

H&CD COMMISSION - REGULAR MEETING AGENDA

Thursday, August 25, 2022 – 10:00 a.m.

**COUNTY ADMINISTRATION SOUTH
 CONFERENCE ROOM 103
 601 N Ross
 Santa Ana, CA 92705**

**An Nguyen, 1st District
 Muriel Ullman, 2nd District
 Mike Alvarez, Chair, 3rd District
 Denise Barnes, 4th District
 Sandy Rains, 5th District**

**James Mai, At-Large
 Wayne Carvalho, At-Large
 Carla Wilkerson, Tenant Representative
 Helen Smith-Gardner, Tenant Representative
 Rhonda Shader, City Selection Representative
 Cecilia Hupp, Vice Chair, City Selection Representative**

The Housing and Community Development (H&CD) Commission has been established to perform two functions. (1) As to Orange County Housing Authority matters, the H&CD Commission is to review and make recommendations on those Agenda items, which will be presented to the Orange County Board of Supervisors, sitting as the Board of Commissioners of the Orange County Housing Authority. These items are noted on this Agenda by the designation "OCHA". (2) As to other matters, the H&CD Commission is to provide advice to the Housing & Community Development Department of the County of Orange. These items are noted on this Agenda by the designation "H&CD".

This Agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda.

Members of the public will be given the opportunity to address the H&CD Commission.

** If you wish to comment on a specific agenda item, please identify the item number and your name to speak on an item, complete a Speaker Request Form(s) identifying the item(s) and deposit the completed form(s) in the box located next to the clerk. To speak on a matter not appearing in the agenda, but under the jurisdiction of the Housing & Community Development Commission, you may do so during Public Comments at the end of the meeting. Speaker request forms must be deposited prior to the beginning of the consent calendar, the reading of the individual agenda items, the opening of the public hearing and/or the beginning of Public Comments. When addressing the Commission, it is requested that you state your name for the record, an alias or pseudonym may be used. Members of the public desiring to speak should address all remarks and questions to the Commission. Speakers may address the Commission on up to three occasions, with three minutes allotted to the speaker per occasion.*

I. CALL TO ORDER: Mike Alvarez, Chair

II. PLEDGE OF ALLEGIANCE: Mike Alvarez, Chair

III. ROLL CALL: Jessica Villa

IV. STAFF IN ATTENDANCE:

Julia Bidwell, Director, Housing Community Development/Executive Director of OCHA
 Marie Vu, Manager, Housing Assistance Division
 Craig Fee, Manager, Community Development
 Michelle Zdeba, Manager, Housing Development

*January Johnson, Section Chief, Special Housing Programs and Interim Section Chief, Administration

Jessica Villa, Commission Clerks

*Attendance is on as needed basis

V. APPROVAL OF MINUTES:

RECOMMENDED ACTION:

Approve the Summary of Minutes of the "special" meeting held on June 15, 2022

VI. PRESENTATIONS/INTRODUCTIONS: (1)

1. Coordinated Entry System 101

Zulima Lundy and Rebecca Ricketts, Office of Care Coordination

VII. PUBLIC COMMENTS: *At this time, members of the public may address the H&CD Commission regarding any items within the subject jurisdiction of the Commission, provided that **NO** action shall be taken on off-agenda items unless authorized by law.*

VIII. CONSENT CALENDAR: (1)

1. FSS Action Plan

Marie Vu, Manager, Housing Assistance Division

RECOMMENDED ACTION:

1. Receive and file

IX. DISCUSSION CALENDAR: (3)

1. (OCHA) H&CD COMMISSION – AT-LARGE MEMBER REAPPOINTMENTS

Julia Bidwell, Executive Director/Secretary

RECOMMENDED ACTION:

As a result of written submissions from current Tenant and At-Large members, it is recommended that the Commission support the reappointment of the following Commission members to the Board of Supervisors for a two-year term upon approval by the Board of Supervisors as follows:

Recommend to the Board of Supervisors for Reappointment of two At-Large H&CD Commission Member:

1. Wayne Carvalho (Incumbent)
2. James Mai (Incumbent)

2. (H&CD) ELECTION OF OFFICERS FOR FY 2022-23

Mike Alvarez, Chair, H&CD Commission

Cecilia Hupp, Vice-Chair, H&CD Commission

RECOMMENDED ACTION:

The Bylaws state that the Members shall nominate and elect Chair and Vice-Chair from its membership

1. Election of Chair
2. Election of Vice-Chair

3. (H&CD) HYBRID H&CD MEETING SCHEDULE

Julia Bidwell, Executive Director/Secretary

RECOMMENDED ACTION:

Adopt a hybrid meeting option where meetings are to be conducted monthly (i.e. no later than 30 days after the last hybrid meeting), with or without agenda items, and make the required findings under AB 361 at each hybrid meeting.

X. PUBLIC HEARINGS (NONE):

XI. REPORTS OF STAFF, COMMITTEES AND/OR COMMISSION MEMBERS:

- A. Application Review Committee (ARC):**
Craig Fee, Manager
- B. Project Advisory Committee (PAC):**
Michelle Zdeba, Housing Development Manager
- C. Orange County Housing Authority Update**
Marie Vu, Manager, Housing Assistance Division
- D. Executive Director/Secretary's Report:**
Julia Bidwell, Executive Director/Secretary

XII. PUBLIC COMMENTS: *At this time, members of the public may address the Commission regarding any off-agenda items within the subject matter jurisdiction of the H&CD Commission, provided that **NO** action shall be taken on off-agenda items unless authorized by law.*

XIII. MEMBER COMMENTS: *At this time, Members of the H&CD Commission may comment on agenda or non-agenda matters and ask questions of or give directions to staff; provided that **NO** action shall be taken on non-agenda items unless authorized by law.*

XIV. ADJOURNMENT

XV. NEXT SCHEDULED MEETING:
September 22, 2022
ORANGE COUNTY HOUSING AUTHORITY
CONFERENCE ROOM A
1501 E. St. Andrew Pl.
Santa Ana, CA 92705

H&CD COMMISSION - **SPECIAL MEETING** MINUTES

Wednesday, June 15, 2022 – 2:30 p.m.

**Hall of Administration
 333 W. Santa Ana Blvd., 1st Floor
 Santa Ana, CA 92705**

An Nguyen, 1st District
Muriel Ullman, 2nd District
Mike Alvarez, Chair, 3rd District
Denise Barnes, 4th District
Sandy Rains, 5th District

James Mai, At-Large
Wayne Carvalho, At-Large
Carla Wilkerson, Tenant Representative
Helen Smith-Gardner, Tenant Representative
Rhonda Shader, City Selection Representative
Cecilia Hupp, Vice Chair, City Selection Representative

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This Agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda.

Members of the public will be given the opportunity to address the H&CD Commission.

**If you wish to comment on a specific agenda item, please identify the item number and your name in your email. General public comments will be addressed during the general public comment item on the agenda and read into the record.* If you attend the meeting in person and wish to speak during public comment, please complete a Speaker Request Form and deposit it in the Speaker Form Return box located next to the Clerk. Speaker Forms are located on the table next to the entrance doors. Except as otherwise provided by law, no action shall be taken on any item not appearing in the agenda. When addressing the Housing and Community Development Commission, please state your name for the record prior to providing your comments.*

I. CALL TO ORDER: Cecilia Hupp, Vice Chair

II. PLEDGE OF ALLEGIANCE: Cecilia Hupp, Vice Chair

III. ROLL CALL: Jessica Villa
 Present: D. Barnes, C. Wilkerson, J. Mai, W. Carvalho, C. Hupp, M. Ullman
 Absent: A. Nguyen, M. Alvarez, S. Rains, H. Gardner, R. Shader

IV. STAFF IN ATTENDANCE:
 Julia Bidwell, Director, Housing Community Development/Executive Director of OCHA
 Marie Vu, Manager, Housing Assistance Division
 Craig Fee, Manager, Community Development
 Michelle Zdeba, Manager, Housing Development
 *January Johnson, Section Chief, Special Housing Programs and Interim Section Chief, Administration
 Jessica Villa Commission Clerk
 *Attendance is on as needed basis

V. APPROVAL OF MINUTES:

RECOMMENDED ACTION:

Approve the Summary of Minutes of the regular meeting held on March 24, 2022

Motion to approve minutes: C. Wilkerson

Motion was seconded: W. Carvalho

All in favor: D. Barnes, C. Wilkerson, J. Mai, W. Carvalho, C. Hupp, M. Ullman

VI. PRESENTATIONS/INTRODUCTIONS: (none)

VII. PUBLIC COMMENTS: *At this time, members of the public may address the H&CD Commission regarding any items within the subject jurisdiction of the Commission, provided that **NO** action shall be taken on off-agenda items unless authorized by law.*

VIII. CONSENT CALENDAR: (none)

IX. DISCUSSION CALENDAR: (1)

1. Amendment to Housing & Community Development Commission Bylaws

Julia Bidwell, Executive Director

RECOMMENDED ACTION:

Approve Amendment To H&CD Commission Bylaws and Transmission of Same to the Board of Supervisors Acting as the Board of Commissioners for Final Approval

Mentioned the template adopted by the Board of Supervisors

Staff gave overview of the document summary and its revisions revisions and discussed the removal of two standing committees: 1 – Application Review Committee and 2 – Project Advisory Committee

Motion to approve minutes: M. Ullman

Motion was seconded: C. Wilkerson

All in favor: D. Barnes, C. Wilkerson, J. Mai, W. Carvalho, C. Hupp, M. Ullman

X. PUBLIC HEARINGS (NONE):

XI. REPORTS OF STAFF, COMMITTEES AND/OR COMMISSION MEMBERS:

A. Application Review Committee (ARC):

Craig Fee, Manager

Julia Bidwell gave report for Craig Fee – Annual Action Plan recommendations were approved by the Board of Supervisors on April 26, 2022

B. Project Advisory Committee (PAC):

Michelle Zdeba, Housing Development Manager – Provided an update to the committee on June 3rd for the Crossroads at Washington in Santa Ana regards recommended increase to the loan of \$370,000. A lot of projects are showing construction gaps due to inflation and increase in prices on labor, material etc. Riviera Motel is going to the Board of Supervisors June 2022 for a request to increase the loan amount by \$500,000. The Meadows in Lake Forest and Lincoln in Buena Park are under review.

C. Orange County Housing Authority Update

Marie Vu, Manager, Housing Assistance Division -Reported that a funding letter was received for the same funding amount for 2021 plus 2% inflation. HUD will also have set-aside funding available that will be considered for portability, Mainstream vouchers, VASH and FYI (Foster Youth Independence) vouchers.

New funding opportunities that will be available – Fair Share and Stability Vouchers.

D. Executive Director/Secretary's Report:

Julia Bidwell, Executive Director/Secretary - Ground & Grand opening notices will be sent out to members if they wish to attend. Homekey projects continue to be worked on; Round 3 Homekey NOFA anticipated to be released in October 2022. Vacancies within the department continue to be filled.

XII. PUBLIC COMMENTS: *At this time, members of the public may address the Commission regarding any off-agenda items within the subject matter jurisdiction of the H&CD Commission, provided that **NO** action shall be taken on off-agenda items unless authorized by law*

1. A man identifying himself as attorney Greg Diamond, stated, during the public comment period, that he represented an anonymous individual who may, after further investigation, bring claims related to the unauthorized access and use of confidential information related to a certain "Safe at Home" program

XIII. MEMBER COMMENTS: *At this time, Members of the H&CD Commission may comment on agenda or non-agenda matters and ask questions of or give directions to staff; provided that **NO** action shall be taken on non-agenda items unless authorized by law.*

XIV. ADJOURNMENT

XV. NEXT SCHEDULED MEETING:

Thursday, August 25

ORANGE COUNTY HOUSING AUTHORITY

CONFERENCE ROOM A

1501 E. St. Andrew Pl.

Santa Ana, CA 92705

VI. PRESENTATIONS/INTRODUCTIONS: (1)

1. Coordinated Entry System 101

Zulima Lundy and Rebecca Ricketts, Office of Care Coordination

Coordinated Entry System



Rebecca Ricketts



Mayra Vargas

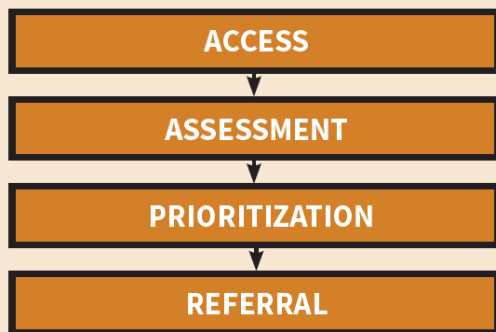


What is CES?



The Coordinated Entry System (CES) helps connect people at-risk of or experiencing homelessness with housing providers and supportive service agencies.

CES ROAD MAP



Access includes multiple service providers, a virtual front door and a “no wrong door” approach

Assessment includes a standardized assessment process including initial screening, diversion and CES assessment

Prioritization is a consistent and transparent process for matching individuals and families to the most appropriate services and housing resources available

Referral includes a warm hand-off between access point providers and housing or supportive service providers

