

Streamlined Annual PHA Plan <i>(High Performer PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 02/29/2016
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. Form HUD-50075-HP is to be completed annually by **High Performing PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, HCV-Only PHA, Small PHA, or Qualified PHA do not need to submit this form.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, and that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment, and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.														
A.1	<p> PHA Name: <u>Housing Authority of Clackamas County</u> PHA Code: <u>OR001</u> PHA Type: <input type="checkbox"/> Small <input checked="" type="checkbox"/> High Performer PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2019</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>545</u> Number of Housing Choice Vouchers (HCVs) <u>1,752</u> Total Combined <u>2,297</u> PHA Plan Submission Type: <input type="checkbox"/> Annual Submission <input checked="" type="checkbox"/> Revised Annual Submission </p> <p> Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans. </p> <p> PHA Plan, PHA Plan Elements, and Public Hearing Information can be found at the following locations: 1) Housing Authority Administrative Office, 13930 S Gain Street, Oregon City, OR 97045 2) Housing Authority Clackamas Heights Property Management Office, 13900 S Gain Street, Oregon City, OR 97045 3) Housing Authority Hillside Property Management Office, 2889 Hillside Court, Milwaukie, OR 97222 4) Housing Authority Website: http://www.clackamas.us/housingauthority/plansandreports.html 5) Clackamas County Public Library located at 16201 S.E. McLoughlin, Oak Grove, OR 97222 6) Resident Advisory Boards Members receive a hard copy of the draft Annual Plan </p> <p> <input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below) </p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th rowspan="2" style="width: 20%;">Participating PHAs</th> <th rowspan="2" style="width: 10%;">PHA Code</th> <th rowspan="2" style="width: 20%;">Program(s) in the Consortia</th> <th rowspan="2" style="width: 20%;">Program(s) not in the Consortia</th> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th style="width: 10%;">PH</th> <th style="width: 10%;">HCV</th> </tr> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:					
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		PH	HCV												
Lead PHA:															
B.	Annual Plan Elements														

B.1	<p>Revision of PHA Plan Elements.</p> <p>(a) Have the following PHA Plan elements been revised by the PHA since its last Annual PHA Plan submission?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs (See Attachment C)</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions (See Attached A & B for Policy Changes)</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources (See Attachment E)</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Rent Determination (See Attachment A-2 and B-1)</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Safety and Crime Prevention</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Pet Policy</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation (See Attachment K)</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification (See Attachment K)</p> <p>(b) The PHA must submit its Deconcentration Policy for Field Office Review. See Attachment D</p> <p>(c) If the PHA answered yes for any element, describe the revisions for each element below: See Attachments referenced above</p>
B.2	<p>New Activities.</p> <p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Hope VI or Choice Neighborhoods.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Mixed Finance Modernization or Development</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Demolition and/or Disposition</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Tenant Based Assistance (Section 18 Demolition/Disposition)</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Project-Based Assistance under RAD</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project Based Vouchers</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Units with Approved Vacancies for Modernization</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants)</p> <p>(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.</p> <p>In 2018, HACC submitted a Section 18 Disposition application for Oregon City View Manor, a 100-unit Public Housing property located at 200 S. Longview Way, Oregon City. HACC plans to continue seeking a Section 18 Disposition for this site in 2019-2020. If approved, HACC will relocate all 100 households using Section 8 vouchers and the assistance of a relocation contractor. In addition, HACC plans to explore the feasibility of submitting a straight RAD or Section 18 and RAD blended application as an alternative process for this property in 2019-2020.</p> <p>In 2018, HACC prepared and submitted a grant to Metro to develop a community plan for the redevelopment of the Clackamas Heights property, a 100-unit Public Housing property located at 13900 S. Gain St., Oregon City, OR 97045. HACC plans to explore the feasibility of submitting a Section 18, Straight RAD or Section 18 and RAD blended application as an alternative process for this property in 2019-2020.</p> <p>HACC submitted a RAD application for our Hillside Park project consisting of a 100-unit Public Housing property located at 2887 SE Hillside Ct, Milwaukie. The application was approved and the PHA received the CHAP April 26, 2019. HACC is exploring the possibility of revising the application to utilize the Section 18 and RAD blend process instead of a straight RAD conversion. We anticipate this project may be a good candidate for a Section 18 Demolition and Disposition application and plan to pursue that application in 2019-2020. If approved, HACC will relocate all 100 households using Section 8 vouchers and the assistance of a relocation contractor.</p> <p>As of 2019, our multi-phase Rental Administration Demonstration (RAD) application for the rehabilitation of Hillside Manor, located at 2889 SE Hillside Ct, Milwaukie, has been approved and the project is moving forward towards rehabilitation closing in 1st quarter 2020. Our Rental Administration Demonstration (RAD) application for the redevelopment of Hillside Park has been submitted and we are awaiting HUD approval. We are planning to update the application to utilize the RAD and Section 18 blend process in which we plan to replace 100 units, with 70 under RAD HAP contract and 30 under a regular PBV contract (including 5 de minimis units that are backfilled with regular PBVs)</p> <p>Lastly, HACC has 145 scattered sites throughout Clackamas County. We anticipate working with HUD and submitting a RAD application to begin the process of a Section 18 Disposition and/or Demolition application for these sites in 2019. If approved, HACC will relocate all 145 households using Section 8 vouchers and the assistance of a relocation contractor.</p> <p>200 PBV's were approved by HUD for new development and rehabilitation projects. Request for proposals or awards of PBV are yet to be determined based on the Metro Affordable Housing Bond, the Hillside Redevelopment Plan (in initial phase of planning) and other development projects in the very early stages that are hopefully being developed in the next five (5) years. This is consistent with the PHA Plan to modernize, redevelop and demo/disposition) as our PHA Plan is required to align with the County's Consolidated Plan, Fair Housing Plan, Action Plan and Ten-Year Plan to end homelessness.</p> <p>Utilizing funds allocated to the Housing Authority from the Metro Affordable Housing Bond, HACC will expand its development capacity by hiring new staff to direct affordable housing development in the County. In addition to new staff it is anticipated that Metro Bond funds will be used to acquire and rehabilitate a facility in Gladstone that will provide 50 units of SRO Housing for homeless individuals.</p> <p>Lastly, HACC has 145 scattered sites throughout Clackamas County. We anticipate working with HUD and submitting a RAD application to begin the process of a Section 18 Disposition application for these sites in 2019. If approved, HACC will relocate all 145 households using Section 8 vouchers and the assistance of a relocation contractor.</p>

