations.

There are two forms of homeownership assistance described in the regulations: monthly homeownership assistance payments and single down payment assistance grant. However, PHAs may not offer down payment assistance until and unless funding is allocated by Congress. Since this has not yet happened, only monthly homeownership assistance may be offered.

[The PHA may choose not to offer homeownership assistance.](#) However HACA must offer homeownership assistance if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. It is the sole responsibility of HACA to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. HACA must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. HACA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where HACA has otherwise opted not to implement a homeownership program.

HACA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

#### HACA Policy

HACA has opted not to operate a monthly homeownership assistance payments program. A single down payment assistance grant is offered through Austin Affordable Housing's down payment assistance program.

## **CHAPTER 16 PROGRAM ADMINISTRATION INTRODUCTION**

This chapter discusses administrative policies and practices that are relevant to the activities covered in this plan. The policies are discussed in seven parts as described below:

Part I: Administrative Fee Reserve This part describes HACA's policies with regard to oversight of expenditures from its administrative fee reserve.

Part II: Setting Program Standards and Schedules This part describes what payment standards are, and how they are updated, as well as how utility allowances are established and revised.

Part III: Informal Reviews and Hearings This part outlines the requirements and procedures for informal reviews and hearings, and for informal hearings regarding citizenship status.

Part IV: Owner or Family Debts to HACA This part describes policies for recovery of monies that HACA has overpaid on behalf of families, or to owners, and describes the circumstances under which HACA will offer repayment agreements to owners and families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part V: Section 8 Management Assessment Program (SEMAP) This part describes what the SEMAP scores represent, how they are established, and how those scores affect HACA.

Part VI: Record-Keeping All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies HACA will follow.

Part VII: Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level This part describes HACA's responsibilities for reporting, data collection, and record keeping relative to children with environmental intervention blood lead levels that are less than six years of age, and are receiving HCV assistance.

Part VIII: Determination of Insufficient Funding This part describes HACA's policies for determining if there is sufficient funding to issue vouchers, to approve moves to higher cost units or areas, and to continue assistance for all participant families.

Part IX: Violence against Women Act (VAWA): Notification, Documentation, Confidentiality This part contains key terms used in VAWA and describes requirements related to notifying families and owners about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault and stalking; and maintaining the confidentiality of information obtained from victims.

#### **PART I: ADMINISTRATIVE FEE RESERVE [24 CFR 982.155]**

HACA will maintain administrative fee reserves, or unrestricted net position (UNP) for the program to pay program administrative expenses in excess of administrative fees paid by HUD for a PHA fiscal year. HUD appropriations acts beginning with FFY 2004 have specified that administrative fee funding may be used only for activities related to the provision of HCV assistance, including related development activities. [Notice PIH 2012-9] cites two examples of related development activities: unit modification for accessibility purposes and development of project-based voucher units. The notice makes clear that other activities may also qualify as related development activities. Administrative fees that remain in the UNP account from funding provided prior to 2004 may be used for "other housing purposes permitted by state and local law," in accordance with [24 CFR 982.155(b)(1)].

[In addition, as specified in Notice PIH 2022-18, PHAs may use administrative fee funding for both administrative and "other expenses" needed to employ strategies and undertake activities beyond regular administrative responsibilities to facilitate the successful leasing and use of housing choice vouchers by families, such as through the use of security deposit assistance and](#)

[landlord recruitment and incentive payments, among other allowable expenses specified in the notice. PHAs are also permitted to use UNP for these expenses \[Notice PIH 2022-18\].](#)

If a PHA has not adequately administered its HCV program, HUD may prohibit use of funds in the UNP Account and may direct the PHA to use funds in that account to improve administration of the program, for HCV HAP expenses, or to reimburse ineligible expenses in accordance with the regulation at [24 CFR 982.155(b)(3)].

HUD requires the PHA Board of Commissioners or other authorized officials to establish the maximum amount that may be charged against the UNP account without specific approval.

#### HACA Policy

Expenditures from the UNP account will be made in accordance with all applicable federal requirements. Expenditures will not exceed \$10,000 per occurrence without the prior approval of the PHA's Board of Commissioners.

## **PART II: SETTING PROGRAM STANDARDS AND SCHEDULES**

### **16-II.A. OVERVIEW**

Although many of the program's requirements are established centrally by HUD, the HCV program's regulations recognize that some flexibility is required to allow HACA to adapt the program to local conditions. This part discusses how HACA establishes and updates certain schedules and standards that are used to administer the program locally. Details about how these schedules are applied to individual families are provided in other chapters. The schedules and standards discussed here include:

*Payment Standards*, which dictate the maximum subsidy a family can receive (application of the payment standards is discussed in Chapter 6); and

*Utility Allowances*, which specify how a family's payment should be adjusted to account for tenant-paid utilities (application of utility allowances is discussed in Chapter 6).

#### HACA Policy

Copies of the payment standard and utility allowance schedules are available for review in HACA's offices during normal business hours.

Families, owners, and members of the public may submit written comments on the schedules discussed in this part, at any time, for consideration during the next revision cycle.

HACA will maintain documentation to support its annual review of payment standards and utility allowance schedules. This documentation will be retained for at least 3 years.

Establishing and updating the PHA passbook rate, which is used to calculate imputed income from assets, is covered in Chapter 6 (see Section 6-I.G.).

**16-ILB. PAYMENT STANDARDS [24 CFR 982.503; HCV GB, Chapter 7]**

The payment standard sets the maximum subsidy payment a family can receive from HACA each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. For most jurisdictions FMRs are set at the 40th percentile of rents in the market area.

HACA must establish a payment standard schedule that establishes payment standard amounts for each FMR area within HACA’s jurisdiction, and for each unit size within each of the FMR areas. For each unit size, HACA may establish a single payment standard amount for the whole FMR area, or may set different payment standards for different parts of the FMR area. Unless HUD grants an exception, HACA is required to establish a payment standard within a “basic range” established by HUD – between 90 and 110 percent of the published FMR for each unit size.

**Updating Payment Standards**

When HUD updates its FMRs, HACA must update its payment standards if the standards are no longer within the basic range [24 CFR 982.503(b)]. HUD may require HACA to make further adjustments if it determines that rent burdens for assisted families in HACA’s jurisdiction are unacceptably high [24 CFR 982.503(g)].

HACA Policy

HACA will review the appropriateness of the payment standards on an annual basis when the new FMRs are published, and at other times as determined necessary. In addition to ensuring the payment standards are always within the “basic range” HACA will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

**Funding Availability:** HACA will review the budget to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served.

**Average rental amounts for unassisted units** – HACA will review the average rental amounts from HACA’s available units list and Multiple Listing Service for leased units.

**Lease-up Time and Success Rate:** HACA ~~may~~will consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.

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Any changes to payment standard amounts will be approved by the Board of Commissioners and the effective date will be provided in writing to staff and



program participants.

**Exception Payment Standards [24 CFR 982.503(c)(5), Notice PIH 2018-01;]  
[FR Notice 9/27/21](#)**

A non-SAFMR PHA may establish an exception payment standard for a zip code area of up to and including 110 percent of the SAFMR determined by HUD for that zip code area. Regardless of the level of the exception payment standard compared to the metropolitan area FMRs (MAFMRs), the PHA must send an email to [SAFMRs@hud.gov](mailto:SAFMRs@hud.gov) to notify HUD that it has adopted an exception payment standard based on the SAFMR. A PHA that adopts an exception payment standard pursuant to this authority must apply it to the entire ZIP code area, for both its HCV, and if applicable, its PBV program. For the PBV program, this means that the rent to owner may not exceed the new exception payment standard amount, provided the rent is still reasonable. A PHA that adopts an exception payment standard area must revise its briefing materials to make families aware of the exception payment standard and the area that it covers.

[In addition, HUD allows PHAs to establish a HUD-Veterans Affairs Supportive Housing \(HUD-VASH\) exception payment standard. PHAs may go up to but no higher than 120 percent of the FMR or SAFMR specifically for VASH families. PHAs who want to establish a VASH exception payment standard over 120 percent must still request a waiver from HUD \(See Section 19-III.E.\).](#)

**Voluntary Use of Small Area FMRs [24 CFR 982.503, Notice PIH 2018-01]**

PHAs that administer vouchers in a metropolitan area where the adoption of SAFMRs is not required may request approval from HUD to voluntarily adopt SAFMRs. SAFMRs may be voluntarily adopted for one or more zip code areas.

HACA Policy

HACA will not voluntarily adopt the use of SAFMRs except to establish exception payment standards in certain zip code areas.

**Unit-by-Unit Exceptions [24 CFR 982.503, 24 CFR 982.505(d), Notice PIH 2010-26, Streamlining Rule 3/8/2016 and Notice PIH 2016-05]**

Unit-by-unit exceptions to HACA's payment standards are generally not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. (See Chapter 2 for a discussion of reasonable accommodations.) This type of exception does not affect HACA's payment standard schedule.

When needed as a reasonable accommodation, the PHA may make an exception to the payment standard without HUD approval if the exception amount does not exceed 120 percent of the applicable FMR for the unit size [24 CFR 982.503(b)]. The PHA may request HUD approval for

**Retention of Documents [24 CFR 5.514(h)]**

HACA must retain for a minimum of 5 years the following documents that may have been submitted to HACA by the family, or provided to HACA as part of the USCIS appeal or HACA informal hearing process:

The application for assistance;

Form completed by the family for income reexamination;

Photocopies of any original documents, including original USCIS documents;

Signed verification consent form;

USCIS verification results;

Request for a USCIS appeal;

Final USCIS determination;

Request for an informal hearing; and

Final informal hearing decision

**PART IV: OWNER OR FAMILY DEBTS TO HACA****16-IV.A. OVERVIEW**

PHAs are required to include in the administrative plan, policies concerning repayment by a family of amounts owed to HACA [24 CFR 982.54]. [If the family breaches an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA, the PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a PHA or amounts paid to an owner by a PHA. The PHA may prescribe the terms of the agreement \[24 CFR 982.552\(c\)\(1\)\(vii\).](#) This part describes HACA's policies for recovery of monies that have been overpaid on behalf of families, or to owners.

**HACA Policy**

When an action or inaction of an owner or participant results in the overpayment of housing assistance, HACA holds the owner or participant liable to return any overpayments to HACA.

HACA will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

When an owner or participant refuses to repay monies owed to HACA, HACA will utilize other available collection alternatives, [including, but not limited to, the following:](#)

**Collection agencies**

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[Small claims court](#)

[Civil law suit](#)

[State income tax set-off program](#)

#### **16-IV.B. REPAYMENT POLICY**

##### **Owner Debts to HACA**

###### HACA Policy

Any amount due to HACA by an owner must be repaid by the owner within 30 days of HACA's determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, HACA will reduce the future HAP payments by the amount owed until the debt is paid in full.

If the owner is not entitled to future HAP payments, HACA will offer to enter into a repayment agreement in accordance with the policies below.

If the owner refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, HACA will ban the owner from future participation in the program and pursue other modes of collection~~in~~.

including, but not limited to, the following:

[Collection agencies](#)

[Small claims court](#)

[Civil lawsuit](#)

[State income tax set-off program](#)

### Family Debts to HACA

Families are required to reimburse the PHA if they were charged less rent than required because the family either underreported or failed to report income. PHAs are required to determine retroactive rent amounts as far back as the PHA has documentation of family unreported income [Notice PIH 2018-18].

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#### HACA Policy

Any amount due to HACA by an HCV participant must be repaid by the family. If the family is unable to repay the debt within 30 days, HACA may offer to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, HACA will terminate the assistance in accordance with the policies in Chapter 12 and pursue other modes of collection, including, but not limited to, the following:

Collection agencies

Small claims court

Civil lawsuit

State income tax set-off program

### Repayment Agreement [24 CFR 792.103]

The term *repayment agreement* refers to a formal document signed by a tenant or owner and provided to HACA in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

### Repayment Agreement Guidelines

#### Payment Thresholds

Notice PIH ~~2018-18~~<sup>2017-12</sup> recommends that the total amount that a family must pay each month—the family’s monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family’s monthly adjusted income. However, a family may already be paying 40 per cent or more of its monthly adjusted income in rent. Moreover, Notice PIH ~~2018-18~~<sup>2017-12</sup> acknowledges that PHAs have the discretion to establish “thresholds and

policies” for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

**HACA Policy**

For fraud cases, any amounts owed in the amount of more than \$5,000, HACA will not enter into repayment agreement, unless approval is granted by the Vice President of Assisted Housing. HACA may pursue termination of assistance and refer the case to HUD’s Office of Inspector General for prosecution.

For all balances owed under HACA’s established threshold, repayment timeframes will be established as listed below:

- Amounts between \$4,000 and \$5,000 must be repaid within 48 months.
- Amounts between \$3,000 and \$3,999 must be repaid within 36 months.
- Amounts between \$2,000 and \$2,999 must be repaid within 24 months.
- Amounts between \$1,000 and \$1,999 must be repaid within 18 months.
- Amounts between \$500 and \$999 must be repaid within 12 months.
- Amounts under \$500 must have a minimum monthly payment of \$50 and cannot exceed 12 months.

*Exceptions to this schedule may be made at the discretion of the Vice President of Assisted Housing.*

***Execution of the Agreement***

[All repayment agreements must be in writing, dated, and signed by both the family and the PHA \[Notice PIH 2018-18\].](#)

**HACA Policy**

The head of household and spouse/co-head (if applicable) must sign the repayment agreement.

***Due Dates***

**HACA Policy**

All payments are due by the close of business on the 5<sup>th</sup> day of the month. If the 5<sup>th</sup> does not fall on a business day, the due date is the close of business on the first business day after the 5<sup>th</sup>.

***Non-Payment***

**HACA Policy**

If the family fails to make any payment as required by the terms set forth within the repayment agreement, HACA retains the right to demand immediate payment of the remaining unpaid balance. If the family fails to make payment of the full balance, it will be considered a breach of the agreement and HACA will terminate tenancy in

accordance with the policies in Chapter 12.

### ***No Offer of Repayment Agreement***

#### HACA Policy

HACA will not enter into a new repayment agreement if there is already a current repayment agreement in place with the family, or the amounts owed by the family exceed the Federal or State threshold for criminal prosecution and/or HACA's established threshold under fraud cases.

### **Repayment Agreement ~~Terms Involving Improper Payments~~**

All repayment agreements must be in writing, dated, signed by both the family and the PHA, include the total retroactive rent amount owed, any amount of lump sum payment made at time of execution, if applicable, and the monthly repayment amount. Notice PIH 2017-12/2018-18 requires certain provisions, at a minimum, to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

Notice PIH 2017-12 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance.

## **PART V: SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP)**

### **16-V.A. OVERVIEW**

The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure PHA performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for each PHA as high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect HACA in several ways.

High-performing PHAs can be given a competitive advantage under notices of funding availability [24 CFR 985.103].

**16-VI.B. RECORD RETENTION [24 CFR 982.158; 24 CFR 908.101]**

During the term of each assisted lease, and for at least three years thereafter, the PHA must keep:

- A copy of the executed lease;
- The HAP contract; and
- The application from the family.

In addition, the PHA must keep the following records for at least three years:

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- An application from each ineligible family and notice that the applicant is not eligible;
- HUD-required reports;
- Unit inspection reports;
- Lead-based paint records as required by 24 CFR 35, Subpart B.
- Accounts and other records supporting PHA budget and financial statements for the program;
- Records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
- Other records specified by HUD.
  - [The PHA must keep the last three years of the Form HUD-50058 and supporting documentation during the term of each assisted lease, and for a period of at least three years from the end of participation \(EOP\) date \[24 CFR 908.101\].](#)
  - [The PHA must maintain Enterprise Income Verification \(EIV\) system Income Reports in the tenant file for the duration of the tenancy but for a period not to exceed three years from the EOP date \[Notice PIH 2018-18\].](#)
  -
- Notice PIH 2014-20 requires PHAs to keep records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule.

If an informal hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see Section 16- III.D., Retention of Documents.

**16-VI.C. RECORDS MANAGEMENT**

PHAs must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

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receive under this program.

## PART I: GENERAL REQUIREMENTS

### 17-1.A. OVERVIEW [24 CFR 983.5; FR Notice 1/18/17; Notice PIH 2017-21]

The project-based voucher (PBV) program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its authorized units and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. PHAs may only operate a PBV program if doing so is consistent with the PHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

#### HACA Policy

HACA will operate a project-based voucher program as outlined in this chapter.

