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Overview of FYI and FUP Housing Choice Vouchers for California A Fact Sheet Prepared by Youth Law Center

Between October 2022 and September 2023, 3,167 aged out of the foster care system in California.¹ These transition-age youth—young people who may be in college, living on their own for the first time, starting new jobs, and developing and testing their independent living skills—are particularly vulnerable to homelessness and require specific attention and support.² Connections to housing and other supportive services are critical to their well-being; however, securing affordable housing or transitional housing through the THP-Plus program³ can be extremely difficult. This overview resource discusses two additional housing support options that may help young adults as they transition beyond extended foster care.

What is a Housing Choice Voucher?

The Housing Choice Voucher (HCV) program (commonly referred to as "Section 8") is the federal government's major housing support program that provides very low-income families and individuals financial support to afford housing. The voucher pays for all or part of an individual's or family's rent. Usually a voucher holder pays 30% of their income in rent or pays some minimum amount of rent. The U.S. Department of Housing and Urban Development (HUD) administers the HCV program in conjunction with local Public Housing Authorities (PHAs).

What are FYI and FUP?

The Foster Youth to Independence (FYI) Initiative and Family Unification Program (FUP) are types of HCV that are available to Public Housing Authorities that work in partnership with Public Child Welfare Agencies (PCWAs). Both FYI and FUP are intended to support former foster youth as they transition from foster care to adulthood and can be used for youth as they age out as well as for young people who have aged out and become homeless. FUP and FYI programs have two parts:

- the housing voucher, which is provided by the PHA and
- supportive services, which are provided or arranged by the PCWA.

¹ California Child Welfare Indicators Project (CCWIP) reports. Retrieved Feb 22, 2024, from University of California at Berkeley CCWIP website. URL: https://ccwip.berkeley.edu.

² The CalYOUTH study notes that foster youth experience homelessness at a disproportionately higher rate <u>varying</u> between 11% to 38% depending on the study. While youth exiting foster care have a higher rate of subsequent homelessness than their peers, there is some evidence youth who remain in foster care until 21 (instead of exiting at 18) <u>have lower rates of subsequent homelessness</u>. From the <u>CalYOUTH memo</u>: "Each additional year a youth spent in extended care reduced the estimated odds of homelessness by about 33%."

³ For more about THP-Plus (transitional housing for former foster youth ages 18-25), see Youth Law Center's Fact Sheet: <u>THP-Plus</u> and Youth Law Center's Advocacy Guide: <u>Preventing Involuntary Exits from THP-Plus</u>.







Any Public Housing Authority capable of administering Housing Choice Vouchers - which is most PHAs - are eligible to administer FUP or FYI vouchers. To apply for or request FYI or FUP vouchers, there must be a partnership in place between the PHA and PCWA.⁴

The role of the Public Child Welfare Agency is to refer young people to the PHA after verifying their eligibility (i.e. their current or former foster care status), and to provide or arrange for support services. Unlike most Housing Choice Vouchers, FYI and FUP vouchers are time limited. Both FYI and FUP provide up to 36 months of rental assistance and supportive services to assist the young person on their path to self-sufficiency. Amendments to the federal law made by the Fostering Stable Housing Opportunities (FSHO) in December of 2020 allow the voucher to be extended for two additional years if the young adult is participating in the Family Self-Sufficiency Program (FSS) or similar programs. These are programs that support employment, education, and incentivize saving.

The PCWA must establish a system of prioritization that is "based upon level of need and appropriateness of the intervention." <u>PIH 2023-04</u> (page 8). PCWA's prioritization policies must be consistent with anti discrimination laws, including <u>HUD's Equal Access requirements</u>. In addition, PCWAs are encouraged to maximize their usage of all available FUP and FYI vouchers so that the need to use a prioritization system is less acute. Finally, the development of a prioritization system should consider the continuum of housing resources available to young people so that youth are connected to housing resources, including, but not limited to FYI and FUP.

While receipt of support services is voluntary to the youth and not a condition of being eligible for a voucher, these services can help eligible former foster youth to maintain the housing provided through the voucher. Available services may include engaging property owners, cultivating an inventory of available units, assisting with new furniture, helping set up utilities, and more.

Who is Eligible for FYI and FUP Vouchers?

To be eligible for an FYI or FUP voucher⁵, a young person must meet the three eligibility requirements:

1. Be least 18 years and not more than 24 years of age (have not reached their 25th

⁴ This partnership can take the form of a letter of intent or a memorandum of understanding. PCWAs must provide or arrange for services, but can do so in many ways and can arrange for services on an individual basis. For example, arranging for services through Medi-Cal, a workforce program or Chafee is sufficient.

⁵ Families are also eligible for FUP vouchers if their children are at risk of child welfare system involvement due to housing or if reunification could occur if housing was available. FUP vouchers for families are not time limited as they are for young people. This resource focuses on FUP and FYI vouchers for young people.



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- 2. have left foster care⁷, 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. homeless or are at risk of becoming homeless at age 16 or older.

What is the Difference Between FYI and FUP Vouchers?