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B.3	<p>Progress Report.</p> <p>Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year Plan.</p> <p><u>PHA Goal 1: Develop new housing units with long-term affordability for a broad range of low-income households with an emphasis on dispersal of affordable housing by:</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Applied for and received 55 additional VASH vouchers <input checked="" type="checkbox"/> Applied for and received 41 additional Mainstream vouchers <input checked="" type="checkbox"/> Continuing to leverage private and/or other public funds to create additional housing opportunities <input checked="" type="checkbox"/> Working with a broker to acquire land for new construction of affordable housing <input checked="" type="checkbox"/> Conducted a financial feasibility study for rehabilitation, disposition, or redevelopment of existing Public Housing properties <input checked="" type="checkbox"/> As of 2019, our multi-phase Rental Administration Demonstration (RAD) application for the rehabilitation of Hillside Manor has been approved and the project is moving forward towards rehabilitation closing in 4th quarter 2019. Our Rental Administration Demonstration (RAD) application for the redevelopment of Hillside Park has been submitted and we are awaiting HUD approval. <input checked="" type="checkbox"/> Prepared and submitted a grant to Metro to develop a community plan for the Hillside Park property <input checked="" type="checkbox"/> Prepared and submitted a grant to Metro to develop a community plan for the Clackamas Heights property <input checked="" type="checkbox"/> Continued planning for the utilization of RAD & Demolition/Disposition Section 18 to improve & increase the number of affordable housing units <input checked="" type="checkbox"/> Submitted a Section 18 Demo/Disposition application for Oregon City View Manor. This application is still in process with HUD. <input checked="" type="checkbox"/> Rosewood Station is under construction with the first of six buildings scheduled for leasing in May 2019. Total affordable housing is 212 units. <input checked="" type="checkbox"/> S.M. (include campus & pleasant) Completed an application and received funding for Veteran's Housing funding for a 24-unit affordable housing development in Oregon City, OR. This project is closing on its construction financing in 1st quarter 2019 and will complete construction by 1st quarter 2020. <input checked="" type="checkbox"/> Provided financing for the development of 28 units of affordable housing in Milwaukie, serving families and veterans as a part of a campus redevelopment for a local nonprofit partner. <input checked="" type="checkbox"/> Submitted a HUD Section 108 loan application & received loan approval to fund a variety of affordable housing projects including acquisition, new construction, and rehabilitation. This may include acquisition of property in Gladstone and along Holcomb Blvd. in Oregon City. <p>Housing Authority of Clackamas County certifies that the RAD conversion complies with all applicable site selection and neighborhood reviews standards and that all appropriate procedures have been followed.</p> <p><u>PHA Goal 2: Improve access & housing choice for everyone, with a focus on protected classes and single parent households by:</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Provided voucher mobility counseling <input checked="" type="checkbox"/> Conducted outreach efforts to potential voucher landlords <input checked="" type="checkbox"/> Revised payment standards to reduce the barriers to finding affordable housing <input checked="" type="checkbox"/> Continuing our security deposit loan program for Section 8 families <input checked="" type="checkbox"/> Provided higher payment standards for families needing ADA units. <input checked="" type="checkbox"/> Surveyed and Maintained a list of ADA units within the County to assist families seeking housing <input checked="" type="checkbox"/> Awarded project based vouchers to Northwest Housing Alternatives and PEDCOR. <p><u>PHA Goal 3: Enforce Fair Housing Laws and Increase public understanding of Fair Housing laws by:</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> HACC hosted several free Fair Housing trainings and plans to continue hosting free training <input checked="" type="checkbox"/> Strengthened the partnership with Fair Housing Council of Oregon and continued distributing fair housing information <input checked="" type="checkbox"/> Continued to partner with Housing Rights & Resources Program <input checked="" type="checkbox"/> We offer training at Metro Multifamily and other Landlord Group Meetings on the Benefits of Rental Assistance <input checked="" type="checkbox"/> Distributed Fair Housing Videos and Information to landlords participating in Section 8 through Landlord newsletter. <input checked="" type="checkbox"/> Continuing to educate clients on Fair Housing Rights & provide Fair Housing brochures at Orientation meetings <input checked="" type="checkbox"/> Continued attending State subcommittee meetings on Renters Rights and other nonprofit Renter Rights Advocacy Groups <input checked="" type="checkbox"/> Aligned our 5-year plan with the County's 5-year Consolidated Plan & completed the Assessment of Fair Housing plan <input checked="" type="checkbox"/> On August 5, 2015, FHEO made findings of non-compliance under Section 504, which covers discrimination based on disability (*Structural modifications are delayed but in progress). Specifically, FHEO found non-compliance with regulations that require site accessibility and ensure non-discrimination in housing policies and practices, both based on disability. Due to unusual physical constraints, designing ADA compliant driveways has caused substantial delays. However, the final driveway project contract is now executed with completion in March of 2019. <p><u>PHA Goal 4: Improve the quality of Housing Authority assisted housing and customer service by:</u></p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Maintained high performer status in Section 8 <input checked="" type="checkbox"/> Improved the physical environment in our public offices <input checked="" type="checkbox"/> Streamlined administrative operations, creating efficiencies and improving customer service <input checked="" type="checkbox"/> Implemented a client feedback system to gauge if improvements are needed <input checked="" type="checkbox"/> Completed 69 capital fund rehabilitation projects. Twelve of these 69 projects were substantial rehabilitations averaging \$60,000 per unit <input checked="" type="checkbox"/> Prepared and submitted a multi-phase Rental Administration Demonstration (RAD) application for the rehabilitation of Hillside Manor and the redevelopment of Hillside Park.

	<input checked="" type="checkbox"/> Developed strategies for cross training staff to ensure we provide the highest level of service to clients we serve <input checked="" type="checkbox"/> Attend RAD & LIHTC Compliance Trainings for new developments scheduled to come on line in 2020. <input checked="" type="checkbox"/> Staff training on Diversity, Equity and Inclusion (DEI) via Meyer Memorial Trust Grant <u>PHA Goal 5: Improve community quality of life and economic vitality by:</u> <input checked="" type="checkbox"/> Partnered with social service agencies to provide services to school aged youth <input checked="" type="checkbox"/> Developed stronger partnerships with service providers who assist our elderly and/or disabled residents <input checked="" type="checkbox"/> Continued to grow the community gardens program <input checked="" type="checkbox"/> Encouraged Resident participation through Resident Associations <input checked="" type="checkbox"/> Partnered with County Social Services to staff additional case management, with a focus on eviction prevention <input checked="" type="checkbox"/> Installed multiple Security Upgrades at Hillside Manor <input checked="" type="checkbox"/> Applied for a Metro Grant to assist in the planning of the Hillside Park redevelopment, envisioned to be a mixed income community offering a variety of housing opportunities along a spectrum of affordability. <input checked="" type="checkbox"/> Applied for a Metro Grant to assist in the planning of the Clackamas Heights redevelopment, envisioned to be a mixed income community offering a variety of housing opportunities along a spectrum of affordability. <u>PHA Goal 6: Promote self-sufficiency and asset development of families and individuals by:</u> <input checked="" type="checkbox"/> Continue to partner with local & regional workforce partners to increase the number of employed/under-employed persons in assisted housing <input checked="" type="checkbox"/> Partnered with agencies to provide supportive services to increase independence for the elderly and families with disabilities <input checked="" type="checkbox"/> Awarded Resident Opportunities Self Sufficiency (ROSS) grant <input checked="" type="checkbox"/> Applied for the new Family Self Sufficiency (FSS) grant <input checked="" type="checkbox"/> Research and apply for future grants that provide services and enhance residents' quality of life <input checked="" type="checkbox"/> Awarded a grant to implement a new credit building program for Public Housing residents.
B.4.	Most Recent Fiscal Year Audit. (a) Were there any findings in the most recent FY Audit? Y N <input type="checkbox"/> <input checked="" type="checkbox"/> (b) If yes, please describe:
Other Document and/or Certification Requirements.	
C.1	Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan <u>Form 50077-ST-HCV-HP, Certification of Compliance with PHA Plans and Related Regulations</u> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.2	Civil Rights Certification. <u>Form 50077-ST-HCV-HP, Certification of Compliance with PHA Plans and Related Regulations</u> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.3	Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) provide comments to the PHA Plan? Y N <input checked="" type="checkbox"/> <input type="checkbox"/> If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.
C.4	Certification by State or Local Officials. <u>Form HUD 50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</u> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
D	Statement of Capital Improvements. Required in all years for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).
D.1	Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD. See HUD Form 50075.2 approved by HUD on 10/04/2018.

Instructions for Preparation of Form HUD-50075-HP

Annual Plan for High Performing PHAs

A. PHA Information. All PHAs must complete this section.

A.1 Include the full PHA Name, PHA Code, PHA Type, PHA Fiscal Year Beginning (MM/YYYY), PHA Inventory, Number of Public Housing Units and or Housing Choice Vouchers (HCVs), PHA Plan Submission Type, and the Availability of Information, specific location(s) of all information relevant to the public hearing and proposed PHA Plan. ([24 CFR §903.23\(4\)\(e\)](#))

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Annual Plan.

B.1 Revision of PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

☐ **Statement of Housing Needs and Strategy for Addressing Housing Needs.** Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. For years in which the PHA’s 5-Year PHA Plan is also due, this information must be included only to the extent it pertains to the housing needs of families that are on the PHA’s public housing and Section 8 tenant-based assistance waiting lists. [24 CFR §903.7\(a\)\(1\)](#) and [24 CFR §903.12\(b\)](#). Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. For years in which the PHA’s 5-Year PHA Plan is also due, this information must be included only to the extent it pertains to the housing needs of families that are on the PHA’s public housing and Section 8 tenant-based assistance waiting lists. [24 CFR §903.7\(a\)\(2\)\(ii\)](#) and [24 CFR §903.12\(b\)](#).

☐ **Deconcentration and Other Policies that Govern Eligibility, Selection and Admissions.** Describe the PHA’s admissions policy for deconcentration of poverty and income mixing of lower-income families in public housing. The Deconcentration Policy must describe the PHA’s policy for bringing higher income tenants into lower income developments and lower income tenants into higher income developments. The deconcentration requirements apply to general occupancy and family public housing developments. Refer to [24 CFR §903.2\(b\)\(2\)](#) for developments not subject to deconcentration of poverty and income mixing requirements. [24 CFR §903.7\(b\)](#) Describe the PHA’s procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists. [24 CFR §903.7\(b\)](#) A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV. ([24 CFR §903.7\(b\)](#)) Describe the unit assignment policies for public housing. [24 CFR §903.7\(b\)](#)

☐ **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA operating, capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

☐ **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units, including applicable public housing flat rents, minimum rents, voucher family rent contributions, and payment standard policies. ([24 CFR §903.7\(d\)](#))

☐ **Homeownership Programs.** A description of any homeownership programs (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval. For years in which the PHA’s 5-Year PHA Plan is also due, this information must be included only to the extent that the PHA participates in homeownership programs under section 8(y) of the 1937 Act. ([24 CFR §903.7\(k\)](#)) and [24 CFR §903.12\(b\)](#).