Components of CES



Individuals

Adult Only
Households

Families

Households with
Minor Children

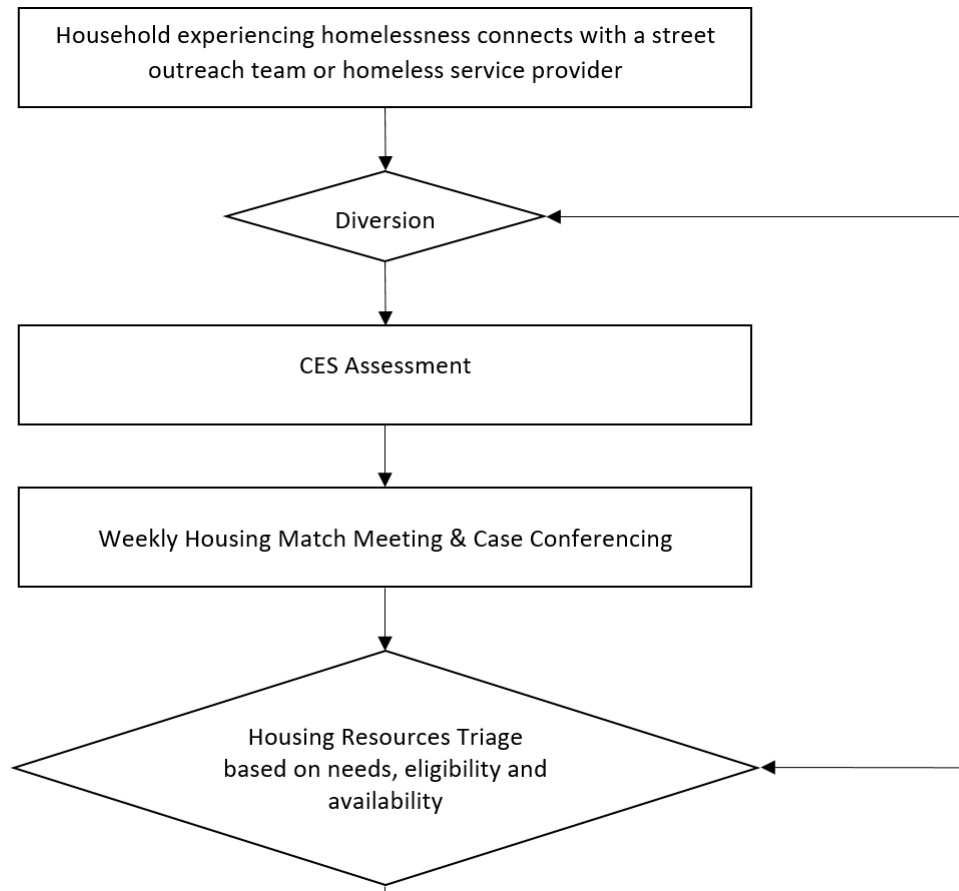
Veterans

Veterans of any
discharge status

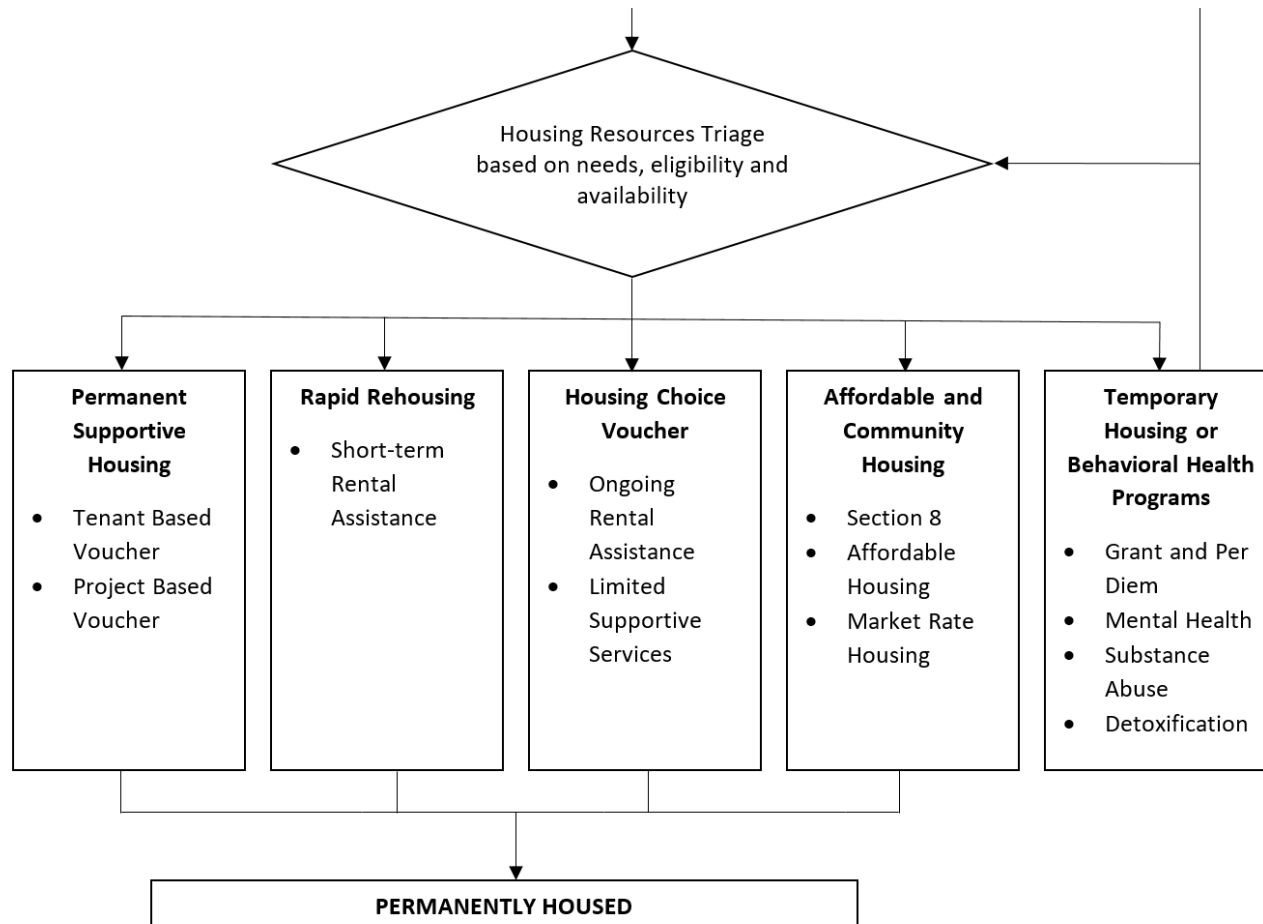
Transitional Age Youth

Head of Household is 18-24 years old

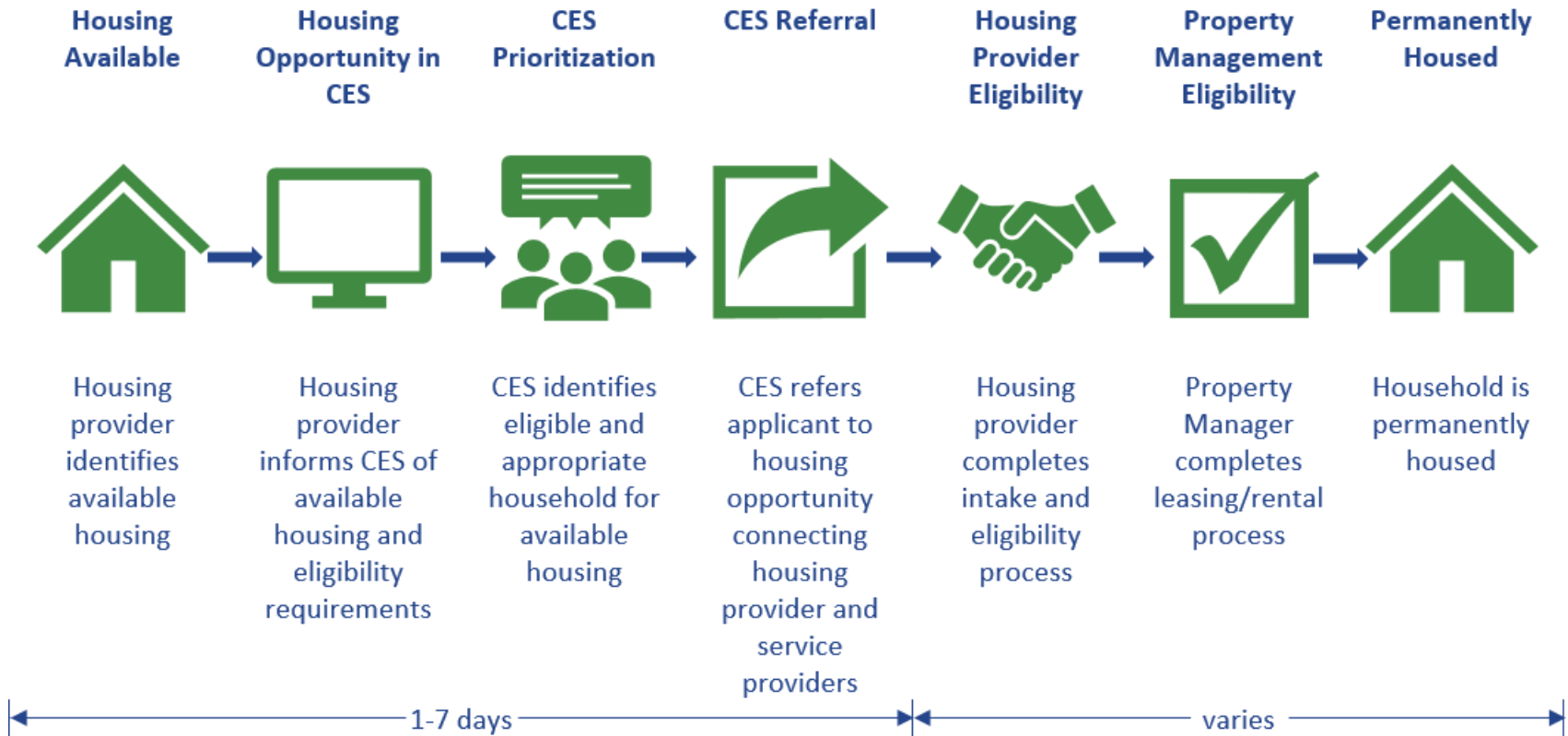
CES Workflow



CES Workflow



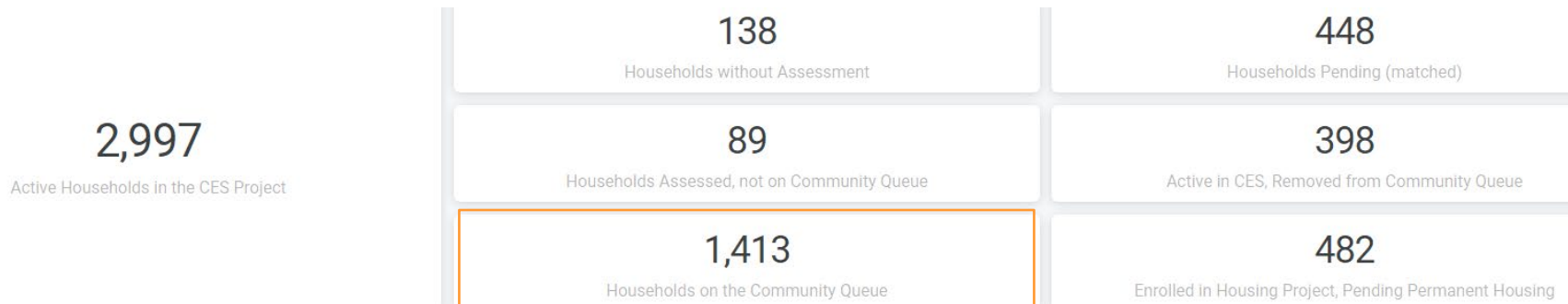
CES Work Flow



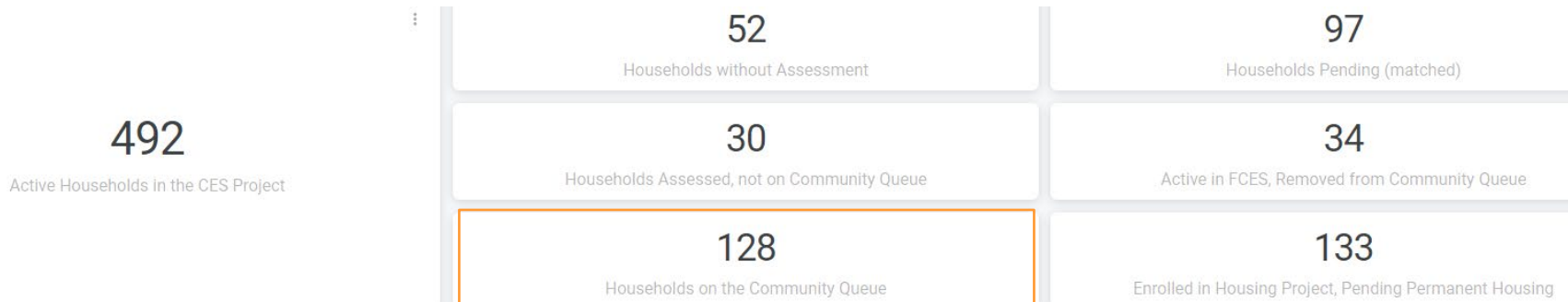
By the Numbers



Individual Coordinated Entry System

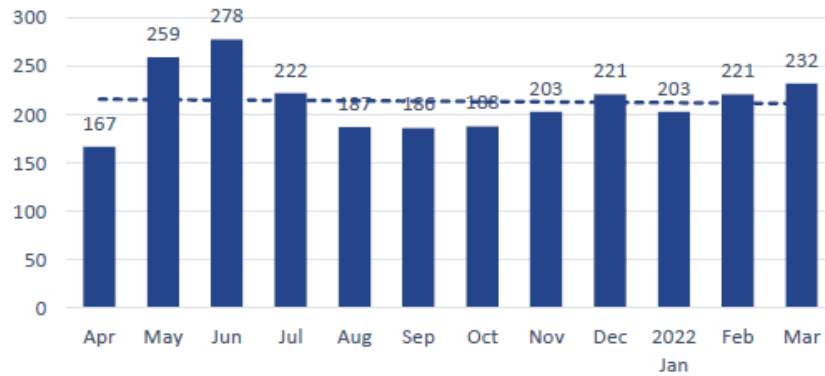


Family Coordinated Entry System



Veteran Registry Dashboard

Homeless Veterans on Veteran Registry

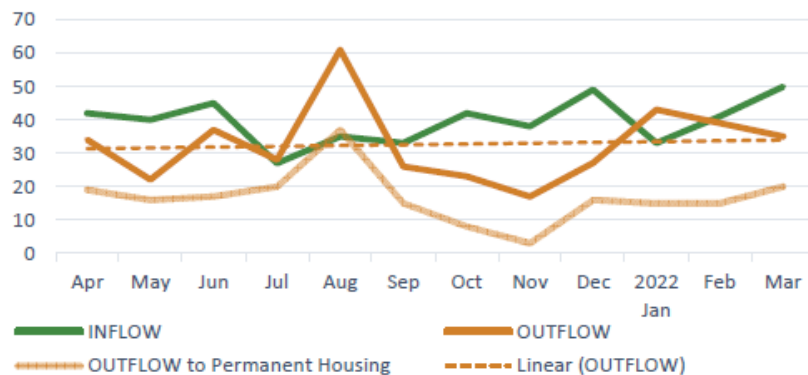


Currently, there are 299 veterans on the Veteran Registry including 232 veterans experiencing homelessness. In the previous 12 months, 201 veterans have been housed in permanent, stable housing. Over 30 agencies, including the VA Community Resource and Referral Center, outreach providers, and shelter providers, continue to meet weekly to coordinate housing and services for veterans experiencing homelessness in Orange County. The Veteran Registry partners are currently coordinating with the VA Community Resource and Referral Center and the Orange County Housing Authority on referrals to Prado in Fountain Valley, CA.

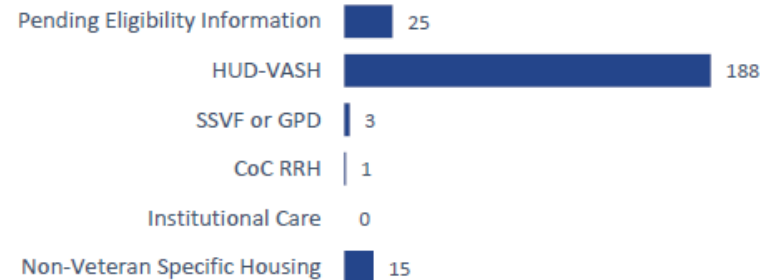
Homeless Veterans
232

Veterans Housed
201
4/1/21-3/31/22

Inflow vs. Outflow by Month



Permanent Housing Plan



	2022													Total
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
INFLOW	42	40	45	27	35	33	42	38	49	33	41	50	475	
OUTFLOW	34	22	37	28	61	26	23	17	27	43	39	35	392	
OUTFLOW to Permanent Housing	19	16	17	20	37	15	8	3	16	15	15	20	201	
OUTFLOW exceeded INFLOW				✓	✓					✓				
Homeless Veterans on Veteran Registry	167	259	278	222	187	186	188	203	221	203	221	232		

How can you learn more?



- Visit the CES webpage at <https://bit.ly/3w5Ymjj>
- Call 2-1-1 for support and referrals to supportive services
- Email CoordinatedEntry@ochca.com

If you or someone you know are at-risk of homelessness or experiencing homelessness, call 2-1-1 to be connected to a service provider participating in CES.

Questions?

Rebecca Ricketts, Coordinated Entry System Manager
OC Health Care Agency, Office of Care Coordination
coordinatedentry@ochca.com

VIII. CONSENT CALENDAR: (1)

1. FSS Action Plan

Marie Vu, Manager, Housing Assistance Division



DATE: August 25, 2022
TO: H&CD Commission
FROM: Marie Vu, Housing Assistance Manager *MV*
SUBJECT: **FSS Action Plan**

The Orange County Housing Authority (OCHA) currently operates a Family Self-Sufficiency (FSS) program. The FSS program enables Housing Choice Voucher (HCV) assisted families to increase their earned income and reduce their dependency on welfare assistance and rental subsidies.

Congress passed the Economic Growth, Regulatory Relief and Consumer Protection Act in May of 2017. That legislation included various changes to the FSS program. The Final Rule implementing those changes was signed by the HUD Secretary and published in the Federal Register on May 17, 2022. The Final Rule included significant changes to the FSS program and required the revision of OCHA's FSS Action plan.

Subsequently, OCHA revised its FSS Action plan to update local discretionary policies and federal regulations. Substantive updates include:

1. Funding clarifications including codifying the ratio of clients to FSS coordinators.
2. Enrollment changes to expand eligibility from only Head of Household to any adult member of the household.
3. Changes to escrow calculation, caps, and disposition of forfeited escrow funds.
4. Update to graduation requirements, including the removal of the 30% rule and the definition of being welfare-free.

A Summary of Changes by chapter is attached to this Memorandum.

Recommended Action:
Receive and file



Orange County Housing Authority

FSS ACTION PLAN

FOR THE

FAMILY SELF-SUFFICIENCY PROGRAM

**Family Self-Sufficiency Program
Action Plan
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Chapter 1

THE FAMILY SELF-SUFFICIENCY PROGRAM AND THE FSS ACTION PLAN

INTRODUCTION

This chapter provides an overview of the Family Self-Sufficiency (FSS) program and FSS Action Plan, including the purpose, organization, and required contents of the FSS Action Plan.

Part I: The Family Self-Sufficiency (FSS) Program and FSS Action Plan: This part provides an overview of the family Self-Sufficiency program and the purpose of the FSS Action Plan.

Part II: Requirements of the FSS Action Plan: This part covers Action Plan requirements, including development, revision, and contents of the Action Plan. It also contains information on family demographics, which is part of the required contents of the Action Plan.

PART I: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM AND FSS ACTION PLAN

1-I.A. OVERVIEW OF THE FAMILY SELF-SUFFICIENCY PROGRAM

The origins of the FSS program are in two pilot projects implemented in 1986 and 1990, Project Self-Sufficiency and Operation Bootstrap, respectively. These projects were set up to test self-sufficiency programs for families with housing subsidies, and both demonstrated that families needed essential services in order to move toward economic self-sufficiency. These services include child care, transportation, medical care, and long-term education and training.

In the wake of the successful demonstration of these projects, family self-sufficiency became one of the initiatives under the Homeownership and Housing Opportunities for People Everywhere (HOPE) program enacted in 1990, and the FSS program was subsequently created under the National Affordable Housing Act the same year.

FSS built upon and refined both Project Self-Sufficiency and the bootstrap program. It remained a voluntary program in 1991 and 1992 but became mandatory in 1993 for any new increments of funding issued to PHAs. The 1993 regulations were further modified by the Quality Housing and Work Responsibility Act of 1998 (QHWRA). In 2018, expansive changes were made to the FSS program by the Economic Growth, Regulatory Relief, and Consumer Protection Act known as “the Economic Growth Act” or “the Act.”

The purpose of the FSS program is to coordinate housing assistance with public and private resources to enable assisted families to achieve economic self-sufficiency. The purpose and basic requirements of the FSS program are further elaborated upon in Chapter 2.

This Family Self-Sufficiency program is administered by the Orange County Housing Authority (OCHA) for the jurisdiction of the County of Orange.

1-I.B. APPLICABLE REGULATIONS

Applicable regulations for Housing Choice Voucher FSS programs include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 4 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 984: Section 8 and Public Housing Family Self-Sufficiency Program

1-I.C. THE FAMILY SELF-SUFFICIENCY ACTION PLAN

The FSS Action Plan is required by HUD. The purpose of the FSS Action Plan is to establish policies for carrying out the FSS program in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's Agency Plan. This FSS Action Plan is a supporting document to the PHA Agency Plan, and is available for public review as required by 24 CFR Part 903.

This FSS Action Plan is set forth to define the PHA's local policies for operation of the program in the context of federal laws and regulations. All issues related to FSS not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable laws. The policies in this FSS Action Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

The PHA is responsible for complying with all changes in HUD regulations pertaining to the FSS program. If such changes conflict with this plan, HUD regulations will take precedence.

Administration of the FSS program and the functions and responsibilities of PHA staff shall be in compliance with the PHA's personnel policy and HUD's FSS regulations, as well as all Housing Choice Voucher (HCV) regulations, in addition to federal, state, and local fair housing laws and regulations.

PART II. REQUIREMENTS OF THE FSS ACTION PLAN

1-II.A. OVERVIEW

A PHA must have a HUD-approved Action Plan before implementing an FSS program, regardless of whether the FSS program is a mandatory or voluntary program. Further, this action plan must comply with the requirements specified for the plan in the regulations [24 CFR 984.201(a)].

The regulatory requirements dealing specifically with the FSS Action Plan itself largely involve the development, revision, and required contents of the Action Plan. This part covers those requirements.

1-II.B. HUD APPROACH TO POLICY DEVELOPMENT

In developing policy for the FSS Action Plan, PHAs need to be aware of the distinction HUD makes between mandatory and discretionary policies.

- *Mandatory policies* are those driven by legislation, regulations, current handbooks, notices, and legal opinions.
- *Discretionary policies* consist of those developed for areas in which the PHA has regulatory discretion, or with regard to optional, nonbinding guidance including guidebooks, notices that have expired, and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory regulations and to make clear the optional policies the PHA has adopted. The PHA's FSS Action Plan is the foundation of those policies and procedures for the FSS program. HUD's directions require PHAs to make policy choices that provide guidance to staff and consistency to program applicants and participants.

Following HUD guidance, even though it is not mandatory, provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than HUD's safe harbor, but PHAs should carefully consider those decisions.

1-II.C. FSS ACTION PLAN DEVELOPMENT AND REVISION

Development of Action Plan [24 CFR 984.201(b) and (c)]

When developing an FSS Action Plan, a PHA must do so in consultation with the Chief Executive Officer of the applicable unit of general local government and the Program Coordinating Committee (PCC).

For voluntary or mandatory FSS programs, the PHA must submit its action plan and obtain HUD approval of the plan before it can implement the FSS program. This includes a voluntary program established because the PHA chose to implement an FSS program that exceeds the minimum size for a mandatory program (see Section 2-II.A. for a discussion of mandatory versus voluntary FSS programs).

Revision to the FSS Action Plan [24 CFR 984.201(c)(2)]

Following HUD's initial approval of the Action Plan, no further approval of the Action Plan is required unless the PHA proposes to make policy changes to the Action Plan or increase the size of a voluntary program, or to revise the FSS Action Plan as needed to comply with changes in HUD regulations. The PHA must submit any changes to the Action Plan to HUD for approval.

OCHA Policy

OCHA will revise the Action Plan as needed, and will submit for HUD approval, in accordance with above.

1-II.D. CONTENTS OF THE PLAN [24CFR 984.201(d)]

HUD regulations state that there are several components that must be included in the FSS Action Plan. At a minimum, the Action Plan must cover the policies and procedures of the PHA for operation of a local FSS program as follows:

- Family demographics, including a description of the number, size, characteristics, and other demographics such as racial and ethnic data, in addition to the supportive service needs of the families expected to participate in the program. (Chapter 1)
- Estimate of participating families, which means the number of families which can reasonably be expected to receive supportive services under the FSS program. (Chapter 2)
- Eligible families from any other local self-sufficiency program who are expected to agree to execute an FSS contract of participation. (Chapter 2)
- Timetable for program implementation, including the schedule for filling FSS slots with eligible families. (Chapter 2)
- A statement of the PHA's FSS family selection procedures, including a description of how the procedures ensure that families are selected without regard to race, color, religion, disability, sex, familial status, or national origin. (Chapter 4)
- A description of the incentives that the PHA intends to offer to families to encourage participation in the FSS program (an incentives plan), including the establishment of the escrow account. (Chapter 4)

- Outreach efforts, which include a description of the PHA's efforts to recruit eligible families, the actions the PHA will take to ensure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known. (Chapter 4)
- A description of the FSS activities and supportive services to be provided by both public and private resources to FSS families, and identification of these public and private resources. (Chapter 4)
- A description of the PHA's method for identifying family support needs, including how the PHA will identify the needs and deliver the services. (Chapter 4)
- Assurances of noninterference with rights of non-participating families which state that a family's election to not participate in the FSS program will not affect the family's admission to the HCV program nor will it affect their right to occupancy in accordance with its lease.. (Chapter 4)
- Certification of coordination, which is a certification that the development of services and activities under the FSS program has been coordinated with the Workforce Investment Act (formerly JTPA), Workforce Investment Board and One Stop Centers (formerly JOBS program), and any other relevant employment, child care, transportation, training, education, and financial empowerment programs in the applicable area, and that implementation will continue to be coordinated, in order to avoid duplication of services and activities. (Chapter 4)
- A description of the PHA's policies regarding program termination, withholding of services or terminating or withholding Section 8 assistance on the basis of a family's failure to comply with the FSS contract, and available grievance procedures. (Chapter 5)

Optional Additional Information [24 CFR 984.201(d)(13)].

- HUD encourages additional information in the action plan that would help to determine the soundness of the PHAs proposed FSS program.

OCHA Policy

OCHA will submit additional optional information in this action plan that will help HUD determine the soundness of the proposed FSS program.

This information includes:

Policies related to the modification of goals in the ITSP. (Chapter 5)

Policies on the circumstances in which an extension of the contract of participation may be granted. (Chapter 5)

Policies on the interim disbursement of escrow, including any limitations on the use of the funds. (Chapter 6)

Policies regarding eligible uses of forfeited escrow funds by families in good standing. (Chapter 6)

Policies regarding the re-enrollment of previous FSS participants, including graduates and those who exited the program without graduating. (Chapter 4)

Policies on requirements for documentation for goal completion. (Chapter 4)

Policies on documentation of the household’s designation of the “head of FSS family.” (Chapter 4)

Policies for providing an FSS selection preference for porting families if the PHA elects to offer such a preference. (Chapter 7)

1-II.E. FAMILY DEMOGRAPHICS [24 CFR 984.201(d)(1)]

As part of the required contents of the FSS Action Plan, family demographics of the HCV program participants serve to provide a description of the number, size, characteristics, and other descriptive data (including racial and ethnic data of those participants). These data may later be used to help the housing authority and the program coordinating committee (PCC) to identify supportive service needs of the families expected to participate in the FSS program.

