PIH ANNOUNCEMENTS

OFFICE OF PUBLIC & INDIAN HOUSING

Newest COVID-19 FAQs

On September 29, 2020, PIH released our sixth round of Frequently Asked Questions (FAQs) for Public Housing and Housing Choice Voucher Program's ongoing response to the COVID-19 outbreak. The FAQs can be found here. Additionally, the latest FAQs from the CDC and Department of Health and Human Services can be found here.

Since Public Housing Agencies (PHAs) can play a crucial role in promoting housing stability during and after the CDC eviction moratorium, PIH wanted to bring to your attention FAQ OC27 that was included in our recent publication. This FAQ cites PIH Notice 2018-18 and states:

"if the tenant refuses to enter into a repayment agreement or fails to make payments on an existing or new repayment agreement, the PHA *must terminate* [emphasis added] the family's tenancy or assistance, or both."

However, upon further review by HUD, 24 CFR 966.4(l)(2) indicates that a PHA *may terminate* [emphasis added] tenancy for serious or repeated violations of the lease, including failure to make payments due under the lease. Therefore, it is at the PHAs discretion whether or not to terminate tenancy, and PHAs can restructure an existing repayment agreement even if there are instances where the resident has not paid each of their monthly installments on time.

Since HUD does not impose a requirement that PHAs must terminate tenancy if a tenant defaults in an existing repayment agreement, PHAs may want to review their Admissions and Continued Occupancy Policies (ACOP) to provide themselves with as much flexibility as possible. This is of particular importance to those PHAs that revised their ACOP to align solely with PIH Notice 2018-18 and the PHA was not aware of the broader flexibility provided in 24 CFR 966.4(l)(2).

A PHA may consider various factors when adopting a repayment agreement policy. For example, if a PHA's repayment agreement policy is: "if a tenant fails to make payments on an existing repayment agreement, the PHA **will** terminate the family's tenancy or assistance, or both." In this scenario, the PHA may decide to:

- Revise their repayment agreement policy to allow a family to restructure the existing repayment agreement for an amount that is affordable to the family; or,
- Keep their existing policy and determine no change is needed to their repayment agreement policy.

To support PHAs that wish to amend policies to provide repayment agreement flexibility, pursuant to Waiver PH-4 of the COVID-19 Waivers Notice (PIH Notice 2020-13), PHAs have the ability to expedite revisions to their ACOP, including adding or adjusting repayment agreement policies, as long as the change is formally adopted by the PHA Board as soon as practicable, but no later than December 31, 2020.

Thank you, again, for all your efforts to promote housing stability in your community. If you have questions related to this email, please send them to PIH-COVID@hud.gov.

OC27. PIH Notice 2018-18 indicates, "if the tenant refuses to enter into a repayment agreement or fails to make payments on an existing or new repayment agreement, the PHA must terminate the family's tenancy or assistance, or both." For a public housing resident, can a PHA restructure an existing repayment agreement even if there are instances where the resident has not paid each of their monthly installments on time?

966. Upon further review by HUD, 24 CFR 966.4(l)(2) indicates that a PHA "may" terminate tenancy for serious or repeated violations of the lease, including failure to make payments due under the lease. If the PHA exercises its discretion not to terminate tenancy due to the tenant's failure to make payments due under the lease, then yes, the PHA can restructure the existing repayment agreement for an amount that is affordable to the family. In addition, HUD advises PHAs to review their Admissions and Continued Occupancy Policy (ACOP) to ensure its policy aligns with 24 CFR 966.4(l)(2). In light of the ongoing pandemic, HUD also encourages PHAs to provide as much flexibility in their repayment agreement policy as possible. To support PHAs that wish to amend policies to provide repayment agreement flexibility, pursuant to statutory authorities provided under the CARES Act, HUD provided PHAs through Waiver PH-4 in PIH Notice 2020-13 the ability to expedite revisions to their ACOP, including adding or adjusting repayment agreement policies, as long as the change is formally adopted by the PHA Board as soon as practicable, but no later than December 31, 2020.

HOTMA Proposed Rule Published

The HOTMA rule implementing the PBV, HQS and other provisions was published on October 8th. This proposed rule proposes codification of the HOTMA provisions that have been implemented via previous Federal Register notices, proposes to implement several HOTMA provisions that have not yet been implemented, and contains several proposed changes to regulatory provisions unrelated to HOTMA, in order to reduce the regulatory burden on PHAs and owners by clarifying, simplifying, and, in some instances, eliminating HUD-imposed requirements, and proposes elimination of obsolete regulatory provisions. Comments are due December 7th. The Federal Register link to view the rule and log comment can be found here.

Exclude Unemployment Benefit from the August 8, 2020 Presidential Memoranda

On August 8, 2020, President Trump issued a Presidential Memoranda titled "Memorandum on Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019" (PM) that authorizes a $400 per week of additional unemployment benefit paid to claimants through the Lost Wages Assistance Program. The PM can be found here. The $400 weekly payment is funded by two sources. The Federal government contributes 75 percent (totaling $300) and the state can contribute the remaining 25 percent (totaling $100). Some states have opted to pay only the federal portion of $300 per week, while other states have opted to pay the federal portion plus the state portion that equates to $400 per week.

PHAs shall **exclude** the $400 per week, or in some states $300 per week, unemployment benefit from the income calculation on the basis of the PM authorizing FEMA to provide assistance under the Stafford Act, which is normally excludable income. An FAQ will be added in our next publication, but in the meantime, you may use this email as authorization of the exclusion.

