



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

Special Attention of:

Directors of HUD Regional and Field
Offices of Public Housing;
Agencies that Administer the
Housing Choice Voucher Program

Notice PIH 2021-26

Issued: September 3, 2021

This notice amends Notice PIH 2020-28 and remains in effect until amended, superseded, or rescinded.

Cross References: PIH Notice 2009-08, Further Consolidated Appropriations Act, 2020 (Public Law 116-94), enacted on December 20, 2019, Consolidated Appropriations Act, 2021, enacted on December 27, 2020.

Subject: Foster Youth to Independence Initiative

1. **Purpose.** The purpose of this notice is to amend Notice PIH 2020-28, Foster Youth to Independence Initiative as follows:
 1. Sets forth the process by which PHAs may apply for \$10 million in new incremental vouchers made available by the Consolidated Appropriations Act, 2021 (Public Law 116-260), referred to hereafter as “the 2021 Act”, enacted on December 27, 2020.
 2. Changes eligibility requirements for public housing agencies (PHAs) seeking to administer FYI assistance.
 3. Clarifies program requirements for FYI Tenant Protection Voucher (TPV) awards made under Notice PIH 2019-20.

The content of Notice PIH 2020-28 is provided in its entirety with the exception of the amendments identified above and minor modifications.

2. **Background.** Through the Foster Youth to Independence (FYI) initiative, HUD provides Housing Choice Vouchers (HCVs) for youth eligible under the Family Unification Program (FUP), subject to availability. Throughout this notice, these vouchers are referred to as FYI vouchers.

The Further Consolidated Appropriations Act, 2020 (Public Law 116-94), referred to

hereafter as “the 2020 Act,” enacted on December 20, 2019, provides that up to \$10 million shall be available on a non-competitive basis to PHAs that partner with public child welfare agencies (PCWAs) for FUP-eligible youth under Section 8(x) of the U.S. Housing Act of 1937 (42 U.S.C. 1437f(x)). This funding was made available through Notice PIH 2020-28. HUD has awarded the entirety of the \$10 million made available under the 2020 Act. The 2021 Act provides an additional \$10 million for this purpose, which HUD is making available through this notice.

This notice explains the eligibility and application requirements for FYI voucher funding, and how applications will be processed.

3. **Summary.** Through this targeted allocation, HUD is investing in local, cross-system collaborative efforts to prevent and end homelessness among youth with a current or prior history of child welfare involvement. The success of this effort requires that community partners coordinate effectively to identify, target, and connect eligible youth at-risk of or experiencing homelessness to housing and related supports. This notice calls for PHAs, PCWAs¹, and Continuums of Care (CoCs)² to work together to determine the most appropriate intervention for each young person.
4. **Impact on awards and requests under Notice PIH 2020-28.** The program requirements for awards under Notice 2020-28 remain the same. Requests submitted to HUD by PHAs pursuant to PIH Notice 2020-28 prior to the publication of this notice do not need to be re-submitted.
5. **Funding.** The 2020 Act provides that of the \$25 million appropriated for FUP, \$20 million shall be made available for FUP youth. Furthermore, of that \$20 million, up to \$10 million shall be made available on a non-competitive basis to PHAs that partner with public child welfare agencies to identify FUP-eligible youth. The \$10 million has been fully expended. The 2021 Act included the same provision and amounts in new funding. HUD made available \$20 million under the Foster Youth to Independence Competitive NOFA (FR-6400-N-41), announced on January 19, 2021. The funding in this notice will be made available to expand the FYI initiative.

Subject to the following conditions, HUD will accept and process the PHA requests for non-competitive FYI vouchers under this notice on a rolling basis:

¹ **Public Child Welfare Agency (PCWA)** means the agency that is responsible under applicable State law for determining that a child is at imminent risk of placement in out-of-home care or that a child in out-of-home care under the supervision of the public agency may be returned to his or her family, or that a youth is at least 18 years and not more than 24 years of age and left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act, and is homeless or is at risk of becoming homeless at age 16 or older. For states that have privatized child welfare, the agency designated to conduct child welfare on behalf of the state may be considered a PCWA.

² **Continuum of Care (CoC)** – the group organized to carry out the responsibilities required under 24 CFR part 578 and that is composed of representatives of organizations, including nonprofit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons to the extent these groups are represented within the geographic area and are available to participate.