Housing Choice Voucher Program	Total Households	Percent of Total
	9629	100%
All Families		
Single	4764	49.5%
Female Head of Household	5878	61%
Male Head of Household	3751	39%
Race		
White	4874	51%
Black/African American	669	7%
American Indian/Alaska Native	79	<1%
Asian	3848	40%
Native Hawaiian/Other Pacific Islander	47	<1%
Other	112	<1%
Ethnicity		
Hispanic or Latino	1674	17%
Not Hispanic or Latino	7955	83%
Income		
Extremely Low-Income	7033	73%
Very Low-Income	1225	13%

Low-Income	1371	14%
HOH Income from Wages	1509	16%
Other Member Income from Wages	3022	31%
HOH Income from TANF	118	1%
Other Member Income from TANF	275	3%
HOH Income from SSI	2410	25%
Other Member Income from SSI	2774	29%
Households' Number of Children		
0	8030	83%
1-2	1271	13%
3-4	291	3%
5 or more	37	<1%
Households' Number of Family Members		
1-2	7571	79%
3-4	1551	16%
5 or more	507	5%
Persons with Disabilities		
HOH Person with Disabilities (HUD)	3919	41%
Family Members with Disabilities	975	10%

Chapter 2

PURPOSE, SCOPE, AND APPLICABILITY OF THE FAMILY SELF-SUFFICIENCY PROGRAM

INTRODUCTION

This chapter contains information about the FSS program's purpose, size, and measurable objectives as well as information on program operation. This includes potential participant demographics, the program timetable, the number of families to be served, and the size of OCHA's voluntary FSS program. This chapter also contains definitions of the key terms in this FSS Action Plan.

Part I: The Purpose and Basic Requirements of the FSS program: This part includes a description of the purpose of the FSS program on a national level—its intent, goal, and major strategies.

Part II: The Scope of the FSS program: This part contains information about housing assistance programs eligible to participate in FSS, the size of OCHA's FSS program, an estimate of participating families, eligible families from other self-sufficiency programs, and eligibility for combined FSS programs.

Part III: Program Operation: This part specifies the requirements for FSS program operation, including voluntary FSS program implementation..

Part IV: The Definitions of Terms Used in OCHA's FSS program: This section contains both HUD and OCHA definitions for terms used in this policy document.

PART I: PURPOSE AND BASIC REQUIREMENTS OF THE FSS PROGRAM

2-I.A. PURPOSE

The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of housing assistance under the HCV program with public and private resources enabling families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency [984.101(a)(1)].

In addition to this broader national goal of the FSS program, OCHA also establishes a local goal consistent with OCHA's mission statement to serve as a guide for establishing policy and implementing the FSS program.

OCHA Policy

OCHA's goal in operating this FSS program is to match housing-assisted families with a broad range of highly collaborative existing community services to assist FSS families in achieving economic self-sufficiency. *Economic self-sufficiency* is defined as having the sustainable skills necessary to maintain employment paying a "living wage." This wage would pay for the family's basic needs without the use of government subsidies.

2-I.B. PROGRAM OBJECTIVES [24 CFR 984.102]

In order to reach the FSS national program goal, HUD has defined its FSS program objective as to reduce the dependency of low-income families on welfare assistance and on housing subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance while living in assisted housing so that they may obtain the education, employment, business and social skills necessary to achieve self-sufficiency. As with the goals of the program, FSS program objectives are defined on the national level through FSS regulation, and on the local level by PHA policy.

OCHA Policy

On the local level, OCHA will achieve the national program objective by offering low-income families a broad range of services through partnering with the program coordinating committee (PCC). These services will provide long-term education, job training, counseling, and other forms of social service assistance so that families may achieve economic self-sufficiency, as defined in Section 2-I.A. of this document.

2-I.C. BASIC REQUIREMENTS OF THE FSS PROGRAM [24 CFR 984.104]

An FSS program established under 24 CFR Part 984 must operate in conformity with the regulations and this FSS Action Plan (as required in 24 CFR 984.201), provide comprehensive supportive services as defined in 24 CFR 984.103, and operate in compliance with nondiscrimination and equal opportunity requirements.

PART II: SCOPE OF THE FSS PROGRAM

2-II.A. HOUSING-ASSISTED FAMILIES ELIGIBLE TO PARTICIPATE IN FSS

The Section 8 and public housing programs through which families are eligible to participate in the FSS program was expanded by the 2018 Economic Growth Act to allow participants in HCV Homeownership, Moderate Rehabilitation, Moderate Rehabilitation Single Room Occupancy, and Family Unification Program (FUP), including the Foster Youth to Independence (FYI) Initiative.

2-II.B. PHAs REQUIRED TO OPERATE AN FSS PROGRAM

Each PHA that received funding for public housing units under the FY 1991 and FY 1992 FSS incentive award competitions must operate a public housing FSS program. Each PHA that received funding for Section 8 rental certificates or vouchers under the combined FY 1991/1992 FSS incentive award competition also must operate a Section 8 FSS program.

In addition, unless the PHA receives an exemption under 24 CFR 984.105, each PHA for which HUD reserved funding (budget authority) for additional rental certificates or vouchers in FY 1993 through October 20, 1998, must operate a Section 8 FSS program. Each PHA for which HUD reserved funding (budget authority) to acquire or construct additional public housing units in FY 1993 through October 20, 1998, must operate a public housing FSS program as well.

Every PHA that was required to administer an FSS program on May 24, 2018 (the enactment date of the Economic Growth, Regulatory Relief, and Consumer Protection Act) must continue to operate that FSS program for the total number of families determined by HUD on that date unless the PHA receives an exception as described in 24 CFR 984.105(d).

Mandatory Minimum Program Size (MMPS) [24 CFR 984.105]

PHAs that must operate an FSS program under 24 CFR 984.101 are subject to a minimum program size requirement.

PHA Minimum Program Size

As determined by HUD as of May 24, 2018 OCHA's HCV FSS MMPS is **465**.

Year Funded	Type of Award	Units
1992	Incentive Award	60
1994	Fair Share Award	84
1995	Fair Share Award	151
1997	Family Unification Program Award	120
1998	Family Unification Program Award	50
TOTAL AWARDED		465

Maintaining Mandatory Minimum Program Size

Although the discretion to do so ultimately rests with OCHA, mandatory minimum program size can decrease as FSS participants successfully complete the program. Per the regulation, for each family that completes the program by fulfilling its FSS contract of participation on or after May 24, 2018, the mandatory minimum program size for a PHA's HCV FSS program is reduced by one slot. However, if an FSS slot is vacated by a family that has not completed its FSS contract of participation obligations, the slot must be filled by a replacement family which has been selected in accordance with the FSS family selection procedures [24 CFR 984.105(b)(3)].

OCHA Policy

OCHA will reduce its FSS mandatory minimum program size by one for each family that graduates from the program by fulfilling its FSS contract of participation.

Option to Operate Larger FSS Program

A PHA may choose to operate an FSS program of a larger size than the minimum required by HUD [24 CFR 984.105(a)(2)].

OCHA Policy

OCHA will operate an FSS program of a size larger than its mandatory minimum program size when funding, staffing and resources permit.

Exception to Program Operation [24 CFR 984.105(c)]

The requirement to establish and carry out a HCV FSS program may be waived with approval from HUD. In order to waive the requirement, OCHA must provide a certification to HUD that the establishment and operation of an FSS program is not feasible because of a lack of accessible supportive services funding, a lack of the availability of programs under the Workforce Innovation and Opportunity Act, a lack of funding for reasonable administrative costs, a lack of cooperation by other units of state or local government, or a lack of interest in participating in the FSS program on the part of eligible families.

An exception will not be granted if HUD determines that local circumstances do not preclude PHA from effectively operating an FSS program that is smaller than the minimum program size.

Reduction in Program Size

Rather than a full exception to program operation, a PHA may also be permitted to operate a HCV FSS program that is smaller than the minimum program size. As with the full exception, HUD may grant PHA such a partial exception if PHA provides to HUD a certification that the operation of an FSS program of the minimum program size is not feasible because of a decrease in or lack of accessible supportive services [24 CFR 984.105(d)].

Expiration of Exception

The approval for a full or partial exception to the FSS minimum program size requirement expires five years from the date of HUD approval of the exception. If a PHA seeks to continue an exception after its expiration, PHA must submit a new request and a new certification to HUD for consideration [24 CFR 984.105(e)].

2-II.C. COOPERATIVE AGREEMENTS [24 CFR 984.106]

A PHA may enter into a Cooperative Agreement with one or more multifamily-assisted housing owners to voluntarily make the PHA's FSS program available to the owner's housing tenants. The Cooperative Agreement must include all the requirements for such agreements found in 24 CFR 984.106 and 24 CFR 887.107.

PHA Policy

OCHA will not enter into a Cooperative Agreement with multifamily assisted housing owners.

2-II.D. ESTIMATE OF PARTICIPATING FAMILIES [24 CFR 984.201(d)(2)]

OCHA must state the number of eligible FSS families who can reasonably be expected to receive supportive services under the FSS program based on available and anticipated federal, tribal, state, local, and private resources

Estimate of Eligible Families

1134 eligible FSS families can reasonably be expected to receive supportive services under the FSS program, based on available and anticipated federal, tribal, state, local, and private resources.

2-II.E. ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS [24 CFR 984.201(d)(3)]

If applicable, OCHA must enter the number of families, by program type, who are participating in any other local housing self-sufficiency program who are expected to agree to execute an FSS contract of participation.

OCHA Policy

OCHA does not operate other self-sufficiency programs and therefore no additional families from other programs are expected to execute an FSS contract of participation.

2-II.F. ELIGIBILITY OF A COMBINED PROGRAM [24 CFR 984.201(e)]

A PHA that wishes to operate a joint FSS program with other PHAs or owners of multifamily-assisted housing may combine its resources with one or more of these entities to deliver supportive services under a joint action plan that will provide for the establishment and operation of a combined FSS program that meets the requirements of this part.

OCHA Policy

OCHA will not operate a joint FSS program.

PART III: PROGRAM OPERATION

2-III.A. OVERVIEW

Federal regulations specify requirements for FSS program operation regarding deadlines for program start-up and when OCHA is expected to have attained full enrollment. A timetable illustrating when OCHA intends to meet these deadlines is included as part of the required contents of the Action Plan.

2-III.B. PROGRAM IMPLEMENTATION DEADLINE

The deadlines for program implementation differ depending on whether the FSS program is voluntary or mandatory.

Voluntary Program [24 CFR 984.301(a)]

There is no deadline for implementation of a voluntary program. However, a voluntary program may not be implemented before the requirements specified in 24 CFR 984.201 have been satisfied (see Sections 1-II.A.–1-II.D.).

2-III.C. TIMETABLE FOR PROGRAM IMPLEMENTATION [24 CFR 984.201(d)(ii)]

A timetable for implementation of the FSS program is part of the required contents of the FSS Action Plan.

OCHA Policy

OCHA had an implementation deadline to begin operating a local FSS Program within 12 months from HUD's notification that the incentive award application for rental certificates and vouchers was approved. As a result, OCHA began outreach, participant selection and enrollment in the FSS program prior to May 1, 1993. This timetable has therefore been met.

OCHA's "Fair Share Allocations" in FY 94, FY 95, and "Family Unification Program" (FUP) awarded in FY 97 resulted in an increase of 355 FSS slots. These allocations required outreach, participant selection and enrollment to be completed within 24 months of the date of HUD execution of the Annual Contributions Contracts. These timetables also have been met.

An additional allocation of 50 FUP OCHA units awarded in FY 98 created 50 additional FSS slots, which were enrolled by September 30, 2000.

PART IV: DEFINITIONS

2-IV.A. DEFINITIONS [24 CFR 984.103]

The terms *1937 Act*, *fair market rent*, *HUD*, *low-income family*, *public housing*, *public housing agency (PHA)*, *secretary*, and *Section 8*, as used in this document are defined in the 24 CFR Part 5.

The term *very low-income family* is defined in 24 CFR 813.102 and 24 CFR 913.102.

The terms used in this document have the following definitions as defined by 24 CFR 984.103 and this family self-sufficiency Action Plan.

Baseline annual earned income means the FSS family's total annual earned income from wages and business income (if any) as of the effective date of the FSS contract. When calculating baseline annual earned income, all applicable exclusions of income must be applied, *except for* any disregarded earned income or other adjustments associated with self-sufficiency incentives that may apply to the determination of annual income.

Baseline monthly rent means 1) the FSS family's total tenant payment (TTP), as of the effective date of the FSS contract, for families paying an income-based rent as of the effective date of the FSS contract; or 2) the amount of the flat or ceiling rent (which includes the applicable utility allowance), and including any hardship discounts, as of the effective date of the FSS contract. For families paying a flat or ceiling rent this is as of the effective date of the FSS contract.

OCHA Policy

Benefits means a government benefit of money or monetary value given to an individual by a federal, state, or local government agency for purposes of financial assistance, including but not limited to, Medicaid, supplemental nutritional assistance program benefits and Social Security, Temporary Assistance for Needy Families, and unemployment compensation benefits.

OCHA Policy

Benefits cliff means the sudden and often unexpected decrease in public benefits that can occur with a small increase in earnings. When income increases, families sometimes lose some or all economic supports.

OCHA Policy

Certain interim goals mean the family has met all its obligations under the CoP to date, including completion of the ITSP interim goals and tasks to date.

Certification means a written assertion based on supporting evidence, provided by the FSS family or OCHA, which must be maintained by OCHA in the case of the family's certification, or by HUD in the case of OCHA's certification; made available for inspection by HUD, OCHA, and the public, as appropriate; and be deemed to be accurate, unless the Secretary or OCHA determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

Chief executive officer (CEO) means the CEO of a unit of general local government who is the elected official or the legally designated official having primary responsibility for the conduct of that entity's governmental affairs.

Contract of participation (COP) means a contract in a form approved by HUD, entered into between a participating family and a PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The contract of participation includes all individual training and services plans entered into between OCHA and all members of the family who will participate in the FSS program, and which plans are attached to the contract of participation as exhibits. For additional detail, see 24 CFR 984.303.

Current annual earned income means the FSS family's total annual earned income from wages and business income (if any) as of the most recent reexamination of income, which occurs after the effective date of the FSS contract. When calculating current annual earned income, all applicable exclusions of income will apply, including any disregarded earned income and other adjustments associated with self-sufficiency incentives or other alternative rent structures that may be applicable to the determination of annual income.

Current monthly rent means either the FSS family's TTP as of the most recent reexamination of income, which occurs after the effective date of the FSS contract, for families paying an income-based rent as of the most recent reexamination of income; or the amount of the flat rent, including applicable utility allowance or ceiling rent. This amount must include any hardship discounts, as of the most recent reexamination of income, which occurs after the effective date of the FSS contract, for families paying a flat rent or ceiling rent as of the most recent reexamination of income.

Earned income means income or earnings included in annual income from wages, tips, salaries, other employee compensation, and self-employment. Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA on behalf of a participating family.

Effective date of contract of participation means the first day of the month following the month in which the FSS family and OCHA entered into the contract of participation.

Eligible families for the HCV FSS program, means current HCV program participants. Eligible families also include current residents of public housing and participants in the HCV program who are participants in other local self-sufficiency programs.

OCHA Policy

Enhance the effectiveness of the FSS program means a demonstrable improvement in the quality of an FSS program in which the enrollment ratio, escrow balance average, and graduation rate is at or above the national average as measured in HUD's Composite Scores in FR Notice 11/15/18.

Enrollment means the date that the FSS family entered into the contract of participation with OCHA.

Family self-sufficiency program or *FSS program* means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by section 23 of the 1937 Act.

FSS account means the FSS escrow account authorized by section 23 of the 1937 Act.

FSS escrow credit means the amount credited by OCHA to the participating family's FSS account.

FSS family means a family that receives Section 8 assistance that elects to participate in the FSS program, and whose designated adult member (head of FSS family) has signed the CoP

FSS family in good standing means an FSS family that is in compliance with their FSS CoP, has either satisfied or are current on any debts owed to OCHA, and is in compliance with the regulations in 24 CFR Part 5 regarding participation in the relevant rental assistance program

FSS-related service program means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of *supportive services*.

FSS slots refer to the total number of rental vouchers that comprise the minimum size of a PHA's HCV FSS program.

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

FY means federal fiscal year (starting with October 1, and ending September 30, and designated by the calendar year in which it ends).

Head of FSS family means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.

Individual Training and Services Plan (ITSP) means a written plan that is prepared by OCHA in consultation with a participating FSS family member (the person with for and whom the ITSP is being developed), and which describes the final and interim goals for the participating FSS family member, the supportive services to be provided to the participating FSS family member, the activities to be completed by that family member, and the agreed upon completion dates for the goals, and activities. Each ITSP must be signed by OCHA and the participating FSS family member and is attached to and incorporated as part of the CoP. An ITSP must be prepared for each adult family member who elects to participate in the FSS program, including the head of FSS family who has signed the CoP.

Knowledgeable professional

OCHA Policy

Knowledgeable professional means a person who is knowledgeable about the situation, has training, education, certification, or licensure provided by recognized professional associations and institutions that legitimizes their professional opinion, is competent to render a professional opinion, and is not able to gain, monetarily or otherwise, from the PHA FSS program decision in the area to which they are certifying.

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

OCHA Policy

Other costs related to achieving obligations in the contract of participation means any costs necessary to complete an interim goal, a final goal, or tasks related to such in the ITSP.

Owner means the owner of multifamily-assisted housing.

Participating family is defined as *FSS family* in this section.

Program coordinating committee (PCC) means the committee described in 24 CFR 984.202.

Public housing means housing assisted under the 1937 Act, excluding housing assisted under Section 8 of the 1937 Act.

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

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

OCHA Policy

Supports means, but is not limited to, transportation, childcare, training, testing fees, employment preparation costs, other costs related to achieving obligations outlined in the CoP, and training for FSS Program Coordinator.

Supportive services mean those appropriate services that a PHA will make available or cause to be made available to an FSS family under a contract of participation. These may include child care of a type that provides sufficient hours of operation and serves an appropriate range of ages; transportation necessary to enable a participating family to receive available services or to commute to their places of employment; remedial education; education for completion of

secondary or post-secondary schooling; job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the contract of participation; substance/alcohol abuse treatment and counseling; training in homemaking and parenting skills; and personal welfare services that include substance/alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services; household management; money management; counseling regarding homeownership or opportunities available for affordable rental and homeownership in the private housing market (including information on an individual's rights under the Fair Housing Act) and financial empowerment that may include financial literacy, coaching, asset building, money management;; and any other services and resources, including case management and reasonable accommodations for individuals with disabilities, that OCHA may determine to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

Unit size or *size of unit* refers to the number of bedrooms in a dwelling unit.

Very low-income family is defined as set out in 24 CFR 813.102

Welfare assistance means (for purposes of the FSS program only) income assistance from federal or state welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include nonrecurrent, short-term benefits that are designed to deal with a specific crisis situation or episode of need, or are not intended to meet recurrent or ongoing needs and will not extend beyond four months; work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training); supportive services such as child care and transportation provided to families who are employed; refundable earned income tax credits; contributions to, and distributions from, individual development accounts under TANF; services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement and other employment-related services that do not provide basic income support; transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Social Security Act, to an individual who is not otherwise receiving assistance; amounts solely directed to meeting housing expenses; amounts for health care; food stamps and emergency rental and utilities assistance; and SSI, SSDI, or social security.

Chapter 3

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices as they are relevant to the activities covered in this plan. The policies and practices are discussed in two parts:

Part I: Staffing, Fees and Costs, and On-Site Facilities: This part describes identifying appropriate staff and contractors to operate the FSS program and provide the necessary direct services to FSS families. In addition, it describes how administrative fees, costs, and supportive services will be funded, and defines the use of on-site facilities.

Part II: The Program Coordinating Committee: This part covers the establishment of a program coordinating committee (PCC), which is a regulatory requirement in all FSS programs other than multifamily housing assistance. It describes required and recommended PCC membership, in addition to the option for an alternative committee..

PART I. STAFFING, FEES AND COSTS, AND ON-SITE FACILITIES

3-I.A. OVERVIEW

Several functions of program administration are crucial to running an FSS program. A PHA may need to employ a program coordinator, or decide to contract with another organization to administer the program. In addition to staffing issues, PHAs should understand how program funding and expenses work in order to keep the program running smoothly.

3-I.B. PROGRAM ADMINISTRATION STAFF AND CONTRACTORS [24 CFR 984.301(b)]

PHAs have the choice between hiring their own staff and contracting with an outside organization to administer their FSS program. If the PHA should choose to employ its own staff, the staffing levels should be appropriate, and may include one or more FSS coordinators. If the PHA chooses to contract with an outside organization, the organization's staffing levels must likewise be appropriate to establish and administer the FSS program, and the organization's responsibilities would include managing the FSS account in accordance with federal regulations.

OCHA Policy

OCHA has employed appropriate staff, including one or more FSS Coordinators and continues to administer its FSS program.

3-I.C. FSS PROGRAM COORDINATOR RESPONSIBILITIES

Primary Role of the FSS Program Coordinator

The FSS Program Coordinator is responsible for building partnerships with service providers in the community, working with the Program Coordinating Committee (PCC) and local service providers to ensure that FSS program participants are linked to the supportive services they need to achieve self-sufficiency, preparing an Individual Training and Services Plan (ITSP) for the head of the FSS family and each adult member of the FSS family who elects to participate in the FSS program, making certain that the services included in the participants' CoP are provided on a regular, ongoing, and satisfactory basis, ensuring FSS participants are fulfilling their responsibilities under the CoPs, monitoring progress of participants, and establishing and properly maintaining FSS escrow accounts for eligible families. FSS coordinators may also provide outreach, recruitment, goal setting, case management and coaching for FSS participants, and tracking of FSS program performance.

