

NOVEMBER 29, 2023

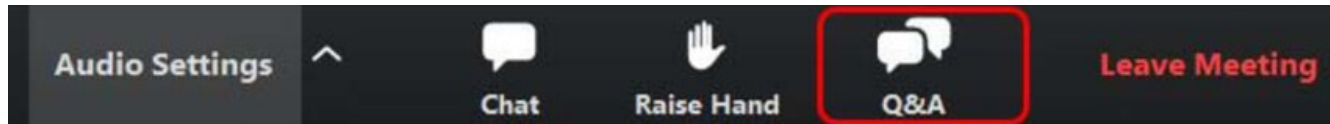
# What's Stopping California From Maximizing Federal Housing Assistance For Youth

A Statewide Analysis of Housing Choice  
Vouchers for Former Foster Youth

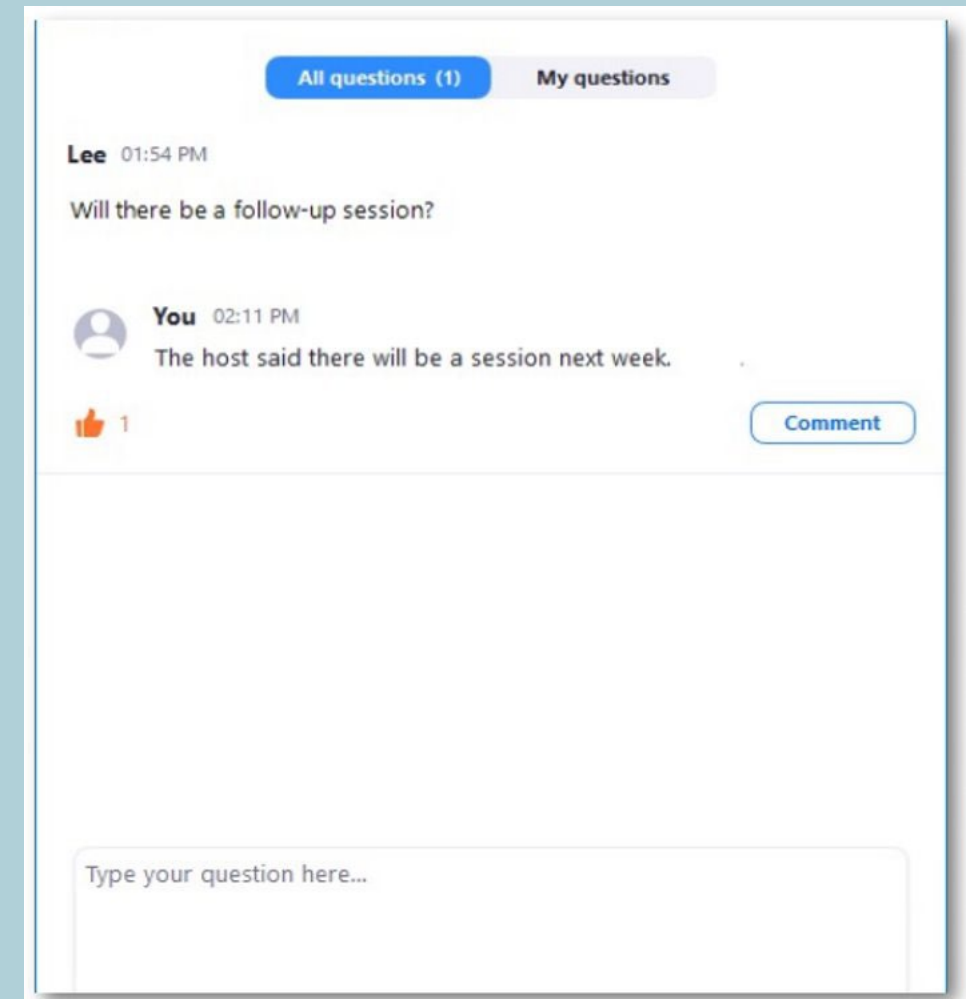


# USING ZOOM WEBINAR

To submit questions, click on the Q & A icon on the control panel. The Q & A window will appear, allowing you to ask questions to the host and panelists.\*



Webinar materials and recording will be posted at <https://jbay.org/resources/> and sent out to all registrants following the live presentation.