☐ **Safety and Crime Prevention (VAWA).** A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families. ([24 CFR §903.7\(m\)\(5\)](#))

☐ **Pet Policy.** Describe the PHA’s policies and requirements pertaining to the ownership of pets in public housing. ([24 CFR §903.7\(n\)](#))

☐ **Substantial Deviation.** PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. ([24 CFR §903.7\(r\)\(2\)\(i\)](#))

☐ **Significant Amendment/Modification.** PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan. Should the PHA fail to define ‘significant amendment/modification’, HUD will consider the following to be ‘significant amendments or modifications’: a) changes to rent or admissions policies or organization of the waiting list; b) additions of non-emergency public housing CFP work items (items not included in the current CFP Annual Statement or CFP 5-Year Action Plan); or c) any change with regard to demolition or disposition, designation, homeownership programs or conversion activities. See guidance on HUD’s website at: [Notice PIH 1999-51](#). ([24 CFR §903.7\(r\)\(2\)\(ii\)](#))

If any boxes are marked “yes”, describe the revision(s) to those element(s) in the space provided.

PHAs must submit a Deconcentration Policy for Field Office review. For additional guidance on what a PHA must do to deconcentrate poverty in its development and comply with fair housing requirements, see [24 CFR 903.2](#). ([24 CFR §903.23\(b\)](#))

B.2 New Activities. If the PHA intends to undertake any new activities related to these elements or discretionary policies in the current Fiscal Year, mark “yes” for those elements, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake these activities, mark “no.”

☐ **Hope VI.** 1) A description of any housing (including project name, number (if known) and unit count) for which the PHA will apply for HOPE VI; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>. (Notice PIH 2010-30)

☐ **Mixed Finance Modernization or Development.** 1) A description of any housing (including name, project number (if known) and unit count) for which the PHA will apply for Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Mixed Finance Modernization or Development is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>. (Notice PIH 2010-30)

☐ **Demolition and/or Disposition.** Describe any public housing projects owned by the PHA and subject to ACCs (including name, project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm. (24 CFR §903.7(h))

☐ **Conversion of Public Housing.** Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA is required to convert or plans to voluntarily convert to tenant-based assistance; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>. (24 CFR §903.7(j))

☐ **Project-Based Vouchers.** Describe any plans to use HCVs for new project-based vouchers. (24 CFR §983.57(b)(1)) If using project-based vouchers, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.

☐ **Other Capital Grant Programs** (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

B.3 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.7(r)(1))

B.4 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark "yes" and describe those findings in the space provided. (24 CFR §903.7(p))

C. Other Document and/or Certification Requirements

C.1 Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Provide a certification that the following plan elements have been revised, provided to the RAB for comment before implementation, approved by the PHA board, and made available for review and inspection by the public. This requirement is satisfied by completing and submitting form HUD-50077 SM-HP.

C.2 Civil Rights Certification. Form HUD-50077 SM-HP, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o))

C.3 Resident Advisory Board (RAB) comments. If the RAB provided comments to the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

C.4 Certification by State or Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15)

D. Statement of Capital Improvements. PHAs that receive funding from the Capital Fund Program (CFP) must complete this section. (24 CFR 903.7 (g))

D.1 Capital Improvements. In order to comply with this requirement, the PHA must reference the most recent HUD approved Capital Fund 5 Year Action Plan. PHAs can reference the form by including the following language in Section C. 8.0 of the PHA Plan Template: "See HUD Form 50075.2 approved by HUD on XX/XX/XXXX."

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year and Annual PHA Plan. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 16.64 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

ATTACHMENT A-2

Summary of Proposed Housing Choice Voucher Administrative Plan Policy Changes Effective Upon Board Approval

Chapter	Old Policy Language	New Policy Language	Summary
10-7	<p>Housing Assistance Payments [24 CFR 982.311(d)] <u>HACC Policy</u></p> <p>If participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin on the first of the month following the month the family moves out of the first assisted unit. The PHA will not pay overlapping Housing Assistance Payments for two separate units, unless an exception is made by the PHA in accordance with this Plan. For this reason, it is recommended families plan accordingly and give 30 to 60 day notices and plan to move out on the last day of the month assistance was paid to the current landlord.</p>	<p>Housing Assistance Payments [24 CFR 982.311(d)] <u>HACC Policy</u></p> <p><i>All language removed.</i></p>	<p>Allows HACC to pay overlapping rental assistance for one month while tenant is in the move process. Eases the stress of moving for tenants especially when porting to another jurisdiction.</p>
11-10	<p>HACC-Initiated Interim Reexaminations</p> <p>HACC-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by HACC. They are not scheduled because of changes reported by the family. <u>HACC Policy</u></p> <p><u>HACC Policy</u></p> <p>HACC will conduct interim reexaminations in each of the following instances: For families receiving the Earned Income Disallowance (EID), HACC will conduct an interim reexamination at the start and conclusion of the 24-month eligibility period.</p> <p>If the family has reported zero income, the PHA may conduct an interim reexamination every 3 months as long as the family continues to report that they have no income. Families are required to provide all information supporting their contention that they are receiving absolutely no outside source of income and will be given information on Worksource, the FSS program and other resources to try to improve their economic situation.</p>	<p>HACC-Initiated Interim Reexaminations</p> <p>HACC-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by HACC. They are not scheduled because of changes reported by the family.</p> <p><u>HACC Policy</u></p> <p><i>Removed the highlighted language:</i> HACC Policy</p> <p>HACC will conduct interim reexaminations in each of the following instances: For families receiving the Earned Income Disallowance (EID), HACC will conduct an interim reexamination at the start and conclusion of the 24-month eligibility period. Families are required to provide all information supporting their contention that they are receiving absolutely no outside source of income and will be given information on Worksource, the FSS program and other resources to try to improve their economic situation.</p> <p>If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), the PHA will schedule an interim</p>	<p>Reduce work load requirement of checking every quarter and family already is required to report within 7 days if there is a change of income such as employment, Social Security Award, or child support.</p>

	<p>If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), the PHA will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.</p> <p>If at the time of the annual reexamination, tenant declarations were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the PHA will conduct an interim reexamination HACC may conduct an interim reexamination at any time in each of the following instances:</p> <ul style="list-style-type: none"> • In order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint. • If HACC determines that the family income is unstable. This includes, but is not limited to, employment benefits, child support, general assistance and odd jobs. 	<p>reexamination to coincide with the end of the period for which it is feasible to project income.</p> <p>If at the time of the annual reexamination, tenant declarations were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the PHA will conduct an interim reexamination HACC may conduct an interim reexamination at any time in each of the following instances:</p> <ul style="list-style-type: none"> • In order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint. • If HACC determines that the family income is unstable. This includes, but is not limited to, employment benefits, child support, general assistance and odd jobs. 	
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11-11	<p><i>Required Reporting</i></p> <p>HUD regulations give HACC the freedom to determine the circumstances under which families will be required to report changes affecting income.</p> <p><u>HACC Policy</u></p> <p>Families are required to report all increases in income (including new employment or change of employment), and assets within 7 business days of the date the change takes effect.</p> <p>The PHA will only conduct interim examinations that result in an increase in income under the following circumstances:</p> <ol style="list-style-type: none"> 1) For families that qualify for the earned income disallowance (EID), and only when the EID family's share of rent will change as a result of the increase. 2) For families participating in the FSS program when the increase is due to an increase in earned income that will result in an increase in escrow credit. 3) When changes in income have not been reported to the PHA in a timely manner (within 7 business days of the change). In this situation, the PHA will conduct an interim reexamination and will make the change in tenant rent retroactive to the first of the month following the month when the change occurred. The family will be required to enter into a repayment agreement with the PHA for the overpaid assistance. 4) When the family previously had been at zero income. <p>In all other cases, the PHA will note the information in the tenant file, but will not conduct an interim reexamination.</p>	<p><i>Required Reporting</i></p> <p>HUD regulations give HACC the freedom to determine the circumstances under which families will be required to report changes affecting income.</p> <p><u>HACC Policy</u></p> <p><i>Removed the highlighted language:</i></p> <p>Families are required to report all increases in income (including new employment or change of employment), and assets within 7 business days of the date the change takes effect.</p> <p>The PHA will only conduct interim examinations that result in an increase in income under the following circumstances:</p> <ol style="list-style-type: none"> 1) For families that qualify for the earned income disallowance (EID), and only when the EID family's share of rent will change as a result of the increase. 2) For families participating in the FSS program when the increase is due to an increase in earned income that will result in an increase in escrow credit. <p>In all other cases, the PHA will note the information in the tenant file, but will not conduct an interim reexamination.</p>	<p>HACC will reduce workload and family burden. This will allow families to stabilize with new income sources until their next annual. Tenants are often losing other benefits such as food stamps and/or TANF so a stabilization period is needed.</p>
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17-36	<p><u>HACC Policy</u></p> <p>HACC's goal is to provide as many families with vouchers as possible. Given the budget limitations of the program, HACC must implement policies that control its HAP expenditures.</p> <p>HACC Policy</p> <p>The rent to owner including utility allowances must not exceed <u>the lowest of</u></p> <p>An amount determined by HACC:</p> <ul style="list-style-type: none"> • For PBV's with HACC Disposition funds, the initial HAP gross rent amount cannot exceed 110% of FMR; and • For all other PBV's rent adjustments (rent increase requests) gross rent shall not exceed HACC's Payment Standards. • The reasonable rent; or • The rent requested by the owner. 	<p><u>HACC Policy</u></p> <p>The rent to owner must not exceed the lowest of the following amounts:</p> <ul style="list-style-type: none"> • An amount determined by the PHA, not to exceed applicable payment standard for the unit bedroom size minus any utility allowance; • The reasonable rent; or • The rent requested by the owner. <p>For all PBV rent approved prior to April 1, 2019, The initial rent to owner will not fall below the subsidy layering review rent approved by HUD.</p>	<p>HACC has limited funding and needs to establish a consistent cap on what developers can request for rents on project based voucher units.</p>
19	<p>FSS Program only offered to Housing Choice Voucher participants</p>	<p>FSS Program being offered to Public Housing and Housing Choice Voucher participants with a preference to serve those Public Housing households living in scattered site units.</p>	<p>HACC allowing Public Housing families the opportunity to participate in the FSS Program. The preference for scattered sites is to give these families an opportunity to build escrow should HACC decide to dispose of scattered sites in the future this would allow families a potential opportunity to purchase their home.</p>