FSS Program Coordinators funded under the FSS Coordinator Notice of Funding Opportunity (NOFO) may not perform the routine public housing or Section 8 program functions of housing eligibility, leasing, rent calculation, and portability that are funded through Section 8 administrative fees or public housing operating funds unless doing so would enhance the effectiveness of the program. If conducting these functions would enhance the effectiveness of the FSS program, the PHA must seek prior approval from HUD of those enhancements to the FSS program and certify that doing so will neither interfere with the FSS Coordinator's ability to fulfill their primary role nor be used to balance or fill in for gaps in traditional staffing.

Performance of routine Section 8 or public housing functions for non-FSS families does not enhance the effectiveness of the FSS program and is therefore an ineligible use of FSS funds [2021 FSS NOFO, p. 36].

OCHA Policy

OCHA has received approval from HUD to allow the FSS Program Coordinators to perform the routine Section 8 functions of housing eligibility, leasing, rent calculation, and portability that are funded through Section 8 administrative fees.

3-I.D. ADMINISTRATIVE FEES AND COSTS

The Consolidated Appropriations Act of 2014 combined funding streams for the Section 8 and public housing FSS programs. FSS funding is now awarded through one NOFO. Use of this funding is no longer restricted to the applicable program and funding now may be used to serve both Section 8 and public housing FSS participants. Funding for FSS Coordinators salary, benefits, and training as well as limited administrative costs is awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS), rather than as an amendment to the PHA's Annual Contributions Contract (ACC). These funds are separate from other available funds that may be used.

HCV FSS Program

In the HCV program, administrative fees are paid to PHAs for HUD-approved costs associated with the operation of an FSS program. These administrative fees are established by Congress and subject to appropriations [24 CFR 984.302(b)].

In addition, administrative fees for HUD-approved costs not specifically related to the operation of the FSS program may be used to cover these costs associated with the administration of FSS [see Notice PIH 93-24 E-7 and E-8].

See 24 CFR 982.152 and PIH 2022-18 for details on the eligible use of administrative fees.

3-I.E. SUPPORTIVE SERVICES FEES AND COSTS

HCV Supportive Services

In the HCV program, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from unrestricted net assets [see Notice PIH 93-24, E-3].

In addition, the PHA may seek additional funds from HUD through submitting grant applications or seek grants from other sources when available.

OCHA Policy Refer to Chapter 4 regarding OCHA's Enhancement Program.

3-I.F. USE OF FORFEITED ESCROW ACCOUNTS FUNDS

In addition to Section 8 unrestricted net assets, public housing operating funds, and other grant sources, the FSS forfeited escrow account funds must be used for the benefit of FSS participants, which includes supports and other costs for FSS participants in good standing. HUD does not provide an exhaustive list of these supports. However, the supports include, but are not limited to, transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the contract of participation as well as training for FSS Program Coordinators.

PHA Policy

OCHA will use forfeited escrow accounts for support and other costs for FSS participants in good standing when funds requested are needed to complete an interim goal or task in the ITSP and are not ongoing expenses or if the family can demonstrate that the need for one-time payment of otherwise ongoing expenses such as rent, utilities, telephone, cell phone, pager, car payments, car maintenance, insurance, or childcare is needed to complete an interim goal, a final goal, or a task related to such goals in the ITSP.

OCHA will use forfeited escrow accounts for training provided to FSS Coordinators.

OCHA will define *supports* as defined in 24 CFR 984.305(f)(2)(i)(A) as transportation, childcare, training, testing fees, employment preparation costs, other costs related to achieving obligations outlined in the CoP, and training for FSS Program Coordinator(s)

OCHA will define *other costs related to achieving obligations in the CoP* as any costs necessary to complete an interim goal, a final goal, or tasks related to such in the ITSP as defined in 24 CFR 984.305(f)(2)(i)(A) as transportation, childcare, training, testing fees, employment preparation costs, other costs related to achieving obligations outlined in the CoP, and training for FSS Program Coordinator(s).

OCHA will define *necessary to complete* as meaning that no other resources are available in the community either because such a resource is non-existent or that resources are

utilized above capacity and agencies cannot, for an indetermined period, provide such a resource.

OCHA will provide funds from the forfeited escrow account to FSS participants in good standing before requiring the participant to use an “interim” disbursement from their current escrow account so long as:

The funds requested are needed to complete an interim goal or task within the CoP and are not ongoing expenses; or

If the family has demonstrated that the need for one-time payment of otherwise ongoing expenses such as rent, utilities, telephone, cell phone, pager, car payments, car maintenance, insurance, or childcare is needed to complete an interim goal, a final goal, or a task related to such goals.

OCHA will prioritize requests for funds from forfeited escrow accounts initially on a first come first served basis based on the date and time of the request. After that order is established, while still preserving the first come first served basis, OCHA will apply the following priorities:

Priority 1: Funds to meet a goal in the ITSP that is necessary to ensure the safety and wellbeing of victims of domestic violence, dating violence, sexual assault, and stalking as defined in OCHA’s Section 8 Administrative Plan and public housing Admissions and Continued Occupancy Policy regarding VAWA.

Priority 2: Funds to meet a goal in the ITSP that is necessary to stabilize health, safety, and welfare of the FSS participant or family that if left unattended would jeopardize education, training, or employment.

Priority 3: Funds to meet a goal in the ITSP that is necessary to further education, training, and employment goals in the ITSP including childcare, transportation, and medical costs if the lack of any of these prevents completion of the education, training, and employment.

Priority 4: Funds to meet a goal in the ITSP that is necessary to further any other goal or tasks.

PART II: PROGRAM COORDINATING COMMITTEE

3-II.A. OVERVIEW

As another integral part of FSS program administration, each participating PHA must establish a program coordinating committee (PCC) whose functions will be to assist the PHA in securing commitments of public and private resources for the operation of the FSS program within the PHA's jurisdiction, including assistance in developing the Action Plan and in implementing the program [24 CFR 984.202(a)].

The PCC must consist of certain members, which are dependent upon whether the PHA is operating a HCV program. In addition to these required members, the PCC may also include additional members recommended by regulation.

3-II.B. PROGRAM COORDINATING COMMITTEE MEMBERSHIP

Required PCC Membership [24 CFR 984.202(b)(1)]

For an HCV FSS program, the PCC membership must consist of representatives of the PHA, including at least one FSS Program Coordinator, and one or more participants from each HUD rental assistance program (HCV, public housing, or multifamily assisted housing) served by the PHA's FSS program.

OCHA Policy

OCHA's representatives on the PCC are FSS Coordinators assigned to the Family Self Sufficiency Program. OCHA and its partners recruit and invite HCV program participants to join the PCC and attend quarterly meetings.

Assistance in Identifying Potential PCC Members [24 CFR 984.202(b)(1)]

The PHA may seek assistance from area-wide, city-wide, or development-based resident councils, the resident management corporation, or the Resident Advisory Board, in identifying potential PCC members.

OCHA Policy

OCHA will seek assistance in identifying potential members of the PCC from area-wide, city-wide, and development-based resident councils, the resident management corporation, or the Resident Advisory Board.

Recommended PCC Membership [24 CFR 984.202(b)(2)]

Membership on the PCC also may include representatives of the unit of general local government served by the PHA, local agencies (if any) responsible for carrying out employment training programs or programs funded under the Workforce Investment Act, and other organizations, such as other state, local, or tribal welfare and employment agencies, public and private education or training institutions, child care providers, nonprofit service providers, private business, and any other public and private service providers with resources to assist the FSS program.

OCHA Policy

OCHA and its partner PHAs recruit and invite representatives from a variety of resource providers, including, but not limited to: social services agencies, regional occupational programs, colleges, employment services providers, subsidized childcare programs, and agencies that provide assistance with basic needs.

3-II.C. ALTERNATIVE PCC COMMITTEE [24 CFR 984.202(c)]

It is also possible for the PHA, in consultation with the chief executive officer of the unit of general local government served by the PHA, to use an existing entity as the PCC, as long as the membership of the existing entity consists or will consist of the individuals required by regulation (See section 3-II.B. above).

OCHA Policy

OCHA established a PCC upon FSS Program implementation and continues to maintain the committee at this time. However, should OCHA deem necessary, a transition to an alternative committee may be made.

Chapter 4

SELECTING AND SERVING FSS FAMILIES

INTRODUCTION

FSS regulations require that the PHA include in its Action Plan a statement indicating how it will select families for participation in the FSS program. This includes outreach, waiting list management, and other selection procedures. When followed, the PHA's selection procedures ensure that families will be selected without regard to race, color, religion, sex, handicap, familial status, or national origin.

Once selected for participation in the FSS program, families are to be provided various activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. A description of such activities and supportive services is also a requirement of the FSS Action Plan.

This chapter contains three parts:

Part I: Incentives, Outreach, and Assurance of Noninterference: This part describes the incentives the PHA will offer and the outreach efforts the PHA will use in order to encourage participation and recruit eligible families for the FSS program. It also contains the required assurance of noninterference with the rights of nonparticipating families.

Part II: Family Selection: This part covers whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so. In addition, this part describes the selection factors the PHA will use in screening families for participation in the FSS program.

Part III: Activities and Support Services: This part lists the activities and supportive services to be provided to families through both public and private resources, describes the method the PHA will use to identify family support needs, and covers the required certification of coordination.

PART I. INCENTIVES, OUTREACH, AND ASSURANCE OF NONINTERFERENCE

4-I.A. OVERVIEW

The FSS program offers incentives such as the FSS escrow account, case management, and other supportive services that not only encourage participation, but also help families achieve self-sufficiency. In addition to encouraging program participation through such incentives, PHAs also conduct outreach to recruit FSS participants from among eligible families. As part of this process, families need to know that their choice as to whether to participate in the FSS program will not affect their admission to the HCV program. This part describes the PHA's policies regarding these issues, all of which are required aspects of the FSS Action Plan.

4-I.B. INCENTIVES FOR PARTICIPATION [24 984.201(d)(5)]

By regulation, the FSS Action Plan must include a PHA's incentives plan—a description of the incentives that the PHA intends to offer eligible families to encourage their participation in the FSS program. The incentives plan provides for the establishment of the FSS escrow account and any other incentives designed by the PHA

OCHA Policy

OCHA will offer the following services to its FSS participants as incentives to participate in FSS:

FSS Escrow Account:

The FSS escrow account offers a family the opportunity to build financial resources for the future. During the term of the contract of participation, OCHA will establish an interest bearing escrow account. The housing authority will contribute, on behalf of the family, all or a part (depending on the income level of the family) of any amount the family would pay as increased rent due to an increase in their earned income. If eligible, upon satisfactory completion of COP requirements funds from the escrow account will be disbursed to the FSS Head of Household.

Enhancement Program:

When available, OCHA may provide funding for an Enhancement Program that offers reimbursement for eligible expenditures such as, tuition, childcare, transportation, etc., paid participants who have demonstrated progress towards meeting the goals of their ITSP. An annual maximum reimbursable amount is allocated for each verified expense or allowable incentive.

Eligibility for reimbursements and/or incentives begins on the effective date of the COP, therefore, expenses incurred and/or goals achieved prior to the effective date of the COP are not eligible for reimbursement. At OCHA's discretion, reimbursements for educational expenses may be allowed up to 90 days after expense was incurred.

Denial of a request for reimbursement is not subject to the Informal Review and or/Informal Hearing processes.

Case Management/Coaching

OCHA staff will collaborate with FSS participants to assess, plan, facilitate, coordinate, evaluate, and advocate for options and services to meet their comprehensive needs through communication and available resources to promote self-sufficiency.

4-I.C. OUTREACH EFFORTS [24 CFR 984.201(d)(6)(i)(ii)]

In addition to offering incentives for FSS participation, PHAs also conduct outreach in order to recruit more FSS participants from eligible families. The FSS Action Plan must include a description of these efforts to recruit FSS participants, including notification and outreach, the actions the PHA will take to assure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known.

OCHA Policy

When appropriate and applicable, OCHA will conduct FSS outreach to HCV recipients upon registration, briefing, recertification, and/or program recruitment. Additionally, OCHA will work with supportive services providers from the Veterans Affairs Supportive Housing (VASH) and Family Unification programs to encourage participants in the respective programs to participate in the FSS program.

OCHA employs bilingual staff in the threshold languages to accommodate persons with Limited English Proficiency (LEP). These strategies have been selected to ensure that both minority and non-minority groups are informed of the FSS Program.

**4-I.D. ASSURANCE OF NONINTERFERENCE WITH THE RIGHTS OF
NONPARTICIPATING FAMILIES [24 CFR 984.201(d)(10)]**

A family's housing assistance or admission into assisted housing should never depend on whether they choose to participate in the FSS program, and PHAs need to make this known as part of the recruitment process. For this reason, the PHA's Action Plan must include an assurance that a family's decision to not participate in the FSS program will not affect the family's admission to the HCV program, nor will it affect the family's right to occupancy in accordance with the lease.

OCHA Policy

Participation in the FSS program is strictly voluntary. HCV program participants will be notified via the Administrative Plan and supplemental FSS program material that should they decide not to participate in the FSS program it will not affect their HCV housing assistance. The material will also specify that the family will retain the right to occupancy according to their lease and family obligations contract.

PART II. FAMILY SELECTION

4-II.A. OVERVIEW

The FSS Action Plan is required to contain a statement indicating the procedures for selecting families for FSS program participation, including a description of how the PHA will do so without regard to race, color, religion, sex, (including actual or perceived gender identity) handicap, familial status, or national origin. This part describes these procedures, taking into account whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so, in addition to defining the factors the PHA will use in screening families for program participation.

OCHA Policy

Participation in FSS is voluntary and is open to current participants in the HCV program without regard to race, color, religion, sex, handicap, familial status, or national origin. OCHA has no selection preferences. The selection process is “first-come, first-served”, based upon time and date interest is expressed, until all mandatory slots have been filled. Thereafter, OCHA’s voluntary slots will be filled in the same manner.

4-II.B. SELECTION FACTORS

Many factors contribute to whether a PHA may choose to select a family for participation in the FSS program. These selection factors can help the PHA screen families for admission, and ultimately contribute to the PHA’s decision to either allow or deny a family’s admission into the FSS program.

Motivation Selection Factors [24 CFR 984.203(d)(1)]

A PHA may screen families for interest and motivation to participate in the FSS program provided that the factors utilized by the PHA are those which solely measure the family’s interest and motivation to participate in the FSS program. For this reason, PHAs must only apply motivational screening factors that are permissible under the regulations.

Permissible Motivation Selection Factors

Permitted motivational factors include requiring attendance at FSS orientation sessions or pre-selection interviews or assigning certain tasks indicating the family’s willingness to undertake the obligations that may be imposed by the FSS contract of participation. However, any tasks assigned should be readily accomplishable by the family based on the family members’ educational level, abilities, or disabilities, if any. Reasonable accommodations must be made for individuals whose disability (mobility, manual, sensory, speech impairments, mental, or developmental disabilities) creates a barrier to accomplishing the tasks [24 CFR 984.203(d)(2)].

OCHA Policy

OCHA will screen families for interest and motivation to participate in the FSS program by assigning a meeting or briefing which is the same type of meeting or briefing for each family. OCHA will only use the fact that the family attended as a screening factor, even if tasks or exercises are not completed in the meeting. In addition, if the family needs either childcare or transportation to be able to attend, or requests an accommodation for a

disability, OCHA will either refer the family to available services or exempt the family from this screening factor.

Prohibited Motivation Selection Factors

Prohibited motivational screening factors include the family's educational level, educational or standardized motivational test results, previous job history or job performance, credit rating, marital status, number of children, or other factors, such as sensory or manual skills, and any factors which may result in discriminatory practices or treatment toward individuals with disabilities or minority or nonminority groups [24 CFR 984.203(d)(3)].

Other Selection Factors

In addition to motivational screening, the PHA may also wish to screen families for the following additional factors.

PHA Debt Selection Factor

The PHA may deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with Section 8 or public housing assistance [Notice PIH 93-24, B-18].

OCHA Policy

OCHA will deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with Section 8 or public housing assistance. Families that owe money to a PHA who have entered into a repayment agreement and are current on that repayment agreement will not be denied FSS participation.

Previous Participation Selection Factor

A PHA may refuse to select a family for participation in the FSS program a second time if that family previously participated unsuccessfully (i.e., the family participated, did not meet its FSS obligations, and was terminated from the FSS program) [Notice PIH 93-24, B-14].

OCHA Policy

OCHA may refuse to select a family for participation in the FSS program a second time if that family previously participated and did not complete.

OCHA may enroll a family for participation in the FSS program a second time if that family previously participated, completed the COP, and received a final distribution of their escrow account if their employment skills or wages are below the level needed to achieve economic self-sufficiency (a wage that pays for basic needs without the use of subsidies).

4-II.C. SELECTION OF HEAD OF HOUSEHOLD

Each eligible family that is selected to participate in an FSS program must enter a contract of participation with the PHA. There will be no more than one contract at any time for each family. There may be an ITSP for as many members of the family who wish to participate. The contract shall be signed by a representative of the PHA and the head of FSS family, as designated by the family. This head of FSS family does not have to be the same as the official head of household for rental assistance purposes [24 CFR 984.303(a)].

OCHA Policy

OCHA will meet with the family and detail the obligations, rights, and privileges that pertain to the FSS head of household and require each adult family member to certify their agreement as to their designated head of the FSS family. These certifications will be a permanent part of the FSS family's record and will be updated with each change of head of household.

4. II. B. DENIAL OF PARTICIPATION

A request for participation in the FSS program may be denied under the following circumstances:

- The family previously participated in the FSS program and graduated.
- The family previously participated in the FSS program and did not meet their FSS obligations/goals and/or they were terminated from the FSS program.
- The family owes OCHA or another PHA money in connection with the HCV program.

PART III. ACTIVITIES AND SUPPORT SERVICES

4-III.A. OVERVIEW

Once families are admitted to the FSS program, the PHA becomes responsible for making sure these families are adequately served. The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of housing assistance under the HCV program with public and private resources, to enable families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency. As such, upon selection, families are matched with the appropriate activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. This is a vital element of the FSS program. The PHA must make a good faith effort to replace the obtained services from another agency.

4-III.B. METHOD OF IDENTIFYING FAMILY SUPPORT NEEDS [24 CFR 984.201(d)(8)]

Before a PHA can determine the services and activities it will provide to FSS families, it must identify the services and activities appropriate for each family. The Action Plan must contain a description of how the program will identify the needs of FSS families and deliver the services and activities according to these needs.

OCHA Policy Supportive services needs will be identified by completion of an informal needs assessment with the FSS coordinator or case manager or coach before completion of the initial individual training and services plan and signing of the contract of participation. After enrollment in the PHA's FSS program, a formal needs assessment, including vocational assessment and counseling, educational assessment and counseling, and employment planning, is conducted by the following partners on the PCC:

- Adult basic education
- Community college
- WTW agencies
- WIA One Stop Center
- TANF

These results are used to modify the ITSP, in mutual agreement with the family.

4-III.C. FSS ACTIVITIES AND SUPPORT SERVICES DESCRIPTION
[24 CFR 984.201(d)(7)]

As part of the required contents of the Action Plan, PHAs must both describe the activities and supportive services to be provided by public and private resources to FSS families, and identify the public and private resources that are expected to provide the supportive services.

Of course, this task assumes that the PHA has first identified the needed activities and supportive services.

OCHA Policy

As needed, and when available, FSS families will be linked to the following activities and supportive services:

Support Service General	Support Service Specific	Source/Partner
Assessment	Vocational Assessment Educational Assessment Vocational Planning Educational Planning	Adult Education Community College Community Based Organizations
Education	High School English as a Second Language GED College	Adult Education Community College University
Training	Skills Training Vocational Training On-The-Job Training	Adult Education Community College University Community-based Organizations
Job Search Assistance	Resume Preparation Interviewing Skills Dress for Success Workplace Skills Job Development Job Placement	Adult Education Community College University Community-based Organizations
Transportation	Bus Emergency Car Repair	FSS Enhancement Program
Health Care	Emergency Care Preventative Care	Community Clinic General Hospital Health Care Agency Social Services Agency
Micro and Small Business Development	Training Planning Technical Assistance Mentoring	Small Business Administration Score

Support Service General	Support Service Specific	Source/Partner
Homeownership	Training Planning Debt Resolution Counseling	Housing Choice Voucher Homeownership Program Housing Counseling Organization Community-Based Organizations
Child Care	Infant Care Toddler Care Preschool Care Afterschool Care Homework Assistance	Children’s Home Society FSS Enhancement Program Local Park, Recreation, and Library System
Crisis Services	Crisis Assessment Crisis Intervention Crisis Management Crisis Resolution	Police Department Sheriff’s Department Counseling Agencies Shelters
Child/Adult Protective Services	Needs Assessment Case Planning Information and Referrals Crisis Management	Senior Services- Office on Aging Adult Protective Services In-Home Supportive Services Social Services Agency
Legal Services	Representation Document Review Counsel or Advice	Fair Housing Counsel Legal Aid
Financial Literacy	Needs Assessment Case Planning Advocacy Negotiation	Consumer Credit Counseling Services
Mentoring	Guidance	Social Service Agency Boys Town

4-III.D. CERTIFICATION OF COORDINATION [24 CFR 984.201(d)(12)]

The FSS Action Plan is required to contain a certification that the development of the activities and services under the FSS program has been coordinated with the JOBS program (now Welfare to Work under TANF), the programs under title I of the Workforce Innovation and Opportunity Act , and any other relevant employment, child care, transportation, training, and education programs in the applicable area. The implementation of the FSS program’s activities and services must continue to be coordinated as such in order to avoid duplication of activities and services.