As noted in footnote 5, FUP vouchers can be used for families and for young people who are aging out of foster care or have left foster care. FYI vouchers are just for young people who are aging out of foster care or have left foster care.

While FUP vouchers can be used for families and young people who are leaving or have left foster care, FYI vouchers can only be used for young people who are in or have left foster care.

FUP vouchers for youth and FYI vouchers are the same in terms of what they provide a young person (a voucher for up to five years and an offer of supportive services), but there are some differences in how FUP and FYI vouchers are distributed. To date, FUP vouchers have been issued to Public Housing Authorities as part of a Notice of Funding Availability (NOFA) when vouchers are available. PHAs with FUP vouchers can award them to eligible young people and families.

There are two types of FYI vouchers: competitive and noncompetitive. First, like FUP vouchers, competitive FYI vouchers have been released through a NOFA. The last competitive FYI Notice Of Funding Opportunity (NOFO) was issued in 2022.9 Second, non-competitive FYI vouchers can be requested directly from HUD by the PHA; this has been referred to as "on demand." A PHA can request as few as one voucher and as many as 25. If the PHA uses those 25 vouchers, they can request 25 more, with a total of 50 per federal fiscal year. The number of vouchers that a PHA receives through a competitive NOFO/NOFA do not count in this total (i.e. a PHA could receive up to 50 non-competitive vouchers plus additional vouchers through a competitive NOFO/NOFA). While there is great need for affordable housing for youth aging out of foster care in all states, currently almost all states are underutilizing non-competitive FYI vouchers.

⁶ A youth must be no more than 24 years old at the time of PCWA certification as FYI-eligible and also at the time of Housing Assistance Payment (HAP) contract execution. However, so long as the youth meets these criteria, the youth can use the voucher beyond the age of 25.

⁷ This includes probation supervised foster youth as well.

⁸ You can see which PHAs have received FUP vouchers between 2008 and 2019 here: https://www.hud.gov/sites/dfiles/PIH/documents/FUP Awards All%20Years PDF.pdf.

⁹ FY 2022 Foster Youth to Independence (FYI) Competitive NOFO, Public and Indian Housing, FR-6600-N-4, https://www.hud.gov/program offices/spm/gmomgmt/grantsinfo/fundingopps/fy22 fosteryouth.





How Does a Young Person Apply for a FYI or FUP voucher?

Young people should ask their child welfare or Independent Living Program (ILP) worker to refer them for a FUP or FYI voucher. The Public Child Welfare Agency makes the referral to the PHA for FUP or FYI. The PCWA is responsible for certifying that the youth is eligible based on their foster care system history and the PHA must determine eligibility for a Housing Choice Voucher.

Once the application is submitted to the PHA and the youth is determined eligible, two things can occur. If the PHA has FUP or FYI vouchers based on responding to a NOFO or NOFA, it can distribute that voucher to the youth. The PHA can also request a FYI voucher from HUD and HUD dispenses the voucher on demand to the PHA.

It can be difficult for a young person to find appropriate housing, especially in some parts of California. The PCWA should assist with housing navigation throughout this process. All counties have access to and should leverage their Housing Navigation and Maintenance Program (HNMP) Funds to support young people in the FYI program. These funds were increased to \$13.7 million in FY 2022-23 year. This increase was intended to support the FYI program's growth in California by providing a funding stream for housing navigation and supportive services as well as funds to help with security deposits and incentives for landlords. All states receive John H. Chafee Foster Care Program for Successful Transition to Adulthood funds, which can also be used to provide supportive services and housing navigation. Young people can also be connected with existing community based services to both help identify housing and to provide ongoing support services.

Once the youth is able to find housing, the PHA administers the FYI voucher to the landlord on behalf of the youth. The voucher holder then pays 30% of their income in rent or some minimum amount of rent.

How Did the Fostering Stable Housing Opportunities (FSHO) Act Impact FYI Vouchers? FSHO, passed in December of 2020, made the FYI program federal law rather than a HUD initiative. FSHO also provides young people with FYI vouchers the opportunity to extend the voucher by two additional years if they enroll in HUD's Family Self Sufficiency Program (FSS) or a similar program.

Additional Resources:

- List of all FYI Resources from Youth Law Center:
- HUD's FYI Website: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/fyi
- HUD's FUP Website: https://www.hud.gov/program offices/public indian housing/programs/hcv/family



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• HUD's FYI FAQ:

https://www.hud.gov/sites/dfiles/PIH/documents/FYI_FAQs_Version_VMS_Reporting_&_Amended_Notice_Update_9.29.2021_%20(002).pdf

- HUD's FYI Email Address: FYI@hud.gov
- The National Center for Housing and Child Welfare: https://www.nchcw.org/fyi
- John Burton Advocates for Youth (JBAY) Roster of Public Housing Authorities in California: https://jbay.org/resources/pha-ca/
- HUD's Most Recent FYI Notice, PIH 2023-04: https://www.hud.gov/sites/dfiles/PIH/documents/2023PIH04.pdf