HUD Finalizes Section 3 Rule

Last month, HUD announced the release of the final rule implementing the "Section 3" statute. Section 3 requires that recipients of certain HUD funds make economic opportunities available for low- and very low-income individuals, especially recipients of government assistance for housing, living in the areas where HUD funds are spent. An "interim rule" has been in effect since 1994. The final rule is designed to improve a focus on economic opportunity outcomes while simultaneously reducing the regulatory burden on those entities that receive those funds.

The changes in the final rule improve the effectiveness of Section 3, streamline some processes that have not yielded significant benefits, and encourage PHAs and HUD grantees to focus on sustained employment for low- and very low-income individuals. Key changes in the rule and in HUD's implementation include:

- Focusing on key outcome metrics, such as the sustained employment of individuals in targeted populations;
- Crediting retention of low- and very low-income employees and successful sustained employment in the reporting metrics;
- Aligning Section 3 reporting with standard business practices and payroll tracking methods;
- Allowing for tailored outcome benchmarks for different geographies and/or different projects;
- Reducing reporting requirements for grantees who are meeting outcome benchmarks;
- Integrating Section 3 oversight into the work of the program offices who are in regular contact with grantees; and
- Promoting the newly created portal to connect low- and very low-income people, who need jobs most, with businesses who have Section 3 job opportunities in their area.

Foster Youth to Independence Update

On October 6th, HUD issued an update to the Foster Youth to Independence (FYI) initiative through Notice PIH 2020-28. The Notice announces an expansion of the FYI initiative while also creating new opportunities for communities to leverage this resource. $10 million dollars will be made available in FY 21 for new vouchers. Additionally, HUD is opening the opportunity to request vouchers to every PHA that administers an HCV program, including

PHAs that are high utilizers of their Family Unification Program (FUP). The notice can be found here.

Earlier this month, Secretary Ben Carson traveled to Denver to mark that the Foster Youth to Independence (FYI) initiative has awarded 844 vouchers in the first year of the program to former foster youth at risk of homelessness. Secretary Carson held a roundtable discussion with voucher recipients and toured a recipient’s apartment.

In One Year, Homelessness Prevented for Hundreds of Former Foster Youth

An Op-Ed by Assistant Secretary Kurtz for Imprint News; Published October 18th, 2020

Foster care provides children in need with vital resources aimed to ensure that no matter their background, they will be able to grow into self-sufficient, productive adults. Among these resources are the support structure of a family unit and the stability of a safe, dependable home. Sadly, many children age out of the foster care program without the resources to prevent them from becoming homeless soon thereafter. The National Center for Housing and Child Welfare estimates that 25% of children who age out of foster care will experience homelessness within four years.

In March of 2019, Housing Secretary Ben Carson met with members of ACTION Ohio, who partnered with the National Center for Housing and Child Welfare and presented him with initial proposals to solve the foster youth homelessness crisis. Just four months later, the Secretary announced to the public the Foster Youth Independence (FYI) Initiative, which allows public housing authorities to request Tenant Protection Vouchers for young adults who have recently left foster care and have nowhere to live.

This past July, Secretary Carson joined voucher recipients and Pittsburgh-area leaders in commemorating the first anniversary of the FYI Initiative. To date, the FYI Initiative has provided more than $6.8 million through 844 vouchers in 31 states to young individuals who have left or are about to leave the foster care system.

Among those helped is Kacie, a New Yorker whose mother died when she was 13 years old. At age 16, Kacie ran away from home to escape abuse and alcoholism. She was soon placed in a foster home.

When she turned 18, Kacie left foster care and worked with her caseworker and the local housing authority to secure a Foster Youth to Independence voucher. Kacie is now happily housed and is working to become an X-ray technician.

The Department of Housing and Urban Development is proud of Foster Youth to Independence Initiative’s role in helping young individuals achieve self-sufficiency by requiring communities to provide supportive services for at least 36 months, and in reaching the goal of ending youth homelessness as outlined in the United States Interagency Council on Homelessness’s “Home, Together” plan.

This past year of the FYI Initiative has shown us the best in what public housing has to offer to the American people, but it has also been a reminder of how many more there are yet to help. With more education and outreach, we are certain that the Initiative will, in the years to come, play an even more critical role in placing young individuals at risk of homelessness into safe, dependable homes.

Mobility Demonstration Extension of Application Due Date

On July 15, 2020, HUD published a notice implementing the Housing Choice Voucher (HCV) mobility demonstration authorized by the Consolidated Appropriations Act, 2019. Through the Notice, HUD is making available up to $50,000,000 to participating PHAs throughout the country to implement housing mobility programs by offering mobility-related services to increase the number of voucher families with children living in opportunity areas. The prior otice established October 13, 2020 as the deadline date for submission of PHA applications. The newest notice, published on October 8th, extends the deadline date for the submission of applications to December 14, 2020. Further details may be found at the Federal Register link here.

FSS Proposed Rule

Last month, The Economic Growth, Regulatory Relief, and Consumer Protection Act Changes to Family Self-Sufficiency (FSS) Program Proposed Rule was published to the Federal Register (FR-6114-P-01). For more information about the proposed rule, please visit the FSS webpage.

PIH hosted a webinar discussion for PHAs on the FSS Proposed Rule on October 8 at 2:30-4:00 pm EDT. The call was recorded and will be sent out separately from this newsletter