OCHA Policy

OCHA certifies that its FSS program has developed its services and activities in coordination with programs under Title I of the Workforce Innovation and Opportunity Act, Workforce Investment Board and American Job Centers (also known as Workforce Centers or One Stop Career Centers), and any other relevant employment, child care, transportation, training, and education programs in the applicable area. The implementation of these activities and services will continue to be coordinated in this manner to avoid duplication of activities and services.

Chapter 5

CONTRACT OF PARTICIPATION

INTRODUCTION

Each family that is selected to participate in an FSS program must enter into a contract of participation with the PHA. This contract, which is signed by the head of the FSS family, sets forth the principal terms and conditions governing participation in the FSS program, including the rights and responsibilities of the FSS family and of the PHA, the services to be provided to the head of the FSS family and each adult member of the family who elects to participate in the program, and the activities to be completed by them. The contract also incorporates the individual training and services plan [24 CFR 984.303].

This chapter contains two parts:

Part I: Overview and Family Obligations: This part provides an overview of the form and content of the contract of participation and describes what the contract requires of FSS families.

Part II: Contract Specifications: This part explains the specifications of the contract, including terms and conditions, contract modification, contract terminations, and grievance procedures.

PART I: OVERVIEW AND FAMILY OBLIGATIONS

5-I.A. OVERVIEW

The purpose of the FSS contract of participation is to set forth the principal terms and conditions governing participation in the FSS program, including the incorporation the individual training and services plan (ITSP) as part of the contract's required contents. The ITSP is meant to establish goals for an FSS family to meet along the family's way to completing the contract and becoming self-sufficient. In addition to the goals specified in the ITSP, the contract also lists the responsibilities of the family and the PHA. This part covers the ITSP as part of the required contents of the contract of participation, and the family's obligations under the contract.

5-I.B. CONTENTS OF THE CONTRACT OF PARTICIPATION

Individual Training and Services Plan

There will only ever be one FSS contract of participation (CoP) at any time for each FSS family. As part of the required contents of the FSS contract of participation (CoP), the individual training and services plan (ITSP) establishes specific interim and final goals by which the PHA and the family measure the family's progress toward fulfilling its obligations under the contract of participation and becoming self-sufficient. Interim and final goals will differ depending on the family's individual needs. Regulations require the establishment of a final goal that includes both employment for the head of the FSS family and independence from welfare assistance for all family members regardless of age.

Interim Goals

PHAs must work with each participant to establish realistic and individualized goals and may not include additional mandatory goals or mandatory modifications of the two mandatory goals.

Individual Training and Service Plans for Other than FSS Head [24 CFR 984.103]

An individual training and services plan is required for the head of the FSS family and all adults choosing to participate. ITSPs must be prepared for each adult family member participating. ITSPs are prepared by the PHA, in consultation with the participating family member [Notice PIH 93-24, G-16.

5-I.C. FAMILY OBLIGATIONS

Compliance with Lease Terms [24 CFR 984.303(b)(3)]

One of the obligations of the FSS family according to the contract of participation is to comply with the terms and conditions of the HCV program assisted lease.

Inability to comply with the lease represents an inability to comply with the contract, therefore regulations regarding noncompliance with the FSS contract apply [see 24 CFR 984.303(b)(5)]. It is up to the PHA to determine the plan of action for FSS families found in noncompliance with the lease and how the PHA will precisely define the term *comply with the lease*. All considerations allowed for other assisted residents regarding violations of the lease, must also be allowed for FSS participants.

OCHA Policy

Comply with the lease means the FSS family has not been evicted for repeated or serious violations of the lease; or if they have been evicted for serious or repeated violations of the lease, the family has prevailed in the informal hearing process.

OCHA will terminate the FSS COP if HCV program participation is terminated.

Employment Obligation [24 CFR 984.303 (b)(4)]

Another obligation set forth by the contract of participation is for the head of the FSS family to *seek and maintain suitable employment* during the term of the contract and any extension. Although other members of the FSS family may seek and maintain suitable employment during the term of the contract, it is only a requirement for the head of the FSS family.

The obligation for the head of the FSS family to *seek employment* is defined in the regulatory language as meaning that the head of the FSS family has searched for jobs, applied for employment, attended job interviews, and has otherwise followed through on employment opportunities. However, this definition still leaves room for policy decisions on the part of the PHA because it does not define the level of activity involved in “seeking.”

There is no regulatory definition of *maintain suitable employment*. For this reason, it is up to the PHA to define the term. However, there can be no minimum period of time that the head of the FSS family must work.

With the agreement of the FSS family member, the PHA makes a determination of what it means to maintain suitable employment based on the skills, education, and job training of the FSS head of household, receipt of other benefits of the family member, and the available job opportunities within the jurisdiction served by the PHA. This means that the PHA must consult with the family member and agreement must be reached as to what *maintain suitable employment* is for that family member [24 CFR 984.303 (b)(4), Notice PIH 93-24, G-3].

OCHA Policy

For purposes of OCHA’s FSS program, *seek employment* means the head of household has applied for employment, attended job interviews, and otherwise followed through on employment opportunities as outlined in the individual training and services plan of their contract of participation.

Maintain suitable employment is employment, on the last day of the contract, that is outlined in the individual training and service plan and is based on the skills, education, job training, and receipt of other benefits of the head of the FSS family. OCHA will require verification of this employment or enrollment.

5-I.D. CONSEQUENCES OF NONCOMPLIANCE WITH THE CONTRACT

Consequences apply for families who do not meet the terms and conditions of the contract. The regulations require that the contract of participation specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract (including compliance with the HCV-assisted lease), the PHA may:

- Withhold supportive services
- Terminate the family's participation in the FSS program
-

PHAs are not permitted to terminate a family’s housing assistance due to the family’s failure to meet its obligations under the contract of participation [24 CFR 984.101(d)].

OCHA Policy

The contract of participation (CoP) will be terminated before the expiration of the contract term if the participant fails to meet, without “good cause,” their obligations as outlined in the CoP. If the participant fails to meet its obligations outlined in the CoP, the FSS coordinator, or their designee, will first meet with the family to reassess the need for supportive services or a change in the individual training and services plan (ITSP).

If a reassessment of supportive services and a change in the ITSP is not successful in bringing the family in to compliance, the FSS coordinator will reassess the need for, and availability of, supportive services and refer the participant to a knowledgeable professional for a formal assessment of the challenges leading to the noncompliance.

The FSS Coordinator will use this formal assessment to identify and refer to resources that remove the challenge so the participant is able to meet their obligations outlined in the CoP.

Finally, if neither of these alternatives is successful, the FSS coordinator will terminate the CoP for failure to complete the tasks, interim goals, or final goals of the ITSP in a timely manner, and thus failure to complete the obligations outlined in the CoP.

The FSS coordinator will make an exception to the actions in terminating the CoP if the participant can, with the assistance of the FSS Coordinator, demonstrate “good cause” for the failure to meet its obligations as outlined in the CoP.

For purposes of OCHA’s FSS program, *good cause* includes circumstances beyond the control of the FSS family:

Family circumstances

Death in the family

Serious illness

Medical emergency

Mandatory court appearances

Involuntary loss of employment

Loss of head of household through death, incarceration, or removal from lease

Change in the ITSP improving progress toward economic self-sufficiency

Community circumstances

Significant reduction in workforce (over 20 percent reduction in employment field)

Significant interruption in service delivery (over 3 months interruption)

Provider noncompliance with regulation

Provider unable or unwilling to provide service

Provider offering inferior service

Active pursuit of a current or additional self-sufficiency goal

Resolution of a barrier to employment
Completion of a college degree or technical training
Completion of a work-related certification
Credit repair towards homeownership readiness

PART II. CONTRACT SPECIFICATIONS

5-II.A. OVERVIEW

In addition to making clear the family’s obligations under the program, the contract of participation contains specific terms and conditions, including those governing contract modifications, terminations, and grievance procedures. This part describes those specifications and associated policy.

5-II.B. CONTRACT TERM [24 CFR 984.303(c)]

The contract term is five years. This means that the family has no more than five years from the effective date of the COP to fulfill their obligations as specified in the contract. This five year term requirement will be specified in the COP.

Contract Extension [24 CFR 984.303(d)]

While the term set forth in the contract of participation is for five years, contract extensions are available. According to regulation, PHAs must for “good cause” extend the term of the contract for a period not to exceed two years for any FSS family that requests an extension of the contract in writing or verbally. The family’s written or verbal (documented by the FSS Coordinator) request for an extension must include a description of the need for the extension. *Good cause* means circumstances beyond the control of the FSS family, as determined by OCHA, such as a serious illness or involuntary loss of employment (further defined by OCHA policy in Section 5-I.D.). Extension of the contract of participation will entitle the FSS family to continue to have amounts credited to the family’s FSS account.

5-II.C. MODIFICATION OF THE CONTRACT

The contract of participation (CoP) may be modified, as long as the PHA and the FSS family mutually agree to modify it. This includes modifications in writing with respect to the individual training and services plans (ITSPs), the contract term (See Section 5-II.B. above), and designation of the head of the family [24 CFR 984.303(f)]. The conditions under which the PHA will modify the contract are set forth in the policy below.

OCHA Policy

In OCHA’s FSS program, the CoP will be modified by mutual agreement between OCHA and the FSS head of household:

When modifications to the ITSP improve the participant’s ability to complete their obligations in the CoP or progress toward economic self- sufficiency.

When the actual end date of the CoP is determined by the effective date of the FSS family’s first reexamination changes the end date of the CoP.

When the designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, designate another family member to be the FSS head of household and receive escrow funds.

When an FSS family moves to the jurisdiction of a receiving PHA that does not have an FSS program and the family may not continue participation in the FSS program, and modification of the FSS contract will allow the family to complete the contract and receive an escrow disbursement or terminate the contract with escrow disbursement.

5-II.D. COMPLETION OF THE CONTRACT

By regulation, the contract of participation is considered to be completed when the head of household is employed and the FSS family has fulfilled all of its obligations under the contract of participation, including all family members' ITSPs, on or before the expiration of the contract term, including any extension thereof.

Policies on verifying completion of the contract of participation can be found in Section 6-I.C. of this action plan.

5-II.E. TRANSITIONAL SUPPORTIVE SERVICE ASSISTANCE

Even after a family has completed the contract of participation, a PHA may continue to offer appropriate FSS supportive services to a former FSS family. If the family still resides in HCV assisted housing, these supportive services would be offered for becoming self-sufficient. If the family no longer resides in HCV assisting housing, these supportive services would be offered for becoming self-sufficient or remaining self-sufficient. Transitional services for families who no longer reside in HCV assisted housing, may only be offered using sources that are not HUD funds or HUD restricted funds [24 CFR 984.303(j)].

OCHA Policy

OCHA will continue to offer supportive services to a former FSS family who has completed its contract of participation.

5-II.F. TERMINATION OF THE CONTRACT

Termination of the Contract with Escrow Distribution [24 CFR 984.303(k)]

The contract of participation will be terminated with escrow distribution before the expiration of the contract term, during any extension of the contract, or at end of the term of the contract if all obligations under such have not been met, when:

- Services that OCHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable, as described in Section 5-II.H. of this Action Plan. This type of termination is also referred to as "nullification" in the FSS regulations at 24 CFR 984.
- The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless OCHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family; or
- An FSS family in good standing moves outside the jurisdiction of OCHA (in accordance with portability requirements at 24 CFR 982.353) for good cause and continuation of the COP after the move or completion of the COP prior to the move is not possible. PHAs must be consistent in their determinations of whether a family has good cause for a termination with FSS escrow disbursement.

Termination of the Contract without Escrow Distribution [24 CFR 984.303(h)]

The COP may be terminated before the expiration of the contract term and any extension of the contract by the following :

- Mutual consent of the parties
- Failure of the FSS family to meet its obligations under the contract of participation without good cause, including in an HCV FSS program the failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA
- The family's withdrawal from the FSS program
- Such other act as is deemed inconsistent with the purpose of the FSS program
- Operation of law

OCHA Policy

The COP will be terminated before the expiration of the contract term, and any extension thereof, for any of the following reasons

Mutual consent of the parties.

Family's withdrawal from the FSS program.

Failure of the FSS family to meet its obligations under the contract of participation without good cause. *Good cause* for the purposes of the FSS program is also defined in Section 5-I.D. of this Action Plan.

Such other act as is deemed inconsistent with the purpose of the FSS program.

Operation of law.

The head of the FSS family becomes permanently disabled and other family members will not participate in FSS as the head of the FSS family.

In a Section 8 FSS program, failure to comply with the contract requirements because the family has moved outside the jurisdiction of OCHA under portability without continued FSS participation.

If the FSS family faces termination due to failing to meet, without good cause, its obligations under the COP, OCHA will follow the relevant policy specified in Section 5-I.D. of this action plan.

Note: If the family is unable to meet the requirements of the contract of participation because essential services are not available, the contract is *nullified*, not terminated.

In addition, the COP is automatically terminated if the family's HCV assistance is terminated in accordance with HUD requirements [24 CFR 984.303(h)].

5-II.G. OPTION TO WITHHOLD SUPPORTIVE SERVICE [24 CFR 984.303(b)(5)(i)]

As touched upon in Section 5-I.D. of this action plan, OCHA has the option to withhold supportive services or the FSS family's participation in the FSS program if OCHA determines that the FSS family has failed to comply without good cause with the requirements of the contract of participation.

PHAs are not permitted to terminate HCV assistance to a family due to the family's failure to meet its obligations under the contract of participation [24 CFR 984.101(d)].

5-II.H. PHA OBLIGATION TO MAKE GOOD FAITH EFFORT TO REPLACE UNAVAILABLE SUPPORT SERVICES [24 CFR 984.303(e)]

PHAs must make an extensive good faith effort to replace services that community agencies either cannot or will not provide. If all the steps below are exhausted without the provision of an integral service, the contract of participation can be ended ahead of time as a result. This, however, should only occur as a last resort. The PHAs good faith effort must be demonstrated by taking the following steps:

- If a social service agency fails to deliver the supportive services pledged under an FSS family member's individual training and services plan (ITSP), the PHA must make a good faith effort to obtain these services from another agency.
- If the PHA is unable to obtain the services from another agency, the PHA must reassess the family member's needs and determine whether other available services would achieve the same purpose.
- If other available services would not achieve the same purpose, the PHA shall determine whether the unavailable services are integral to the FSS family's advancement or progress toward self-sufficiency.
- If the unavailable services are not integral to the FSS family's advancement toward self-sufficiency, the PHA must revise the ITSP, delete these services, and modify the contract of participation to remove any obligation on the part of the FSS family to accept the unavailable services.
- If the unavailable services *are* determined to be integral to the FSS family's advancement toward self-sufficiency (which may be the case if the affected family member is the head of the FSS family), the PHA shall terminate the contract of participation and follow the requirements in Section 5-II.F. of this Action Plan.

Nullification of the contract of participation based on unavailability of supportive services shall not be grounds for termination of HCV assistance.

5-III. GRIEVANCE PROCEDURES

When adverse action is taken by the PHA against a family, the PHA is required to provide an informal hearing in the HCV program [24 CFR 966 subpart B, 24 CFR 982.554].

According to regulatory requirements, the FSS Action Plan must contain the informal hearing procedures available for FSS families against whom the PHA has taken adverse action with regards to FSS [24 CFR 984.201(d)(9)].

OCHA Policy

The informal hearing procedures for the FSS program are the same as those adopted for OCHA's HCV program. Said procedures are in Chapter 16 of OCHA's Administrative Plan.

Adverse actions taken within the FSS program include:

- Denial of admission into the FSS program
- Denial of request for supportive services
- Denial of request to change the ITSP
- Denial of request to change the head of household
- Denial of request for interim disbursement of the escrow account
- Denial of request to complete the CoP
- Denial of a request for extension to the FSS CoP
- Denial of request for either interim or final distribution of escrow account
- Withholding of support services
- Termination of the FSS CoP
- Denial of request for termination with escrow
- Denial of transitional services

Chapter 6

ESCROW ACCOUNT

INTRODUCTION

The establishment of an escrow account is offered as a support and financial incentive to families for participation in the FSS program. Generally, under this incentive, the amount of an increase in family rent resulting from an increase in earned income is escrowed. That is, usually a family's rent or share of the rent goes up when the family experiences an increase in earned income. In the FSS program, this is still the case, and the part of the rent representing the increase is deposited into an account as an escrow credit. The funds from this escrow account then become available to FSS families upon successful completion of their contracts of participation.

This chapter explains how the FSS escrow account works, including calculating the amount of the escrow credit, disbursing the funds, and the proper way for the PHA to manage and report on the account.

This chapter contains two parts:

Part I: The Escrow Account: This part provides an overview of how the escrow account works, including calculating the escrow credit and disbursing the funds upon completion of the contract of participation.

Part II: Escrow Fund Accounting and Reporting: This part describes the requirements for managing the escrow account, including both accounting and reporting requirements.

PART I. THE ESCROW ACCOUNT

6-I.A. OVERVIEW

As an integral incentive to the FSS program, it is very important to have clear-cut policy spelling out how the escrow account works. This includes policy regarding the calculation of the FSS credit amount, the disbursement of FSS account funds, the use of account funds for homeownership, and forfeiture of the FSS escrow account.

6-I.B. CALCULATING THE FSS CREDIT AMOUNT

Determination of Baseline Annual Earned Income and Baseline Monthly Rent

When determining the family's baseline annual earned income and the baseline monthly rent amounts for purposes of computing the FSS escrow credit, the PHA must use the amounts on the family's most recent income reexamination in effect.

For purposes of determining the FSS credit, baseline monthly rent for families paying an income-based rent is the family's Total Tenant Payment (TTP) as of the most recent reexamination of income, which occurs after the effective date of the FSS contract.

Determination of the Escrow Credit

To calculate the FSS credit, the PHA must accurately determine the family's baseline earned income and baseline monthly rent and compare those figures with the family's current earned income and current monthly rent. The FSS credit is the lesser of 30 percent of one-twelfth or 2.5 percent of the amount by which the family's current annual earned income exceeds the family's baseline annual earned income; or the increase in the family's monthly rent. The increase in the family's monthly rent is the lower of either the amount by which the family's current monthly rent exceeds the family's baseline monthly rent, or for Section 8 families, the difference between the baseline monthly rent and the current gross rent (*i.e.*, rent to owner plus any utility allowance) or the payment standard, whichever is lower [24 CFR 984.305(b)(2)].

Determination of Escrow Credit for Families Who Are Not Low Income

FSS families who are not low-income families are not entitled to any FSS credit [24 CFR 984.305(b)(2)].

Increases in FSS Family Income [24 CFR 984.304]

As described in the FSS credit calculations above, any increases in family earned income resulting in increases in family rent become deposited in the escrow account. For this reason, and because of the nature of the FSS account, any increase in the earned income of an FSS family during its participation in an FSS program may not be considered as income or a resource for purposes of eligibility of the FSS family for other benefits, or amount of benefits payable to the FSS family, under any other program administered by HUD

Cessation of FSS Credit [24 CFR 984.305(b)(4)]

The PHA will not make any additional credits to the FSS family's FSS account when the family has completed the contract of participation, when the contract of participation is terminated or otherwise nullified, when the family is not low-income, or during the time an HCV assisted family is in the process of moving to a new unit.

6-I.C. DISBURSEMENT OF FSS ACCOUNT FUNDS

Disbursement Before Completion of Contract

The PHA may at its sole option disburse FSS account funds before completion of the contract if the family needs a portion of the funds for purposes consistent with the contract of participation and the PHA determines that the FSS family has fulfilled certain interim goals established in the contract of participation. These interim disbursements could include using the funds to assist the family in meeting expenses related to completion of higher education (e.g., college, graduate school) or job training, or to meet start-up expenses involved in creation of a small business [24 984.305(c)(2)(ii)].