A woman with curly hair and glasses is standing in a meeting room, writing on a whiteboard. She is wearing a light-colored blouse and a dark skirt. The whiteboard has various diagrams and notes, including a flowchart with boxes labeled 'Brand/roll' and 'Price', and a list of countries: 'France', 'Germany', 'Spain', 'UK', and 'Italy'. There is also a circled '100%' at the bottom right of the whiteboard. The background shows other people seated at tables, and the room has large windows.

# Agenda

1. Introduction & Overview
2. Methodology
3. Survey Findings
4. Interview Findings
5. Local Recommendations
6. State Recommendations
7. Federal Recommendations
8. Q&A

# PRESENTERS



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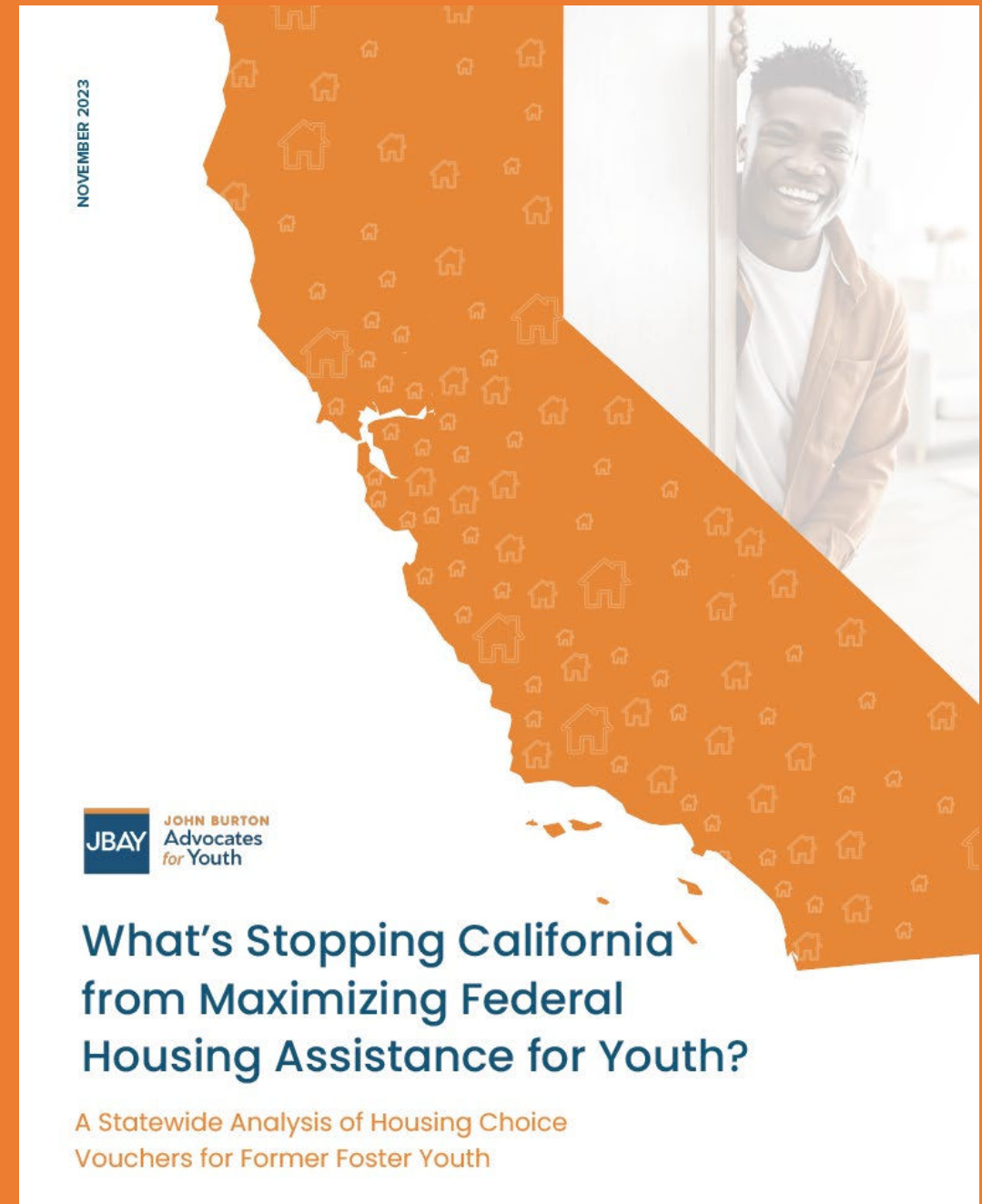