ATTACHMENT B-1

Summary of Proposed Admissions and Continued Occupancy Plan Policy Changes Effective April 2020

Chapter	Old Policy Language	New Policy Language	Summary
9 Page 9-13	<p>HACC-initiated Interim Reexaminations</p> <p>PHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by HACC. They are not scheduled because of changes reported by the family.</p> <p><u>HACC Policy</u></p> <p>HACC will conduct interim reexaminations in each of the following instances: For families receiving the Earned Income Disallowance (EID), HACC will conduct an interim reexamination at the start, to adjust the exclusion with any changes in income, and at the conclusion of the 24-month eligibility period.</p> <p>If the family has reported zero income, HACC will conduct an interim reexamination every 4 months as long as the family continues to report that they have no income.</p> <p>If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), HACC will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.</p> <p>If at the time of the annual reexamination, tenant declarations were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, HACC will conduct an interim reexamination.</p> <p>HACC may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.</p>	<p>HACC-initiated Interim Reexaminations</p> <p>PHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by HACC. They are not scheduled because of changes reported by the family.</p> <p><u>HACC Policy</u></p> <p><i>Removed the highlighted language:</i></p> <p>HACC will conduct interim reexaminations in each of the following instances: For families receiving the Earned Income Disallowance (EID), HACC will conduct an interim reexamination at the start, to adjust the exclusion with any changes in income, and at the conclusion of the 24-month eligibility period.</p> <p>If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), HACC will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.</p> <p>If at the time of the annual reexamination, tenant declarations were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, HACC will conduct an interim reexamination.</p> <p>HACC may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.</p>	<p>Reduce work load requirement of checking every quarter and family already is required to report within 7 days if there is a change of income such as employment, Social Security Award, or child support.</p>

<p>9 Page 9- 14</p>	<p><i>Required Reporting</i></p> <p>HUD regulations give HACC the discretion to determine the circumstances under which families will be required to report changes affecting income.</p> <p><u>HACC Policy</u></p> <p>Families are required to report all increases in income (including new employment or change of employment), and assets within 7 business days of the date the change takes effect.</p> <p>HACC will only conduct interim reexaminations that result in an increase in income under the following circumstances:</p> <ol style="list-style-type: none"> 1) For families that qualify for the earned income disallowance (EID), and only when the EID family's share of rent will change as a result of the increase. 2) When changes in income have not been reported to HACC in a timely manner (within 7 business days of the change). In this situation, HACC will conduct an interim reexamination and will make the change in tenant rent retroactive to the first of the month following the month when the change occurred. The family will be required to enter into a repayment agreement with HACC for the overpaid assistance. 3) When the family previously had been at zero income. <p>In all other cases, HACC will note the information in the tenant file, but will not conduct an interim reexamination.</p>	<p><i>Required Reporting</i></p> <p>HUD regulations give HACC the discretion to determine the circumstances under which families will be required to report changes affecting income.</p> <p><u>HACC Policy</u></p> <p>Families are required to report all increases in income (including new employment or change of employment), and assets within 7 business days of the date the change takes effect.</p> <p>HACC will only conduct interim reexaminations that result in an increase in income under the following circumstances:</p> <ol style="list-style-type: none"> 1) For families that qualify for the earned income disallowance (EID), and only when the EID family's share of rent will change as a result of the increase. 2) For families participating in the FSS program when the increase is due to an increase in earned income that will result in an increase in escrow credit. <p>In all other cases, HACC will note the information in the tenant file, but will not conduct an interim reexamination.</p>	<p>HACC will reduce workload and family burden. This will allow families to stabilize with new income sources until their next annual. Tenants are often losing other benefits such as food stamps and/or TANF so a stabilization period is needed.</p> <p>Adding new language (#2) for PH newly adopted FSS program participation.</p>
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Chapter 19 New Chapter added FSS Action Plan	Previously we had no Family Self Sufficiency (FSS) Program for Public Housing.	FSS Program being offered to Public Housing for the first time with a preference to serve those households living in scattered site units.	HACC allowing Public Housing families the opportunity to participate in the FSS Program. The preference for scattered sites is to give these families an opportunity to build escrow should HACC decide to dispose of scattered sites in the future this would allow families a potential opportunity to purchase their home.
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FSS Action Plan for the Housing Authority of Clackamas County's Family Self-Sufficiency Program

January 2020



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AND ASSOCIATES, INC.

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**FSS 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).

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 **Housing Authority of Clackamas County** for the jurisdiction of **Clackamas County**.

1-I.B. APPLICABLE REGULATIONS

Applicable regulations for public housing and HCV FSS programs include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 902: Public Housing Assessment System
- 24 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 945: Designated Housing
- 24 CFR Part 960: Public Housing Admission and Occupancy Policies
- 24 CFR Part 965: PHA-Owned or Leased Projects—General Provisions
- 24 CFR Part 966: Public Housing Lease and Grievance Procedures
- 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 family self-sufficiency (FSS) action plan is required by HUD. The purpose of the FSS action plan is to establish policies for carrying out the family self-sufficiency 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 family self-sufficiency 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 family self-sufficiency regulations, as well as all public housing and 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).

In addition, a PHA that is establishing its FSS program must submit an action plan to HUD for approval within 90 days after the PHA receives notice from HUD of approval of the PHA's application for funding that establishes the obligation to operate an FSS program. This deadline is required unless the dates are extended by HUD for good cause.

For voluntary 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).

Single Action Plan [24 CFR 984.201(f)]

PHAs implementing both a Section 8 FSS program and a public or Indian housing FSS program may submit one action plan. In cases where the PHA decides to submit one plan for more than one program, the policies contained in the action plan would apply to both programs.

PHA Policy

The PHA is implementing both an HCV FSS program and a public housing FSS program and will submit one action plan, the policies in which apply to both 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.

PHA Policy

The PHA will review and update the action plan at least once a year, and more often if needed, to reflect changes in regulations, PHA operations, or when needed to ensure staff consistency in operation.

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 executing an FSS contract of participation. (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)
- A description of the PHA's policies regarding program termination or withholding of services on the basis of a family's failure to comply with the FSS contract, and available grievance procedures. (Chapter 5)
- 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 public housing or HCV program, nor will it affect their right to occupancy in accordance with its lease. (Chapter 4)

- Timetable for program implementation, including the schedule for filling FSS slots with eligible families. (Chapter 2)
- 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, and education programs in the applicable area, and that implementation will continue to be coordinated, in order to avoid duplication of services and activities. (Chapter 4)
- Optional additional information, which involves such other information that would help HUD determine the soundness of the PHA's proposed FSS program. (All Chapters)

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 housing choice voucher and public housing 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/ Public Housing	Total Families	Percent of Total
All Families	1566	
Single	708	45%
Female HOH	1218	78%
Male HOH	348	22%
Race		
White	1415	90%
Black/African American	102	7%
American Indian/Alaska Native	51	3%
Asian	20	1%
Native Hawaiian/Other Pacific Islander	11	1%
Ethnicity		
Hispanic or Latino	115	7%
Not Hispanic or Latino	1451	93%
Income		
Extremely Low-Income	1264	81%
Very Low-Income	224	14%
Low-Income	70	4%
HOH Income from Wages	370	24%
Other Member Income from Wages	134	9%
HOH Income from TANF	176	11%
Other Member Income from TANF	9	1%
HOH Income from SSI	465	30%
Other Member Income from SSI	84	5%
Number of Children		
0	991	63%
1-2	406	26%
3-4	143	9%
5 or more	26	2%

Total Number of Family Members		
1-2	1101	70%
3-4	336	21%
5 or more	129	8%
Persons with Disabilities		
HOH Person w/ Disabilities (HUD)	829	53%
Family Members w/ Disabilities	140	9%

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 the PHA'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 the size of the PHA'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 the deadlines for program start-up and when the PHA is expected to have attained full enrollment.