OCHA Policy

The PHA will not disburse a portion of the FSS escrow account funds before completion of the CoP when the family has met certain interim goals. Disbursement at Completion of Contract [24 CFR 984.305(c)(1) and 24 984.305(c)(2)(i)]

When the contract has been completed according to regulation, the amount in an FSS account in excess of any amount the FSS family owes to the PHA will be paid to the head of the FSS family. To receive the disbursement, the head of the FSS family must submit a certification (as defined in 24 CFR 984.103) to the PHA at the time of contract completion that, to

the best of his or her knowledge and belief, no member of the FSS family is a recipient of welfare assistance. Disbursement at Contract Termination [24 CFR 984.305(c)(3)]

The PHA must disburse to the family its FSS escrow account funds in excess of any amount owed to the PHA when the contract has been terminated in certain circumstances. These circumstances include services are not available to the family that the PHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency, when the head of the FSS family becomes permanently disabled and unable to work during the period of the contract (unless the PHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family), or when an FSS family moves outside the jurisdiction of the PHA and continuation of the CoP after the move is not possible according to the regulations. In circumstances where a family is not able to continue in FSS after the move, it is also possible for the PHA and the family to determine if the contract can be modified to make completion and receipt of the escrow monies, possible. PHAs must be consistent in their determinations of whether a family has good cause for a termination with FSS escrow disbursement.

Verification of Family Certification at Disbursement

The PHA must verify that the family has met the requirements of either interim, final, or termination of contract with escrow. Interim disbursement may only occur after the family has completed certain interim goals and funds are needed to complete other interim goals. Final disbursement can only occur after the family has completed the contract of participation and all members are welfare-free as defined by regulation. Disbursement at contract termination only occurs if the family circumstances involve an integral missing service, the disability of the FSS head of household, or an FSS family porting out of the jurisdiction of the PHA and HUD

regulations do not allow continuation of the FSS contract. In each of these circumstances, it follows that the PHA may require verification for the completion of interim goals or the contract of participation.

At interim disbursement and before final disbursement of the FSS account funds to the family, the PHA must verify that the FSS family is no longer a recipient of welfare assistance by requesting copies of any documents which may indicate whether the family is receiving any welfare assistance, and by contacting welfare agencies [24 CFR 984.305(c)(4)].

HUD provides verification guidance in Notice PIH 2018-18. This guidance is mandatory for the HCV assistance programs. The PHA's Administrative Plan or ACOP must contain verification policies following the hierarchy in this notice. The policies contained in the PHA's ACOP and Administrative Plan cover verification policies related to the FSS program in general. However, determining the need for interim disbursements may require more clarification as to what constitutes an acceptable third-party source.

OCHA Policy

OCHA will require verification that the FSS family has completed certain goals, has completed the contract of participation, has met the requirements for termination with disbursement of escrow and that the FSS family is no longer a recipient of welfare assistance, as relevant, before making final disbursements.

OCHA will follow HUD's verification hierarchy set forth in Notice PIH 2018-18 to make these verifications, including the guidance therein regarding documentation.

Succession to FSS Account [24 CFR 984.305(d)]

FSS account funds should be disbursed to the head of the FSS family. However, if the head of the FSS family no longer resides with the other family members in the HCV-assisted unit, the remaining members of the FSS family, after consultation with the PHA, have the right to designate another family member to receive the funds.

6-I.D. USE OF FSS ACCOUNT FUNDS FOR HOMEOWNERSHIP

According to regulation, an FSS family may use their final distribution of FSS account funds for the purchase of a home, including the purchase of a home under one of HUD's homeownership programs, or other federal, state, or local homeownership programs, unless the use is prohibited by the statute or regulations governing the particular homeownership program [24 CFR 984.305(e)].

Homeownership is just one option for use of the FSS account funds. PHAs may not restrict the use of escrow funds at contract completion [Notice PIH 93-24, C-13].

6-I.E. FORFEITURE OF FSS ACCOUNT FUNDS

Amounts in the FSS account will be forfeited when the contract of participation is terminated without escrow disbursement, or when the contract of participation is completed by the family (see Section 5-II.D. of this a Action Plan) but the FSS family is receiving welfare assistance at the time of expiration of the term of the contract of participation, including any contract extension [24 CFR 984.305(f)(1)].

Treatment of Forfeited FSS Account Funds

FSS escrow account funds forfeited by the FSS family must be used by the PHA for the benefit of the FSS participants. These funds may only be used for support for FSS participants in good standing. These supports include transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the COP; or training for FSS Program Coordinator(s). Forfeited FSS escrow accounts may not be used for salary and fringe benefits of FSS Program Coordinators, general administrative costs of the FSS program, for housing assistance payments (HAP) expenses.

PART II. ESCROW FUND ACCOUNTING AND REPORTING

6-II.A. OVERVIEW

Regulations set forth specific requirements involving the accounting and reporting for the FSS escrow account. This part describes those requirements and the PHA policy necessary for managing the account from the PHA perspective.

6-II.B. ACCOUNTING FOR FSS ACCOUNT FUNDS

When establishing FSS escrow accounts, the PHA must deposit the FSS account funds of all families participating in the PHA's FSS program into a single depository account for each HCV program. These funds are determined at each reexamination after the effective date of the contract and must be deposited each month to each family's subsidiary line item in the PHA's escrow account. In addition, the funds held in this account must be invested in one or more of the HUD-approved investments [24 CFR 984.305].

Crediting the Escrow Account [24 CFR 984.305(a)(2)(i)]

The total of the combined FSS account funds will be supported in the PHA accounting records by a subsidiary ledger showing the balance applicable to each FSS family. During the term of the contract of participation, the PHA must credit the amount of the FSS credit (see Section 6-I.B.) to each family's FSS account every month.

Proration of Investment Income [24 CFR 984.305(a)(2)(ii)]

Because the FSS account funds are to be invested, the investment income for those funds in the FSS account will also need to be credited to each family's account subsidiary line item. By regulation, these funds are to be prorated and credited to each family's FSS account based on the balance in each family's FSS account at the end of the period for which the investment income is credited.

OCHA Policy

Each quarter the full amount of the investment income for funds in the HCV FSS account will be prorated and credited to each family's subsidiary line item after the deduction of unpaid rent and other amounts due under the HCV assisted lease.

Reduction of Amounts Due by FSS Family [24 CFR 984.305(a)(2)(iii)]

If the FSS family has not paid the family contribution towards rent, or other amounts, if any, due under the HCV assisted lease, the balance in the family's FSS account shall be reduced by that amount (as reported by the owner to the PHA in the HCV FSS program) at the time of final disbursement of FSS escrow funds. If the FSS family has underreported income after the baseline annual income is set, the amount credited to the FSS account will be based on the income amounts originally reported by the FSS family.

If the FSS family is found to have under-reported income in the reexamination used to set the baseline, the escrow for the entire period of the CoP will be recalculated using the correct income to set the baseline and then calculate subsequent escrow amounts.

6-II.C. REPORTING ON THE FSS ACCOUNT

Each PHA is required to make a report, at least once annually, to each FSS family on the status of the family's FSS account.

At a minimum, the report must include [24 CFR 984.305(a)(3)]:

- The balance at the beginning of the reporting period
- The amount of the family's rent payment that was credited to the FSS account, during the reporting period
- Any deductions made from the account for amounts due the PHA before interest is distributed
- The amount of interest earned on the account during the year
- The total in the account at the end of the reporting period

OCHA Policy

OCHA will provide FSS participants an annual statement on the status of their FSS escrow account.

Chapter 7

PORTABILITY IN HOUSING CHOICE VOUCHER FSS PROGRAMS

INTRODUCTION

PHAs operating HCV FSS programs must be familiar with the rules and regulations regarding portability under the HCV program. As with the case of portability in the HCV program in general, the FSS family may move outside the initial PHA jurisdiction under portability procedures after the first 12 months of the FSS contract of participation [24 CFR 984.306].

In the event that an FSS family chooses to exercise portability, certain special requirements regarding the FSS program would apply. This chapter describes the obligations of the initial PHA, the receiving PHA, and the FSS family under portability, in addition to any special stipulations regarding portability in the FSS context.

This chapter contains two parts:

Part I: Portability in the FSS Program: This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

Part II: The Effects of Portability on FSS Regulations and Policy: This part describes the specific ways in which portability affects different aspects of the FSS program, including the escrow account, program termination, loss of the FSS account, and termination of HCV program assistance.

PART I: PORTABILITY IN THE FSS PROGRAM

7-I.A. OVERVIEW

Portability is a statutory feature of the HCV program—it is included in the law. As such, PHAs operating an HCV FSS program need to understand the effects that portability will have on HCV FSS families and program operation. This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA’s jurisdiction.

7-I.B. DEFINITIONS

For the purposes of portability with regards to the FSS program, the following definitions will be used [24 CFR 982.4, 24 CFR 984.306].

- *Initial PHA* means both:
 1. A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and
 2. A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.
- *Receiving PHA* means a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA either absorbs the family into its program, including issuing a voucher and providing rental assistance to the family, or bills the initial PHA for the family’s housing assistance payments and the fees for administering the family’s voucher.
- *Relocating FSS Family* refers to an FSS family that moves from the jurisdiction of a PHA at least 12 months after signing its contract of participation.

7-I.C. RESIDENCY REQUIREMENTS

Families participating in an HCV FSS program are required to lease an assisted unit within the jurisdiction of the PHA that selected the family for the FSS program for a minimum period of 12 months after the effective date of the contract of participation. However, the initial PHA may approve a family’s request to move outside its jurisdiction under portability during this period if the move is in accordance with the regulations at 24 CFR 982.353 [24 CFR 984.306(a)(1)].

OCHA Policy

OCHA will approve a family’s request to move outside its jurisdiction under portability during the first 12 months after the effective date of the COP if needed for training, education, employment, and/or any other “good cause” and is in accordance with the regulations for such moves at 24 CFR 982.353.

After the first 12 months of the FSS contract of participation, the FSS family may move outside the initial PHA jurisdiction under portability procedures regardless of PHA approval [24 CFR 984.306(a)(2)].

7-I.D. PORTABILITY REQUIREMENTS FOR FSS PARTICIPANTS

Receiving PHA Administers an FSS Program [24 CFR 984.306(b)]

Whether the receiving PHA bills the initial PHA or absorbs the FSS family into its HCV program, the receiving PHA must enroll an FSS family in good standing in its FSS program. However, if the receiving PHA is already serving the number of FSS families identified in its FSS Action Plan and determines that it does not have the resources to manage the FSS contract of the receiving PHA, the initial PHA may agree to the FSS family's continued participation in the initial PHA's FSS program. Prior to the PHAs agreeing to the continued participation, the initial PHA must determine that the relocating FSS family has demonstrated that, notwithstanding the move, it will be able to fulfill its responsibilities under the initial or a modified contract at its new place of residence.

OCHA Policy

OCHA, as the initial housing authority, will agree to the participant's continued participation in their FSS program so long as the relocating family has demonstrated, with the assistance of the FSS Coordinator, that it will be able to fulfill its responsibilities under the initial or a modified contract at its new place of residence.

Where continued FSS participation is not possible, the initial PHA **must** clearly discuss the options that may be available to the family. Depending on the family's specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii), or termination of the FSS contract and forfeiture of escrow.

OCHA Policy

OCHA will clearly discuss the options that are available to the family where continued FSS participation is not possible. Depending on the family's specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

Receiving PHA Does Not Administer an FSS Program [24 CFR 984.306(c)]

If the receiving PHA does not administer an FSS program, the FSS family may not continue participation in the FSS program. The initial PHA must clearly discuss the options that may be available to the family. These may include, but are not limited to, modification of the FSS contract, locating a receiving PHA that administers an FSS program, termination of the FSS contract with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

OCHA Policy

OCHA will, as stated above, clearly discuss the options that may be available to the family where continued FSS participation is not possible. Depending on the family's contract specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii), or termination of the FSS contract and forfeiture of escrow.

Single Contract of Participation

If the FSS family enrolls in the receiving PHA's FSS program, the receiving PHA will enter a new contract with the FSS family for the term remaining on the contract with the initial PHA. The initial PHA will end its contract with the family.

If the FSS family remains in the FSS program of the initial PHA, pursuant to this section, the contract executed by the initial PHA will remain as the contract in place.

Termination of FSS contract and Forfeiture of Escrow Account [984.306(e)]

If an FSS family relocates to another jurisdiction and is unable to fulfill its obligations under the contract, including any modifications, the PHA, which is a party to the contract, **must terminate the FSS family from the FSS program**. The family's FSS escrow account will be forfeited.

Termination of FSS program participation and forfeiture of FSS escrow must be used only as a last resort after the PHA determines, in consultation with the family, that the family would be unable to fulfill its obligations under the contract after the move, that locating another receiving housing authority with a FSS program is not possible, that the current contract cannot be modified to allow for completion prior to porting, and that the current contract cannot be terminated with FSS escrow disbursement. When termination is the only option, the PHA must clearly notify the family that the move will result in the loss of escrow funds. The PHA must follow its policy for clearly notifying the FSS family of the forfeiture.

7-I.E. NEW FSS ENROLLMENT INTO RECEIVING PHA'S FSS PROGRAM

Administering and Billing of the Voucher

If the receiving PHA bills the initial PHA, the receiving PHA may, consistent with the receiving PHA's FSS enrollment policies, enroll a family that was not an FSS participant at the initial PHA into its FSS program, but only if the initial PHA manages an FSS program and agrees to such enrollment. If the receiving PHA bills the initial PHA, but the initial PHA does not manage an FSS program, the family may not enroll in the receiving PHA's FSS program.

OCHA Policy

OCHA will clearly discuss the options that are available to the family where continued FSS participation is not possible. Depending on the family's specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

Absorption of the Voucher

If the receiving PHA absorbs the family into its HCV program, the receiving PHA may, consistent with the receiving PHA's FSS enrollment policies, enroll a family that was not an FSS participant at the initial PHA into its FSS program.

PART II: REPORTING

7-II.A. OVERVIEW

Each PHA that carries out an FSS program shall submit to HUD, in the form prescribed by HUD, a report regarding its FSS program.

7-II.B. CONTENTS OF THE FSS REPORT [24 CFR 984.401]

The report submitted to HUD must include a description of the activities carried out in the FSS program; a description of the effectiveness of the program in assisting families to achieve economic independence and self-sufficiency, including the number of families enrolled and graduated and the number of established escrow accounts and positive escrow balances; a description of the effectiveness of the program in coordinating resources of communities to assist families to achieve economic independence and self-sufficiency; and any recommendations by the PHA or the appropriate local Program Coordinating Committee for legislative or administrative action that would improve the FSS program and ensure the effectiveness of the program.

7-II.C. FAMILY SELF-SUFFICIENCY GRANT PROGRAM REVIEW PHA SELF-ASSESSMENT

HUD provides a detailed checklist for PHAs to conduct their own self-assessment of their FSS program. The form is administered by the local field office and allows each PHA to gather concrete and comprehensive data covering aspects of the program from FSS Action Plans and Composite Scores through FSS program size, participants, and graduations to reductions in FSS grants and current Memoranda of Agreement with community partners. The detailed example of the FSS Self-Assessment is available at HUD's FSS Resource page, which can be located by searching "HUD FSS" on any browser.

Chapter 8

FAMILY UNIFICATION PROGRAM (FUP) AND FAMILY SELF SUFFICIENCY DEMONSTRATION

8-I.A. OVERVIEW

In January 2016, HUD announced the opportunity for PHAs to participate in a demonstration testing the effectiveness of combining HCVs for eligible youth lacking adequate housing under the Family Unification Program (FUP) with assistance under the Family Self Sufficiency (FSS) program. The purpose is to increase opportunities for housing youth with support to achieve self-sufficiency.

Specifically, the demonstration extends the 36-month time limit to match the length of the COP, typically five years. The demonstration does not waive or establish alternative requirements under the FSS program.

8-I.B. DEMONSTRATION OUTLINE

Program participants with an FUP youth voucher who agree to sign a COP will maintain their housing assistance for a period not exceeding the length of the COP. In most cases, this limit will be no more than 5 years. However, if the COP is extended, in accordance with 24 CFR 984.303(d), the FUP youth voucher can be extended for the entire length of the COP.

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

Families are not required to participate in the FSS program as a condition of receipt of assistance under the HCV program, including receipt of an FUP voucher. However, only FUP youth that sign a COP will benefit from the extension of the time limit for voucher assistance.

8-I.C. REASONABLE ACCOMMODATION AND PROGRAM ACCESSIBILITY

Refer to Chapter 2 of OCHA's Administrative Plan regarding reasonable accommodation and program accessibility.

8-I.D. OUTREACH AND NOTIFICATION

OCHA will conduct outreach and provide notification of the Demonstration to current and future FUP youth as follows:

- Via communication with the PCWA, the Orange County Social Services Agency (SSA)
- Upon FUP Program Briefing

- During the initial eligibility process
- At any contact with the family following their receipt of rental assistance

8-I.E. SELECTION

Refer to Chapter 4 regarding Selection.

8-I.F. EXPECTATIONS AND REQUIREMENTS

As a condition of extension of the FUP youth voucher, FUP youth participating in FSS will be expected, and required to comply with program requirements, as outlined in the FSS Action Plan and OCHA's Administrative Plan.

8-I.G. TERMINATION

Refer to Chapter 5 regarding termination.

In addition to the policies referenced in Chapter 5, when the 36 month time limit has expired on the FUP youth voucher, and the FUP youth has exited the FSS program, the FUP youth voucher will be terminated

8-I.H. GRIEVANCE PROCEDURES

Refer to Chapter 5 regarding grievance procedures.

8-I.I. COLLABORATION

As documented in the Memorandum of Understanding, OCHA and SSA will collaborate to insure successful implementation and administration of the demonstration.

Orange County Housing Authority

OCHA Family Self Sufficiency Action Plan Summary of Revisions

Summary of Family Self-Sufficiency Final Rule Changes to Action Plan

1. Update to Part I-I.A. Overview of the Family Self-Sufficiency Program
 - Updated to include changes from 2018 by the Economic Growth Regulatory Relief, and Consumer Protection Act
2. Update to Part 1-II.D. Contents of the Plan
 - Inserted Optional Additional Information as required by 24 CFR 984.201(d)(13) to give the locations within the Action Plan of policies, including but not limited to, modification of goals, when extensions may be granted, policies on escrow disbursements, and required documentation.
3. Update to Part 2-II Scope of FSS Program
 - Updated language to include those eligible to participate in the FSS program
 - Enhanced description of PHAs required to operate an FSS program
 - Updated language to Mandatory Minimum program size
 - Added OCHA's policy regarding cooperative agreements
 - Inserted language pertaining to OCHA's policy on combined programs
4. Update to Part 2-III Program Operation
 - Removed language no longer a part of the regulation
5. Update to Part 2-IV Definitions
 - Added and updated definitions found in 24 CFR 984.103
6. Update to Part 3-I Staffing, Fees and Costs, and On-site Facilities
 - Added role of FSS Program Coordinator
 - Clarified the source of Administrative Fees and Costs
 - Updated use of forfeited escrow funds to match change in final rule
 - Clarified the role of the Program Coordinating Committee and identification of members
7. Update to Part 4-II Family Selection
 - Updated selection factors to be consistent with regulation
 - Updated selection of Head of Household to be consistent with change in final rule
8. Update to Part 4-III Activities and Support Services
 - Inserted language defining identification of support needs to be consistent with final rule
 - Updated Certification of Coordination language to be consistent with change in final rule
9. Update to Part 5-I Overview and Family Obligations
 - Revised purpose of Individual Training and Services Plan (ITSP) to be consistent with change in final rule
 - Revised interim goal to clarify OCHA cannot establish mandatory goals in addition to HUD's defined mandatory goals
 - Added language regarding employment obligations that is consistent with regulation and change in final rule

- Updated language regarding noncompliance with the FSS contract to be consistent with final rule change

10. Update to Part 5-II Contract Specifications

- Updated contract extension guidelines for consistency with regulation
- Updated contract modification language for consistency with change in final rule
- Updated definition of completion of contract to be consistent with final rule change and regulation
- Updated termination of contract language regarding escrow distribution to be consistent with change in final rule
- Inserted language regarding termination of contract without escrow distribution to be consistent with change in final rule
- Updated grievance procedure section to clarify when an FSS program participant is entitled to an informal hearing

11. Update to Part 6-I The Escrow Account

- Updated the calculation of FSS credit amount to be consistent with final rule change and regulation
- Added language to clarify FSS disbursements before completion of contract, at contract termination and verification of family certification at disbursement.
- Added language detailing how forfeited FSS account funds are treated to be in alignment with the final rule change

12. Update to Part 6-II Escrow Fund Accounting and Reporting

- Revised proration of investment income to be consistent with final rule change

13. Update to Part 7-I Portability in the FSS Program

- Added portability policies to the plan to be in compliance with regulation and the final rule change

14. Update to Part 7-II Reporting

- Revised reporting requirements to be consistent with final rule change

IX. DISCUSSION CALENDAR

3. HYBRID H&CD MEETING SCHEDULE

Julia Bidwell, Executive Director/Secretary



OC Community Resources

M E M O R A N D U M

DYLAN WRIGHT
DIRECTOR
OC COMMUNITY RESOURCES

CYMANTHA ATKINSON
ASSISTANT DIRECTOR
OC COMMUNITY RESOURCES

JULIE LYONS
DIRECTOR
ADMINISTRATIVE SERVICES

ANDI BERNARD
DIRECTOR
OC ANIMAL CARE

JULIA BIDWELL
DIRECTOR
OC HOUSING &
COMMUNITY DEVELOPMENT

RENEE RAMIREZ
DIRECTOR
OC COMMUNITY SERVICES

TOM STARNES
DIRECTOR
OC PARKS

JULIE QUILLMAN
COUNTY LIBRARIAN
OC PUBLIC LIBRARIES

DATE: August 25, 2022

TO: H&CD Commission

FROM: Julia Bidwell, Director Housing & Community Development/Executive Director of OCHA

SUBJECT: Hybrid H&CD Meeting Schedule

Dear Housing & Community Development Commission Members,

During the December 2, 2021 Housing and Community Development (H&CD) Commission meeting we brought forward two options to address Governor Newsom's veto of Brown Act: AB 339 which would have allowed for continued remote participation in public meetings. We presented the following two options:

1. Resume in person meetings and have the ability to cancel meetings, as needed, when there are no agenda items.
2. Continue virtual meetings, however, meetings will need to be conducted monthly (i.e. no later than 30 days after the last virtual meeting), with or without agenda items, and make the required findings under AB 361 at each virtual meeting.