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, the PHA is not required to reduce the number of these units if the amount of budget authority is subsequently reduced. However, the PHA is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC, regardless of whether the PHA has vouchers available for project-basing [FR Notice 1/18/17].

#### **Additional Project-Based Units [FR Notice 1/18/17; Notice PIH 2017-2; ~~1~~ FR Notice 1/24/22]**

The PHA may project-base an additional 10 percent of its units above the 20 percent program limit. The units may be distributed among one, all, or a combination of the categories as long as the total number of units does not exceed the 10 percent cap. [Units qualify under this exception if the units:](#)

[For units under a HAP contract that was first executed on or after April 18, 2017, ~~u~~Units qualify under this exception if the units:](#)

- Are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR 578.3.
- Are specifically made available to house families that are comprised of or include a veteran.



- *Veteran* means an individual who has served in the United States Armed Forces.
- Provide supportive housing to persons with disabilities or elderly persons as defined in 24 CFR 5.403.
- Are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year Estimates. Only units that are under a HAP contract that was first executed on or after April 18, 2017, may be covered by the 10 percent exception.
  - [PBV units that house eligible youth receiving FUPY/FYI assistance are also covered by this 10 percent exception authority if the units are under a HAP contract that became effective after December 27, 2020, and if the unit is occupied by an eligible youth receiving FUPY/FYI assistance. FYI TPVs that were awarded under Notice PIH 2019-20 are not part of this exception since PHAs are prohibited from project-basing FYI TPVs. Units added after December 27, 2020, through an amendment of a HAP contract that became effective after December 27, 2020, are eligible for this 10 percent exception authority. In contrast, units added after December 27, 2020, through an amendment of a HAP contract that became effective on or prior to December 27, 2020, are not eligible for this 10 percent exception authority \[FR Notice 1/24/22\]. See Chapter 19 for policies specific to project-basing FUPY vouchers.](#)

#### HACA Policy

HACA may project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

#### **Units Not Subject to the PBV Program Limitation [FR Notice 1/18/17]**

PBV units under the RAD program and HUD-VASH PBV set-aside vouchers do not count toward the 20 percent limitation when PBV assistance is attached to them.

In addition, units that were previously subject to certain federal rent restrictions or were receiving another type of long-term housing subsidy provided by HUD are not subject to the cap. The unit must be covered under a PBV HAP contract that first became effective on or after April 18, 2017.

#### HACA Policy

HACA may project-base units not subject to the 20 percent cap in accordance with HUD regulations and requirements.

#### **17-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE**

- If the PHA is planning rehabilitation or new construction on the project, a minimum threshold of \$25,000 per unit in hard costs must be expended.
- If the PHA plans to replace public housing by attaching PBV assistance to existing housing in which the PHA has an ownership interest or control, then the \$25,000 per unit minimum threshold does not apply as long as the existing housing substantially complies with HQS.
- The PHA must include in the administrative plan what work it plans to do on the property or site and how many PBV units will be added to the site.
- *Ownership interest* means that the PHA or its officers, employees, or agents are in an entity that holds any direct or indirect interest in the building, including, but not limited to an interest as: titleholder; lessee; stockholder; member, or general or limited partner; or a member of a limited liability corporation.

#### HACA Policy

HACA is currently undertaking a complete redevelopment and expansion of its Rosewood Courts public housing property in east Austin. In accordance with HUD requirements, this redevelopment and expansion will exceed the required minimum of \$25,000 in per unit hard costs. This property is a high priority for HACA – it is in an area of expanding opportunity that is rapidly gentrifying and where there is a significant need for additional affordable housing to meet the needs of current residents of the area and others moving to Austin.

This redevelopment contemplates the new construction of approximately 184 multi-family units with modern, energy efficient appliances and amenities, which will replace 17 of the existing 25 buildings on the site. HACA and AAHC also recognize the historic significance of the property and as such the redevelopment also contemplates a robust historic preservation component consisting of the restoration of eight existing buildings. The redevelopment plan will significantly improve the quality of life for the residents of Rosewood Courts East and allow AAHC to provide more affordable housing by moderately increasing density. Additionally, the redevelopment will include an opportunity for homeownership for approximately 12 low income families. HACA may elect to project-base vouchers not to exceed 50 units.

Residents of Rosewood Courts will have the first right to return to the newly rebuilt Pathways at Rosewood Courts. During construction, Rosewood Courts residents will be supported with comprehensive relocation assistance, ensuring each household's needs are accounted for and are offered options that minimize having to leave their immediate neighborhood. It is anticipated that nearby HACA properties will also be a viable relocation option for families while Rosewood is being rebuilt.

HACA has determined that the placement of project-based Housing Choice Vouchers will significantly benefit HACA's ability to meet its mission of serving the lowest income persons in our community, including seniors, persons with disabilities, transitioning homeless, and families with children.

HACA is currently undertaking a complete redevelopment and expansion of its Chalmers Courts public housing property in east Austin. In accordance with HUD requirements, this redevelopment and expansion will exceed the required minimum of \$25,000 in per unit hard costs. This property is a high priority for HACA – it is in an area of expanding opportunity that is rapidly gentrifying and where there is a significant need for additional affordable housing to meet the needs of current residents of the area and others moving to Austin. The first phase of the redevelopment is the construction of 86 new affordable housing units south of the existing Chalmers Courts site (Chalmers South). ~~HACA may elect to project-based 42 regular vouchers and 8 VASH vouchers at Chalmers East not to exceed 43 units at Chalmers South or no more than half of the total units at Chalmers South.~~ HACA will project-base 42 regular vouchers and 8 VASH vouchers at Chalmers West. Once complete, HACA will relocate residents from either the east or west side of the existing Chalmers Courts site, minimizing displacement and disruption to families. A redevelopment will then begin on either the east or west side of the site. ~~The exact order of redevelopment is dependent on the financing tools which ultimately will be available, including use of the Low Income Housing Tax Credit program.~~

The east side and west side redevelopments of Chalmers Courts will involve the construction of approximately 160 units on each side. Once fully completed, the new Chalmers Courts – south, west and east – will total approximately 400 units, significantly helping address Austin's affordable housing needs.

HACA has determined that the placement of project-based Housing Choice Vouchers, as well as the placement of a to-be-determined number of project-based HUD VASH vouchers, will significantly benefit HACA's ability to meet its mission of serving the lowest income persons in our community, including seniors, persons with disabilities, transitioning homeless, and families with children.

#### **Solicitation and Selection of PBV Proposals [24 CFR 983.51(c)]**

PHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the PHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the PHA request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements

### **17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT**

#### **25 Percent per Project Cap [24 CFR 983.56, FR Notice 1/18/17, and Notice PIH 2017-21]**

In general, the PHA may not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than the greater of 25 units or 25 percent of the number of dwelling units (assisted or unassisted) in the project.

#### **Exceptions to 25 Percent per Project Cap [FR Notice 1/18/17; Notice PIH 2017-21; [FR Notice 1/24/22](#)]**

As of April 18, 2017, units are not counted against the 25 percent or 25-unit per project cap if:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project
- If the project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project [FR Notice 7/14/17].

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) eliminated the project cap exemption for projects that serve disabled families and modified the exception for supportive services.

[Under the Fostering Stable Housing Opportunities \(FSHO\) amendments, units exclusively made available to youth receiving FUPY/FYI assistance may be excepted from the project cap for HAP contracts first effective after December 27, 2020. For more information on excepted units for FUPY, see Chapter 19.](#)

Projects where these caps were implemented prior to HOTMA (HAP contracts executed prior to April 18, 2017) [or FSHO \(contract in effect on or prior to December 27, 2020\)](#) may continue to use the former exceptions and may renew their HAP contracts under the old requirements, unless the PHA and owner agree to change the conditions of the HAP contract. However, this change may not be made if it would jeopardize an assisted family's eligibility for continued assistance in

HACA will seek HUD approval to add 50 Project-based voucher units to the Cady Loft HAP Contract without competition. The justification for this is described below:

- 1) HACA's commitment to expand housing opportunities to vulnerable persons experiencing homelessness who struggle to locate affordable housing in the Austin rental market.
- 2) Cady Lofts received a 9% Low Income Housng Tax Credit (LIHTC) allocation. This qualifies for selection of proposal subject to previous competition under a federal, state, or local housing assistance program. Cady Loft's proposal was selected in accordance with the LIHTC competitive selection requirements within 3 years of the PBV proposal selection date, and the earlier competitively selected housing assistance proposal did not involve any consideration that the project would receive additional PBV assistance.

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#### **17-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.207(b) and 983.302(e)]**

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

#### **17-V.E. OWNER RESPONSIBILITIES UNDER THE HAP CONTRACT [24 CFR 983.210]**

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;

HUD-VASH Operating Requirements.

Forty-two (42) regular Project-based Vouchers

HACA will use the same selection preferences that are used for the HCV tenant-base voucher program for the 42 regular PBV units.

Applicants on the Housing Choice Voucher programs tenant-base waiting list will be added to Pathways at Chalmers Court West project-based voucher waiting list. If the Housing Choice Voucher waiting list doesn't provide enough referrals to fill the available project-based voucher units, referrals would come directly from Pathways at Chalmers Court West to be added to the project-based voucher waiting list. Households who meet the Housing Choice Voucher initial eligibility requirements will be referred to Pathways at Chalmers Court West for a project-based voucher unit.

Eligible applicants must meet Pathways at Chalmers Court West tenant selection screening criteria.

If the applicant was previously on the Housing Choice Voucher waiting and decides not to lease a unit at Pathways at Chalmers Court West, the applicant will remain on the HCV tenant-base voucher waiting list.

If the applicant was not previously on the Housing Choice Voucher waiting list and was referred to apply by Pathways at Chalmers Court West and refuses an offer of PBV assistance or does not meet Pathways at Chalmers Court West's screening criteria, they will not be eligible to remain on the regular tenant-base Housing Choice Voucher waiting list.

**Pathways at Rosewood Courts**

HACA will project-base ~~up to 560~~ vouchers at Rosewood Courts. The property is located at ~~1141 Chicon Street~~ ~~2001 Rosewood Ave~~, Austin Texas.

**Tenant Selection**

~~Fifty~~ ~~Up to sixty~~ (560) regular ~~p~~Project-based ~~v~~Vouchers

HACA will use the same selection preferences that are used for the HCV tenant-base voucher program for ~~up to 650~~ regular PBV units.

Applicants on the Housing Choice Voucher programs tenant-base~~d~~ waiting list will be added to Pathways at Rosewood Courts project-based voucher waiting list. If the Housing Choice Voucher waiting list doesn't provide enough referrals to fill the available project-based voucher units, referrals would come directly from Pathways at Rosewood Courts to be added to the project-based voucher waiting list. Households who meet the Housing Choice Voucher initial eligibility requirements will be referred to Pathways at Rosewood Courts for a project-based voucher unit.

in a non-segregated setting. HACA will verify qualification for this preference with the PBV owner’s on-site clinical staff. Disabled residents shall not be required to accept particular services offered at the project. HACA is prohibited from granting preferences to persons with specific disabilities (24 CFR 982.207(b)(3)).

**Disability:** HACA will give preference to disabled families. A disabled family is a family in which the head, spouse or co-head is disabled using the current HUD definition of disability.

**Chronically Homeless Preference:** HACA will give preference to households (including individuals) who meet the HUD definition of chronically homeless defined in the Final Rule published December 4, 2015 (24 CFR Part 91).

When notified of a vacancy in a PBV unit, HACA will first draw applicants that meet and score the highest site-based preferences based on date and time of application. HACA will then draw all other applicants based on the date and time of application.

**Balcones Terrace**

HACA will project-base 25 HCV and 25 HUD-VASH units at Balcones Terrace. The property is located at 10024 N. Capital of Texas Hwy, Austin TX 78759.

**Tenant Selection**

HACA will accept HUD-VASH applicants for vacant units in the order received from the Veterans Affairs Austin Outpatient Clinic in accordance with HUD-VASH Operating Requirements.

For non-specified category vouchers, HACA will allow the PBV owner to refer households for placement on the waiting list. HACA will use the following local preferences for purposes of establishing priority. The local preferences are weighted differently, with the higher number representing a higher ranking. Each applicant family can be granted a maximum of one local preference plus the Owner Referral preference (if they qualify). Weights for each preference are as follows:

- Owner Referral = 1
- Project-Specific Supportive Services Need = 1
- Disability = 1
- Chronically Homeless = 2

**Owner Referral Preference:** HACA will give preference to households (including

individuals) referred by the project owner who have completed a Coordinated Assessment administered by a member of the Austin/Travis County Continuum of Care (CoC) and been verified by the CoC lead agency as the highest priority eligible household as required by the project's funding sources.

**Project-Specific Supportive Services Need Preference:** HACA will give preference to households (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain housing, who without appropriate supportive services will not be able to obtain or maintain housing, and for whom such services cannot be provided in a non-segregated setting. HACA will verify qualification for this preference with the PBV owner's on-site clinical staff. Disabled residents shall not be required to accept particular services offered at the project. HACA is prohibited from granting preferences to persons with specific disabilities (24 CFR 982.207(b)(3)).

**Disability:** HACA will give preference to disabled families. A disabled family is a family in which the head, spouse or co-head is disabled using the current HUD definition of disability.

**Chronically Homeless Preference:** HACA will give preference to households (including individuals) who meet the HUD definition of chronically homeless defined in the Final Rule published December 4, 2015 (24 CFR Part 91).

When notified of a vacancy in a PBV unit, HACA will first draw applicants that meet and score the highest site-based preferences based on date and time of application. HACA will then draw all other applicants based on the date and time of application.

### **Libertad Austin at Gardner**

HACA will project-base 25 HCV and 25 HUD-VASH units at Libertad Austin at Gardner. The property is located at 900 Gardner Rd, Austin TX 78721.

### **Tenant Selection**

HACA will accept HUD-VASH applicants for vacant units in the order received from the Veterans Affairs Austin Outpatient Clinic in accordance with HUD-VASH Operating Requirements.

For non-specified category vouchers, HACA will allow the PBV owner to refer households for placement on the waiting list. HACA will use the following local preferences for purposes of establishing priority. The local preferences are weighted differently, with the higher number representing a higher ranking. Each applicant family can be granted a maximum of one local preference plus the Owner Referral preference (if they qualify). Weights for each preference are as follows:



<u>Owner Referral</u>	= 1
<u>Project-Specific Supportive Services Need</u>	= 1
<u>Disability</u>	= 1
<u>Chronically Homeless</u>	= 2

**Owner Referral Preference:** HACA will give preference to households (including individuals) referred by the project owner who have completed a Coordinated Assessment administered by a member of the Austin/Travis County Continuum of Care (CoC) and been verified by the CoC lead agency as the highest priority eligible household as required by the project’s funding sources.

**Project-Specific Supportive Services Need Preference:** HACA will give preference to households (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain housing, who without appropriate supportive services will not be able to obtain or maintain housing, and for whom such services cannot be provided in a non-segregated setting. HACA will verify qualification for this preference with the PBV owner’s on-site clinical staff. Disabled residents shall not be required to accept particular services offered at the project. HACA is prohibited from granting preferences to persons with specific disabilities (24 CFR 982.207(b)(3)).

**Disability:** HACA will give preference to disabled families. A disabled family is a family in which the head, spouse or co-head is disabled using the current HUD definition of disability.

**Chronically Homeless Preference:** HACA will give preference to households (including individuals) who meet the HUD definition of chronically homeless defined in the Final Rule published December 4, 2015 (24 CFR Part 91).

When notified of a vacancy in a PBV unit, HACA will first draw applicants that meet and score the highest site-based preferences based on date and time of application. HACA will then draw all other applicants based on the date and time of application.

**Candlewood Suites Hotel Conversion Project at Pecan Park**

HACA will project-base 50 units at the Candlewood Suites Hotel Conversion Project at Pecan Park. The property is located at 10811 Pecan Park Blvd #2, Austin TX 78750.

**Tenant Selection**

HACA will allow the PBV owner to refer households for placement on the waiting list. HACA will use the following local preferences for purposes of establishing

priority. The local preferences are weighted differently, with the higher number representing a higher ranking. Each applicant family can be granted a maximum of one local preference plus the Owner Referral preference (if they qualify). Weights for each preference are as follows:

<u>Owner Referral</u>	<u>= 1</u>
<u>Project-Specific Supportive Services Need</u>	<u>= 1</u>
<u>Disability</u>	<u>= 1</u>
<u>Chronically Homeless</u>	<u>= 2</u>

**Owner Referral Preference:** HACA will give preference to households (including individuals) referred by the project owner who have completed a Coordinated Assessment administered by a member of the Austin/Travis County Continuum of Care (CoC) and been verified by the CoC lead agency as the highest priority eligible household as required by the project’s funding sources.