Part IV: The Definitions of Terms Used in the PHA's FSS program: This section contains both HUD and PHA 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 public housing assistance and housing assistance under the housing choice voucher 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, the PHA also establishes a local goal consistent with the PHA's mission statement to serve as a guide for establishing policy and implementing the FSS program.

PHA Policy

The PHA's local 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 Section 8, public, or any federal, state, or local rent or homeownership 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, and 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.

PHA Policy

On the local level, the PHA 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. 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.

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.

In public housing, a PHA's FSS program minimum program size is determined by adding the total number of public housing units reserved in FY 1991 and FY 1992 under the FSS incentive award competitions to the number of public housing units reserved in FY 1993 through October 20, 1998, and subtracting the number of families that have graduated from the PHA's public housing FSS program on or after October 21, 1998, by fulfilling their FSS contract of participation obligations.

In the housing choice voucher program, a PHA's FSS program minimum program size is determined by adding the number of HCV program units reserved under the combined FY 1991/1992 FSS incentive award competition to the number of additional rental voucher units reserved in FY 1993 through October 20, 1998, (not including the renewal of funding for units previously reserved) then subtracting the units that are excluded from minimum program size and subtracting the number of families who have graduated from the PHA's Section 8 FSS program on or after October 21, 1998, by fulfilling their contract of participation obligations.

Further, when determining the Section 8 FSS program size for funding reserved in FY 1993 through October 20, 1998, the PHA must exclude funding for families affected by termination, expiration, or owner opt-out under Section 8 project-based programs; funding for families affected by demolition or disposition of a public housing project or replacement of a public housing project; funding for families affected by conversion of assistance from the Section 23 leased housing or housing assistance payments programs to the housing choice voucher program; funding for families affected by the sale of a HUD-owned project; and funding for families affected by the prepayment of a mortgage or voluntary termination of mortgage insurance.

PHA Minimum Program Size

The PHA has already met its FSS MMPS.

Maintaining Mandatory Minimum Program Size

Although the discretion to do so ultimately rests with the PHA, mandatory minimum program size can decrease as FSS participants graduate. Per the regulation, for each family that graduates from the program by fulfilling its FSS contract of participation on or after October 21, 1998, the mandatory minimum program size for a PHA's public housing or housing choice voucher 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)].

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)(3)].

PHA Policy

The PHA has no mandatory minimum program size and will try to operate a voluntary FSS program of ***no less than 50*** families.

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

The requirement to establish and carry out a public housing or a housing choice voucher FSS program may be waived with approval from HUD. In order to waive the requirement, the PHA 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, including lack of the availability of programs under JTPA or JOBS; 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 the 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 public housing or a housing choice voucher FSS program that is smaller than the minimum program size. As with the full exception, HUD may grant the PHA such a partial exception if the 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 three years from the date of HUD approval of the exception. If a PHA seeks to continue an exception after its expiration, the PHA must submit a new request and a new certification to HUD for consideration [24 CFR 984.105(e)].

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

The PHA 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

50-75 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.C. ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS [24 CFR 984.201(d)(3)]

If applicable, the PHA 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.

PHA Policy

The PHA 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.D. ELIGIBILITY OF A COMBINED PROGRAM [24 CFR 984.201(e)]

A PHA that wishes to operate a joint FSS program with other PHAs may combine its resources with one or more PHAs 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.

PHA Policy

The PHA will not combine its resources with any other PHA to deliver support services, have a joint action plan, or establish or operate a combined 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 the PHA is expected to have attained full enrollment. A timetable illustrating when the PHA 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)(1)]

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.).

Mandatory Program [24 CFR 984.301(a)(2)]

For mandatory FSS programs, operation of a local FSS program must begin within 12 months of HUD's approval of funding that establishes the obligation to operate an FSS program. *Operation* means that activities such as outreach, participant selection, and enrollment have begun. Full delivery of the supportive services to be provided to the total number of families required to be served under the program need not occur within this 12 months, but must occur within two years (see Section 2-III.C.).

2-III.C. FULL ENROLLMENT AND DELIVERY OF SERVICE [24 CFR 984.301(a)(2)(ii)]

Unless the PHA is implementing a voluntary FSS program, the PHA must have completed enrollment of the total number of families required to be served under the program (based on the minimum program size), and must have begun delivery of the supportive services within two years from the date of notification of approval of the application for *new public housing units* for a public housing FSS program, *new rental certificates or rental vouchers* for a Section 8 FSS program, or HUD's approval of funding that establishes the obligation to operate an FSS program.

2-III.D. EXTENSION OF PROGRAM DEADLINES FOR GOOD CAUSE
[24 CFR 984.301(a)(2)(iii)]

HUD may extend the deadline for program implementation if the PHA requests an extension and HUD determines that despite best efforts on the part of the PHA, the development of new public housing units will not occur within the required deadlines, the commitment by public or private resources to deliver supportive services has been withdrawn, the delivery of such services has been delayed, or other local circumstances warrant an extension of the required deadlines.

2-III.E. 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. The timetable must comply with the requirements in 24 CFR 984.301 (see Section 2-III.B.–2-III.D.), including the schedule for filling FSS slots with eligible FSS families.

PHA Policy

The PHA implemented its FSS program and has met its former timetable deadlines.

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.

Certification means a written assertion based on supporting evidence, provided by the FSS family or the PHA, which must be maintained by the PHA in the case of the family's certification, or by HUD in the case of the PHA's certification; made available for inspection by HUD, the PHA, and the public, as appropriate; and be deemed to be accurate, unless the secretary or the PHA 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 the PHA 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.

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 the PHA entered into the contract of participation.

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

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

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

FSS family or participating family means a family that resides in public housing or receives assistance under the rental voucher programs that elects to participate in the FSS program and whose designated head of the family has signed the contract of participation.

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 public housing units or the total number of rental vouchers that comprise the minimum size of a PHA's respective public housing FSS program or HCV FSS program.

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 adult member of the FSS family who is the head of the household for purposes of determining income eligibility and rent.

Housing subsidies means assistance to meet the costs and expenses of temporary shelter, rental housing, or homeownership, including rent, mortgage, or utility payments.

Individual training and services plan (ITSP) means a written plan that is prepared for the head of the FSS family and each adult member of the FSS family who elects to participate in the FSS program, by the PHA in consultation with the family member, and which sets forth the supportive services to be provided to the family member, the activities to be completed by that family member, and the agreed upon completion dates for the services and activities. Each ITSP must be signed by the PHA and the participating family member, and is attached to and incorporated as part of the contract of participation. An ITSP must be prepared for the head of the FSS family.

JTPA means the Job Training Partnership Act (29 U.S.C. 1579(a)) now known as the Workforce Investment Act or WIA

Knowledgeable professional

PHA Policy

Knowledgeable professional means a person who is knowledgeable about the situation, competent to render a professional opinion, and is not in a position to gain, monetarily or otherwise, from the PHA FSS program decision in the area to which they are certifying.

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.

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.

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; 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 money management; and any other services and resources, including case management and reasonable accommodations for individuals with disabilities, that the PHA 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.

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 for the FSS program. 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. Finally, PHAs need to sort out whether and how to make common areas or unoccupied units available to provide supportive services.

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.

PHA Policy

The PHA will employ appropriate staff, including one or more FSS coordinators or program coordinators to administer its FSS program.

3-I.C. ADMINISTRATIVE FEES AND COSTS

In the past, the ways in which administrative fees and costs were funded were different for public housing and housing choice voucher FSS programs, and the use of such funding was restricted to the applicable program. In the Consolidated Appropriations Act of 2014, however, funding streams for the PH FSS and HCV FSS programs were combined, and all FSS funding is now awarded through one NOFA. Use of this funding is no longer restricted to the applicable program—funding now may be used to serve both PH and HCV FSS participants.

Funding will be awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS), similar to previous PH FSS awards; instead of an amendment to the PHA's Annual Contributions Contract (ACC), which was previously used for HCV awards.

PH FSS and HCV FSS funds awarded in prior years are still restricted to the applicable program, Rental Assistance Demonstration (RAD) programs excepted. Funding differences regarding previous years' funding is specified below.

Public Housing FSS Program

For public housing FSS programs, the performance funding system (PFS), provided under section 9(a) of the 1937 Act provides for the reasonable and eligible administrative costs that the PHA incurs in carrying out the program only when funds have been appropriated. However, a PHA may use other resources for this purpose [24 CFR 984.302(a)].

In other words, the PHA may fund reasonable and eligible administrative costs in the FSS program from the Operating Fund. However, these expenses will only be reimbursed in the operating subsidy when a current appropriations act allows it. In addition, the PHA may fund reasonable and eligible administrative costs from the Capital Fund. Administrative staffing costs may also be funded through HUD or other grant or foundation sources. This includes FSS Coordinator grants when available.

Housing Choice Voucher FSS Program

In the housing choice voucher 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].

