

MEMORANDUM

To: Regional Steering Committee On Homelessness and Housing

From: HomeBase

Date: November 16, 2009

Re: HUD's Family Unification Program – An Upcoming Funding Opportunity

Background

The Regional Steering Committee (“RSC”) regularly discusses new funding opportunities and strategies to deal with reduced funding. The RSC has addressed these topics most recently during its July 17th meeting and all other 2009 meetings.

Program Overview

HUD's Family Unification Program (“FUP”) awards funding for tenant-based rental assistance in the form of vouchers to public housing authorities (“PHAs”) with demonstrated experience and resources for supportive services. This must be verified through an executed Memorandum of Understanding between the PHA and a public child welfare agency (“PCWA”). PHAs provide vouchers to participants who meet the income eligibility requirements for Housing Choice Vouchers¹ (“HCV”), whose family does not include a person or persons imprisoned or otherwise detained pursuant to an Act of Congress or State law, and who the PCWA has certified as fitting one of the following categories:

- *Families* whose lack of adequate housing is a primary factor in placing a family's child or children in out-of-home care, or in delaying their return from out-of-home care back to their family
- *Youths (18-21 years old)* who left foster care at age 16 or older and lack adequate housing. Any such youths receiving FUP vouchers are limited to a maximum of 18 months.

These vouchers provide an opportunity to house qualifying participants who are homeless or at-risk of being homeless. The NOFA defines “lack of adequate housing” as

- Living in substandard² or dilapidated³ housing

¹ See 24 CFR 982.201(b)(1): “To be income-eligible, the applicant must be a family in any of the following categories: (i) A very low income family; (ii) A low-income family that is continuously assisted under the 1937 Housing Act; (iii) A low-income family that meets additional eligibility criteria specified in the PHA administrative plan. Such additional PHA criteria must be consistent with the PHA plan and with the consolidated plans for local governments in the PHA jurisdiction; (iv) A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project. (Section 8(o)(4)(D) of the 1937 Act (42 U.S.C. 1437f(o)(4)(D))); (v) A low-income or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing as defined in 248.101 of this title; (vi) A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a project subject to a resident homeownership program under 248.173 of this title.”

² For the definition, see NOFA, Section I(B)(10), p. 7-8: unit where family or youth lives meets any of the following: is dilapidated, without operable indoor plumbing, without a usable, exclusive use flush toilet inside the unit, without a usable, exclusive use bathtub or shower, without electricity or has inadequate/unsafe electrical service, without a safe/adequate heat source, lacks but should have a kitchen, or an agency or government unit has declared it unfit for habitation.

- Homeless
- Displaced by domestic violence
- Living in an overcrowded unit
- Living in housing not accessible to its disabled child or children due to the disability's nature

Funding Announcement and Maximum Request

HUD released a Notice of Funding Availability (“NOFA”)⁴ on September 23, 2009 to fund approximately \$14.6 million (1940 in new vouchers) and an additional \$5.4 million (679 vouchers for 11 PHAs selected through the FY 2008 NOFA process, but not fully funded at the time). The 11 PHAs selected include the following local applicants:

- Housing Authority of the City of Alameda: \$555,588 (50 vouchers)
- Housing Authority of the County of Santa Clara: \$1,287,864 (100 vouchers)
- Sonoma County Community Development Commission: \$383,880 (50 vouchers)

The maximum voucher request a PHA can make is based on the PHA’s HCV program size and its identified need:

- 2,000+ unit HCV program: lesser of 100 units or identified need
- 500 – 1,999 unit HCV program: lesser of 50 units or identified need
- Less than 500 units: lesser of 25 units or identified need

HUD requires neither match, nor cost sharing.

Key Dates/Timing and Application Submission

Deadline: December 3, 2009 (8:59:59 pm PST), but HUD recommends applicants submit at least 48 hours prior to the deadline

- *Limited Circumstance for One-Day Grace Period:* A one-day grace period is available to re-upload an application if an applicant has successfully uploaded an application prior to the deadline, but receives a rejection notice after the deadline. HUD recommends scanning files for viruses, and using file names 32 characters or less and that do not include spaces or special characters to avoid rejection.
- Only 2 exceptions to grace period policy:
 - Grant.gov system is down: not available for at least 24 hours prior to the deadline, or for longer than 24 hours and impacts the ability of applicants to cure a submission deficiency within the grace period
 - President declares a disaster in the applicant’s area

Anticipated Grant Award Date: June – July 2010

Form of Application Submission: via Grants.gov (unless waiver for paper submission)

³ See NOFA, Section I(B)(2), p. 5: Unit does not provide safe/adequate shelter and endangers the family’s or youth’s health/safety/well-being in its present condition, has one more critical defects, or a combination of intermediate defects in sufficient number/extent to require considerable repair/rebuilding. Defects may be from original construction/ continued neglect/lack of repair/from serious damage to the structure).