**Project-Specific Supportive Services Need Preference:** HACA will give preference to households (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain housing, who without appropriate supportive services will not be able to obtain or maintain housing, and for whom such services cannot be provided in a non-segregated setting. HACA will verify qualification for this preference with the PBV owner’s on-site clinical staff. Disabled residents shall not be required to accept particular services offered at the project. HACA is prohibited from granting preferences to persons with specific disabilities (24 CFR 982.207(b)(3)).

**Disability:** HACA will give preference to disabled families. A disabled family is a family in which the head, spouse or co-head is disabled using the current HUD definition of disability.

**Chronically Homeless Preference:** HACA will give preference to households (including individuals) who meet the HUD definition of chronically homeless defined in the Final Rule published December 4, 2015 (24 CFR Part 91).

When notified of a vacancy in a PBV unit, HACA will first draw applicants that meet and score the highest site-based preferences based on date and time of application. HACA will then draw all other applicants based on the date and time of application.

**Cady Lofts**

HACA will project-base 75 units at Cady Lofts. The property is located at 1004-1008 E. 39<sup>th</sup> St, Austin TX 78751.

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**Tenant Selection**

HACA will allow the PBV owner to refer households for placement on the waiting list. HACA will use the following local preferences for purposes of establishing priority. The local preferences are weighted differently, with the higher number representing a higher ranking. Each applicant family can be granted a maximum of one local preference plus the Owner Referral preference (if they qualify). Weights for each preference are as follows:

<u>Owner Referral</u>	<u>= 1</u>
<u>Project-Specific Supportive Services Need</u>	<u>= 1</u>
<u>Disability</u>	<u>= 1</u>
<u>Chronically Homeless</u>	<u>= 2</u>

**Owner Referral Preference:** HACA will give preference to households (including individuals) referred by the project owner who have completed a Coordinated Assessment administered by a member of the Austin/Travis County Continuum of Care (CoC) and been verified by the CoC lead agency as the highest priority eligible household as required by the project’s funding sources.

**Project-Specific Supportive Services Need Preference:** HACA will give preference to households (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain housing, who without appropriate supportive services will not be able to obtain or maintain housing, and for whom such services cannot be provided in a non-segregated setting. HACA will verify qualification for this preference with the PBV owner’s on-site clinical staff. Disabled residents shall not be required to accept particular services offered at the project. HACA is prohibited from granting preferences to persons with specific disabilities (24 CFR 982.207(b)(3)).

**Disability:** HACA will give preference to disabled families. A disabled family is a family in which the head, spouse or co-head is disabled using the current HUD definition of disability.

**Chronically Homeless Preference:** HACA will give preference to households (including individuals) who meet the HUD definition of chronically homeless defined in the Final Rule published December 4, 2015 (24 CFR Part 91).

When notified of a vacancy in a PBV unit, HACA will first draw applicants that meet and score the highest site-based preferences based on date and time of application. HACA will then draw all other applicants based on the date and time of application.

- Communicate the move out date from the PBRA program to the HCV Intake Team to prevent the overlapping of assistance.
  - The move out from PBRA will not be effective until the property manager receives the keys from the resident family.
  - The family will be required to pay the full rental cost for any days that they have moved in to their new unit before returning the keys to the PBRA property management.
  - The voucher assistance will not start until the day after the family provides the keys to the PBRA property management.

### **VIII. Promoting Self-Sufficiency Through Choice Mobility**

The decision about where to live can have a significant impact on a family’s journey toward self-sufficiency. Through the Choice Mobility voucher option, families living in the PBRA property are given the opportunity to make that decision. Therefore PHA’s should strategize how to maximize the use of the Choice Mobility voucher as a self-sufficiency tool.

#### **HACA Policy**

Within available resources, HACA will intentionally strategize and leverage the utilization of specific supportive services to provide a solid foundation for the use of the Choice Mobility voucher as a self-sufficiency and resource building tool.

- HACA will explore how to efficiently and effectively use the 2 + years that families are living in PBRA to offer community development services that focus on preparing families for transition to use of a voucher in the private rental market. Such services may include, but are not limited to, financial literacy training, credit counseling and credit improvement, addressing rental history, increasing income through employment, financial coaching, and home maintenance and upkeep among others.
- HACA will explore how to use the resources available (i.e. opportunity mapping) to help direct families toward areas of higher opportunity when they are searching for neighborhoods and housing that meets their needs and where they can use the voucher. This will include helping families to understand how to use these tools to gain information on items such as schools, supportive services and transportation.

## **Chapter 19**

### **SPECIAL PURPOSE VOUCHERS**

#### **INTRODUCTION**

Special purpose vouchers are specifically funded by Congress in separate appropriations from

regular HCV program funding in order to target specific populations. Special purpose vouchers include vouchers for the following programs:

- Family Unification Program (FUP)
- Foster Youth to Independence (FYI) program
- Veterans Affairs Supportive Housing (VASH)
- Mainstream
- Non-Elderly Disabled (NED)

PHA Policy

The PHA will administer the following types of special purpose vouchers: **FUP; FYI; VASH; Mainstream; NED**

This chapter describes HUD regulations and PHA policies for administering special purpose vouchers. The policies outlined in this chapter are organized into five sections, as follows:

Part I: Family Unification Program (FUP)

Part II: Foster Youth to Independence (FYI) program

Part III: Veterans Affairs Supportive Housing (VASH)

Part IV: Mainstream voucher program

Part V: Non-Elderly Disabled (NED) vouchers

Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to special purpose vouchers.

## **PART I: FAMILY UNIFICATION PROGRAM (FUP)**

### **19-I.A. PROGRAM OVERVIEW [Fact Sheet, Housing Choice Voucher Program Family Unification Program (FUP)]**

#### **Overview**

The Family Unification Program (FUP) was authorized by Congress in 1990 to help preserve and reunify families. PHAs that administer the program provide vouchers to two different populations—FUP families and FUP youth.

Families eligible for FUP are families for whom the lack of adequate housing is a primary factor in:

- The imminent placement of the family’s child or children in out-of-home care; or
- The delay in the discharge of the child or children to the family from out-of-home care.

There is no time limitation on FUP family vouchers, and the family retains their voucher as long as they are HCV-eligible. There is no requirement for the provision of supportive services for FUP family vouchers.

Youth eligible for FUP are those who:

- Are at least 18 years old and not more than 24 years of age;
- Have left foster care or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age 16 and older; and
- Are homeless or at risk of becoming homeless.

FUP youth vouchers are limited by statute to a period between 36 and 60 months of housing assistance. Supportive services must also be provided to FUP-eligible youth by the Public Child Welfare Agency (PCWA) or by another agency or organization under contract with the PCWA for the period of time defined in the notice or Notice of Funding Availability/Opportunity (NOFA/O) for which funding was made available.

PHAs that wish to administer FUP vouchers must apply to HUD by submitting an application under an active Notice of Funding Opportunity (NOFO). While the FUP program is administered in accordance with HCV regulations, the FUP NOFOs issued by HUD provide specific program information and requirements.

In order to administer the program, the PHA must also form a partnership with a local PCWA who is responsible for determining the family or youth meets FUP eligibility requirements and referring them to the PHA. Once the referral is received, the PHA is responsible for placing the FUP family or youth on the PHA’s waiting list and determining whether they are eligible to

receive assistance under the PHA's HCV program.

**Assigning Vouchers [FUP FAQs]**

The PHA may, but is not required to, assign a specific number or percentage of FUP vouchers for FUP youths and FUP families. Unless the PHA assigns a specific number or percentage of FUP vouchers to a designated FUP population, the PHA must serve any referrals (youths or families) that meet all program eligibility requirements up to the PHA’s designated FUP program size.

HACA Policy

HACA has not designated any specific number or percentage of FUP vouchers for youths or families. HACA will serve all referrals that meet program eligibility requirements, up to HACA’s FUP voucher allocation.

**19-I.B. PUBLIC CHILD WELFARE AGENCY (PCWA)**

Families and youth do not apply directly to the PHA for FUP vouchers. They are instead referred by a PCWA with whom the PHA has entered into a Memorandum of Understanding (MOU). The partnering PCWA initially determines whether the family or youth meets the FUP program eligibility requirements listed in 19-I.C. and 19-I.D. and then refers those families or youths to the PHA.

HUD strongly encourages PHAs and PCWAs to make decisions collaboratively on the administration of the program and to maintain open and continuous communication. The PCWA must have a system for identifying FUP-eligible youth within the agency’s caseload and for reviewing referrals from a Continuum of Care (COC) if applicable.

HACA Policy

HACA has entered into an MOU with the following partnering organizations: *Texas Department of Family Protective Services (DFPS) (PCWA)*



**Supportive Services**

The PCWA must provide supportive services for the period of time defined in the notice or NOFA/O for which the funding was made available to all FUP-eligible youth regardless of their age. The MOU between the PHA and the PCWA should identify the period of time in which supportive services will be provided.

HACA Policy

DFPS and/or its designated contractor for its Aftercare Transitional Living Services Program (ACTS) will provide supportive services for all FUP youth for a period of no less than 18 months after lease-up.

Supportive services may be provided to FUP-eligible youth by the PCWA or by another agency or organization under agreement or contract with the PCWA, including the PHA. The organization providing the services and resources must be identified in the MOU. The following services must be offered:

- Basic life skills information or counseling on money management, use of credit, housekeeping, proper nutrition or meal preparation, and access to health care (e.g., doctors, medication, and mental and behavioral health services);
- Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance or referrals for assistance on security deposits, utility hook-up fees, and utility deposits;
- Providing such assurances to owners of rental property as are reasonable and necessary to assist a FUP-eligible youth to rent a unit with a FUP voucher;
- Job preparation and attainment counseling (where to look and how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
- Educational and career advancement counseling regarding attainment of general equivalency diploma (GED), or attendance or financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.

HACA Policy

The following additional supportive services will be offered as needed: self-esteem and personal relationships; parenting skills; counseling and mentoring.

A FUP-eligible youth cannot be required to participate in these services as condition of receipt of the FUP voucher.

### **19-I.C. FUP FAMILY VOUCHER ELIGIBILITY CRITERIA**

FUP family assistance is reserved for eligible families that the PCWA has certified are a family for whom a lack of adequate housing is a primary factor in:

- The imminent placement of the family's child or children in out-of-home care, or
- The delay in the discharge of the child or children to the family from out-of-home care.

Lack of adequate housing means the family meets any one of the following conditions:

- Living in substandard housing, which refers to a unit that meets any one of the following conditions:
  - Does not have operable indoor plumbing
  - Does not have a usable flush toilet inside the unit for the exclusive use of a family or youth
  - Does not have a usable bathtub or shower inside the unit for the exclusive use of a family or youth
  - Does not have electricity, or has inadequate or unsafe electrical service
  - Does not have a safe or adequate source of heat
  - Should, but does not, have a kitchen
  - Has been declared unfit for habitation by an agency or unit of government, or in its present condition otherwise endangers the health, safety, or well-being of the family or youth
  - Has one or more critical defects, or a combination of intermediate defects in sufficient number or to the extent that it requires considerable repair or rebuilding. The defects may result from original construction, from continued neglect or lack of repair, or from serious damage to the structure
- Being homeless as defined in 24 CFR 578.3
- Living in a unit where the presence of a household member with certain characteristics (i.e., conviction for certain criminal activities) would result in the imminent placement of the family's child or children in out-of-home care, or the delay in the discharge of the child or children to the family from out-of-home care
- Living in housing not accessible to the family's disabled child or children due to the nature of the disability

- Living in an overcrowded unit, which is defined as living in a unit where one of the following conditions has been met:
  - The family is separated from its child or children and the parents are living in an otherwise standard housing unit, but, after the family is reunited, the parents' housing unit would be overcrowded for the entire family and would be considered substandard; or
  - The family is living with its child or children in a unit that is overcrowded for the entire family and this overcrowded condition may result, in addition to other factors, in the imminent placement of its child or children in out-of-home care.
  - For purposes of this definition, the determination as to whether the unit is overcrowded is made in accordance with the PHA subsidy standards in Chapter 5, Part III of this policy.

Since HUD does not define *imminent placement*, the partnering PCWA may use its discretion to determine whether the potential out of home placement of the family's child or children is imminent [FUP FAQs].

**19-I.D. FUP YOUTH VOUCHER ELIGIBILITY CRITERIA**

While FUP family vouchers operate as regular HCVs after the family is referred from the PCWA, there are several aspects of the FUP youth vouchers that make them distinct from the FUP family vouchers and from regular HCVs.

**Eligibility Criteria**

A FUP-eligible youth is a youth the PCWA has certified:

- Is at least 18 years old and not more than 24 years of age (has not yet reached their 25<sup>th</sup> birthday):
  - The FUP youth must be no more than 24 years old at the time the PCWA certifies them as eligible and at the time of HAP contract execution.
- Has left foster care or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act;
  - Foster care placement can include, but is not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes in accordance with 24 CFR 5.576.
- Is homeless or at risk of becoming homeless at age 16 or older;
  - At risk of being homeless is fully defined at 24 CFR 576.2.
    - o This includes a person that is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution).
    - o Therefore, youth being discharged from an institution may be eligible for a FUP voucher [FUP FAQs].
- Has an annual income at or below 30 percent of area median income; and
- Does not have sufficient resources or support networks (e.g., family, friends, faith-based or other social networks) immediately available to prevent them from moving to a supervised publicly or privately operated shelter designed to provide temporary living arrangements.

**19-I.E. ASSISTANCE PERIOD [FR Notice 1/24/22]****Maximum Assistance Period**

Although there is no time limit on FUP family vouchers, FUP youth vouchers are limited by statute. Unless the FUP youth meets an exception outlined below, after 36 months of assistance, the FUP youth voucher must be terminated. However, any period of time for which no subsidy (HAP) is being paid on behalf of the youth does not count toward the 36-month limitation.

If the FUP youth does meet the requirements outlined below, the statutory limit on FUP assistance is a total of 60 months of FUP voucher assistance [FR Notice 1/24/22].

**Extension of Assistance**

FUP youth who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit (for a total of 60 months of assistance).

While FUP youth cannot be required to participate in the Family Self-Sufficiency (FSS) program as a condition of receipt of assistance, an eligible youth who participates in the FSS program and is in compliance with the applicable terms and conditions of the program is entitled to receive assistance for up to an additional 24 months. A FUP youth must accept an FSS slot if it is offered to them prior to the 36-month mark in order to receive an extension of assistance (unless the youth meets one of the statutory exceptions described below).

**Statutory Exceptions**

A FUP youth will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit without participating in the PHA's FSS program if they certify that they meet one of the exceptions below:

- The FUP youth is a parent or other household member responsible for the care of a dependent child under the age of six or for the care of an incapacitated person.

**HACA Policy**

HACA and the State of Texas defines *incapacitated person* as

**(1) a minor;****(2) an adult who, because of a physical or mental condition, is substantially unable to:****(A) provide food, clothing, or shelter for himself or herself;****(B) care for the person's own physical health; or****(C) manage the person's own financial affairs; or****(3) a person who must have a guardian appointed for the person to receive funds due**

**the person from a governmental source.**

The PHA will apply this exception in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with the statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a PHA-provided form. This certification is the only documentation that the FUP youth must submit.

The child or incapacitated person is not required to reside in the household in order for the youth to certify they meet this exception. For example, a child in a joint custody arrangement under the age of six who resides in the household only part-time may qualify the youth for this exception.

- The FUP youth is a person who is regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program.

HACA Policy

HACA will define *regular and active participation* in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with the statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a HACA-provided form. This certification is the only documentation that the FUP youth must submit.

- The FUP youth is a person who is incapable of complying with the requirement to participate in a FSS program as described above or engage in education, workforce development, or employment activities as described below, as applicable, due to a documented medical condition.

HACA Policy

HACA will apply this requirement in a manner that provides extensions of FUP youth assistance to the broadest population possible consistent with statutory requirements.

The FUP youth will be required to self-certify that they meet this exception on a HACA-provided form. This certification is the only documentation that the FUP youth must submit.

A FUP youth that meets one of the above exceptions must still be offered an opportunity to enroll in the PHA's FSS program (if it is available to them) and receive any supportive services available to FUP youth. A FUP youth may choose to participate in an FSS program or engage in education, workforce development, or employment activities, even if they meet one of the above statutory exceptions.