After discussion, the H&CD Commission voted to adopt option number one. Since December 2, 2021, the H&CD Commission has had a challenge meeting quorum due to the continued impact from the Novel Coronavirus (COVID-19). As such, we are recommending the H&CD Commission consider adopting a hybrid meeting schedule.

Government Code Section 54953(e)(3) provides that if the state of emergency remains active or social distancing is still recommended, then to hold a hybrid meeting, the legislative body must make certain findings by majority vote: 1) the body has considered the circumstances of the state of emergency AND 2) either of the following exist: a) the state of emergency continues to directly impact the ability of the members to meet safely in person, OR b) state or local officials continue to impose OR recommend measures to promote social distancing. This finding must be made no later than 30 days after the teleconferenced meeting and every 30 days thereafter.

This means that after this meeting, the Housing & Community Development Commission must not cancel any meetings, regardless of agenda items, or lack thereof, and must make the required AB 361 findings to continue holding hybrid meetings. Please note, a legislative body that wishes to implement AB 361 to continue holding hybrid meetings would need to make the requisite findings at a meeting of that body. Failure to take these actions would likely necessitate the legislative body holding at least one in-person meeting to make the required

Discussion Calendar Item - 3

findings and resume hybrid meetings. In short, going forward, the Housing & Community Development Commission must comply with AB 361 if they wish to operate with a hybrid meeting schedule.


Recommendation:

To comply with AB 361 and minimize the continued impact of COVID-19, we recommend:

1. Adopt a hybrid meeting option where meetings are to be conducted monthly (i.e. no later than 30 days after the last hybrid meeting), with or without agenda items, and make the required findings under AB 361 at each hybrid meeting.

August 25, 2022

TO: Board of Commissioners H&CD Commission Members

FROM: Julia Bidwell, Director Housing & Community Development/Executive Director of OCHA 

SUBJECT: Executive Director's Summary for July 2022

Individual activity reports are attached from the Managers of Housing Assistance, Accounting, Housing and Community Development:

I. HOUSING ASSISTANCE DIVISION

Marie Vu, Housing Assistance Manager

- A. Housing Choice Voucher Program Status and Activities
- B. Special Housing Programs Section
- C. Occupancy Section
- D. Leasing Section
- E. Administrative Section
- F. VMS Data Collection Report-Monthly Activity
- G. Operation Reserves Sources and Uses, Fund 117

II. ACCOUNTING DIVISION

Bill Malohn, Manager

- A. Orange County Housing Assistance (OCHA)
- B. Housing and Community Development (H&CD)
- C. Orange County Development Agency (OCDA) Successor

III. HOUSING & COMMUNITY DEVELOPMENT DIVISION

Craig Fee, Community Development Manager

Michelle Zdeba, Housing Development Manager

- A. Community Development
- B. Housing Development

IV. ADMINISTRATION

July 19, 2022	No items to report
July 26, 2022	No items to report

DATE: Aug 25, 2022
TO: H&CD Commission
FROM: Marie Vu, Manager, Housing Assistance Division *MV*
SUBJECT: OCHA Status Report for July 2022

HOUSING CHOICE VOUCHER PROGRAM STATUS AND ACTIVITIES:

The Lease-up rate for July 2022 is 88.5% with 10,030 households receiving Voucher program rental assistance. VASH veterans represent 739 of the assisted tenants, 28 are in the Non-Elderly Disabled (NED) program, and 143 are in the Mainstream Program. Detailed statistics for the Housing Choice Voucher Program are shown on the attached chart. Additional highlights of July activities are as follows:

SPECIAL HOUSING PROGRAMS (SHP) SECTION:

Staffing

SHP currently has a vacancy for one (1) Housing Specialist III and one (1) Housing Specialist II.

Family Self-Sufficiency (FSS):

Monthly activity:

Current number of active clients with FSS contracts:	180
Clients currently earning escrow credits:	119
New Enrollees:	0

Cumulative Status

HUD-mandated Initial Contracts:	465
Cumulative FSS Graduates:	353
HUD-mandated remaining Contracts:	112
Clients graduating in July:	1

Coordinated Entry (CE) Set-aside HCV Homeless Vouchers:

From inception (March 2017) to date we have received a total of 290 referrals.

Currently, there are thirteen (13) in/outreach teams from CE who have executed an MOU with OCHA: Illumination Foundation, Pathways of Hope, Colette's Children Home, City Net, Families Forward, American Family Housing, Friendship Shelter, Mercy House, City of Huntington Beach, Family Assistance Ministries, Wise Place, City of Costa Mesa and HIS-OC.

Vouchers searching:	4
UP to date Inactive:	82
Up to date Lease up:	190

Mainstream Program:

In partnership with the Orange County Health Care Agency (HCA), the OCHA was awarded funding for 44 Mainstream Vouchers to provide rental assistance to non-elderly homeless persons with disabilities on September 4, 2018. This marked the beginning of the Mainstream Voucher Program for OCHA.

In order to align with current County initiatives, OCHA selected a specific target population to collaborate with the Health Care Agency (HCA) and the Whole Person Care (WPC) program to identify persons who are non-elderly disabled homeless households, exiting from recuperative care facilities, have no place to go and are at high risk of readmission to the hospital.

November 14, 2019 OCHA was awarded an additional 33 Mainstream Vouchers. We used this opportunity to expand the assisted population to include non-elderly homeless individuals who were frequent users of Orange County hospitals/emergency rooms. Referrals for these additional vouchers began on March 01, 2020.

On May 18, 2020 HUD awarded OCHA an additional 24 Mainstream Vouchers in a non-competitive process. Referrals for these vouchers began on September 01, 2020 and targeted the expanded population.

On November 17, 2020 HUD awarded OCHA an additional 100 Mainstream Vouchers in a non-competitive process. Referrals for these vouchers began on January 01, 2021 and targeted individuals and families recently transitioned or transitioning from Project RoomKey/HomeKey and connected to Project Tool Belt.

OCHA and HCA meet on a monthly basis to evaluate the efficacy of the referral process. The monthly meeting addresses challenges such as document retrieval, client engagement, and housing navigation.

To date, OCHA has received 354 referrals for the Mainstream Voucher Program. 145 have been leased up and three (3) have successfully located a unit. 19 referrals have been issued a voucher and are currently searching for a unit. 8 referrals are pending voucher issuance.

Family Unification Program (FUP)

OCHA has been selected as a site in the Evaluation of the Family Unification Program study. The Urban Institute is part of a research team working with the Department of Health and Human Services and HUD to conduct this study for families only (youth were not included). The study team visited OCHA on 3/14/2019 to discuss the logistics of implementing the FUP evaluation in Orange County. The Board approved to execute the MOU between Social Services Agency/ OCHA and Urban Institute on August 13, 2019. OCHA, SSA, and the Urban Institute participate in a conference call on a biweekly basis to discuss success strategies and program implementation. SSA has referred 107 applicants for the study since August 22, 2019.

On April 2, 2020 OCHA was awarded an additional 58 FUP vouchers, 29 of which were allocated for Families and 29 for Foster Youth. Referrals for these vouchers began on August 01, 2020. 58 referrals have been received for this new allocation and we have leased 58 vouchers to date. There are currently 275 active FUP participants.

Emergency Housing Voucher Program

The Emergency Housing Voucher (EHV) program is a voucher program funded through the American Rescue Plan Act of 2021 (ARPA). ARPA was signed into law on March 11, 2021 and included funding for approximately 70,000 EHV's. HUD announced EHV awards on May 10, 2021 and the Orange County Housing Authority (OCHA) was allocated 557 EHV's.

EHV's are to assist individuals and families who are experiencing homelessness; at risk of homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

On July 16, 2021 OCHA executed an MOU with the Orange County Continuum of Care. We began receiving referrals on July 26, 2021. To date we have received 493 referrals, issued 374 vouchers, and leased 190 tenants.

Project Based Voucher Program

OCHA currently has 18 projects completed and leased. We have three (3) projects with an expected completion date in 2022, those include Ascent in Buena Park, The Groves in San Juan Capistrano, and Casa Paloma in Midway City.

OCCUPANCY SECTION:

Staffing

The current recruitments we currently are working on for seven vacant positions: six Housing Specialist I, one Office Technician. Currently we continue to work with HR on the ongoing recruitments for these seven positions.

Activity

Occupancy Section pulled approximately 200 applicants from the 2012 Waiting List. Currently working on finalizing eligibility on the initials to issue new vouchers. We continue conducting virtual briefing video to issue vouchers and one to one briefing as requested by our clients. Occupancy continues to work Hybrid schedule and staff continue to work closely with clients.

Ongoing Occupancy Activities

Occupancy pulled initials from the waiting list in the month of July 2022

Initial voucher issuance:	32
Initial vouchers expired:	8
Ongoing vouchers issued:	43
Ongoing vouchers expired:	11
Initial interviews scheduled:	150
Initial interviews conducted:	74
Total reexaminations completed:	697
Total interim decreases completed:	189
Total interim increases completed:	288
Number of repayments completed:	0

LEASING SECTION:

Leasing Ongoing Activities

Below are Leasing's numbers for the month of July 2022:

Annual Inspections Scheduled (OCHA):	448
Follow up re-inspections Scheduled (OCHA):	183
Physical Inspections (OCHA):	80
New Leases - Number of RTA's received (OCHA):	58
Annual Inspections Received (Mobility):	101
Annual Inspections Scheduled (Mobility):	106
Follow up Re-inspections (Mobility):	39
New Leases Received (Mobility):	54
New Leases Scheduled (Mobility):	42
QC Inspections:	15
QC Inspections (Mobility):	0
Owners Canceled or postponed Rent Increases due to COVID-19:	0

New Lease Self-Certification inspections:	0
New Lease Self-Certification re-inspections:	0
New Lease Self-Certification re-inspections (Mobility):	0
Rent Increases received:	710
Rent Decreases received:	1
Rent Increase denied:	93

Total Abatement:

Final notices mailed:	29
Were abated:	0

Owners:

Owners became inactive for the month of July 2022:	1
Owner relisted their property:	1
Units added to our vacancy listings:	33
Owner Hotline Callers Assisted:	278

Staffing:

Leasing currently has a vacancy for three (3) Housing Specialist I/II and one (1) Senior Housing Specialist.

Outreach Efforts:

In July 2022, the Orange County Housing Authority continued to operate successfully under the hybrid work schedule. 278 callers were assisted through the Owner Hotline to meet the specific needs of OC's landlords and property managers.

ADMINISTRATION SECTION:

Operations

Administration's efforts have been focused on OCHA operations, including, but not limited to, purchasing supplies and equipment, managing the physical facility, supporting the needs of the other OCHA sections, and communicating operational information to the public via the OCHA Reception telephone lines, the "OCHA Contact" email hotline, AccessOC and the OCHA webpage.

Ongoing Activities

Critical tasks completed during July included the following:

Calls and inquiries addressed:	3,237
Mail Processed:	8,128
Public Records Act and Data Requests resolved:	4

Staffing

Administration currently has one Section Chief, one Office Specialist, and one Office Technician vacant.

VMS Data Collection Report

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Homeownership	5	4	5	4	3	3						
Homeownership HAP	\$4,764	\$3,786	\$4,067	\$4,070	\$2,986	\$2,918						
Family Unification	276	278	275	277	277	275						
Family Unification - (HAP)	\$482,485	\$480,624	\$477,134	\$485,210	\$470,830	\$475,897						
Non Elderly Disabled	27	27	28	28	28	28						
Non Elderly Disabled - (HAP)	\$36,731	\$36,779	\$38,635	\$38,686	\$38,460	\$38,453						
Portable Vouchers Paid	24	23	23	26	28	19						
Portable Voucher Paid HAP	\$25,496	\$24,462	\$24,462	\$29,123	\$30,499	\$21,722						
Tenant Protection	46	46	45	44	43	42						
Tenant Protection HAP	\$64,534	\$64,169	\$62,940	\$62,435	\$61,248	\$60,192						
Enhanced Vouchers	4	4	3	3	3	3						
Veterans Affair Supported Housing (VASH) Voucher	763	760	756	757	765	757						
Veterans Affair Supported Housing (VASH) HAP	\$990,508	\$976,193	\$974,743	\$976,090	\$979,164	\$978,378						
All Other Vouchers	9,001	8,974	8,940	8,919	8,905	8,869						
All Other Vouchers HAP	\$12,202,546	\$12,183,193	\$12,171,641	\$12,202,353	\$12,204,890	\$12,173,738						
FSS Escrow Deposits	\$20,079	\$24,684	\$22,720	\$24,995	\$23,916							
All Voucher HAP Expenses After the First of Month	\$20,713	\$30,342	\$25,311	\$28,011	\$32,941	\$20,108						
Total Vouchers	10,142	10,112	10,072	10,055	10,049	9,993						
HAP Total	\$13,847,856	\$13,824,232	\$13,801,653	\$13,850,973	\$13,844,934	\$13,785,015						
Number of Vouchers Under Lease (HAP Contract) on the last day of the Month	9,405	9,391	9,349	9,360	9,321	9,254						
New vouchers issued but not under HAP contracts as of the last day of the month	75	78	56	52	48	48						
Portability (Port In)	1,476	1,474	1,481	1,469	1,452	1,443						
Portability (Port In HAP Administered)	\$2,396,497	\$2,395,485	\$2,404,290	\$2,375,319	\$2,369,442	\$2,360,083						
Number of Vouchers covered by Project-Based under AHAPs and not under HAPs*	137	137	145	275	337	337						
Number of PBVs under HAP and leased	439	435	428	435	443	442						
Number of PBVs under HAP and not leased	14	18	25	18	18	19						
Fraud Recovery - Amount Booked this Month	\$325	\$175	\$350	\$175	\$590	\$350						
FSS Escrow Forfeitures This Month				\$13,027								
Number of Hard to House Families Leased	17	20	14	31	17	10						
Portable HAP Costs Billed and Unpaid - 90 Days or older	\$625,226	\$567,275	\$545,647	\$575,759	\$549,683	\$488,211						



**FY 21/22 OCHA OPERATING RESERVES
SOURCES AND USES OF CASH, FUND 11
AS OF 6/30/22**

Beginning Cash Balance as of 07/01/21
Less: Other Miscellaneous Obligations
Available Cash Balance as of 6/30/22

FY 21-22 Budget	FY 21-22 Y/E Cash
7,450,263	7,450,263
7,450,263	7,450,263

Additional Sources of Cash

Principal Received from Ops Reserve Loans	0		548,644
Interest Received from Ops Reserve Loans	15,745	(1)	1,372
Residual Receipts Payment - Laguna Canyon Housing & Tustin Heritage Place	0		23,549
County Investment Pool Interest Income	137,747	(2)	39,574
Miscellaneous Revenue - El Modena Rental Property	8,520		8,520
Miscellaneous Revenue - Expense & Interest Rebates from Prior Years	0		1,736
Miscellaneous Revenue - TBRA reimbursement from Fund 15G HOME	100,000		12,944
Miscellaneous (Fund Balance Unassigned)	3,243,673		0
TOTAL SOURCES OF CASH:	10,955,948		8,086,601

Uses of Cash

Accounting staffs support to OCHA Ops Reserve	35,000		28,250
HCD Staff Support to OCHA Ops Research (KG00117)	100,000		10,044
Affordable Housing/OCHA Rental Obligation	2,542,040		0
Building & Improvements Maintenance - El Modena/Esplanade Property	2,500		0
County Investment Pool Admin Cost (Treasurer)	5,000		3,976
County-wide Cost Allocation Plan (CWCAP)	6,000		2,576
Family Self-Sufficiency Enhancement Payments	25,000		308
Happy Software Replacement	500,000		0
HCA Emergency Shelter - FY 21/22	100,000		88,740
HCA Emergency Shelter - FY 20/21	0		24,930
OCHA District Attorneys MOU - FY 21/22	90,000		90,000
OCHA District Attorneys MOU - FY 20/21	0		107,794
Single All Funds Audit	145		54
Tenant Based Rental Assistance Program (Fund 15G HOME)	100,000		12,944
TOTAL USES OF CASH:	3,505,685		369,616

TOTAL FY 21/22 UNCOMMITTED CASH:

7,716,985

LESS: Future Year's Non-discretionary Obligations

OCHA Monthly Rental Obligations (3)

(4,757,807)

TOTAL FY 21/22 DISCRETIONARY CASH:

2,959,178

(1) Budgeted amount represents interest amount only.

(2) The Treasurer is three months behind in dispersing interest.

(3) The \$ 4.7 million is the amount reserved for the monthly OCHA HAP payments, Shelter Plus Care payments & FSS payments in case the monthly HUD payments are late.

Note: This document does not account for the accounts receivable reserve for housing loans.

See Attachments (1. Payment Schedule 2. Terms and Conditions) for current details of the accounts receivable.



DYLAN WRIGHT
DIRECTOR
OC COMMUNITY RESOURCES

CYMANTHA ATKINSON
ASSISTANT DIRECTOR
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JULIE LYONS
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RENEE RAMIREZ
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TOM STARNES
DEPUTY DIRECTOR
OC PARKS

JULIE QUILLMAN
COUNTY LIBRARIAN
OC PUBLIC LIBRARIES

DATE: August 25, 2022
TO: H&CD Commission
FROM: Bill Malohn, Manager, OC Community Resources
Accounting *Bill Malohn*
SUBJECT: ACCOUNTING STATUS REPORT - July 2022

ORANGE COUNTY HOUSING ASSISTANCE

1. **Section 8 Housing Assistance Payments**
We issued our July 5th checks and electronic fund transfers to landlords on time using the HAPPY software system.
2. **Landlord and Tenant Overpayments**
 - Active: There are 34 tenant repayment agreements with a total balance of \$51,707 as of July 31, 2022.
 - Inactive: There are 354 outstanding cases with a total amount of \$753,206 as of July 31, 2022. Of the 354 cases, 233 are for tenants (66%) and 121 are for landlords (34%).
 - Grand total of active and inactive for July 2022: \$804,913.
3. **Operating Reserves Loan**
All loan payments were made through July 31, 2022, in accordance with the amortization schedule.
4. We completed the Family Self-Sufficiency (**FSS**) reconciliation through June 2022. There were 0 payments to a program participant under the Enhancement Program for the month of July.

HOUSING AND COMMUNITY DEVELOPMENT

5. **CDBG, HOME, ESG, CALHOME, and General Fund**
 - The Community Development Block Grant (CDBG), Home Investment Partnership Act (HOME), and Emergency Shelter Grant (ESG) IDIS Vouchers and drawdown for June 2022 have been completed for all available funding.
 - The HUD Status Report, including reconciliation with IDIS for CDBG, HOME, and ESG for June 2022 has been completed.
 - General & Other Fund Projects report was updated through 4th quarter, June 2022.
 - Program Income Status Report for June 2022 has been completed.

- We were awarded \$1,000,000 in CalHome funds in March 2010. We received \$1,000,000 in advanced funds as of February 28, 2014 and we funded 44 Owner Occupied Rehabilitation loans. A new 2011 CalHome grant for \$1,000,000 was awarded and \$250,000 was received on June 5, 2014, another \$250,000 was received on April 15, 2015 and another \$250,000 was received on March 8, 2016. We funded 7 Mortgage Assistance Program loans and 14 Owner Occupied Rehabilitation loans. As of June 2017, the 2011 CalHome grant is closed.

ORANGE COUNTY DEVELOPMENT AGENCY (OCDA) SUCCESSOR

6. The Orange County Development Agency (OCDA) Successor status report was updated through June 2022 and can be viewed on the shared drive.
7. Successor Notes Receivable interest and loan monitoring fees are calculated monthly and are up to date as of July 2022. Balances are reconciled for Successor Notes Receivables every April and June.



OC Community Resources
M E M O R A N D U M

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JULIE QUILLMAN
COUNTY LIBRARIAN
OC PUBLIC LIBRARIES

DATE: August 25, 2022
TO: H&CD Commission
FROM: Julia Bidwell, Director Housing and Community Development
SUBJECT: Housing and Community Development Division Status Report July 2022

COMMUNITY DEVELOPMENT

The FY 2022-23 Annual Action Plan was approved by the Board on April 26, 2022 and has been submitted to HUD. This will satisfy U.S. Department of Housing and Urban Development (HUD) federal requirements to provide a one-year plan outlining the FY 2022-23 allocation of funding for specific housing and community development programs, promote fair housing opportunities, provide approval of federal, state and local resources allocated for these activities, and satisfy requirements for submission of a plan to HUD.