- A. **Funding remains available.** Awards under this notice are dependent on the availability of appropriations. HUD will utilize up to \$10 million of the FUP appropriated amount under the 2021 Act for FYI.
 - B. **Notice remains in effect.** Until HUD rescinds, suspends, or supersedes this notice, it remains in effect.
6. **PHA Eligibility Requirements.** A PHA requesting assistance under this notice must meet all of the eligibility requirements described below.
- A. **PHA currently administers the Housing Choice Voucher (HCV) Program.** The PHA must have an existing ACC with HUD for HCVs. Nonprofit administrators of HCV mainstream assistance, which by statute are classified as PHAs solely for the purpose of administering HCV mainstream assistance, are ineligible for FYI.
 - B. **PHA eligibility based on utilization of existing FUP and/or FYI awards.** The following requirement does not apply to PHAs that do not presently administer FUP and/or FYI vouchers. Eligibility for PHAs administering FUP and/or FYI vouchers awarded in prior federal fiscal years is limited to PHAs with validated VMS utilization of at least 90 percent at the time of the request as reported under the FUP VMS field. Where the PHA has a combined FYI and/or FUP (as applicable) size of no more than 5 vouchers, the PHA may request FYI vouchers if the validated VMS data reflects at least 50 percent utilization under the FUP VMS field. HUD will not use additional documentation from the PHA to confirm this threshold requirement.
 - C. **Partnership with a PCWA.** The PHA must have a partnership with a PCWA. This partnership must assist the PHA in using assistance under this notice.
 - D. **Waiting List Administration.** The PHA, upon receipt of a referral(s) from the PCWA of an eligible youth, must compare the name(s) with youth already on the PHA's HCV waiting list. Any youth on the PHA's HCV waiting list that matches with the PCWA's referral must be assisted in order of their position on the waiting list in accordance with PHA admission policies. Any youth certified by the PCWA as eligible and not on the HCV waiting list must be placed on the waiting list (pending HCV eligibility determination). If the PHA has a closed HCV waiting list, it must reopen the waiting list and place on the waiting list an FYI applicant youth who is not currently on the PHA's HCV waiting list. The PHA may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants. The requirements at 24 CFR 982.206 for giving public notice when opening and closing the waiting list apply.

E. **Referral received.** A request for assistance may not be made until the PHA has received a referral of an eligible youth from the partnering PCWA.

7. **PCWA Roles and Responsibilities.** The partnering PCWA must meet the following requirements.

A. **Identify eligible Youth.** The PCWA must have a system for identifying eligible youth within the agency's caseload and for reviewing referrals from the PHA or a third party such as a State, local (including schools), philanthropic, faith-based organizations, CoC, or a CoC recipient it designates.

B. **System of Prioritization.** Given the limited nature of this resource, the PCWA must have a system of prioritization for eligible youth.

C. **Written Certification.** The PCWA must provide written certification to the PHA that a youth is eligible.

D. **Supportive Services.** The PCWA must provide or secure a commitment for the provision of required supportive services.

8 **Required Supportive Services.** Eligibility to receive funding under this notice to administer FYI vouchers requires that the PCWA provide or secure a commitment of supportive services for participating youth to assist the youth in achieving self-sufficiency. The services listed in (A) through (E) below must be secured and made available for a period of 36 months to eligible youth receiving rental assistance through this notice. HUD encourages full participation in self-sufficiency services as appropriate for the participating youth.

A. Basic life skills information/counseling on money management, use of credit, housekeeping, proper nutrition/meal preparation; and access to health care (e.g., doctors, medication, and mental and behavioral health services).

B. Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance/referrals for assistance on security deposits, utility hook-up fees, and utility deposits.

C. Providing such assurances to owners of rental property as are reasonable and necessary to assist eligible youth to rent a unit with a voucher.

D. Job preparation and attainment counseling (where to look/how to apply, dress, grooming, and relationships with supervisory personnel, etc.).

- E. Educational and career advancement counseling regarding attainment of general equivalency diploma (GED); attendance/financing of education at a technical school, trade school or college; including successful work ethic and attitude models.

Eligibility to receive funding under the notice to administer FYI assistance requires that the PCWA provide or secure a commitment of supportive services for participating youth to assist the youth in achieving self-sufficiency. The PHA or another partnering entity may provide some of the supportive services if it has the resources and expertise to do so.