### Education, Workforce Development, or Employment Activities

If a PHA that carries out an FSS program is unable to offer a FUP youth an FSS slot during their first 36 months of receiving FUP youth assistance, the youth is considered to have been “unable to enroll” in the program and may have their voucher extended by meeting the education, workforce development, or employment criteria described below:

- The youth was engaged in obtaining a recognized postsecondary credential or a secondary school diploma or its recognized equivalent.

#### HACA Policy

HACA will use the definitions of *recognized postsecondary credential* and *secondary school diploma or its recognized equivalent* under the Workforce Innovation and Opportunity Act (WIOA). WIOA defines a *recognized postsecondary credential* as a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the state involved or federal government, or an associate or baccalaureate degree (29 U.S.C. 3102). Examples of a recognized postsecondary credential include, but are not limited to, an associate’s degree, bachelor’s degree, occupational licensure, or occupational certification (see U.S. Department of Labor, Training and Employment Guidance Letter No. 10–16, Change 1). For the purpose of WIOA, the U.S. Department of Labor defines a *secondary school diploma or its recognized equivalent* as a secondary school diploma (or alternate diploma) that is recognized by a state and that is included for accountability purposes under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA). A secondary school equivalency certification signifies that a student has completed the requirement for a high school education. Examples of a secondary school diploma or its recognized equivalent include, but are not limited to, obtaining certification of attaining passing scores on a state-recognized high school equivalency test, earning a secondary school diploma or state-recognized equivalent, or obtaining certification of passing a state-recognized competency-based assessment.

- The youth was enrolled in an *institution of higher education*, as such term is defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) or an institution that meets the definition of a *proprietary institution of higher education* or a *postsecondary vocational institution* under sections 102(b)(1) and (c)(1) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)(1) and (c)(1)), respectively.

#### HACA Policy

Youth must be enrolled in education activities on at least a half-time basis, as defined by the institution that they attend. However, HACA may make exceptions to this requirement if the youth is unable to enroll in a sufficient number of classes due to a lack of course offerings by the educational institution where the youth is enrolled.



- The youth was participating in a career pathway, as such term is defined in Section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102). The term *career pathway* means a combination of rigorous and high-quality education, training, and other services that:
  - Aligns with the skill needs of industries in the economy of the state or regional economy involved;
  - Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an *apprenticeship*, except in section 3226 of this title);
  - Includes counseling to support an individual in achieving the individual’s education and career goals;
  - Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
  - Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
  - Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential; and
  - Helps an individual enter or advance within a specific occupation or occupational cluster.
- The youth was employed.

#### HACA Policy

HACA will consider the youth to be employed if they work a minimum of 20 hours per week. HACA may make exceptions to this requirement if the youth’s hours are reduced due to circumstances beyond their control or the youth must temporarily reduce their work hours due to a verified family emergency.

#### FSS Enrollment at 24 Months

If the FUP youth has not been provided an opportunity to enroll in the FSS program during the first 24 months of FUP assistance, HUD encourages the PHA to remind the youth at the 24-month reexamination of the education, workforce development, and employment requirements described above so that the youth has enough time to meet these requirements prior to the expiration of the 36-month time period for FUP assistance.

#### HACA Policy

If the FUP youth has not been provided an opportunity to enroll in the FSS program during the first 24 months of FUP assistance, HACA will remind the youth at their second regular reexam of the education, workforce development, and employment requirements described above.

**FSS Enrollment Between 36 and 48 Months**

If an FSS slot becomes available between the 36-month and 48-month mark:

- The PHA must offer the slot to a FUP youth who had their voucher extended based on meeting the education, workforce development, or employment requirement listed above, or one of the statutory exceptions listed above (even if the youth previously declined an FSS slot because they met one of the statutory exceptions).
- The PHA must work with the youth to determine whether enrollment in FSS is feasible and in their best interest given any education, workforce development, or employment activities that the youth is engaged in and any statutory exceptions that apply to the youth, as well as the remaining time on their voucher.
- If the FUP youth accepts the FSS slot, the PHA must work with the youth to establish Contract of Participation goals and an Individual Training and Services Plan (ITSP) that can be accomplished within the time period left on the voucher.

If the FUP youth is offered an FSS slot prior to the 36-month mark, the youth:

- Will be required to enroll in the FSS program in order to receive an extension of assistance at the end of the 36-month time period (unless they meet one of the statutory exceptions described above).
- Will not be considered to have been “unable to enroll” in the FSS program as described above, and as a result, will not be eligible to receive an extension of assistance based on meeting the education, workforce development, or employment requirements described above.

**FSS Enrollment After 48 Months**

The PHA may, but is not required to, offer a FUP youth an FSS slot that becomes available between the 48-month mark and the 60-month mark, since the youth will have already received their second and final extension.

**HACA Policy**

If an FSS slot becomes available between the 48 and 60-month marks, HACA will not offer the FSS slot to a FUP youth.

**Extensions of Assistance**

At the 36-month and 48-month reexamination, the PHA must extend FUP youth assistance if the youth is participating in and in compliance with the FSS program as long as the youth is still eligible for the HCV program.

In any case, the FUP youth cannot receive more than a total of 60 months of FUP youth voucher assistance, even if the FSS Contract of Participation time period extends beyond the voucher 60- month mark.

**No FSS Program or Unable to Enroll in FSS**

If a PHA does not carry out an FSS program or the FUP youth has been unable to enroll in the program during the first 36 months of receiving FUP assistance, the FUP youth is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that the youth engaged in at least one of the education, workforce development, or employment activities described above for not less than nine months of the 12-month period preceding each extension. In order to meet the nine months out of the preceding 12 months requirement, the youth may have engaged in one of the education, workforce development, or employment activities described above or a combination of these activities.

**Verification Prior to Annual Reexam**

In order to provide an extension of assistance, the PHA must verify compliance with the above requirements at the end of the 36-month time period and the 48-month time periods. The PHA does not need to verify compliance with these requirements at the end of the 60-month time period since the maximum length of assistance is 60 months.

To verify compliance with the education, workforce development, or employment requirement or one of the statutory exceptions, the PHA must provide the FUP youth written notification informing them that they may receive an extension of their FUP assistance and providing instructions on how the youth may demonstrate that they meet one of these conditions. This notification must be provided sufficiently in advance of the end of the 36-month or 48-month time periods, as applicable, to allow the FUP youth to demonstrate that they meet the education, workforce development, or employment requirement, or one of the statutory exceptions, and for the PHA to conduct an annual reexamination prior to the expiration of the FUP assistance.

**HACA Policy**

HACA will verify compliance with the education, workforce development, or employment requirement, or one of the statutory exceptions, at the end of the 36-month and 48-month time periods prior to the FUP youth's scheduled annual reexamination. HACA will not verify compliance at the end of the 60-month time period.

HACA will provide each FUP youth on HACA's program with a written notification informing them that they may receive an extension of their FUP assistance if they meet conditions outlined in this chapter and providing them with instructions on how they may demonstrate compliance at least 60 days prior to their scheduled annual reexam date. When necessary, the PHA will provide this notification in a format accessible to FUP youth with disabilities and in a translated format for FUP youth with limited English proficiency in accordance with Chapter 2.

HACA will use the following verification methods to verify a FUP youth's eligibility for voucher extensions:

To verify compliance with the FSS requirement, HACA will examine its records to confirm, or obtain confirmation from HACA's FSS program staff, that the FUP youth participant is in compliance with FSS program requirements and has not been terminated from the FSS program.

To meet the education, workforce development, or employment requirement, HACA will verify that the FUP youth was engaged in at least one education, workforce development, or employment activity for at least nine months of the 12-month period immediately preceding the end of 36-month or 48-month time period, as applicable.

Due to the timing of when the PHA verifies compliance and conducts the annual reexamination, the FUP youth may have not yet met the nine-month requirement but may be able to demonstrate that they will meet the nine-month requirement as of the end of the 36-month or 48-month time period. In such cases, the FUP youth will still be considered to have met the requirements.

In order for the FUP youth to meet one of the statutory exceptions described above, the youth must submit a certification to HACA that they meet one of these exceptions. This certification is the only documentation that the FUP youth must submit in order to demonstrate that they meet one of the statutory exceptions.

A FUP youth who received an extension of voucher assistance at the end of the 36-month time period based on meeting one of the conditions described in this chapter does not have to meet the same conditions when they reach the end of the 48-month time period. The FUP youth may demonstrate that they meet a different condition in order to receive an extension of their assistance.

If the PHA determines that the youth meets one of the statutory conditions, the PHA would then conduct an annual reexamination. If the annual reexamination determines that the youth is still eligible for the HCV program, the PHA must provide the FUP youth the extension of voucher assistance.

**Termination of Assistance for Failure to Meet Conditions**

Failure of the FUP youth to meet one of the above conditions will only impact their ability to receive subsequent extensions of assistance. It will not serve as a basis for terminating the FUP assistance prior to the annual reexam.

If the FUP youth does not meet any of the conditions described in in this chapter, 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, and the FUP youth voucher must be terminated once the youth reaches this time limit. The calculation of the time limit begins from the date the first HAP contract is signed (for tenant-based vouchers) or from the date the youth entered into the initial lease agreement (for project-based vouchers). The number of months is calculated based on the number of months that HAP subsidy is being paid on behalf of the youth, not the number of months that the youth is in the FUP youth program. Prior to termination, the PHA must offer the FUP youth the opportunity to request an informal hearing, in accordance with Chapter 16.

## 19-I.F. REFERRALS AND WAITING LIST MANAGEMENT

### Referrals

The PCWA must establish and implement a system to identify FUP-eligible families and youths within the agency's caseload and make referrals to the PHA. The PCWA must certify that the FUP applicants they refer to the PHA meet FUP eligibility requirements. The PHA is not required to maintain full documentation that demonstrates the family's or youth's FUP eligibility as determined by the PCWA but should keep the referral or certification from the PCWA.

### HACA Policy

As part of the MOU, HACA and DFPS have identified staff positions to serve as lead FUP liaisons. These positions will be responsible for transmission and acceptance of FUP referrals. DFPS must commit sufficient staff and resources to ensure eligible families and youths are identified and determined eligible in a timely manner.

When FUP vouchers are available, the HACA liaison responsible for acceptance of referrals will contact the DFPS FUP liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than 10 business days from the date DFPS receives this notification, the DFPS liaison will provide HACA with a list of eligible referrals include the name, address, and contact phone number for each adult individual who is being referred; a completed release form for each adult family member; and a written certification for each referral indicating the youth or family is FUP-eligible.

HACA will maintain a copy of the referral or certification from DFPS in the participant's file along with other eligibility paperwork.

A PHA must serve any referrals (youths or families) that meet all program eligibility requirements. If a PHA determines that it has received a sufficient number of referrals from the PCWA so that the PHA will be able to lease all FUP vouchers awarded, the PHA may request that the PCWA suspend transmission of referrals. If the PHA determines that additional referrals will be needed after it has made such a request, the PHA may request that the PCWA resume transmission of referrals [Notice PIH 2011-52].

**Waiting List Placement**

A family that is already participating in the regular HCV program cannot be transferred to a FUP voucher.

Once a referral is made, the PHA must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA’s referral list are already on the PHA’s HCV waiting list. Applicants already on the PHA’s HCV waiting list retain the order of their position on the list. Applicants not already on the PHA’s HCV waiting list must be placed on the HCV waiting list.

If the PHA’s HCV waiting list is closed, the PHA must open its HCV waiting list in order to accept new FUP applicants. If necessary, the PHA may open its waiting list solely for FUP applicants, but this information must be included in the PHA’s notice of opening its waiting list (see section 4-II.C., Opening and Closing the Waiting List of this administrative plan).

**HACA Policy**

Within 10 business days of receiving the referral from DFPS, HACA will review the HCV waiting list and will send DFPS a list confirming whether or not referrals are on the waiting list.

Referrals who are already on the list will retain their position and the list will be notated to indicate the family or youth is FUP-eligible.

For those referrals not already on the waiting list, HACA will work with DFPS to ensure they receive and successfully complete a pre-application or application, as applicable. Once the pre-application or application has been completed, the PHA will place the referral on the HCV waiting list with the date and time of the original referral and an indication that the referral is FUP-eligible.

**Waiting List Selection**

The PHA selects FUP-eligible families or youths based on the PHA’s regular HCV waiting list selection policies in Chapter 4, including any preferences that may apply.

**19-I.G. PHA HCV ELIGIBILITY DETERMINATION**

Once a FUP-eligible family or youth is selected from the HCV waiting list, the PHA must determine whether the family or youth meets HCV program eligibility requirements. Applicants must be eligible under both FUP family or youth eligibility requirements, as applicable, and HCV eligibility requirements as outlined in Chapter 3 of this policy.

The PCWA may, but is not obligated to, provide information to the PHA on the family’s criminal history.

HACA Policy

DFPS will not provide information regarding the applicant’s criminal history to HACA.

**Additional FUP Eligibility Factors [FUP FAQs]**

For FUP family vouchers, the family must remain FUP-eligible through lease-up.

- If, after a family is referred by the PCWA but prior to issuing a family FUP voucher, the PHA discovers that the lack of adequate housing is no longer a primary factor for the family not reunifying, the FUP voucher may not be issued to the family.
- Similarly, if the FUP voucher has already been issued before the PHA discovers that the reunification will not happen, but the family has not yet leased up under the voucher, the PHA must not execute the HAP contract, as the family is no longer FUP-eligible.

FUP-eligible youth must be no more than 24 years old both at the time of PCWA certification and at the time of the HAP execution. If a FUP youth is 24 at the time of PCWA certification but will turn 25 before the HAP contract is executed, the youth is no longer eligible for a FUP youth voucher.

HACA Policy

Any applicant that does not meet the eligibility criteria for the HCV program listed in Chapter 3 or any eligibility criteria listed in this section will be notified by HACA in writing following policies in Section 3-III.F., including stating the reasons the applicant was found ineligible and providing an opportunity for an informal review.



**19.I.H. LEASE UP [FR Notice 1/24/22]**

Once the PHA determines that the family or youth meets HCV eligibility requirements, the family or youth will be issued a FUP voucher in accordance with PHA policies.

During the family briefing, PHAs must inform the FUP youth of:

- The extension of assistance provisions and requirements;
- The availability of the FSS program and offer them an FSS slot, if available, or offer to place them on the FSS waiting list (provided the PHA has an FSS program); and
- Supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services. However, participation in supportive services cannot be required as a condition of receiving FUP youth assistance.

HACA Policy

Eligible applicants will be notified by HACA in writing following policies in Section 3-III.F. of this administrative plan. FUP families will attend a standard HCV briefing in accordance with PHA policies in Part I of Chapter 5 of this administrative plan. FUP youth will be briefed individually. The PHA will provide all aspects of the written and oral briefing as outlined in Part I of Chapter 5 but will also provide an explanation of the required items listed above, as well as discussing supportive services offered by DFPS and/or its contracted ACTS Program provider.

For both FUP youth and FUP families, vouchers will be issued in accordance with PHA policies in Chapter 5 Part II, except that the PHA will consider one additional 30-day extension beyond the first automatic extension for any reason, not just those listed in the policy in Section 5-II.E.

Once the family or youth locate a unit, the PHA conducts all other processes relating to voucher issuance and administration per HCV program regulations and the PHA's policies (including, but not limited to: HQS inspection, determination of rent reasonableness, etc.).

**19-I.I. TERMINATION OF ASSISTANCE**

**General Requirements**

With the exception of terminations of assistance for FUP youth after the statutorily required time period, terminations of FUP assistance are handled in the same way as the regular HCV program. Termination of a FUP voucher must be consistent with regulations for termination in 24 CFR Part 982, Subpart L and be in compliance with PHA policies (Chapter 12).

If the person who qualifies for the FUP voucher passes away, the family retains the FUP voucher. In the case of a FUP-youth voucher, assistance will terminate after the statutorily required time period, even if the FUP-eligible youth is no longer included in the household.

If the person who qualifies for the FUP voucher moves, the remaining family members may keep the FUP voucher based on PHA policy (see administrative plan, Section 3-I.C., Family Breakup and Remaining Member of Tenant Family).

**FUP Family Vouchers**

If parents lose their parental rights or are separated from their children after voucher lease-up (or their children reach adulthood), the family is still eligible to keep their FUP assistance, as the regulations do not permit HCV termination for a family losing parental rights or the children reaching adulthood. However, the PHA may transfer the assistance of a FUP family voucher holder to regular HCV assistance if there are no longer children in the household.

**HACA Policy**

HACA will transfer the assistance of a FUP family voucher holder to regular HCV assistance if there are no longer children in the household and there is no prospect of any minor child being returned to the household.