3-I.D. SUPPORTIVE SERVICES FEES AND COSTS

As with administrative fees and costs, funding for supportive services fees and costs are now combined under one funding stream. Supportive services fees and costs include childcare expenses, transportation funds, and the costs of training, work equipment, or GED classes, among others. As with administrative fees and costs, funding will be awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS), similar to previous PH FSS awards; instead of an amendment to the PHA's Annual Contributions Contract (ACC), which was previously used for HCV awards. Remember, however, that funds awarded in prior years are still restricted to the applicable program. Information for funds under previous years' awards follows.

Public Housing Supportive Services

In public housing, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from either the Operating Fund or the Capital Fund. However, in the Operating Fund, the costs of FSS supportive services are only reimbursed through the operating subsidy when appropriations allow it.

In addition to the Operating Fund and Capital Fund, public housing supportive services can also be funded through HUD grants, other than FSS coordinator grants, when available.

Housing Choice Voucher Supportive Services

In the housing choice voucher 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.

3-I.E. ON-SITE FACILITIES

Each PHA may, subject to the approval of HUD, make available and utilize common areas or unoccupied dwelling units in public housing projects to provide supportive services under an FSS program. This includes using such areas for participants in a housing choice voucher FSS program.

PHA Policy

The PHA will make the Administration Building and any other conference areas located on Public Housing property available to provide supportive services under the Housing Authority of Clackamas County's FSS program.

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 public housing or housing choice voucher 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 a public housing FSS program, the PCC members required consist of representatives of the PHA and public housing residents. The public housing resident representatives on the PCC will be solicited from one or more of the following groups:

- An area-wide or city-wide resident council
- If the PHA will be transferring FSS participants to vacant units in a specific public housing development, the resident council or resident management corporation of the public housing development where the public housing FSS program is to be carried out
- Any other public housing resident group that the PHA believes is interested in the FSS program and would contribute to the development and implementation of the FSS program

For a housing choice voucher FSS program, the PCC membership must consist of representatives of the PHA and participants of the HCV program or HUD's public or Indian housing programs.

PHA Policy

The PHA's representative to the program coordinating committee will be the FSS coordinator(s).

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.

PHA Policy

The PHA's FSS program coordinating committee membership will include leadership from the following organizations:

HACC

Department of Human Services

Clackamas Community College

Work Force/Work Source

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).

PHA Policy

The PHA will utilize an existing entity, Workforce and Housing Collaborative as its program coordinating committee.

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 public housing or housing choice voucher programs, nor will it affect their right to occupancy. 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

PHA Policy

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

Incentive	Provided By
FSS escrow account	HACC
Case management	FSS Coordinator
Information on and referrals to services	FSS Coordinator

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.

PHA Policy

The PHA will notify eligible families about the FSS program using the following outreach locations, activities, methods, and languages, where appropriate. These points of contact and methods have been selected to ensure that both minority and nonminority groups are informed about the FSS program.

Location/Activity	Staff/Partner	Method	Language
Briefings/Orientations	PHA Staff Specialist	Flyer Presentation	English; interpreters provided if needed
Interims/Recertifications	PHA Staff Specialist	Flyer Posters Presentation Referral Form	English; methods can be translated if needed
Transfers/Portability	PHA Staff Specialist	Flyer Posters Presentation Referral Form	English; discussed during intake with interpreter if needed
Lobby	PHA Staff Receptionist	Flyer Posters Referral Form Video	English; methods can be translated if needed

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 public housing or housing choice voucher programs, nor will it affect the family's right to occupancy in accordance with the lease.

PHA Policy

Participation in the FSS program is strictly voluntary. Program participants will be notified in all literature and media presentations related to the FSS program that should they decide not to participate in the FSS program it will not affect their housing assistance. This 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, 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.

4-II.B. FSS SELECTION PREFERENCES

As part of the process for selecting families for participation in the FSS program, the PHA may choose whether to employ the use of preferences. In particular, if the PHA so chooses, it has the option of giving a selection preference for up to 50 percent of its public housing FSS slots and 50 percent of its HCV program FSS slots, respectively, to eligible families who have one or more family members currently enrolled in an FSS-related service program or who are on the waiting list for such a program. Such a preference may be further limited to participants in and applicants for one or more specific eligible FSS-related service programs.

Should the PHA choose to adopt such a preference, it would need to include the following information in its action plan:

- The percentage of FSS slots, not to exceed 50 percent of the total number of FSS slots for each of its FSS programs, for which it will give a selection preference
- The FSS related service programs to which it will give a selection preference to the programs' participants and applicants
- The method of outreach to and selection of families with one or more members participating in the identified programs [24 CFR 984.203(a)]

A PHA may wish to adopt additional selection preferences as well [Notice PIH 93-24].

PHA Policy

The Housing Choice Voucher FSS Program will not adopt the use of preferences when selecting families for participation in the FSS program.

The Public Housing FSS Program will adopt a preference for families living in scattered site housing in its portfolio.

Even with up to 50 percent of the total number of FSS slots filled via selection preferences, and the possibility of other slots being filled by means of additional preferences, open slots will remain. Regardless of whether the PHA adopts selection preferences, those FSS slots for which the PHA chooses **not** to exercise the selection preference must be filled with eligible families in accordance with an objective selection system such as a lottery, the length of time living in subsidized housing, or the date the family expressed an interest in participating in the FSS program. This system must be described in the action plan [24 CFR 984.203(b)].

PHA Policy

A family must submit an application and self-assessment to apply for the FSS waitlist/program. The PHA will use the date the family submitted their FSS program application and self- assessment to add them to the FSS waitlist. Their name will be pulled from the waitlist to fill the FSS slots. However, if the family fails to attend an FSS intake three times, then they will be screened out of participating in the FSS program.

4-II.C. 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(c)(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, and 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 or disabilities, if any. Reasonable accommodations must be made for individuals with mobility, manual, sensory, speech impairments, mental, or developmental disabilities [24 CFR 984.203(c)(2)].

PHA Policy

The PHA will screen families for interest and motivation to participate in the FSS program by assigning a meeting or workshop which is the same type of meeting or workshop for each family. The PHA 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, requests for an accommodation for a disability will be considered for services or exempting 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(C)(3)].

Other Selection Factors

In addition to motivational screening, the PHA may also wish to screen families for other 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 HCV or public housing assistance [Notice PIH 93-24, B-18].

PHA Policy

The PHA will deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with HCV 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 be denied FSS participation until debt is paid off.

Unavailable Support Services Selection Factor

If the PHA determines, after consulting with the family, that a missing service is essential to the family's needs, the PHA may skip that family (and other similar families) and offer the FSS slot to the next family for which there are available services [Notice PIH 93-24, B-8].

PHA Policy

The PHA will not skip a family (and other similar families) and offer the FSS slot to the next family when the PHA determines, after consulting with the family, that a missing service is key to the family's needs. However, the PHA will make it clear to the family that the service is unavailable, that the PHA cannot be obligated to provide referrals or supportive services in relation to that service and it cannot be included as part of their Contract of Participation.

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].

PHA Policy

The PHA will not select a family for participation in the FSS program a second time if that family previously participated and did not complete. As always, reasonable accommodation will be considered for an exception.

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 public housing assistance and assistance under the housing choice voucher programs 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.

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 to 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.

PHA Policy

Supportive services needs will be identified by completion of an informal needs assessment with the FSS coordinator or case manager 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 counseling, educational counseling, and employment planning, is conducted by the following partners on the PCC:

HACC

GED

Community college

WorkForce/WorkSource

TANF

Non-profits

These results are used to modify the ITSP, if requested by 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.

PHA Policy

The PHA's FSS program, through its partners on the program coordinating committee, will provide the following activities and support services to FSS families:

Support Service General	Support Service Specific	Source/Partner
Assessment	Vocational Assessment Educational Assessment Vocational Planning Educational Planning Disability Assessment Disability Vocational Assessment/Planning Disability Educational Assessment/Planning Drug/Alcohol Assessment Drug/Alcohol Planning	HACC Community College GED WorkForce/WorkSource TANF Non-profits
Education	High School English as a Second Language GED Post-secondary College	HACC Community College GED WorkForce/WorkSource TANF Non-profits
Training	Skills Training Emerging Technologies Training Biomedical Training On-the-Job Training Functional Context Training	HACC Community College GED WorkForce/WorkSource TANF Non-profits

Support Service General	Support Service Specific	Source/Partner
Job Search Assistance	Resume Preparation Interviewing Skills Dress for Success Workplace Skills Job Development Job Placement	HACC Community College GED WorkForce/WorkSource TANF Non-profits
Transportation	Bus Train/Trolley	Metropolitan Transit
Health Care	Alcohol and Drug Prevention Alcohol and Drug Treatment	Clackamas County Social Services
Mentoring	Mentoring Match	HACC Community College GED WorkForce/WorkSource TANF Non-profits
Homeownership	Training Planning Debt Resolution	Clackamas County First time Homebuyers Classes sponsored through IDAs Non-profits
Individual Development Accounts	Match Savings Accounts Distribution of IDA Funds	HACC Non-profits Community-based Organizations
Child Care	Infant Care Toddler Care Preschool Care Afterschool Care Homework Assistance	Child Care Resource TANF Non-profits
Crisis Services	Crisis Assessment Crisis Intervention Crisis Management Crisis Resolution	Clackamas County Social Services A Safe Place
Child/Adult Protective Services	Needs Assessment Case Planning Information Referral Crisis Management	Clackamas County Social Services – Senior, Disabled Adult Abuse Hotline Child Abuse Hotline

Support Service General	Support Service Specific	Source/Partner
Legal Services	Representation Document Review Counsel or Advice	Legal Aid Clackamas County Housing Rights and Resources
Debt Resolution	Needs Assessment Case Planning Advocacy Negotiation	Applicable resources available for low-income families

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 provided under the JTPA (now Workforce Investment Act programs), 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.