The use of administrative fees is limited to those outlined at 24 CFR 982.152. With HUD's approval, PHAs may use administrative fees to help families who experience difficulty finding or renting appropriate housing. Administrative fee reserves may be used to cover costs for the supportive services listed above (A-E) with HUD approval. Section 7 of Notice PIH 2021-10 announced that HUD will reserve up to \$5 million for FUP special fees, to include FYI. The notice outlines the eligible activities, expenses, and process for making a request.

9. Youth Eligibility. The population eligible to be assisted with funding under this notice are youth certified by a PCWA as meeting the following conditions:

1. Has attained at least 18 years and not more than 24 years of age;
2. Left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act; and
3. Is homeless³ or is at risk of becoming homeless⁴ at age 16 or older.

Eligibility is not limited to single persons. PHAs may not exclude pregnant or parenting youth from service, because excluding families with children would violate the Fair Housing Act. Thus, any pregnant or parenting youth who otherwise meets the definition of youth must be served by the grantee.

10. Partnership Agreement. PHAs applying for assistance under this notice must first enter into a partnership agreement with a PCWA. HUD strongly encourages adding other important partners, such as the State, local (including schools), philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates, to the partnership. The partnership agreement may take the form of a Memorandum of Understanding (MOU) or

³ **Homeless** refers to the population included in the definition of this term at 24 CFR 578.3.

⁴ **At Risk of Becoming Homeless** means the population defined as "At Risk of Homelessness" at 24 CFR 576.2. .

letters of intent between the parties. At a minimum, the partnership agreement must clearly address the following:

- A. **Define eligible youth.** Define youth eligible to receive assistance under this notice using the criteria in Section 9 of this notice.

- B. **Supportive Services.** List the supportive services to be provided to eligible youth receiving rental assistance through this notice. All of the services identified in Section 8 of this notice must be provided. These services must be provided for a period of 36 months. The organization(s) to provide these services must be identified.

- C. **Address PHA responsibilities.** The following PHA responsibilities must be identified:
 - a. The PHA, upon receipt of a referral(s) from the PCWA of an eligible youth, must compare the name(s) with youth already on the PHA's HCV waiting list. Any youth on the PHA's HCV waiting list that matches with the PCWA's referral must be assisted in order of their position on the waiting list in accordance with PHA admission policies. Any youth certified by the PCWA as eligible and not on the HCV waiting list must be placed on the waiting list (pending HCV eligibility determination). If the PHA has a closed HCV waiting list, it must reopen the waiting list and place on the waiting list a FYI applicant youth who is not currently on the PHA's HCV waiting list. The PHA may reopen the waiting list to accept an FYI eligible youth without opening the waiting list for other applicants.

- D. **Address PCWA responsibilities.** The following PCWA responsibilities must be identified:
 - a. PCWA must have a system for identifying eligible youth within the agency's caseload and review referrals from the PHA, and other important partners, such as the State, local (including schools), philanthropic, faith-based organizations, and CoC, or CoC recipient it designates, as applicable.
 - b. PCWA must have a system for prioritization of referrals to ensure that youth are prioritized for an FYI voucher based upon level of need and appropriateness of the intervention.
 - c. PCWA must provide written certification to the PHA that a youth is eligible.
 - d. PCWA must provide or secure a commitment for the provision of required supportive services.

E. **Address Third-Party Responsibilities.** Where other partners, such as the State, local (including schools), philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates, will be party to the partnership agreement, the responsibilities of the entity must be identified, such as:

1. Integrate the prioritization and referral process for eligible youth into the third party or CoC's coordinated entry process.
2. Identify services, if any, to be provided using third party or CoC program funds to youth who qualify for third party or CoC program assistance.
3. Make referrals of eligible youth to the PCWA.

11. Role of Third Parties. HUD strongly encourages participation of State, local (including schools), philanthropic, faith-based organizations, and the CoC, or a CoC recipient it designates. These parties may play a critical role in identifying eligible youth in the community at risk of or experiencing homelessness that are no longer part of the child welfare system. Further, these parties may provide or leverage supportive services on behalf of the youth.

The CoC plays a role in identifying eligible youth in the community at risk of or experiencing homelessness that are no longer part of the child welfare system. Through the CoC's coordinated entry process, referrals of eligible youth to the PCWA are able to be made based on prioritization of need and appropriateness of the intervention. Further, CoC recipients may provide supportive services using CoC program funds to youth who qualify for CoC program assistance. Youth who are part of the PCWA's active caseload do not have to be added to the CoC's coordinated entry process.