If the PHA has no regular HCV vouchers available at the time this determination is made, including if no vouchers are available due to lack of funding, the PHA will issue the family the next available regular HCV voucher after those being issued to families residing in PBV units claiming Choice Mobility.

**FUP Youth Vouchers**

A PHA cannot terminate a FUP youth’s assistance for noncompliance with PCWA case management, nor may the PHA terminate assistance for a FUP youth for not accepting services from the PCWA.

The PHA may not transfer the assistance of a FUP youth voucher holder to regular HCV assistance upon the expiration of the statutorily required time period. However, the PHA may issue a regular HCV to FUP youth if they were selected from the waiting list in accordance with PHA policies and may also adopt a preference for FUP youth voucher holders who are being terminated for this reason.

HACA Policy

HACA provides a selection preference on the PHA’s HCV waiting list for FUP youth who are terminated due to the time limit on assistance.

Upon the expiration of the statutorily required time period, a FUP youth voucher holder who has children and who lacks adequate housing may qualify for a FUP family voucher provided they are referred by the PCWA as an eligible family and meet the eligibility requirements for the PHA’s HCV program.

### **9-I.J. FUP PORTABILITY**

Portability for a FUP family or youth is handled in the same way as for a regular HCV family. A PHA may not restrict or deny portability for a FUP family or youth for reasons other than those specified in the HCV program regulations, as reflected in Chapter 10 of the administrative plan.

A FUP family or youth does not have to port to a jurisdiction that administers FUP.

If the receiving PHA administers the FUP voucher on behalf of the initial PHA, the voucher is still considered a FUP voucher regardless of whether the receiving PHA has a FUP program.

If the receiving PHA absorbs the voucher, the receiving PHA may absorb the incoming port into its FUP program (if it has one) or into its regular HCV program (if the receiving PHA has vouchers available to do so) and the family or youth become regular HCV participants. In either case, when the receiving PHA absorbs the voucher, a FUP voucher becomes available to the initial PHA.

### **Considerations for FUP Youth Vouchers**

If the voucher is a FUP youth voucher and remains such upon lease-up in the receiving PHA's jurisdiction, termination of assistance must still take place once the youth has received assistance for the statutorily required time period. If the receiving PHA is administering the FUP youth voucher on behalf of the initial PHA, the two PHAs must work together to initiate termination upon expiration of the statutorily required time period.

### **19-I.K. PROJECT-BASING FUP VOUCHERS [Notice PIH 2017-21; FR Notice 1/24/22]**

The PHA may project-base FUP vouchers without HUD approval in accordance with Notice PIH 2017-21, FR Notice 1/24/22, and all statutory and regulatory requirements for the PBV program. Project-based FUP vouchers are subject to the PBV program percentage limitation discussed in Section 17-I.A.

The PHA may limit PBVs to one category of FUP-eligible participants (families or youth) or a combination of the two.

While FUP vouchers can be used for either families or youth, a PBV unit may only be counted towards the PHA's 10 percent exception authority under the program cap and the project's income-mixing requirement if the FUP PBV assistance is provided on behalf of an eligible youth. The PHA must amend its administrative plan to include the limitation of these FUP PBV units to eligible youth.

#### HACA Policy

HACA may elect to project-base FUP vouchers.

**PART II: FOSTER YOUTH TO INDEPENDENCE INITIATIVE**

**19-II.A. PROGRAM OVERVIEW [Notice PIH 2020-28; Notice PIH 2021-26; FR Notice 1/24/22]**

The Foster Youth to Independence (FYI) initiative was announced in 2019. The FYI initiative allows PHAs who partner with a Public Child Welfare Agency (PCWA) to request targeted HCVs to serve eligible youth with a history of child welfare involvement that are homeless or at risk of being homeless. Rental assistance and supportive services are provided to qualified youth for a period of between 36 and 60 months.

Funding is available either competitively through an FYI NOFA or noncompetitively on a rolling basis in accordance with the application requirements outlined in Notice PIH 2020-28 or Notice PIH 2021-26, as applicable. Under the noncompetitive process, PHAs are limited to 25 vouchers in a fiscal year with the ability to request additional vouchers for those PHAs with 90 percent or greater utilization or utilization of its FUP and/or FYI vouchers, as applicable. For competitive awards, the number of vouchers is dependent on PHA program size and need.

**19-II.B. PARTNERING AGENCIES [Notice PIH 2021-26; FYI Updates and Partnering Opportunities Webinar]**

**Public Child Welfare Agency (PCWA)**

The PHA must enter into a partnership agreement with a PCWA in the PHA's jurisdiction in the form of a Memorandum of Understanding (MOU) or letter of intent. The PCWA is responsible for identifying and referring eligible youth to the PHA and providing or securing a commitment for the provision of supportive services once youth are admitted to the program.

HACA Policy

HACA will implement a Foster Youth to Independence (FYI) program in partnership with *Texas Department of Family Protective Services (DFPS)*

DFPS is responsible for:

- Identifying FYI-eligible youth;
- Developing a system of prioritization based on the level of need of the youth and the appropriateness of intervention;
- Providing a written certification to the PHA and the Austin/Travis County CoC's Coordinated Entry System that the youth is eligible; and
- Providing or securing supportive services for 36 months.

**Continuum of Care (CoC) and Other Partners**

HUD strongly encourages PHAs to add other partners into the partnership agreement with the PCWA such as state, local, philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates.

HACA Policy

In addition to the PCWA, the PHA will implement the FYI program in partnership with *the Ending Community Homelessness Coalition (ECHO), the Continuum of Care Lead Agency*

**19-IL.C. YOUTH ELIGIBILITY CRITERIA [Notice PIH 2021-26; FYI Q&As; FYI FAQs]**

The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. As determined by the PCWA, eligible youth:

- Are at least 18 years of age and not more than 24 years of age (have not yet reached their 25<sup>th</sup> birthday):
  - Youth must be no more than 24 years of age at the time the PCWA certifies them as eligible and at the time of HAP contract execution.
- Have left foster care or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act:
  - Placements can include, but are not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes in accordance with 24 CFR 5.576;
- Are homeless or at risk of becoming homeless at age 16 and older:
  - At risk of being homeless is fully defined at 24 CFR 576.2.
    - o This includes a person that is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution). Therefore, youth being discharged from an institution may be eligible for an FYI voucher [FYI FAQs].

Eligibility is not limited to single persons. For example, pregnant and/or parenting youth are eligible to receive assistance assuming they otherwise meet eligibility requirements.

**19-II.D. SUPPORTIVE SERVICES [Notice PIH 2021-26; FYI Updates and Partnering Opportunities Webinar; FYI Q&As]**

Supportive services may be provided by the PHA, PCWA or a third party. The PCWA must provide or secure a commitment to provide supportive services for participating youth for the period of time defined in the NOFA/O for which the funding was made available. At a minimum, the following supportive services must be offered:

- Basic life skills information/counseling on money management, use of credit, housekeeping, proper nutrition/meal preparation, and access to health care (e.g., doctors, medication, and mental and behavioral health services);
- Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance/referrals for assistance on security deposits, utility hook-up fees, and utility deposits;
- Providing such assurances to owners of rental property as are reasonable and necessary to assist eligible youth to rent a unit with a voucher;
- Job preparation and attainment counseling (where to look/how to apply, dress, grooming, relationships with supervisory personnel, etc.); and
- Educational and career advancement counseling regarding attainment of general equivalency diploma (GED) or attendance/financing of education at a technical school, trade school, or college, including successful work ethic and attitude models.

HACA Policy

The following additional supportive services will be offered as needed and as available: security and utility deposits; SOAR benefits application assistance; childcare; LGBTQ support; parenting education, and transportation.

Since participation in supportive services is optional, but strongly encouraged, an FYI participant may decline supportive service.



**19-ILE. REFERRALS AND WAITING LIST MANAGEMENT [Notice PIH 2021-26; FYI Updates and Partnering Opportunities Webinar; FYI FAQs]**

**Referrals**

The PCWA is responsible for certifying that the youth has prior qualifying foster care involvement. Once the PCWA sends the PHA and the Coordinated Entry System confirmation certifying the youth is program-eligible, the PHA determines HCV eligibility.

The PCWA must have a system for identifying eligible youth within the agency's caseload and reviewing referrals from other partners, as applicable. The PCWA must also have a system for prioritization of referrals to ensure that youth are prioritized for an FYI voucher based upon their level of need and appropriateness of the intervention.

Referrals may come from other organizations in the community who work with the population, but the PCWA must certify that the youth meets eligibility requirements, unless the PCWA has vested another organization with this authority.

The PHA is not required to maintain full documentation that demonstrates the youth's eligibility as determined by the PCWA but should keep the referral or certification from the PCWA. The PCWA is not required to provide the PHA with HCV eligibility documents.

HACA Policy

HACA and DFPS have identified staff positions to serve as lead FYI liaisons. These positions will be responsible for transmission and acceptance of referrals. DFPS must commit sufficient staff and resources to ensure eligible youths are identified, prioritized, and determined eligible in a timely manner.

When vouchers are available, the PHA liaison responsible for acceptance of referrals will contact the DFPS liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than 10 business days from the date DFPS receives this notification, the DFPS liaison must provide HACA with a list of eligible referrals, a completed release form, and a written certification for each referral indicating the referral is eligible. The list will include the name, address, and contact phone number for each adult individual who is being referred.

HACA will maintain a copy of each certification from DFPS in the participant's file along with other eligibility paperwork.

**Waiting List Placement [Notice PIH 2021-26 and FYI FAQs]**

The PHA must use the HCV waiting list for the FYI program. Youth already on the HCV program may not be transferred to an FYI voucher since they are not homeless or at-risk of homelessness.

Once a referral is made, the PHA must compare the list of PCWA referrals to its HCV waiting list to determine if any applicants on the PCWA’s referral list are already on the PHA’s HCV waiting list. Applicants already on the PHA’s HCV waiting list retain the order of their position on the list. Applicants not already on the PHA’s HCV waiting list must be placed on the HCV waiting list.

If the PHA’s HCV waiting list is closed, the PHA must open its HCV waiting list in order to accept new referrals. The PHA may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants; however, the requirements at 24 CFR 982.206 for giving public notice when opening and closing the waiting list apply (see section 4-II.C., Opening and Closing the Waiting List of this administrative plan).

**HACA Policy**

Within 10 business days of receiving the referral from DFPS, HACA will review the HCV waiting list and will send DFPS a list confirming whether or not referrals are on the waiting list.

Referrals who are already on the list will retain their position and the list will be notated to indicate the applicant is FYI-eligible.

For those referrals not already on the waiting list, HACA will work with DFPS or identified partner agency to ensure they receive and successfully complete a pre-application or application, as applicable. Once the pre-application or application has been completed, HACA will place the referral on the HCV waiting list with the date and time of the original referral and an indication that the referral is FYI-eligible.

**Waiting List Selection**

The PHA selects eligible youths based on the PHA’s regular HCV waiting list selection policies in Chapter 4, including any preferences that may apply.

**19-II.F. PHA HCV ELIGIBILITY DETERMINATION [FYI FAQs]**

Once an eligible youth is selected from the HCV waiting list, the PHA must determine whether the youth meets HCV program eligibility requirements. Applicants must be eligible under both FYI eligibility requirements and HCV eligibility requirements as outlined in Chapter 3 of this policy.

The PCWA may, but is not obligated to, provide information to the PHA on the youth's criminal history.

HACA Policy

DFPS will not provide information regarding the applicant's criminal history to HACA.

**Additional Eligibility Factors**

Youth must be no more than 24 years old both at the time of PCWA certification and at the time of the HAP execution. If a youth is 24 at the time of PCWA certification but will turn 25 before the HAP contract is executed, the youth is no longer eligible for a FYI voucher.

HACA Policy

Any applicant that does not meet the eligibility criteria for the HCV program listed in Chapter 3 or any eligibility criteria listed in this section will be notified by HACA in writing following policies in Section 3-III.F, including stating the reasons the applicant was found ineligible and providing an opportunity for an informal review.

**19-II.G. LEASE UP [FR Notice 1/24/22]**

Once the PHA determines that the family or youth meets HCV eligibility requirements, the youth will be issued an FYI voucher in accordance with PHA policies.

During the family briefing, PHAs must inform the FYI voucher holder of:

- The extension of assistance provisions and requirements;
- The availability of the FSS program and offer them an FSS slot, if available, or offer to place them on the FSS waiting list (provided the PHA has an FSS program); and
- The supportive services available to them, the existence of any other programs or services, and their eligibility for such programs and services. However, participation in supportive services cannot be required as a condition of receiving FYI assistance.

**HACA Policy**

Eligible applicants will be notified by HACA in writing following policies in Section 3-III.F. of this policy. FYI youth will be briefed individually. The PHA will provide all aspects of the written and oral briefing as outlined in Part I of Chapter 5.

Vouchers will be issued in accordance with HACA policies in Chapter 5, Part II, except that HACA will consider one additional 30-day extension beyond the first automatic extension for any reason, not just those listed in the policy in Section 5-II.E.

Once the youth locates a unit, the PHA conducts all other processes relating to voucher issuance and administration per HCV program regulations and the PHA policy in Chapter 9.

Should a youth fail to use the voucher, the PHA may issue the voucher to another eligible youth if one has been identified [Notice PIH 2021-26].

**Turnover [FYI FAQs]**

For PHAs awarded FYI Tenant Protection Vouchers (TPVs) under Notice PIH 2019-20 where the recipient of the FYI TPV leaves the program, the PHA may request an FYI voucher under the requirements of Notice PIH 2021-26. (Not applicable to HACA)

For PHAs awarded FYI vouchers under Notices PIH 2020-28 and PIH 2021-26, where the recipient of the FYI voucher leaves the program, the PHA must continue to use the FYI voucher for eligible youth upon turnover. Where there are more eligible youth than available FYI turnover vouchers, the PHA may request an FYI voucher under the requirements of Notice PIH 2021-26. If another eligible youth is not available, the PHA must notify HUD, and HUD will reduce the PHA's HCV assistance to account for the removal of the FYI assistance from the PHA's HCV baseline.

**19-II.H. MAXIMUM ASSISTANCE PERIOD [Notice PIH 2021-26 and FYI  
FAQs; FR Notice 1/24/22]**

Vouchers are limited by statute to a total of between 36 months and 60 months of housing assistance. At the end of the statutory time period, assistance must be terminated. However, any period of time for which no subsidy (HAP) is being paid on behalf of the youth does not count toward the limitation. It is not permissible to reissue another FYI TPV to the same youth upon expiration of their FYI assistance.

Participants do not “age out” of the program. A participant may continue with the program until they have received the period of assistance for which they are eligible. Age limits are only applied for entry into the program.

**Extension of Assistance**

FYI voucher holders who first leased or lease a unit after December 27, 2020, may be eligible for an extension of assistance up to 24 months beyond the 36-month time limit (for a total of 60 months of assistance).

While FYI voucher holders cannot be required to participate in the Family Self-Sufficiency (FSS) program as a condition of receipt of assistance, an eligible youth who participates in the FSS program and is in compliance with the applicable terms and conditions of the program is entitled to receive assistance for up to an additional 24 months. A FYI voucher holders must accept an FSS slot if it is offered to them prior to the 36-month mark in order to receive an extension of assistance (unless the youth meets one of the statutory exceptions described below).

**Statutory Exceptions**

FYI voucher holders will be entitled to receive an extension of assistance for up to 24 months beyond the 36-month time limit without participating in the PHA’s FSS program if they certify that they meet one of the exceptions below:

- The FYI voucher holder is a parent or other household member responsible for the care of a dependent child under the age of six or for the care of an incapacitated person.

HACA Policy

HACA and the State of Texas defines *incapacitated person* as

(1) a minor;

(2) an adult who, because of a physical or mental condition, is substantially unable to:

(A) provide food, clothing, or shelter for himself or herself;

(B) care for the person's own physical health; or

(C) manage the person's own financial affairs; or

(3) a person who must have a guardian appointed for the person to receive funds due the person from a governmental source.

. HACA will apply this exception in a manner that provides extensions of FYI assistance to the broadest population possible consistent with the statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a HACA-provided form. This certification is the only documentation that the FYI voucher holder must submit.

The child or incapacitated person is not required to reside in the household in order for the FYI voucher holder to certify they meet this exception. For example, a child in a joint custody arrangement under the age of six who resides in the household only part time may qualify the FYI voucher holder for this exception.

- The FYI voucher holder is a person who is regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program.