PHA Policy

The PHA certifies that its FSS program has developed its services and activities in coordination with Clackamas County's WorkSource which is governed by the Workforce Investment Act (formerly JTPA), 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 in order 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

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. Further, regulations require the establishment of an interim goal regarding independence from welfare assistance.

Interim Goals

For each participating FSS family that receives welfare assistance, the PHA must establish as an interim goal that the family become independent from welfare assistance and remain independent from welfare assistance for at least one year before the expiration of the term of the contract of participation, including any extension thereof [24 CFR 984.303(b)(2)].

At its discretion, the PHA may also elect to suggest this as an interim goal in the ITSP regardless of whether a family is receiving welfare assistance at the time the COP is developed.

PHA Policy

If the family is not receiving welfare assistance at the time the contract of participation is being developed, the PHA will not suggest to each family participating in the FSS program that the family include an interim goal on its individual training and services plan for the family to become independent from welfare assistance and remain welfare-free for at least one year before the expiration of the term of the contract of participation.

Individual Training & Service Plans for Other than FSS Head

An individual training and services plan is only required for the head of the FSS family. This means that it is the PHA's decision, after consulting with the family, whether to create an ITSP and provide supportive services to other family members aged 18 or over if they want to participate in the FSS program and supportive services are available [Notice PIH 93-24, G-16].

PHA Policy

The PHA will permit additional family members to have an ITSP.

5-I.C. FAMILY OBLIGATIONS

Compliance with Lease Terms

One of the obligations of the FSS family according to the contract of participation is to comply with the terms and conditions of the public housing lease or housing choice voucher program assisted lease [24 CFR 984.303(b)(3)].

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*.

PHA 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 either the grievance hearing or the informal hearing process.

The PHA's FSS programs will terminate the FSS contract of participation for failure to comply with the terms of the lease.

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 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 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 employment*. For this reason, it is up to the PHA to define the term.

In addition, there is no minimum period of time that an FSS head of household needs to be employed in order to meet its contract of participation requirements [Notice PIH 93-24, G-9].

According to regulation, the PHA makes a determination of *suitable employment* based on the skills, education, and job training of the FSS head of household, and based on the available job opportunities within the jurisdiction served by the PHA [24 CFR 984.303(b)(4)(iii)]. This means that the PHA has the ultimate responsibility for making the decision regarding the suitability of employment. However, this decision must be made in conjunction with the head of the FSS family [Notice PIH 93-24, G-3].

PHA Policy

For purposes of the PHA’s FSS programs, *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 his or her contract of participation.

Maintain employment means that the FSS head of household will complete all of the obligations outlined in the individual training and services plan in his or her contract of participation (COP) and be employed on the last effective day of the COP; full-time employment is preferred if participant has no barriers to achieving full-time employment it will be required.

Suitable employment is employment that is outlined in the individual training and services plan of the contract of participation and is based on the skills, education, and job training of the head of household.

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 public housing lease or the HCV-assisted lease), the PHA may:

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

Per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, PHAs are no longer permitted to terminate HCV assistance to a family due to the family's failure to meet its obligations under the contract of participation [FR Notice 12/29/14].

PHA 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). Then, if a reassessment of supportive services or a change in the ITSP is not successful in bringing the family in compliance, the FSS coordinator will withhold supportive services for no more than 90 days until the participant meets 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 demonstrate “good cause” for the failure to meet its obligations as outlined in the COP.

For purposes of the PHA FSS program, *good cause* includes:

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/unwilling to provide service

- Provider offering inferior service

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 contract of participation (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 possible. According to regulation, PHAs will 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. The family's written 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 the PHA, such as a serious illness or involuntary loss of employment (further defined by PHA 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) does have the ability to 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)].

In addition, the PHA may also delete the line in the COP under “Corrective Actions to Meet Family Responsibilities” stating that if the family is participating in the HCV program, the PHA may terminate HCV assistance when allowed by HUD requirements. Mutual agreement is not needed for this modification [Notice PIH 95-5]. Termination of HCV assistance is covered in further detail in Section 5-II.G. The conditions under which the PHA will modify the contract are set forth in the policy below.

PHA Policy

In the PHA’s FSS programs, the COP will be modified by mutual agreement between the PHA and the 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 designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, after consultation with the public housing or HCV program representative, designate another family member to be the head of household and receive escrow funds

When a relocating family is entering the FSS program of a receiving PHA and the start date of the COP must be changed to reflect the date the new COP is signed with the receiving PHA

The PHA will also remove the line under “Corrective Actions to Meet Family Responsibilities” stating that if the family is participating in the HCV program, the PHA may terminate the assistance when allowed by HUD requirements.

5-II.D. COMPLETION OF THE CONTRACT

By regulation, the contract of participation is considered to be completed, and a family's participation in the FSS program is considered to be concluded when one of the following occurs [24 CFR 984.303(g)]:

- The FSS family has fulfilled all of its obligations under the contract of participation on or before the expiration of the contract term, including any extension thereof.
- 30 percent of the monthly adjusted income of the FSS family equals or exceeds the published existing housing fair market rent for the size of the unit for which the FSS family qualifies based on the PHA's occupancy standards. The contract of participation will be considered completed and the family's participation in the FSS program concluded on this basis even though the contract term, including any extension thereof, has not expired, and the family members who have individual training and services plans have not completed all the activities set forth in their plans.

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 whose head of family is employed. If the family still resides in public housing, or HCV-assisted housing, these supportive services would be offered for becoming self-sufficient. If the family no longer resides in public housing, HCV-assisted housing, or other assisted housing, these supportive services would be offered for remaining self-sufficient [24 CFR 984.303(j)].

PHA Policy

The PHA will not continue to offer supportive services to a former FSS family who has completed its contract of participation, and whose head of family is employed.

5-II.F. TERMINATION OF THE CONTRACT

The contract of participation may be terminated before the expiration of the contract term and any extension of the contract by the following [24 CFR 984.303(h)]:

- 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

PHA 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

Failure of the FSS family to meet its obligations under the contract of participation without good cause

In an HCV FSS program, failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA without continued assistance under portability

Family's withdrawal from the FSS program

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

Operation of law

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

Good cause for the purposes of the FSS program is also defined in Section 5-I.D.

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

The contract of participation is automatically terminated if the family is evicted from Public Housing.

5-II.G. OPTION TO WITHHOLD OR TERMINATE SUPPORTIVE SERVICE AND HOUSING ASSISTANCE [24 CFR 984.303(b)(5)(i)]

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

Per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, however, PHAs are no longer permitted to terminate HCV assistance to a family due to the family's failure to meet its obligations under the contract of participation [FR Notice 12/29/14].

5-II.H. NULLIFICATION OF CONTRACT FOR UNAVAILABILITY OF SUPPORTIVE SERVICES [24 CFR 984.303(e)]

In addition to termination, the contract of participation can also be ended ahead of time as a result of integral supportive services being unavailable. This, however, should only occur as a last resort:

- 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 declare the contract of participation null and void.

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

5-II.I. GRIEVANCE PROCEDURES

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

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

PHA Policy

The grievance and informal hearing procedures for the FSS program will be the same as the grievance and hearing procedures adopted for the housing choice voucher programs in the PHA's admissions and continued occupancy policy and administrative plan, respectively (See pages *16-8 thru 16-15*).

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 final distribution of the escrow account or any portion thereof
- Withholding of support services
- Termination of the FSS COP
- Withholding of HCV rental assistance, when the PHA operates an HCV FSS program
- Termination of HCV rental assistance, when the PHA operates an HCV FSS program
- Eviction from Public Housing, when the PHA operates a Public Housing FSS Program
- Denial of transitional services

Chapter 6

ESCROW ACCOUNT

INTRODUCTION

The establishment of an escrow account is offered as a 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, but 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 and disbursing the funds, and also covers 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

For FSS families who are very low-income families, the FSS credit is the lesser of 30 percent of current monthly adjusted income less the family rent, or the current family rent less the family rent at the time of the effective date of the contract of participation. The family rent is obtained by disregarding any increases in earned income (as defined in 24 CFR 984.103) from the effective date of the contract of participation. For FSS families who are considered low-income families but not very low-income families, the FSS credit is calculated in the same manner but cannot exceed the amount computed for 50 percent of the median income [24 CFR 984.305(b)(1)].