⁴ For further information and the NOFA, go to <http://www.hud.gov/offices/adm/grants/nofa09/grpfup.cfm>

Required Application Submissions:

- Forms SF-424, HUD-52515, HUD-2993, HUD-2991, SF-LLL (if applicable), HUD-2880, HUD-96011
- PCWA-PHA MOU
- PHA and PCWA separate evaluation certifications
- MTW certification (if an MTW agency is not required to report under the SEMAP)

Applicants must use Adobe Reader 8.1.5 or 9.1.1

Threshold Requirements and Selection

Threshold and Submission Requirements:

- Meet all General Section NOFA threshold requirements, with more specific requirements for a written code of conduct in the PHA's administrative plan and submitting to the local HUD office an addendum to the applicant's HCV administrative plan that outlines the applicant's reasonable steps to affirmatively further fair housing
- PHA must not have any major unresolved program management findings from an Inspector General's audit, HUD management review or Independent Public Accountant audit for the PHA's HCV program; or other significant program compliance problems not resolved or in the process of being resolved prior to this NOFA's deadline
- PHA must not be involved in litigation where HUD determines the litigation may seriously impede the ability of the applicant to administer the vouchers
- Each applicant must meet the reporting requirements for Family Reports
- Each applicant must have achieved at least 15 points under the Section 8 Management Assessment Program leasing indicator and not be designated as troubled for its most recent assessed fiscal year
- MOU executed between the PHA's and PCWA's chief executive officers on a date between the NOFA published date and the application deadline date, and clearly addressing all minimum requirements the NOFA identifies
 - PHA responsibilities
 - Accept families and youth PCWA certified as FUP-eligible and assist them in order of their position on the HCV waitlist. Any certified families or youth not currently on the waitlist must be placed on it, even if the PHA has a closed waitlist.
 - Refer to PCWA any families with children or youths aged 18-21 on its waitlist that are living in temporary shelters and may be FUP-eligible
 - Determine if any families with children or youths aged 18-21 the PCWA referred are eligible for HCV assistance and place anyone eligible on the HCV waiting list
 - Amend the administrative plan and administer the vouchers in accordance with program regulations and requirements
 - Comply with PHA actions to be taken as the PHA-PWCA MOU specifies
 - PCWA responsibilities
 - Establish and implement a system to identify FUP-eligible families and youths within the agency's caseload and to review PHA referrals

- Provide written certification to the PHA that a family or youth qualifies as FUP-eligible based upon this NOFA's and the United States Housing Act of 1937's Section 8(x) criteria
- Commit sufficient staff resources to ensure that eligible families and youths are identified and determined eligible in a timely manner and provide follow-up supportive services after they lease units
- Comply with PCWA actions to be taken as the PHA-PWCA MOU specifies
 - PCWA assistance to be provided to families and youth in locating housing units and working with landlords to secure appropriate units
 - PCWA's past experience in administering a similar program
 - Past PCWA and PHA cooperation in administering a similar program
- Required Submissions (see above)

Selection Criteria: by lottery unless there is sufficient funding for all approvable applications.

- If there is insufficient funding for all approvable applications, then applications may be funded to the extent of funding available and the applicant's willingness to accept a reduced number of vouchers.
- HUD may limit the number of approvable applications selected for any State to 10 percent of the budget authority made available under the NOFA.

Discussion Questions

Is your community applying for FUP vouchers?

How would these vouchers fit into your Continuum of Care's plans to end homelessness?

How does your local child welfare agency interact with your Continuum of Care? Please share any ways they are involved in your efforts to end family or transition-age-youth homelessness.

If your community has received these vouchers in the past, have you encountered any challenges in using them? How did you address these challenges?

For more information, please contact Joni Canada, Staff Attorney:
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