HACA Policy

HACA will define *regular and active participation* in a manner that provides extensions of FYI voucher holder assistance to the broadest population possible consistent with the statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a HACA-provided form. This certification is the only documentation that the FYI voucher holder must submit.

- The FYI voucher holder is a person who is incapable of complying with the requirement to participate in a FSS program as described above or engage in education, workforce development, or employment activities as described below, as applicable, due to a documented medical condition.

HACA Policy

HACA will apply this requirement in a manner that provides extensions of FYI voucher holder assistance to the broadest population possible consistent with statutory requirements.

The FYI voucher holder will be required to self-certify that they meet this exception on a HACA-provided form. This certification is the only documentation that the FYI voucher holder must submit.

An FYI voucher holder that meets one of the above exceptions must still be offered an opportunity to enroll in the PHA's FSS program (if it is available to them) and receive any supportive services available to FYI voucher holders. An FYI voucher holder may choose to participate in an FSS program or engage in education, workforce development, or employment activities, even if they meet one of the above statutory exceptions.

### Education, Workforce Development, or Employment Activities

If a PHA that carries out an FSS program is unable to offer a FYI voucher holder an FSS slot during their first 36 months of receiving FYI assistance, the FYI voucher holder is considered to have been “unable to enroll” in the program and may have their voucher extended by meeting the education, workforce development, or employment criteria described below:

- The FYI voucher holder was engaged in obtaining a recognized postsecondary credential or a secondary school diploma or its recognized equivalent.

#### HACA Policy

HACA will use the definitions of *recognized postsecondary credential* and *secondary school diploma or its recognized equivalent* under the Workforce Innovation and Opportunity Act (WIOA). WIOA defines a *recognized postsecondary credential* as a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the state involved or federal government, or an associate or baccalaureate degree (29 U.S.C. 3102). Examples of a recognized postsecondary credential include, but are not limited to, an associate’s degree, bachelor’s degree, occupational licensure, or occupational certification (see U.S. Department of Labor, Training and Employment Guidance Letter No. 10–16, Change 1). For the purpose of WIOA, the U.S. Department of Labor defines a *secondary school diploma or its recognized equivalent* as a secondary school diploma (or alternate diploma) that is recognized by a state and that is included for accountability purposes under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA). A secondary school equivalency certification signifies that a student has completed the requirement for a high school education. Examples of a secondary school diploma or its recognized equivalent include, but are not limited to, obtaining certification of attaining passing scores on a state-recognized high school equivalency test, earning a secondary school diploma or state-recognized equivalent, or obtaining certification of passing a state-recognized competency-based assessment.

- The FYI voucher holder was enrolled in an *institution of higher education*, as such term is defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) or an institution that meets the definition of a *proprietary institution of higher education* or a *postsecondary vocational institution* under sections 102(b)(1) and (c)(1) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)(1) and (c)(1)), respectively.

#### HACA Policy

The FYI voucher holder must be enrolled in education activities on at least a half-time basis, as defined by the institution which they attend. However, HACA may make exceptions to this requirement if the FYI voucher holder is unable to enroll in a sufficient number of classes due to a lack of course offerings by the educational institution where they are enrolled.



- The FYI voucher holder was participating in a career pathway, as such term is defined in Section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).
- The FYI voucher holder was employed.

HACA Policy

HACA will consider the FYI voucher holder to be employed if they work a minimum of 20 hours per week. HACA may make exceptions to this requirement if the FYI voucher holder's hours are reduced due to circumstances beyond their control or the FYI voucher holder must temporarily reduce their work hours due to a verified family emergency.

**FSS Enrollment at 24 Months**

If the FYI voucher holder has not been provided an opportunity to enroll in the FSS program during the first 24 months of FYI assistance, HUD encourages the PHA to remind the FYI voucher holder at the 24-month reexamination of the education, workforce development, and employment requirements described above so that they have enough time to meet these requirements prior to the expiration of the 36-month time period for FYI assistance.

HACA Policy

If the FYI voucher holder has not been provided an opportunity to enroll in the FSS program during the first 24 months of FYI assistance, HACA will remind the FYI voucher holder at their second regular reexam of the education, workforce development, and employment requirements described above.

**FSS Enrollment Between 36 and 48 Months**

If an FSS slot becomes available between the 36-month and 48-month mark:

- The PHA must offer the slot to an FYI voucher holder who had their voucher extended based on meeting the education, workforce development, or employment requirement listed above, or one of the statutory exceptions listed above (even if the FYI voucher holder previously declined an FSS slot because they met one of the statutory exceptions).
- The PHA must work with the FYI voucher holder to determine whether enrollment in FSS is feasible and in their best interest given any education, workforce development, or employment activities that the FYI voucher holder is engaged in and any statutory exceptions that apply to the FYI voucher holder, as well as the remaining time on their voucher.
- If the FYI voucher holder accepts the FSS slot, the PHA must work with them to establish Contract of Participation goals and an Individual Training and Services Plan (ITSP) that can be accomplished within the time period left on the voucher.

If the FYI voucher holder is offered an FSS slot prior to the 36-month mark, the FYI voucher holder:

- Will be required to enroll in the FSS program in order to receive an extension of assistance at the end of the 36-month time period (unless they meet one of the statutory exceptions described above).

- Will not be considered to have been “unable to enroll” in the FSS program, and as a result, will not be eligible to receive an extension of assistance based on meeting the education, workforce development, or employment requirements described above.

**FSS Enrollment After 48 Months**

The PHA may, but is not required, to offer an FYI voucher holder an FSS slot that becomes available between the 48-month mark and the 60-month mark, since the FYI voucher holder will have already received their second and final extension.

HACA Policy

If an FSS slot becomes available between the 48 and 60-month marks, HACA will not offer the FSS slot to an FYI voucher holder.

**Extensions of Assistance**

At the 36-month and 48-month reexamination, the PHA must extend FYI assistance if the FYI voucher holder is participating in and in compliance with the FSS program as long as the FYI voucher holder is still eligible for the HCV program.

In any case, the FYI voucher holder cannot receive more than a total of 60 months of FYI assistance even if the FSS Contract of Participation time period extends beyond the voucher 60- month mark.

**No FSS Program or Unable to Enroll in FSS**

If a PHA does not carry out an FSS program or the FYI voucher holder has been unable to enroll in the program during the first 36 months of receiving FYI assistance, the FYI voucher holder is entitled to receive an extension of assistance for up to two successive 12-month periods beyond the 36-month time limit provided that the FYI voucher holder engaged in at least one of the education, workforce development, or employment activities described above for not less than nine months of the 12-month period preceding each extension. In order to meet the nine months out of the preceding 12 months requirement, the FYI voucher holder may have engaged in one of the education, workforce development, or employment activities described above or a combination of these activities.

**Verification Prior to Annual Reexam**

In order to provide an extension of assistance, the PHA must verify compliance with the above requirements at the end of the 36-month time period and the 48-month time periods. The PHA does not need to verify compliance with these requirements at the end of the 60-month time period since the maximum length of assistance is 60 months.

To verify compliance with the education, workforce development, or employment requirement or one of the statutory exceptions, the PHA must provide the FYI voucher holder written notification informing them that they

may receive an extension of their FYI assistance and providing instructions on how the FYI voucher holder may demonstrate that they meet one of these conditions. This notification must be provided sufficiently in advance of the end of the 36-month or 48-month time periods, as applicable, to allow the FYI voucher holder to demonstrate that they meet the education, workforce development, or employment requirement, or one of the statutory exceptions, and for the PHA to conduct an annual reexamination prior to the expiration of the FYI assistance.

### HACA Policy

HACA will verify compliance with the education, workforce development, or employment requirement, or one of the statutory exceptions, at the end of the 36-month and 48-month time periods prior to the FYI voucher holder's scheduled annual reexamination. HACA will not verify compliance at the end of the 60-month time period.

HACA will provide each FYI voucher holder on the PHA's program with a written notification informing them that they may receive an extension of their FYI assistance if they meet conditions outlined in this chapter and providing them with instructions on how they may demonstrate compliance at least 60 days prior to their scheduled annual reexam date. When necessary, HACA will provide this notification in a format accessible to FYI voucher holders with disabilities and in a translated format for FYI voucher holders with limited English proficiency in accordance with Chapter 2.

HACA will use the following verification methods to verify an FYI voucher holder's eligibility for voucher extensions:

To verify compliance with the FSS requirement, HACA will examine its records to confirm, or obtain confirmation from the HACA's FSS program staff, that the FYI participant is in compliance with FSS program requirements and has not been terminated from the FSS program.

To meet the education, workforce development, or employment requirement, HACA will verify that the FYI voucher holder was engaged in at least one education, workforce development, or employment activity for at least nine months of the 12-month period immediately preceding the end of the 36-month or 48-month time period, as applicable.

Due to the timing of when HACA verifies compliance and conducts the annual reexamination, the FYI voucher holder may have not yet met the nine-month requirement but may be able to demonstrate that they will meet the nine-month requirement as of the end of the 36-month or 48-month time period. In such cases, the FYI voucher holder will still be considered to have met the requirements.

In order for the FYI voucher holder to meet one of the statutory exceptions described above, the FYI voucher holder must submit a certification to HACA that they meet one of these exceptions. This certification is the only documentation that the FYI voucher holder must submit in order to demonstrate that they meet one of the statutory exceptions.

An FYI voucher holder who received an extension of voucher assistance at the end of the 36-month time period based on meeting one of the conditions described in this chapter does not have to meet the same conditions when they reach the end of the 48-month time period. The FYI voucher holder may demonstrate that they meet a different condition in order to receive an extension of their assistance.

If the PHA determines that the FYI voucher holder meets one of the statutory conditions, the PHA would then conduct an annual reexamination. If the annual reexamination determines that the FYI voucher holder is still eligible for the HCV program, the PHA must provide the FYI voucher holder the extension of voucher assistance.

#### **Termination of Assistance for Failure to Meet Conditions**

Failure of the FYI voucher holder to meet one of the above conditions will only impact their ability to receive subsequent extensions of assistance. It will not serve as a basis for terminating the FYI assistance prior to the annual reexam.

If the FYI voucher holder does not meet any of the statutory conditions described in in this chapter, 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, and the FYI voucher must be terminated once they reach this time limit. The calculation of the time limit begins from the date the first HAP contract is signed (for tenant-based vouchers) or from the date the FYI voucher holder entered into the initial lease agreement (for project-based vouchers). The number of months is calculated based on the number of months that HAP subsidy is being paid on behalf of the FYI voucher holder, not the number of months that they are in the FYI program. Prior to termination, the PHA must offer the FYI voucher holder the opportunity to request an informal hearing, in accordance with Chapter 16.

#### **19-II.I. TERMINATION OF ASSISTANCE [FYI FAQs]**

Termination of a FYI voucher is handled in the same way as with any HCV; therefore, termination of a FYI voucher must be consistent with HCV regulations at 24 CFR Part 982, Subpart L and PHA policies in Chapter 12. Given the statutory time limit that requires FYI vouchers to sunset, a PHA must terminate the youth's assistance once the limit on assistance has expired.

A PHA cannot terminate a FYI youth's assistance for noncompliance with PCWA case management, nor may the PHA terminate assistance for a FYI youth for not accepting services from the PCWA.

The PHA may not transfer the assistance of FYI voucher holders to regular HCV assistance upon the expiration of the limit on assistance. However, the PHA may issue a regular HCV to FYI voucher holders if they were selected from the waiting list in accordance with PHA policies. The PHA may also adopt a waiting list preference for FYI voucher holders who are being terminated for this reason.

#### HACA Policy

HACA provides a selection preference on HACA's HCV waiting list for FYI voucher holders who are terminated due to the time limit on assistance.

**Commented [DS1]:** Need to add FYI to the FUP Youth preference.

**19-II.J. PORTABILITY [FYI FAQs]**

Portability for an FYI youth is handled in the same way as for a regular HCV family. A PHA may not restrict or deny portability for an FYI youth for reasons other than those specified in the HCV program regulations, as reflected in Chapter 10 of the administrative plan.

An FYI youth does not have to port to a jurisdiction that administers FYI vouchers.

If the receiving PHA absorbs the voucher, the PHA may absorb the youth into its regular HCV program if it has vouchers available to do so. If the receiving PHA absorbs the youth into its regular HCV program, that youth becomes a regular HCV participant with none of the limitations of an FYI voucher.

The initial and receiving PHA must work together to initiate termination of assistance upon expiration of the time limit on assistance.

**19-II.K. PROJECT-BASING FYI VOUCHERS [FYI FAQs; FR Notice 1/24/22]**

The PHA may project-base certain FYI vouchers without HUD approval in accordance with all applicable PBV regulations and PHA policies in Chapter 17. This includes FYI vouchers awarded under Notices PIH 2020-28 and PIH 2021-26. Assistance awarded under Notice PIH 2019-20 is prohibited from being project-based.

HACA Policy

HACA may elect to project-base FYI vouchers.

### **PART III: VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) PROGRAM**

#### **19-III.A. OVERVIEW**

Since 2008, HCV program funding has provided rental assistance under a supportive housing program for homeless veterans. The Veterans Affairs Supportive Housing (VASH) program combines HCV rental assistance with case management and clinical services provided by the Department of Veterans Affairs (VA) at VA medical centers (VAMCs) and Community-Based Outpatient Clinics (CBOCs), or through a designated service provider (DSP) as approved by the VA Secretary. Eligible families are homeless veterans and their families that agree to participate in VA case management and are referred to the VAMC's partner PHA for HCV assistance. The VAMC or DSP's responsibilities include:

- Screening homeless veterans to determine whether they meet VASH program participation criteria;
- Referring homeless veterans to the PHA;
  - The term *homeless veteran* means a veteran who is homeless (as that term is defined in subsection (a) or (b) of Section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302)). See 38 U.S.C. 2002.
- Providing appropriate treatment and supportive services to potential VASH participants, if needed, prior to PHA issuance of a voucher;
- Providing housing search assistance to VASH participants;
- Identifying the social service and medical needs of VASH participants, and providing or ensuring the provision of regular ongoing case management, outpatient health services, hospitalization, and other supportive services as needed throughout the veterans' participation period; and
- Maintaining records and providing information for evaluation purposes, as required by HUD and the VA.

VASH vouchers are awarded noncompetitively based on geographic need and PHA administrative performance. Eligible PHAs must be located within the jurisdiction of a VAMC and in an area of high need based on data compiled by HUD and the VA. When Congress funds a new allocation of VASH vouchers, HUD invites eligible PHAs to apply for a specified number of vouchers.

Generally, the HUD-VASH program is administered in accordance with regular HCV program requirements. However, HUD is authorized to waive or specify alternative requirements to allow PHAs to effectively deliver and administer VASH assistance. Alternative requirements are established in the HUD-VASH Operating Requirements, which were originally published in the Federal Register on May 6, 2008, and updated September 27, 2021.

Unless expressly waived by HUD, all regulatory requirements and HUD directives regarding the HCV program are applicable to VASH vouchers, including the use of all HUD-required contracts and other forms, and all civil rights and fair housing requirements. In addition, the PHA may request additional statutory or regulatory waivers that it determines are necessary for the effective delivery and administration of the program.



The VASH program is administered in accordance with applicable Fair Housing requirements since civil rights requirements cannot be waived under the program. These include applicable authorities under 24 CFR 5.105(a) and 24 CFR 982.53 including, but not limited to, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act, and the Age Discrimination Act and all PHA policies as outlined in Chapter 2 of this document.

When HUD-VASH recipients include veterans with disabilities or family members with disabilities, reasonable accommodation requirements in Part II of Chapter 2 of this policy apply.

**19-III.B. REFERRALS [FR Notice 9/27/21 and HUD-VASH Os and As]**

VAMC case managers will screen all families in accordance with VA screening criteria and refer eligible families to the PHA for determination of program eligibility and voucher issuance. The PHA has no role in determining or verifying the veteran's eligibility under VA screening criteria, including determining the veteran's homelessness status. The PHA must accept referrals from the partnering VAMC and must maintain written documentation of referrals in VASH tenant files. Upon turnover, VASH vouchers must be issued to eligible veteran families as identified by the VAMC.

HACA Policy

In order to expedite the screening process, HACA will provide all forms and a list of documents required for the VASH application to the VAMC. Case managers will work with veterans to fill out the forms and compile all documents prior to meeting with HACA and submitting an application. When feasible, the VAMC case manager should email or fax copies of all documents to the PHA prior to the meeting in order to allow HACA time to review them and start a file for the veteran.