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

Determination of Family Rent and Total Tenant Payment

For purposes of determining the FSS credit, *family rent* for the public housing program is the total tenant payment as defined in 24 CFR Part 5, subpart F. For the HCV program, *family rent* is 30 percent of adjusted monthly income [24 CFR 984.305(b)(1)].

Total tenant payment for a family participating in the public housing FSS program is determined in accordance with the regulations set forth in 24 CFR Part 913.

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, unless the income of the FSS family equals or exceeds 80 percent of the area median income (as determined by HUD, with adjustments for smaller and larger families).

Cessation of FSS Credit [24 CFR 984.305(b)(3)]

The PHA will not make any additional credits to the FSS family's FSS account when the family has completed the contract of participation, or when the contract of participation is terminated or otherwise nullified.

6-I.C. DISBURSEMENT OF FSS ACCOUNT FUNDS

Disbursement at Completion of Contract [24 CFR 984.305(c)(1)]

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. However, in order to receive the disbursement, the head of the FSS family must submit a certification (as defined in §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 before Expiration of Contract Term

FSS account funds may also be disbursed before the end of the contract term. If the PHA determines that the FSS family has fulfilled its obligations under the contract of participation before the expiration of the contract term and the head of the FSS family submits a certification that, to the best of his or her knowledge, no member of the FSS family is a recipient of welfare assistance, the amount in the family's FSS account in excess of any amount the family owes to the PHA will be paid to the head of the FSS family [24 984.305(c)(2)(i)].

In addition, 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. Such cases 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)].

PHA Policy

The PHA will disburse a portion of the FSS escrow account funds before completion of the COP when the family has met all its obligations under the COP to date, including the completion of all ITSP interim goals and tasks to date, and:

Requested funds are needed in order to complete an interim goal or task within the COP and are not ongoing expenses. The family can only be approved for one escrow disbursement during their time participating in the FSS program. The Housing Authority of Clackamas County is not required to approve an early disbursement and will have the discretion to determine the amount that is disbursed based on the need and escrow balance.

Verification of Family Certification at Disbursement

Interim disbursement may only occur after the family has completed certain interim goals and funds are needed in order 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. Because of this, it follows that the PHA may require verification for the completion of interim goals or the contract of participation.

Before final disbursement of the FSS account funds to the family, the PHA may 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)(3)].

HUD provides verification guidance in Notice PIH 2010-19. This guidance is mandatory for the public housing and housing choice voucher programs. The PHA's ACOP and/or Administrative Plan 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.

PHA Policy

The PHA will require verification that the FSS family has completed certain interim goals, or has completed the contract of participation, and that the FSS family is no longer a recipient of welfare assistance, as relevant, before making interim and final disbursements.

The PHA will follow HUD's verification hierarchy set forth in Notice PIH 2010-19 to make these verifications. However, the PHA will use a *knowledgeable professional* as a third-party source to verify the need for interim disbursements.

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 public housing or 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, a public housing FSS family may use its 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, or when the contract of participation is completed by the family (see Section 5-II.D. of this 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

Treatment of forfeited FSS account funds differ depending on the type of FSS program the PHA operates. For public housing FSS programs, FSS account funds forfeited by the FSS family will be credited to Other Income and will become part of Unrestricted Net Assets. Forfeited FSS account funds will be counted as other income in the determination of operating subsidy eligibility for the next budget year [24 CFR 984.305(f)(2)(i)].

In the housing choice voucher program, forfeited FSS account funds will be treated as program receipts for payment of program expenses under the PHA budget for the program, and will be used in accordance with HUD requirements governing the use of program receipts [24 CFR 984.305(f)(2)(i)].

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 (public housing or HCV) program. In addition, the funds held in this account must be invested in one or more of the HUD-approved investments [24 CFR 984.305].

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 periodically, but not less than annually, credits the amount of the FSS credit (see Section 6-I.B.) to each family's FSS account [24 CFR 984.305(a)(2)(i)].

PHA Policy

The PHA will credit the amount of the FSS credit(s) to each family's account on a monthly basis.

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. 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.

PHA Policy

Each month the full amount of the investment income for funds in the housing choice voucher and public housing FSS account will be prorated and credited to each family's subsidiary line item.

If a tenant is on a Payment Agreement, HACC will reduce the escrow by the Payment Agreement Balance until full balance is at zero.

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 public housing or 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) before prorating the interest income. If the FSS family has fraudulently underreported income, the amount credited to the FSS account will be based on the income amounts originally reported by the FSS family.

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

PHA Policy

The PHA 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 housing choice voucher 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 housing choice voucher 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 [24 CFR 984.306(b)(1)].

PHA Policy

The PHA will not approve a family's request to move outside its jurisdiction under portability during the first 12 months after the effective date of the contract of participation.

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(b)(2)].

7-I.D. CONTRACT OF PARTICIPATION

Once a family moves outside the initial PHA's jurisdiction, a determination will need to be made regarding whether the family will continue to participate in the initial PHA's FSS program or whether it will participate in the FSS program of the receiving PHA.

Continued Participation in the FSS program of the Initial PHA

A relocating FSS family may continue in the FSS program of the initial PHA if the family demonstrates to the satisfaction of the initial PHA that, notwithstanding the move, the relocating FSS family will be able to fulfill its responsibilities under the initial or modified contract of participation at its new place of residence. For example, this could mean that the FSS family may be able to commute to the supportive services specified in the contract of participation, or the family may move to obtain employment as specified in the contract [24 CFR 984.306(c)].

PHA Policy

HACC will not approve a relocating family's request to continue in its FSS program if the family moves outside of Clackamas County.

If the family has built an escrow balance and "ports" to a Housing Authority without an FSS program, the family will lose their escrow balance.

If the family "ports" to another Housing Authority with an FSS Program, but the housing program is full and they cannot absorb the family, the family will lose their escrow balance.

If the family "ports" to another Housing Authority with an FSS program and are absorbed, but are not absorbed into their FSS program, the family will lose their escrow balance.

If the family "ports" to another Housing Authority with an FSS program and are absorbed and enroll in the receiving Housing Authority FSS program, HACC will forward the escrow balance to the receiving Housing Authority to administer.

Participation in the FSS Program of the Receiving PHA

When a family moves into the jurisdiction of another PHA, the relocating FSS family may participate in the FSS program of the receiving PHA if the receiving PHA allows the family to do so. However, a PHA is not obligated to enroll a relocating FSS family in its FSS program [24 CFR 984.306(d)(1)].

PHA Policy

The PHA, as the receiving housing authority, will allow a relocating FSS family to participate in its FSS program so long as an open FSS slot exists.

In cases where the receiving PHA allows the relocating FSS family to participate in its FSS program, the receiving PHA will enter into a new contract of participation with the FSS family for the term remaining on the contract with the initial PHA. The initial PHA will then terminate its contract of participation with the family [24 CFR 984.306(d)(2)].

PART II: THE EFFECTS OF PORTABILITY ON FSS REGULATIONS AND POLICY

7-II.A. OVERVIEW

The regulations set forth under the FSS program will sometimes be affected by the regulations of the public housing and housing choice voucher programs. Portability, as an integral part of the housing choice voucher program, is an excellent example of how HCV regulations can in turn affect FSS program operation. This part describes the specific ways in which portability affects different aspects of the FSS program, including the escrow account, program termination, and loss of the FSS account.

7-II.B. PORTABILITY AND THE ESCROW ACCOUNT [24 CFR 984.306(e)]

The escrow account is one aspect of the FSS program that could present an issue if a participant family decides to move under portability because the family's account is administered by the initial PHA. Regardless of whether the relocating FSS family remains in the FSS program of the initial PHA or is enrolled in the FSS program of the receiving PHA, FSS regulations specify that there will be a single FSS account to be maintained by the initial PHA so long as the initial PHA is ultimately paying the housing assistance payment. However, when an FSS family is absorbed by the receiving PHA, the initial PHA transfers the family's FSS account to the receiving PHA, and the receiving PHA begins administering the account.

7-II.C. PROGRAM TERMINATION, LOSS OF FSS ACCOUNT, AND TERMINATION OF SECTION 8 ASSISTANCE

Another point of consideration for PHAs is noncompliance with the contract of participation when the FSS participant family moves outside of the PHA's jurisdiction. In such cases, noncompliance with the contract is treated the same under portability as it is if the noncompliance occurred in the initial PHA's jurisdiction. According to the regulatory language, if an FSS family that relocates to another jurisdiction is unable to fulfill its obligations under the contract of participation (or any modifications to the contract), the PHA administering the contract may terminate the FSS family from the FSS program and the family's FSS account will be forfeited [24 CFR 984.306(f)(1)]. PHAs are no longer permitted to terminate a family's HCV program assistance if the family fails to meet its obligations under the contract of participation [FR Notice 12/29/14].

PHA policy regarding the consequences of noncompliance with the FSS contract of participation can be found in Section 5-I.D. of this action plan. *Good cause* is likewise defined in this section.

In the event of forfeiture of the family's FSS account, the funds in the family's FSS account will revert to the PHA maintaining the FSS escrow account for the family [24 CFR 984.306(f)(2)].