HOUSING DEVELOPMENT

Project Advisory Committee

- The July and August 2022 PAC meetings were canceled. The next scheduled PAC meeting is September 8, 2022.

Affordable Rental Housing Programs

Projects Under Development

Westminster Crossing – The Board approved a \$850,000 Housing Successor Agency loan and twenty (20) Project-Based Vouchers for homeless households earning at or below 30% AMI. Westminster Crossing is new construction of 65 units (64 rental units) of affordable housing for low- to extremely-low income individuals and families, including unit's set-aside for households who meet the Mental Health Services Act (MHSA) eligibility criteria. The developer, Meta Housing, secured 9% low income housing tax credits and closed on the construction loan in December 2019. Construction began in December 2019 and was completed in September 2021. The project converted to perm in May 2022 and the County's loan was funded.

Altrudy Lane Seniors – The Board approved a \$475,000 Housing Successor Agency loan and eight (8) Project-Based Vouchers for homeless households earning at or below 30% AMI. Altrudy Lane Seniors is new construction of 48 units (47 rental units) of affordable housing for low- to extremely-low income seniors, including units set-aside for households who meet the MHSA eligibility criteria. The developer, C&C Development, secured 4% low income housing tax credits and closed on the construction loan in April 2020. The construction completed in May 2022.

Legacy Square – The Board authorized submittal of a joint competitive No Place Like Home (NPLH) funding application for \$6,013,136 and approved \$3,025,480 in Special Needs Housing Program (SNHP) funding for 10 MHSA units. Legacy Square is 93 units of affordable housing for low- to extremely-low income set-aside for households who are homeless or at-risk of homelessness, including residents who meet the MHSA eligibility. The developer, National Community Renaissance of California, secured 4% low income housing tax credits and closed on the construction loan in February 2021. Construction is anticipated to be completed in February 2023.

The Prado (formerly Fountain Valley Housing) – The Board approved a \$453,600 Housing Successor Agency loan and eight (8) Project-Based Veterans Affairs Supportive Housing for homeless households earning at or below 30% AMI. Fountain Valley Housing is new construction of 50 units (49 rental units) of affordable housing for low- to extremely-low income households. The developer, The Related Companies of California, secured 9% low income housing tax credits and closed on the construction loan in December 2020. The construction was completed in March 2022.

Casa Paloma (formerly 15162 Jackson Street) – The Board approved a \$950,000 HOME Investment Partnership Act loan and forty-eight (48) Housing Choice and/or Mainstream Project-Based Vouchers for homeless households earning at or below 30% AMI. Casa Paloma is new construction of 71 units (69 rental units and two manager's) of affordable housing for low- to extremely-low income homeless households with 24 units set-aside for households who meet the MHSA eligibility criteria. The developer, American Family Housing, secured 9% low income housing tax credits and closed on the construction loan in April 2021. Construction is anticipated to be completed in July 2022.

The Groves – The Board approved a \$567,000 Housing Successor Agency loan and eight (8) Project-Based Vouchers for homeless households earning at or below 30% AMI. The Groves Senior Apartment is new construction of 75 units (74 rental units) of affordable housing for low- to extremely-low income seniors, including 10 units set aside for senior individuals experiencing homelessness. The developer, C&C Development, secured 4% low income housing tax credits and closed on the construction loan in September 2020. Construction is anticipated to be completed in September 2022.

Ascent (formerly Airport Inn) – The Board approved fifty-seven (57) Project-Based Vouchers for homeless households earning at or below 30% AMI and with 28 units set-aside for individuals experiencing homelessness who meet the MHSA eligibility criteria. Ascent is an acquisition and rehabilitation of an existing 60-room motel into 58 units of affordable. The developer, Jamboree Housing Corporation, secured 9% low income housing tax credits and closed on the construction loan in December 2020. Construction is anticipated to be completed in September 2022.

Mountain View Apartments – The Board approved a \$453,600 Housing Successor Agency loan and eight (8) Project-Based Vouchers for individuals experiencing homelessness earning at or below 30% AMI. Mountain View Apartments is new construction of 71 units (70 rental units) of affordable housing for low- to extremely-low income homeless households with eight units set-aside for households who meet the MHSA eligibility criteria. The developer, National Community Renaissance of California, secured 9% low income housing tax credits and closed on the construction loan in December 2021. Construction is anticipated to be completed in July 2023.

Huntington Beach Senior Housing – The Board approved a \$3,603,160 MHSA loan and thirty-three (33) Project-Based Vouchers for individuals experiencing homelessness earning at or below 30% AMI. Huntington Beach Senior Housing is new construction of 43 units (42 rental units) of affordable housing for low- to extremely-low income homeless households with 21 units set-aside for households who meet the MHSA eligibility criteria and the remaining 12 units will be used for non-MHSA seniors. The developer, Jamboree Housing Corporation, secured 4% low income housing tax credits and closed on the construction loan in February 2022. Construction is anticipated to be completed in September 2023.

Center of Hope Apartments (The Salvation Army) – The Board approved a \$655,120 MHSA loan and sixteen (16) Project-Based Vouchers for individuals experiencing homelessness earning at or below 25% AMI. Center of Hope Apartments is new construction of 72 units (70 rental units and two manager's units) of affordable housing extremely-low income homeless households with 20 units set-aside for households who meet the MHSA eligibility criteria. The developer, The Salvation Army, secured 4% low income housing tax credits and closed on the construction loan in February 2022. Construction is anticipated to be completed in April 2023.

Valencia Gardens (formerly Orange Corporate Yard) – The Board approved a \$479,520 loan (Fund 135) and eight (8) Project-Based Vouchers for individuals experiencing homelessness earning at or below 30% AMI. Valencia Gardens is new construction of 61 units (60 rental units and one manager's units) of affordable housing for low to extremely-low income households. The developers, Orange Housing Development Corporation and C&C Development, secured 4% low income housing tax credits and closed on the construction loan in March 2022. Construction is anticipated to be completed in March 2024.

Santa Angelina Senior Community – The Board approved a \$500,000 loan (Fund 15B) and twenty one (21) Project-Based Vouchers for Santa Angelina Senior, the new construction of 65 units (64 rental units and one manager's units) of affordable housing extremely-low income homeless households with 21 units set-aside for households who meet the MHSA eligibility criteria. The developer, National CORE, secured 4% low income housing tax credits and closed on the construction loan in June 2022. Construction is anticipated to be completed in December 2023.

The Crossroads at Washington – The Board approved a \$2,650,701 HOME loan and forty-three (43) Project-Based Vouchers for individuals experiencing homelessness earning at or below 30% AMI. The Crossroads at Washington is new construction of 86 units (85 rental units and one manager's units) of affordable housing for extremely-low income households with 43 units set-aside for formerly homeless households. The developer, The Related Companies of California, secured 9% low income housing tax credits and closed on the construction loan in July 2022. Construction is anticipated to be completed in September 2023.

Grand Openings/Groundbreakings/Events

- The Groundbreaking Ceremony for Santa Angelina was held on Tuesday, August 16, 2022, at 10:00am, at the project site located at 1314 North Angelina Drive in the City of Placentia.

Permanent Supportive Housing Notice of Affordability

On November 10, 2015, the Board authorized the OC Community Resources Director, or designee, to issue a Permanent Supportive Housing Notice of Funding Availability (2016 PSH NOFA) with an emphasis on developing extremely low-income housing in a combination of up to \$8 million in Orange County Housing Successor Agency funds and Federal HOME Investment Partnerships Program funds and utilize up to 100 Housing Choice Project-Based Vouchers. Staff will return to the Board for funding commitments to individual projects. The Project Advisory Committee (PAC) concurred with staff's 2016 PSH NOFA policy recommendations at the December 10, 2015 PAC meeting.

On April 24, 2018, the Board of Supervisors approved adding \$4 million and up to a combined 100 VASH and/or Housing Choice Vouchers to the 2016 PSH NOFA. On December 18, 2018 the Board approved adding \$2 million in Orange County Housing Successor Agency (HSA) funds and/or Federal HOME Investment Partnership Programs and up to an additional of 50 HUD-VASH. Staff has received fourteen applications listed below requesting \$13,020,361 in HOME/HSA funds and 200 Housing Choice Project-Based Vouchers and 8 project-Based VASH Vouchers.

Developer	Project Name	Funding Request	Project-Based HCV/ Request	Project-Based VASH Request	Project-Based Mainstream Voucher Request	No. Units	Type	City	Status
American Family Housing	Potter's Lane	\$1,458,000	0	0	0	16	Veterans	Midway City	Project Completed
National Core	Oakcrest Heights	\$1,644,300	8	0	0	54	Families/ MHSA	Yorba Linda	Project Completed
Community Development Partners	Newport Veterans Housing*	\$0	0	0	0	12	Veterans	Newport Beach	Did not pass Threshold Review
Mercy Housing	Placentia Veterans Village	\$2,754,000	0	0	0	50	Veterans	Placentia	Project Completed
Affirmed Housing, Inc.	Della Rosa	\$1,166,400	25	0	0	50	Permanent Supportive Housing	Westminster	Project Completed
Chelsea Investment Corporation	Salerno at Cypress Village (Formerly Cypress Village)	\$1,462,860	10	5	0	80	Families/ Veterans/ Developmentally Disabled	Irvine	Project Completed
Jamboree Housing Corporation	Buena Esperanza (formerly Jamboree PSH)	\$0	0	0	0	70	Permanent Supportive Housing/ MHSA/ Veterans	Anaheim	Project Completed
Meta Housing Corporation	Westminster Crossing	\$850,500	20	0	0	65	Permanent Supportive Housing/SHNP	Westminster	Project Completed
Orange Housing Dev. Corp. & C&C Development	Altrudy Senior Apartments	\$0	8	0	0	48	Senior/ NPLH	Yorba Linda	Project Completed
The Related Companies of California, LLC	The Prado Fountain Valley Housing	\$453,600	0	8	0	50	Families/ Veterans	Fountain Valley	Project Completed

American Family Housing	Casa Paloma (15162 Jackson Street)	\$950,000	33	0	15	71	Permanent Supportive Housing/ SNHP/HHC	Midway City	Under Construction
C&C Development	The Groves	\$0**	8	0	0	75	Seniors/ SNHP	San Juan Capistrano	Under Construction
The Related Companies of California, LLC	The Crossroads at Washington	\$2,280,701	43	0	0	86	Families/ Permanent Supportive Housing	Santa Ana	Under Construction
Jamboree Housing	Ascent (formerly Airport Inn Apartments)	\$0	45	0	0	58	Permanent Supportive Housing /SNHP/NPLH	Buena Park	Under Construction
TOTALS		\$13,020,361	200	13	45	785			

* Newport Veterans Housing applied for funding but did not pass threshold.
 ** Developer was able to secure additional permanent funding and not moving forward with \$587,000 County loan

2020 Supportive Housing NOFA

On December 17, 2019, the Orange County Board of Supervisors authorized the OC Community Resources Director, or designee, to issue a 2020 Supportive Housing Notice of Funding Availability (2020 NOFA) with an emphasis on developing extremely low-income housing in a combination of up to \$13 million in Orange County Housing Successor Agency (HSA) funds, Federal HOME Investment Partnerships Program (HOME) funds and Mental Health Services Act (MHSA) funds and utilize up to 200 Housing Choice Project-Based Vouchers and return to the Board for funding commitments to individual projects.

The Board also approved the changes in policy and process for the 2020 NOFA. The 2020 NOFA was released on January 27, 2020. Subsequently, on May 19, 2020, after the discontinuance of the Special Needs Housing Program and anticipation of remaining funds being returned to the County, the Board approved increasing the MHSA funding in the 2020 NOFA by up to \$5.5 million.

On October 20, 2020, the Board approved an increase and decrease to the 2020 NOFA by \$1,085,000 in MHSA to commit to Stanton Inn and Suites to satisfy the required capital match under the Homekey Program. On November 17, 2020, the Board approved an increase in the amount of HSA, HOME, Fund 15B and Fund 135 funds in the 2020 NOFA by up to \$3.5 million and a decrease the amount of HSA funds in the 2020 NOFA by \$2.4 million to include the Tahiti Motel, located at 11850 Beach Boulevard, Stanton and, shift funds to accommodate projects that have pending applications for funding under the 2020 NOFA.

On May 25, 2021, the Board approved an increase to the 2020 NOFA \$6.5 million in American Rescue Plan Act-HOME Supplemental Funds and Federal HOME funding to the 2020 Supportive Housing NOFA and 157 Project Based VASH, Mainstream and/or Housing Choice Vouchers. As required by the recently released HOME-ARP guidance, staff will be submitting an Allocation Plan to HUD for the use of the funds.

On November 16, 2021, the Board approved to increase the 2020 NOFA by \$1,069,462 in Mental Health Services Act funding and to add 10 Project-Based VASH and up to 100 Project Based Housing Choice Vouchers with preference for Homekey approved projects.

On June 28, 2022, the Board approved to increase the 2020 NOFA by \$500,000 and approved commitment of the funds as a construction to permanent loan to the Riviera Motel.

At the September 13, 2022 Board meeting, staff is requesting approval of an Amended and Restated Memorandum of Understanding between OC Community Resources (OCCR) and OC Health Care Agency (HCA) for transfer of up to an additional \$30,000,000 in MHSA funding and increase to the 2020 NOFA (or subsequent NOFA as approved by the Board) by up to \$30,000,000 in MHSA funding.

At the September 27, 2022 Board meeting, staff is requesting authorization to utilize previously appropriated American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA-SLFRF) to add up to \$21 million to the 2020 NOFA (or subsequent NOFA as approved by the Board) for the development of permanent supportive housing.

Staff has received 18 applications listed below requesting \$28,270,493 in HOME/HSA/MHSA/Fund 15B/Fund 135 funds, 307 Housing Choice Project-Based Vouchers and 60 Project-Based VASH Vouchers.

Developer	Project Name	Funding Request	Project-Based HCV Request	Project-Based VASH Request	Total Units	Type	City	Status
National CORE	Mountain View	\$453,600	8	0	71	Families / MHSA	Lake Forest	Under Construction
National CORE	Santa Angelina Senior	\$500,000	21	0	65	Seniors / MHSA	Placentia	Under Construction
National CORE	Orchard View Gardens	\$453,600	8	0	66	Seniors / MHSA	Buena Park	PAC concurred with underwriting recommendation on 10/8/20. Board approved funding and voucher request on 12/15/20. Developer applied for 9% credits and was unsuccessful in getting an award in July 2021 round and will re-apply in 2022.
Jamboree Housing Corp.	Ascent (formerly Airport Inn Apartments)	\$0	12	0	58	Homeless Individuals / MHSA	Buena Park	Under Construction
The Salvation Army	The Salvation Army Anaheim Center of Hope	\$655,120	16	0	72	Homeless Individuals / MHSA	Anaheim	Under Construction
C&C Development	Cartwright Family Apartments	\$567,000	8	0	60	Large Families / MHSA	Irvine	PAC concurred with underwriting recommendation on 10/8/20. Board approved funding and voucher request on 1/12/21. Developer did not receive NPLH funding but anticipates applying for 4% tax credits in next round of 2022.
Mercy Housing California	Villa St. Joseph	\$2,420,600	18	0	50	Senior Individuals / MHSA	Orange	PAC concurred with underwriting recommendation on 11/12/21. Board approved funding and vouchers on 1/12/21. A joint CDLAC/TCAC application was submitted September 2021 and project received an award. The developer identified a gap and is submitting a supplemental bond application to CDLAC for additional \$2M and is pending City approval of \$1.6M in funding on 9/13/22. A \$1.4M additional County loan request is being considered at the 9/27/22 Board meeting.
Jamboree Housing Corp.	Huntington Beach Senior Housing	\$3,603,160	33	0	43	Senior Individuals / MHSA	Huntington Beach	Under Construction

Orange Housing Dev. Corp. & C&C Dev.	Valencia Gardens (formerly Orange Corporate Yard)	\$479,520	8	0	62	Families / MHSA	Orange	Under Construction
Jamboree Housing Corp.	Paseo Adelanto	\$2,384,630	30	10	50	Homeless Individuals / MHSA	San Juan Capistrano	PAC concurred with underwriting recommendation on 1/13/22. Board approved funding and voucher on 2/8/22. Developer Submitted for 9% credits in March 2022 and received an award.
Community Development Partners	Westview House	\$4,258,280	0	0	85	Large Families / MHSA	Santa Ana	Under Construction
C&C Development	The Meadows Senior Apartments	\$1,540,000	0	0	65	Seniors / MHSA	Lake Forest	Application revised and is in Underwriting Review.
C&C Development	Lincoln Avenue	\$567,000	5	0	55	Families/ Permanent Supportive Housing	Buena Park	Application received in May 2022 and is under threshold review.
Jamboree Housing Corp.	Stanton Inn and Suites	\$1,085,000	71	0	72	Homeless/At-risk/COVID-19/MHSA	Stanton	Under Construction
Jamboree Housing Corp.	Tahiti Motel	\$2,400,000	59	10	60	Homeless/At-risk/COVID-19	Stanton	Under Construction
Jamboree Housing Corp.	Riviera Motel	\$2,032,983	10	10	21	Homeless/At-risk/COVID-19/MHSA	Stanton	On December 14, 2021, the Board approved various actions to accept/receive, transfer and use Homekey program funds for acquisition, rehabilitation/repairs, relocation, operation of the property and instructions necessary to move forward with the Homekey funding award. Staff and co-applicant/developer submitted the Homekey application to the State in January 2022 and received a \$6M award. On June 28, 2022, the Board approved a \$500k construction loan. Targeting acquisition/construction loan closing in September 2022.
Community Development Partners.	Motel 6	\$4,500,000	0	30	88	Homeless/At-risk/COVID-19/MHSA	Costa Mesa	On December 14, 2021, the Board approved various actions to accept/receive, transfer and use Homekey program funds for acquisition, rehabilitation/repairs, relocation, operation of the property and instructions necessary to move forward with the Homekey funding award. Staff and co-applicant/developer submitted the Homekey application to the State in January 2022 and received \$10.675M award. Anticipate going to the Board for additional funding to reduce the financial gap and target acquisition/construction loan closing in October 2022.
The Related Companies of California, LLC	The Crossroads at Washington	\$370,000	0	0	0	Families/ Permanent Supportive Housing	Santa Ana	Under Construction
TOTALS		\$28,270,493	307	60	1,043			

Homekey Program

Round 1: The County applied for Homekey funding for three projects and received awards and funding for the Tahiti Motel and Stanton Inn and Suites in October 2020 and closed on acquisition of both properties in December 2020.

- \$13.4 million for a 60-unit motel (Tahiti Motel- Stanton)
- \$12.7 million for a 72-unit motel (Stanton Inn and Suites- Stanton)
- \$2 million for a 21-unit motel (Riviera Motel-Stanton)

On September 9, 2021 the State HCD released the Homekey Program NOFA Round 2 which will make available approximately \$1.4 billion (FY 2021-22) in grant funding to local public entities, including cities, counties, or other local public entities, such as housing authorities or Tribal Entities within California. The applications opened on September 30 and the priority period closed on January 31st. On December 14, 2021, the Board approved various actions necessary to move forward with three Homekey applications. All three applications were submitted to the state, prior to January 31, 2022 deadline for the geographic pool and all three received awards.

- \$6.07 million for a 20-unit motel conversion (Riviera Motel, Stanton)
- \$17 million for a 62-unit interim to permanent conversion (HB Oasis, Huntington Beach)
- \$10,675,000 for an 88-unit motel conversion (Motel 6, Costa Mesa)

Homeownership Activities

The County of Orange homeownership program information can be found on the website at www.occr.ocgov.com/hcd/housing.

Mortgage Assistance Program/Cal Home Grant

On August 25, 2020 the Board of Supervisors approved the recommended policy changes to the Mortgage Assistance Program (MAP) guidelines. The County's MAP Program provides silent (deferred payment) down payment assistance loans to assist low-income first-time homebuyers (FTHB). The revised guidelines have allowed the County to effectively support FTHB by increasing the maximum loan amount of down payment assistance to qualified individuals and reducing some barriers for eligibility. The guidelines were also revised to make them consistent with changes in funding, Department name changes and the needs of low-income homebuyers in Orange County. For more information on the MAP program, please contact Rebecca Leifkes of Housing & Community Development at 714-480-2936 Rebecca.Leifkes@occr.ocgov.com.

Since the update to the MAP program in August 2020, H&CD has 81 applications processed for eligibility of which 7 have closed escrow, and 12 have received a funding commitment pre-approved and are actively searching for a home.

Applications are accepted on a first-come first-serve basis. Due to the number of pre-approved households actively searching and the limited funding available for this program, the MAP program is currently on hold and no additional applications are being accepted. Staff intends on applying for funding through the next CalHOME NOFA to continue providing down payment assistance to low-income FTHB through the MAP program.