After the VAMC has given HACA a complete referral, HACA will perform an eligibility screening within five business days of receipt of a VAMC referral.

**19-III.C. HCV PROGRAM ELIGIBILITY [FR Notice 9/27/21]**

Eligible participants are homeless veterans and their families who agree to participate in case management from the VAMC.

- A VASH Veteran or veteran family refers to either a single veteran or a veteran with a household composed of two or more related persons. It also includes one or more eligible persons living with the veteran who are determined to be important to the veteran’s care or well-being.
- A veteran for the purpose of VASH is a person whose length of service meets statutory requirements, and who served in the active military, naval, or air service, was discharged or released under conditions other than dishonorable, and is eligible for VA health care.

Under VASH, PHAs do not have authority to determine family eligibility in accordance with HCV program rules and PHA policies. The only reasons for denial of assistance by the PHA are failure to meet the income eligibility requirements and/or that a family member is subject to a lifetime registration requirement under a state sex offender registration program. Under portability, the receiving PHA must also comply with these VASH screening requirements.

**Social Security Numbers**

When verifying Social Security numbers (SSNs) for homeless veterans and their family members, an original document issued by a federal or state government agency, which contains the name and SSN of the individual along with other identifying information of the individual, is acceptable in accordance with Section 7-II.B. of this policy.

In the case of the homeless veteran, the PHA must accept the Certificate of Release or Discharge from Active Duty (DD-214) or the VA-verified Application for Health Benefits (10-10EZ) as verification of SSN and cannot require the veteran to provide a Social Security card. A VA-issued identification card may also be used to verify the SSN of a homeless veteran.

**Proof of Age**

The DD-214 or 10-10EZ must be accepted as proof of age in lieu of birth certificates or other PHA-required documentation as outlined in Section 7-II.C. of this policy. A VA-issued identification card may also be used to verify the age of a homeless veteran.

**Photo Identification**

A VA-issued identification card must be accepted in lieu of another type of government-issued photo identification. These cards also serve as verification of SSNs and date of birth.

### Income Eligibility

The PHA must determine income eligibility for VASH families in accordance with 24 CFR 982.201 and policies in Section 3-II.A. If the family is over-income based on the most recently published income limits for the family size, the family will be ineligible for HCV assistance.

While income-targeting does not apply to VASH vouchers, the PHA may include the admission of extremely low-income VASH families in its income targeting numbers for the fiscal year in which these families are admitted.

### HACA Policy

While income-targeting requirements will not be considered by HACA when families are referred by the partnering VAMC, HACA will include any extremely low-income VASH families that are admitted in its income targeting numbers for the fiscal year in which these families are admitted.

### Screening

The PHA may not screen any potentially eligible family members or deny assistance for any grounds permitted under 24 CFR 982.552 and 982.553 with one exception: the PHAs is still required to prohibit admission if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. Accordingly, with the exception of denial for registration as a lifetime sex offender under state law and PHA policies on how sex offender screenings will be conducted, PHA policy in Sections 3-III.B. through 3-III.E. do not apply to VASH. The prohibition against screening families for anything other than lifetime sex offender status applies to all family members, not just the veteran.

If a family member is subject to lifetime registration under a state sex offender registration program, the remaining family members may be served if the family agrees to remove the sex offender from its family composition. This is true unless the family member subject to lifetime registration under a state sex offender registration program is the homeless veteran, in which case the family would be denied admission to the program [New HCV GB, HUD-VASH, p. 6].

### Denial of Assistance [Notice PIH 2008-37]

Once a veteran is referred by the VAMC, the PHA must either issue a voucher or deny assistance. If the PHA denies assistance, it must provide the family with prompt notice of the decision and a brief statement of the reason for denial in accordance with Section 3-III.F. Like in the standard HCV program, the family must be provided with the opportunity for an informal review in accordance with policies in Section 3-III.F. In addition, a copy of the denial notice must be sent to the VAMC case manager.

**19-III.D. CHANGES IN FAMILY COMPOSITION**

**Adding Family Members [FR Notice 9/27/21]**

When adding a family member after the family has been admitted to the program, PHA policies in Section 3-II.B. apply. Other than the birth, adoption, or court-awarded custody of a child, the PHA must approve additional family members and will apply its regular screening criteria in doing so.

**Remaining Family Members [HUD-VASH Qs and As]**

If the homeless veteran dies while the family is being assisted, the voucher would remain with the remaining members of the tenant family. The PHA may use one of its own regular vouchers, if available, to continue assisting this family and free up a VASH voucher for another VASH-eligible family. If a regular voucher is not available, the family would continue utilizing the VASH voucher. Once the VASH voucher turns over, however, it must go to a homeless veteran family.

**Family Break Up [HUD-VASH Qs and As]**

In the case of divorce or separation, since the set-aside of VASH vouchers is for veterans, the voucher must remain with the veteran. This overrides the PHA's policies in Section 3-I.C. on how to determine who remains in the program if a family breaks up.

**19-III.E. LEASING [FR Notice 9/27/21]**

**Waiting List**

The PHA does not have the authority to maintain a waiting list or apply local preferences for HUD-VASH vouchers. Policies in Chapter 4 relating to applicant selection from the waiting list, local preferences, special admissions, cross-listing, and opening and closing the waiting list do not apply to VASH vouchers.

**Exception Payment Standards**

To assist VASH participants in finding affordable housing, especially in competitive markets, HUD allows PHAs to establish a HUD-VASH exception payment standard. PHAs may go up to but no higher than 120 percent of the published area-wide fair market rent (FMR) or small area fair market rent (SAFMR) specifically for VASH families. PHAs who want to establish a VASH exception payment standard over 120 percent must still request a waiver from HUD through the regular waiver process outlined in Notice PIH 2018-16.

**HACA Policy**

HACA ~~will~~may establish a HUD-VASH exception payment standard at 120% of the published area-wide FMR.

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**Voucher Issuance**

Unlike the standard HCV program which requires an initial voucher term of at least 60 days, VASH vouchers must have an initial search term of at least 120 days. PHA policies on extensions as outlined in Section 5-II.E. will apply.

**HACA Policy**

All VASH vouchers will have an initial term of 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless HACA grants an extension.

The PHA must track issuance of HCVs for families referred by the VAMC or DSP in PIC as required in Notice PIH 2011-53.

**Initial Lease Term**

Unlike in the standard the HCV program, VASH voucher holders may enter into an initial lease that is for less than 12 months. Accordingly, PHA policy in Section 9-I.E., Term of Assisted Tenancy, does not apply.

**Ineligible Housing [FR Notice 6/18/14]**

Unlike in the standard HCV program, VASH families are permitted to live on the grounds of a VA facility in units developed to house homeless veterans. This applies to both tenant-based assistance and PBV. Therefore, 24 CFR

982.352(a)(5) and 983.53(a)(2), which prohibit units on the physical grounds of a medical, mental, or similar public or private institution, do not apply to VASH for this purpose only. Accordingly, PHA policy in 9-I.D., Ineligible Units, does not apply for this purpose only.

**HQS Pre-Inspections**

To expedite the leasing process, PHAs may pre-inspect available units that veterans may be interested in leasing in order to maintain a pool of eligible units. If a VASH family selects a unit that passed an HQS inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval (Form HUD-52517), the unit may be approved if it meets all other conditions under 24 CFR 982.305. However, the veteran must be free to select their unit and cannot be steered to these units.

**HACA Policy**

To expedite the leasing process, HACA may pre-inspect available units that veterans may be interested in leasing to maintain a pool of eligible units. If a VASH family selects a unit that passed a HQS pre-inspection (without intervening occupancy) within 45 days of the date of the RTA, the unit may be approved provided that it meets all other conditions under 24 CFR 982.305. The veteran will be free to select their unit.

When a pre-inspected unit is not selected, HACA will make every effort to fast-track the inspection process, including adjusting the normal inspection schedule for both initial and any required reinspections.

**19-III.F. PORTABILITY [FR Notice 9/27/21 and Notice PIH 2011-53]****General Requirements**

Portability policies under VASH depend on whether the family wants to move within or outside of the initial VA facility's catchment area (the area in which the VAMC or DSP operates). In all cases, the initial VA facility must be consulted prior to the move and provide written confirmation that case management will continue to be provided in the family's new location. VASH participant families may only reside in jurisdictions that are accessible to case management services, as determined by case managers at the partnering VAMC or DSP.

Under VASH, applicant families may move under portability even if the family did not have legal residency in the jurisdiction of the initial PHA when they applied. As a result, PHA policies in Section 10-II.B. about nonresident applicants do not apply.

If the family no longer requires case management, there are no portability restrictions. Normal portability rules apply.

**Portability within the Initial VAMC or DSP's Catchment Area**

A VASH family can move within the VAMC's catchment area as long as case management can still be provided, as determined by the VA. If the initial PHA's partnering VAMC will still provide the case management services, the receiving PHA must process the move in accordance with portability procedures:

- If the receiving PHA has been awarded VASH vouchers, it can choose to either bill the initial PHA or absorb the family if it has a VASH voucher available to do so.
- If the PHA absorbs the family, the VAMC or DSP providing the initial case management must agree to the absorption and the transfer of case management.
- If the receiving PHA does not administer a VASH program, it must always bill the initial PHA.

**Portability Outside of the Initial VAMC or DSP's Catchment Area**

If a family wants to move to another jurisdiction where it will not be possible for the initial PHA's partnering VAMC or DSP to provide case management services, the initial VAMC or DSP must first determine that the VASH family could be served by another VAMS or DSP that is participating in the VASH program, and the receiving PHA has an available VASH voucher.

In these cases, the family must be absorbed by the receiving PHA either as a new admission or as a portability move-in, as applicable. Upon absorption, the initial PHA's VASH voucher will be available to lease to a new VASH-eligible family, and the absorbed family will count toward the number of VASH slots awarded to the receiving PHA.



**Portability Outside of the Initial VAMC or DSP's Catchment Area under VAWA**

Veterans who request to port beyond the catchment area of the VAMC or DSP where they are receiving case management to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, and who reasonably believes they are threatened with imminent harm from further violence by remaining in the unit may port prior to receiving approval from the receiving VAMC or DSP. The initial PHA must follow its emergency transfer plan (see Exhibit 16-3). PHAs may require verbal self-certification or a written request from a participant seeing a move beyond the catchment area of the VAMC or DSP.

The verbal self-certification or written request must include either a statement expressing why the participant reasonably believes that there is a threat of imminent harm from further violence if they were to remain in the same unit or a statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-day period preceding the participants request for the move.

The participant must still port to a PHA that has a VASH program. If the receiving PHA does not have a VASH voucher available to lease, they may bill the initial PHA until a VASH voucher is available, at which point the porting veteran must be absorbed into the receiving PHA's program.

**19-III.G. TERMINATION OF ASSISTANCE [FR Notice 9/27/21]**

With the exception of terminations for failure to receive case management, HUD has not established any alternative requirements for termination of assistance for VASH participants. However, prior to terminating VASH participants, HUD strongly encourages PHAs to exercise their discretion under 24 CFR 982.552(c)(2) as outlined in Section 12-II.D. of this policy and consider all relevant circumstances of the specific case. This includes granting reasonable accommodations for persons with disabilities, as well as considering the role of the case manager and the impact that ongoing case management services can have on mitigating the conditions that led to the potential termination.

VASH participant families may not be terminated after admission for a circumstance or activities that occurred prior to admission and were known to the PHA but could not be considered at the time of admission due to VASH program requirements. The PHA may terminate the family's assistance only for program violations that occur after the family's admission to the program.

**Cessation of Case Management**

As a condition of receiving HCV rental assistance, a HUD-VASH-eligible family must receive case management services from the VAMC or DSP. A VASH participant family's assistance must be terminated for failure to participate, without good cause, in case management as verified by the VAMC or DSP.

However, a VAMC or DSP determination that the participant family no longer requires case management is not grounds for termination of voucher or PBV assistance. In such a case, at its option, the PHA may offer the family continued assistance through one of its regular vouchers. If the PHA has no voucher to offer, the family will retain its VASH voucher or PBV unit until such time as the PHA has an available voucher for the family.

**VAWA [FR Notice 9/27/21]**

When a veteran's family member is receiving protection under VAWA because the veteran is the perpetrator of domestic violence, dating violence, sexual assault, or stalking, the victim must continue to be assisted. Upon termination of the perpetrator's VASH assistance, the victim must be given a regular HCV if one is available, and the perpetrator's VASH voucher must be used to serve another eligible veteran family. If a regular HCV is not available, the perpetrator must be terminated from assistance and the victim will continue to use the VASH voucher.

### **19-III.H. PROJECT-BASING VASH VOUCHERS**

#### **General Requirements [Notice PIH 2017-21 and FR Notice 9/27/21]**

PHAs are authorized to project-base their tenant-based VASH vouchers without additional HUD review or approval in accordance with Notice PIH 2017-21 and all PBV program requirements provided that the VAMC will continue to make supportive services available. In addition, since 2010, HUD has awarded VASH vouchers specifically for project-based assistance in the form of PBV HUD-VASH set-aside vouchers. While these vouchers are excluded from the PBV program cap as long as they remain under PBV HAP contract at the designated project, all other VASH vouchers are subject to the PBV program percentage limitation discussed in Section 17-I.A. Note that VASH supportive services only need to be provided to VASH families receiving PBV assistance in the project, not all families receiving PBV assistance in the project. If a VASH family does not require or no longer requires case management, the unit continues to count as an excepted PBV unit as long as the family resides in the unit.

If the PHA project-bases VASH vouchers, the PHA must consult with the partnering VAMC or DSP to ensure approval of the project or projects. PHAs may project-base VASH vouchers in projects alongside other PBV units and may execute a single HAP contract covering both the VASH PBVs and the other PBVs. The PHA must refer only VASH families to PBV units exclusively made available to VASH families and to PBV units funded through a HUD set-aside award.

If a VASH family is referred to the PHA and there is an available PBV unit that is not exclusively made available to VASH families, the PHA may offer to refer the family to the owner if allowable under the selection policy for that project, and the owner and PHA may amend the HAP contract to designate the PBV unit as a VASH PBV unit.

The PHA and owner may agree to amend a PBV HAP contract to redesignate a regular PBV unit as a unit specifically designated for VASH families so long as the PHA first consults with the VAMC or DSP. Additionally, the PHA and owner may agree to amend a PBV HAP contract to redesignate a unit specifically designated for VASH families as a regular PBV unit, so long as the unit is not funded through a VASH PBV set-aside award and is eligible for regular PBV (i.e., the unit is not on the grounds of a medical facility and the unit is eligible under the PHA's program and project caps).

Policies for VASH PBV units will generally follow PHA policies for the standard PBV program as listed in Chapter 17, with the exception of the policies listed below.

**Failure to Participate in Case Management [FR Notice 9/27/21]**

Upon notification by the VAMC or DSP of the family's failure to participate, without good cause, in case management, the PHA must provide the family a reasonable time period to vacate the unit. The PHA must terminate assistance to the family at the earlier of either the time the family vacates or the expiration of the reasonable time period given to vacate.

**HACA Policy**

Upon notification by the VAMC or DSP that a VASH PBV family has failed to participate in case management without good cause, HACA will provide written notice of termination of assistance to the family and the owner within 10 business days. The family will be given 60 days from the date of the notice to move out of the unit.

HACA may make exceptions to this 60-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

If the family fails to vacate the unit within the established time, the owner may evict the family. If the owner does not evict the family, the PHA must remove the unit from the HAP contract or amend the HAP contract to substitute a different unit in the project if the project is partially assisted. The PHA may add the removed unit to the HAP contract after the ineligible family vacates the property.

**Moves [HUD-VASH Qs and As, FR Notice 9/27/21]**

When a VASH PBV family is eligible to move from its PBV unit in accordance with Section 17-VIII.C. of this policy, but there is no other comparable tenant-based rental assistance, the following procedures must be implemented:

- If a VASH tenant-based voucher is not available at the time the family wants (and is eligible) to move, the PHA may require a family who still requires case management to wait for a VASH tenant-based voucher for a period not to exceed 180 days;
- If a VASH tenant-based voucher is still not available after that period, the family must be allowed to move with its VASH voucher. Alternatively, the PHA may allow the family to move with its VASH voucher without having to meet this 180-day period. In either case, the PHA is required to replace the assistance in the PBV unit with one of its regular vouchers, unless the PHA and owner agree to temporarily remove the unit from the HAP contract; and
- If a VASH veteran is determined to no longer require case management, the PHA must allow the family to move with the first available tenant-based voucher if not VASH voucher is immediately available and cannot require the family to wait for a VASH voucher to become available.