12. Minimum and Maximum Request. There is no minimum request size. A PHA request may be as small as one voucher. Given the limited nature of this resource, each PHA is limited to an initial maximum award of **25** vouchers under this notice in a federal fiscal year (October 1 through September 30). PHAs that have not reached the maximum annual cap may submit more than one application under this notice.

PHAs that have been awarded the initial maximum cap of 25 FYI non-competitive vouchers in the federal fiscal year beginning October 1st through September 30th of that year, that have validated VMS data to reflect the PHA has achieved at least 90 percent utilization of vouchers reported under the FUP VMS field may request up to an additional 25 vouchers. PHAs will not be awarded more than 50 FYI non-competitive vouchers in a federal fiscal year.

An application for vouchers under this notice may not occur until the PHA has received a referral of an eligible youth by the partnering PCWA. The request for FYI vouchers must match the number of referrals of eligible youth.

Applying for funds under this notice does not exclude PHAs from pursuing funding under a future notice of funding opportunity, assuming all eligibility requirements of the NOFO are otherwise met.

- 13. Value of Voucher.** The value of the FYI voucher is dependent on the Per Unit Cost (PUC) identified by HUD for the PHA. If a PHA has concerns regarding the sufficiency of the funding based on the PUC, the PHA can request higher funding within 12 months of the award effective date based on actual costs and rent reasonableness. Through Notice PIH 2021-10, PHAs have an ongoing opportunity to request funding for the prevention of terminations due to insufficient funding. For information on how to submit an application please see Notice PIH 2021-10. Inquiries about PUC increases may be directed to the Financial Management Division (FMD) mailbox at PIH_Conversion_Actions@hud.gov.
- 14. Prioritization.** Given the limited number of FYI vouchers, the PCWA is required to consider how they are prioritizing youth for referrals. The intent of prioritization should be to ensure that youth are prioritized for housing resources and related services based upon level of need and appropriateness of the intervention. For youth still involved in the child welfare system, the permanency goals of the young person should be taken into account.
- 15. Voluntary Participation.** PHAs are not required to request and/or administer assistance under this notice. Further, PHAs may choose to request less than the maximum number of FYI vouchers available to them in a given year.
- 16. Application Process.** An application that does not meet all eligibility requirements will be deemed ineligible and will not receive FYI vouchers under this notice.

 - A. Content of the Application.** A PHA who wishes to request vouchers under this notice must email the Office of Housing Voucher Programs (OHVP) at FYI@hud.gov, copying the Field Office Public Housing Director. The subject line of the email should have the following format [*PHA Code Request for FYI vouchers*]. The email must come from the Executive Director, Chief Executive Officer, or individual of equivalent position of the PHA. Please use the sample request email available on HUD's FYI webpage at the following link: [https://www.hud.gov/sites/dfiles/PIH/documents/Sample_Request_Email_for_FYI_Vouchers_Final .pdf](https://www.hud.gov/sites/dfiles/PIH/documents/Sample_Request_Email_for_FYI_Vouchers_Final.pdf). Following this sample request email will avoid delays and ensure your agency's initial request is completed.

 - a. Body of Email.** The body of the email must include all of the following information:

 1. PHA Name and PHA Code.
 2. Statement that the PHA is requesting vouchers under this notice.
 3. Name of partnering PCWA responsible for making eligibility determinations and referrals to the PHA.

4. Name of third-party partners, as applicable.
5. Name of entity(ies) providing the required supportive services.
6. Certification that the PHA has entered into a partnership agreement with the PCWA, and any third party(ies) it designates (as applicable). **The PHA must provide a statement that it is certifying to the partnership.**
7. For PHAs that administer FUP and/or FYI awarded under a prior federal fiscal year, a certification that the PHA has a FUP and/or FYI (as applicable) utilization of at least 90 percent at the time of request. A PHA with a combined FUP and/or FYI (as applicable) size of no more than five (5) vouchers may make a request for FYI vouchers when it has leased at least 50% of its FUP and/or FYI (as applicable) vouchers at time of request. **This element is only applicable to PHAs that administer FUP and/or FYI awarded under a prior federal fiscal year.**
8. Indicate the number of vouchers being requested, identifying the eligible youth by code, alias, initials, or full name.
9. For PHAs that have been awarded the initial maximum cap of 25 vouchers in a fiscal year and are requesting additional vouchers (up to 25), a certification that the PHA has achieved at least a 90 percent utilization of its FUP and/or FYI vouchers (as applicable).⁵ **This element is only applicable to PHAs that have already received 25 FYI vouchers in the fiscal year.**
Note: An application for vouchers under this notice may not occur until the PHA has received a referral of an eligible youth by the partnering PCWA.
10. Contact information should HUD need to follow-up.

- b. **Form HUD-52515.** The email must include the attachment of a completed form HUD-52515. This form was recently updated. PHAs should use the form HUD-52515 with an expiration of July 31, 2022. Only complete the first page of the form.

B. **Processing of Applications.** Before a PHA's request for assistance may be approved, the following steps must occur.

- a. **Eligibility Review.** HUD will review to verify that:
 1. All of the required information identified above has been submitted; and
 2. The PHA is eligible to administer HCVs.
- b. **Eligibility Determination.** After review of the application, HUD will:

⁵ The calculation should round down to the nearest whole number. For example, a PHA with an award of 25 FYI vouchers may request additional vouchers when it has leased up at least 22 FYI vouchers.

1. Advise the PHA to modify its request, if necessary, to meet the requirements of this notice;
 2. Deny any request that fails to meet the requirements of this notice and notify the PHA by email of the denial; or
 3. Determine that the request meets the requirements of this notice.
- C. **Funding Process.** Approved requests will be referred to the Financial Management Division (FMD) and Financial Management Center (FMC) for further processing.

The funding process is intended to result in issuance of an amended ACC to the PHA to administer the FYI voucher(s) within 60 business days.

17. Additional Program Requirements. The following program requirements apply:

- A. **Utilization.** HUD will monitor the utilization of vouchers awarded through this notice on an annual basis and any unutilized voucher assistance that is no longer needed will be recaptured and reallocated as required by the 2021 Act.
- B. **Youth Failure to Use Voucher/Turnover.** Should a youth fail to use the voucher, the PHA may issue the voucher to another eligible youth if one has been identified.

PHAs must continue to use FYI vouchers awarded under this notice for eligible youth upon turnover. If another eligible youth is not available, the PHA must notify HUD before the end of the calendar year, and HUD will reduce the PHA's HCV assistance to account for the removal of the FYI assistance from the PHA's HCV baseline. Notification should be provided to FYI@hud.gov and the PHA's respective Financial Management Center Financial Analyst.

- a. **Reporting.** PHAs must maintain a special program code for FYI voucher participants in line 2n of the Family Report (form HUD-50058) or line 2p of the MTW Family Report (form HUD-50058 MTW), as applicable. The special program code is "FYI." PHAs must also properly record the date the PHA issues the voucher to the youth, and the date of admittance to the program. Line 2b for the effective date and 2h must be used to report the date the PHA initially admitted the youth into the program.

PHAs must also report leasing and expense information for these vouchers in the VMS, Form HUD-52681B. The "Family Unification 2008/Forward – MTW" or "Family Unification – Non MTW" category, as appropriate for your PHA, must be used.

- C. **Length of Assistance.** As required by statute, an FYI voucher may only be used to provide housing assistance for youth for a maximum of 36 months.

- D. **Administrative Plan.** The PHA administrative plan must be amended in accordance with applicable program regulations and requirements.
18. **FYI TPV Administration.** Awards of FYI TPVs continue to be administered under the requirements of Notice PIH 2019-20. This includes turnover requirements and the requirement to inform HUD should a youth not use a voucher or leave the program. For example, FYI TPVs awarded under Notice PIH 2019-20 “sunset” when the youth leaves the program. This means that the PHA cannot reissue FYI TPV assistance issued under that notice to another youth when the initial youth exits the HCV program. HUD does not have authority to allow the voucher to be used for a youth other than the one identified in the request.
19. **Paperwork Reduction Act.** The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). The OMB control numbers are 2577-0169, 2502-0204, and 2502-0086. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.
20. **Further Information.** Questions concerning the policies described in this notice may be directed to the Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, FYI mailbox at FYI@hud.gov.

/s/

Dominique Blom
General Deputy Assistant Secretary
for Public and Indian Housing