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## **PART IV: MAINSTREAM VOUCHER PROGRAM**

### **19-IV.A. PROGRAM OVERVIEW [Notice PIH 2020-01]**

Mainstream vouchers assist non-elderly persons with disabilities and their families in the form of either project-based or tenant-based voucher assistance.

Aside from separate funding appropriations and serving a specific population, Mainstream vouchers follow the same program requirements as standard vouchers. The PHA does not have special authority to treat families that receive a Mainstream voucher differently from other applicants and participants. For example, the PHA cannot apply different payment standards, establish conditions for allowing portability, or apply different screening criteria to Mainstream families.

The Mainstream voucher program, (previously referred to as the Mainstream 5-Year program or the Section 811 voucher program) was originally authorized under the National Affordable Housing Act of 1990. Mainstream vouchers operated separately from the regular HCV program until the passage of the Frank Melville Supportive Housing Investment Act of 2010. Funding for Mainstream voucher renewals and administrative fees was first made available in 2012. In 2017 and 2019, incremental vouchers were made available for the first time since the Melville Act (in addition to renewals and administrative fees), and PHAs were invited to apply for a competitive award of Mainstream vouchers under the FY17 and FY19 NOFAs. In 2020, Notice PIH 2020-22 provided an opportunity for any PHA administering an HCV program to apply for Mainstream vouchers noncompetitively, while Notice PIH 2020-09 authorized an increase in Mainstream voucher units and budget authority for those PHAs already awarded Mainstream vouchers under the FY17 and FY19 NOFAs.

Funds for Mainstream vouchers may be recaptured and reallocated if the PHA does not comply with all program requirements or fails to maintain a utilization rate of 80 percent for the PHA's Mainstream vouchers.

**19-IV.B. ELIGIBLE POPULATION [Notice PIH 2020-01 and Notice PIH 2020-22]**

All Mainstream vouchers must be used to serve non-elderly persons with disabilities and their families, defined as any family that includes a person with disabilities who is at least 18 years old and not yet 62 years old as of the effective date of the initial HAP contract. The eligible disabled household member does not need to be the head of household.

The definition of person with disabilities for purposes of Mainstream vouchers is the statutory definition under section 3(b)(3)(E) of the 1937 Act, which is the same as is used for allowances and deductions in the HCV program and is provided in Exhibit 3-1 of this policy.

Existing families receiving Mainstream vouchers, where the eligible family member is now age 62 or older, will not “age out” of the program as long as the family was eligible on the day it was first assisted under a HAP contract.

The PHA may not implement eligibility screening criteria for Mainstream vouchers that is different from that of the regular HCV program.

**19-IV.C. PARTNERSHIP AND SUPPORTIVE SERVICES [Notice PIH 2020-01]**

PHAs are encouraged but not required to establish formal and informal partnerships with a variety of organizations that assist persons with disabilities to help ensure eligible participants find and maintain stable housing.

HACA Policy

The PHA will implement a Mainstream program, in partnership with *Integral Care*, *ARCIL*, and other agencies throughout the Austin/Travis County Continuum of Care.

#### **19-IV.D. WAITING LIST ADMINISTRATION**

##### **General Waiting List Requirements [Notice PIH 2020-01 and Mainstream Voucher Basics Webinar, 10/15/20]**

PHAs must not have a separate waiting list for Mainstream voucher assistance since the PHA is required by the regulations to maintain one waiting list for tenant-based assistance [24 CFR 982.204(f)]. All PHA policies on opening, closing, and updating the waiting list, as well as waiting list preferences in Chapter 4, apply to the Mainstream program.

When the PHA is awarded Mainstream vouchers, these vouchers must be used for new admissions to the PHA's program from the waiting list. The PHA must lease these vouchers by pulling the first Mainstream-eligible family from its tenant-based waiting list. PHAs are not permitted to reassign existing participants to the program in order to make regular tenant-based vouchers available. Further, the PHA may not skip over Mainstream-eligible families on the waiting list because the PHA is serving the required number of Mainstream families.

Upon turnover, vouchers must be provided to Mainstream-eligible families. If a Mainstream turnover voucher becomes available, the PHA must determine if the families at the top of the waiting list qualify under program requirements.

##### **Admission Preferences [Notice PIH 2020-01; FY17 Mainstream NOFA; FY19 Mainstream NOFA]**

If the PHA claimed points for a preference in a NOFA application for Mainstream vouchers, the PHA must adopt a preference for at least one of the targeted groups identified in the NOFA.

##### HACA Policy

HACA claimed a preference for a targeted group as part of an application for Mainstream vouchers under a NOFA. The PHA will offer the following preference:

**Non-Elderly Disabled Preference for those transitioning from institutions or are homeless: HACA will provide a preference in its administrative plan for non-elderly persons with disabilities transitioning out of institutional and other congregate settings, or who are non-elderly persons with disabilities who are homeless.**

**19-IV.E. PORTABILITY [Notice PIH 2020-01 and Mainstream Voucher Basics Webinar, 10/15/20]**

Mainstream voucher participants are eligible for portability under standard portability rules and all PHA policies regarding portability in Chapter 10, Part II apply to Mainstream families.

The following special considerations for Mainstream vouchers apply under portability:

- If the receiving PHA has a Mainstream voucher available, the participant may remain a Mainstream participant.
  - If the receiving PHA chooses to bill the initial PHA, then the voucher will remain a Mainstream voucher.
  - If the receiving PHA chooses to absorb the voucher, the voucher will be considered a regular voucher, or a Mainstream voucher if the receiving PHA has a Mainstream voucher available, and the Mainstream voucher at the initial PHA will be freed up to lease to another Mainstream-eligible family.
- If the receiving PHA does not have a Mainstream voucher available, the participant may receive a regular voucher.

**19-IV.F. PROJECT-BASING MAINSTREAM VOUCHERS [FY19 Mainstream Voucher NOFA Q&A]**

The PHA may project-base Mainstream vouchers in accordance with all applicable PBV regulations and PHA policies in Chapter 17. PHAs are responsible for ensuring that, in addition to complying with project-based voucher program requirements, the project complies with all applicable federal nondiscrimination and civil rights statutes and requirements. This includes, but is not limited to, Section 504 of the Rehabilitation Act (Section 504), Titles II or III of the Americans with Disabilities (ADA), and the Fair Housing Act and their implementing regulations at 24 CFR Part 8; 28 CFR Parts 35 and 36; and 24 CFR Part 100. Mainstream vouchers are subject to the PBV program percentage limitation discussed in Section 17-I.A.



## PART IV: NON-ELDERLY DISABLED (NED) VOUCHERS

### 19-V.A. PROGRAM OVERVIEW [Notice PIH 2013-19]

NED vouchers help non-elderly disabled families lease suitable, accessible, and affordable housing in the private market. Aside from separate funding appropriations and serving a specific population, NED vouchers follow the same program requirements as standard vouchers. The PHA does not have special authority to treat families that receive a NED voucher differently from other applicants and participants.

Some NED vouchers are awarded to PHAs through competitive NOFAs. The NOFA for FY2009 Rental Assistance for NED made incremental funding available for two categories of NED families:

- Category 1 vouchers enable non-elderly persons or families with disabilities to access affordable housing on the private market.
- Category 2 vouchers enable non-elderly persons with disabilities currently residing in nursing homes or other healthcare institutions to transition into the community. PHAs with NED Category 2 vouchers were required to partner with a state Medicaid or health agency or the state Money Follows the Person (MFP) Demonstration agency.

Since 1997, HCVs for NED families have been also awarded under various special purpose HCV programs: Rental Assistance for Non-Elderly Persons with Disabilities in Support of Designated Housing Plans (Designated Housing), Rental Assistance for Non-Elderly Persons with Disabilities Related to Certain Types of Section 8 Project-Based Developments (Certain Developments), One-Year Mainstream Housing Opportunities for Persons with Disabilities, and the Project Access Pilot Program (formerly Access Housing 2000).

- Designated Housing vouchers enable non-elderly disabled families, who would have been eligible for a public housing unit if occupancy of the unit or entire project had not been restricted to elderly families only through an approved Designated Housing Plan, to receive rental assistance. These vouchers may also assist non-elderly disabled families living in a designated unit/project/building to move from that project if they so choose. The family does not have to be listed on the PHA's voucher waiting list. Instead, they may be admitted to the program as a special admission. Once the impacted families have been served, the PHA may begin issuing these vouchers to non-elderly disabled families from their HCV waiting list. Upon turnover, these vouchers must be issued to non-elderly disabled families from the PHA's HCV waiting list.

- **Certain Developments** vouchers enable non-elderly families having a person with disabilities, who do not currently receive housing assistance in certain developments where owners establish preferences for, or restrict occupancy to, elderly families, to obtain affordable housing. These non-elderly families with a disabled person do not need to be listed on the PHA's HCV waiting list in order to be offered and receive housing choice voucher rental assistance. It is sufficient that these families' names are on the waiting list for a covered development at the time their names are provided to the PHA by the owner. Once the impacted families have been served, the PHA may begin issuing these vouchers to non-elderly disabled families from their HCV waiting list. Upon turnover, these vouchers must be issued to non-elderly disabled families from the PHA's HCV waiting list.
- **One-Year Mainstream Housing Opportunities for Persons with Disabilities (One-Year Mainstream) vouchers** enable non-elderly disabled families on the PHA's waiting list to receive a voucher. After initial leasing, turnover vouchers must be issued to non-elderly disabled families from the PHA's voucher waiting list.

#### **19-V.B. ELIGIBLE POPULATION**

##### **General Requirements [Notice PIH 2013-19]**

Only eligible families whose head of household, spouse, or cohead is non-elderly (under age 62) and disabled may receive a NED voucher. Families with only a minor child with a disability are not eligible.

In cases where the qualifying household member now qualifies as elderly due to the passage of time since the family received the NED voucher, existing NED participant families do not "age out," as the family was eligible on the day it was first assisted under a housing assistance payments (HAP) contract.

The definition of person with disabilities for purposes of NED vouchers is the statutory definition under Section 3(b)(3)(E) of the 1937 Act, which is the same as is used for allowances and deductions in the HCV program and is provided in Exhibit 3-1 of this policy.

The PHA may not implement eligibility screening criteria for NED vouchers that is different from that of the regular HCV program.

##### **NED Category 2 [Notice PIH 2013-19 and NED Category 2 FAQs]**

In addition to being eligible for the PHA's regular HCV program and a non-elderly person with a disability, in order to receive a Category 2 voucher, the family's head, spouse, cohead, or sole member must be transitioning from a nursing home or other healthcare institution and provided services needed to live independently in the community.

Nursing homes or other healthcare institutions may include intermediate care facilities and specialized institutions that care for those with intellectual disabilities, developmentally disabled, or mentally ill, but do not include board and care facilities (e.g., adult homes, adult day care, adult congregate living).

The PHA cannot limit who can apply to just those persons referred or approved by a Money Follows the Person (MFP) Demonstration agency or state health agency. Other individuals could be placed on the waiting list if they can show, with confirmation by an independent agency or organization that routinely provides such services (this can be the MFP or partnering agency, but need not be), that the transitioning individual will be provided with all necessary services, including care or case management.

For each Category 2 family, there must be documentation (e.g., a copy of a referral letter from the partnering or referring agency) in the tenant file identifying the institution where the family lived at the time of voucher issuance.

### **19-V.C. WAITING LIST**

#### **General Requirements [Notice PIH 2013-19]**

Families must be selected for NED vouchers from the PHA's waiting list in accordance with all applicable regulations and PHA policies in Chapter 4.

Regardless of the number of NED families the PHA is required to serve, the next family on the waiting list must be served. Further, the PHA may not skip over NED-eligible families on the waiting list because the PHA is serving the required number of NED families.

#### **NED Category 2 Referrals [NED Category 2 FAQs]**

For NED Category 2 families, the partnering agency may make referrals of eligible families to the PHA for placement on the waiting list. The PHA will then select these families from the waiting list for voucher issuance. Because language in the NOFA established that vouchers awarded under the NOFA must only serve non-elderly disabled families transitioning from institutions, the PHA does not need to establish a preference in order to serve these families ahead of other families on the PHA's waiting list.

PHAs must accept applications from people living outside their jurisdictions or from people being referred from other Medicaid or MFP service agencies in their state.

If the PHA's waiting list is closed, the PHA must reopen its waiting list to accept referrals from its partnering agency. When opening the waiting list, PHAs must advertise in accordance with 24 CFR 982.206 and PHA policies in Section 4-II.C. In addition, the PHA must ensure that individuals living in eligible institutions are aware when the PHA opens its waiting list by reaching out to social service agencies, nursing homes, intermediate care facilities and specialized institutions in the local service area.

**Reissuance of Turnover Vouchers [Notice PIH 2013-19]**

All NED turnover vouchers must be reissued to the next NED family on the PHA's waiting list with the following exception: A Category 2 voucher must be issued to another Category 2 family upon turnover if a Category 2 family is on the PHA's waiting list. If there are no Category 2 families on the PHA's waiting list, the PHA must contact its partnering agency as well as conduct outreach through appropriate social service agencies and qualifying institutions to identify potentially eligible individuals. Only after all means of outreach have been taken to reach Category 2 families can the PHA reissue the voucher to another Category 2 NED family on the PHA's waiting list. Any subsequent turnover of that voucher must again be used for a Category 2 family on the PHA's waiting list, and the PHA is under the same obligation to conduct outreach to Category 2 families if no such families are on the PHA's waiting list.

For PHAs that received both Category 1 and Category 2 vouchers, if at any time the PHA is serving fewer Category 2 families than the number of Category 2 HCVs awarded under the NOFA, when a Category 2 family applies to the waiting list and is found eligible, the PHA must issue the next NED voucher to that family. HUD monitors the initial leasing and reissuance of Category 2 HCVs. These vouchers may be recaptured and reassigned if not leased properly and in a timely manner.

All NED vouchers should be affirmatively marketed to a diverse population of NED-eligible families to attract protected classes least likely to apply. If at any time following the turnover of a NED HCV a PHA believes it is not practicable to assist NED families, the PHA must contact HUD.

**19-V.D. LEASE UP [Notice PIH 2013-19]**

**Briefings**

In addition to providing families with a disabled person a list of accessible units known to the PHA, HUD encourages, but does not require, PHAs to provide additional resources to NED families as part of the briefing.

HACA Policy

HACA's referral partners will provide NED families with housing search assistance and other support services or referrals to support services.

**Voucher Term**

While the PHA is not required to establish different policies for the initial term of the voucher for NED vouchers, HUD has encouraged PHAs with NED vouchers to be generous in establishing reasonable initial search terms and subsequent extensions for families with a disabled person.

HACA Policy

All NED vouchers will have an initial term of 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless the PHA grants an extension.

All other HACA policies on extensions and suspension of vouchers in Section 5-II.E. will apply.

**Special Housing Types [Notice PIH 2013-19 and NED Category 2 FAQs]**

In general, a PHA is not required to permit families to use any of the special housing types and may limit the number of families using such housing. However, the PHA must permit the use of a special housing type if doing so provides a reasonable accommodation so that the program is readily accessible to and usable by a person with disabilities.

Such special housing types include single room occupancy housing, congregate housing, group homes, shared housing, cooperative housing, and manufactured homes when the family owns the home and leases the manufactured home space.

Persons with disabilities transitioning out of institutional settings may choose housing in the community that is in a group or shared environment or where some additional assistance for daily living is provided for them on site. Under HUD regulations, group homes and shared housing are considered special housing types and are not excluded as an eligible housing type in the HCV program. Assisted living facilities are also considered eligible housing under the normal HCV program rules, as long as the costs for meals and other supportive services are not included in the housing assistance payments (HAP) made by the PHA to the owner, and as long as the person does not need continual medical or nursing care.

**19-V.E. PORTABILITY [NED Category 2 FAQs]**

NED voucher participants are eligible for portability under standard portability rules and all PHA policies regarding portability in Chapter 10, Part II apply to NED families. However, the PHA may, but is not required to, allow applicant NED families to move under portability, even if the family did not have legal residency in the initial PHA's jurisdiction when they applied.

**HACA Policy**

If neither the head of household nor the spouse or cohead of a NED applicant family had a domicile (legal residence) in HACA's jurisdiction at the time that the family's initial application for assistance was submitted, the family must lease a unit within HACA's jurisdiction for at least 12 months before requesting portability.

HACA will consider exceptions to this policy for purposes of reasonable accommodation (see Chapter 2) or reasons related to domestic violence, dating violence, sexual assault, or stalking.