# NEW REPORT

## What's Stopping California from Maximizing Federal Housing Assistance for Youth?

A Statewide Analysis of Housing Choice Vouchers for Former Foster Youth

Available at <https://jbay.org/resources/2023-fyi-report>





# Introduction & Overview

# Youth Leaving California's Foster Care System Face a Harsh Housing Reality

**51,485** youth in foster care in California

**7,904** youth are non-minor dependents (18-20 years old)

**10,451** unaccompanied homeless youth in California

**29%** of nation's homeless youth population

Half of the nation's most **expensive cities** for apartments are in California

Young adults leave foster care with **little to no income, rental history, or credit; and without support of a willing co-signer**

# The Federal Government Has Recognized the Unique Housing Needs of Youth Leaving Foster Care

The U.S. Department of Housing and Urban Development (HUD) administers two **Housing Choice Voucher (HCV) programs** (commonly known as “Section 8”) for youth **transitioning out of foster care or who have already transitioned out.**

## **FAMILY UNIFICATION PROGRAM (FUP)**

- Enacted in 1992.
- Began as a federal effort to address housing needs of child welfare-involved families.
- Expanded to include transition-age former foster youth.

## **BOTH PROVIDE**

HCVs to Public Housing Authorities in partnership with Child Welfare Agencies which provide/secure supportive services.

## **FOSTER YOUTH TO INDEPENDENCE (FYI)**

- Launched in 2019.
- Specifically serves transition-age former foster youth.
- Vouchers available through competitive NOFA *and* on an “on-demand” basis.



# FYI/FUP Eligibility & Administration

## Eligible Population

- Ages 18 up to 24, inclusive (have not yet turned 25 at time of voucher issuance).
- Has exited foster care or will exit within 90 days.
- Is homeless or at risk of homelessness.

## What the Program Provides

- Up to 36 months of housing assistance via a Housing Choice Voucher, coupled with supportive services.
- Can be extended an additional 24 months for a total of 5 years through participation in the Family Self-Sufficiency (FSS) Program or via participation conditions.

## How the Program is Funded & Administered

- Administered by HUD to Public Housing Authorities (PHAs) in partnership with Public Child Welfare Agencies.
- PHA provides the voucher; child welfare verifies eligibility and provides or secures supportive services.
- Two processes for PHAs to access vouchers from HUD: competitively and non-competitively

# FYI Was Designed to Prevent Youth Leaving Foster Care into Homelessness through its **Unique** Request Process

## COMPETITIVELY

through a NOFA process, usually once a year.

May apply for a minimum of 3 and maximum of 75. Awarded based on size of PHA's overall voucher program and identified need of eligible youth.

Two processes for PHAs to access FYI/FUP vouchers from HUD

## NON-COMPETITIVELY

through an "on-demand" process where vouchers are requested on an as-needed basis as youth are identified.

May request in batches as little as 1 or as large as 25. Each PHA can request up to 50 in a fiscal year.

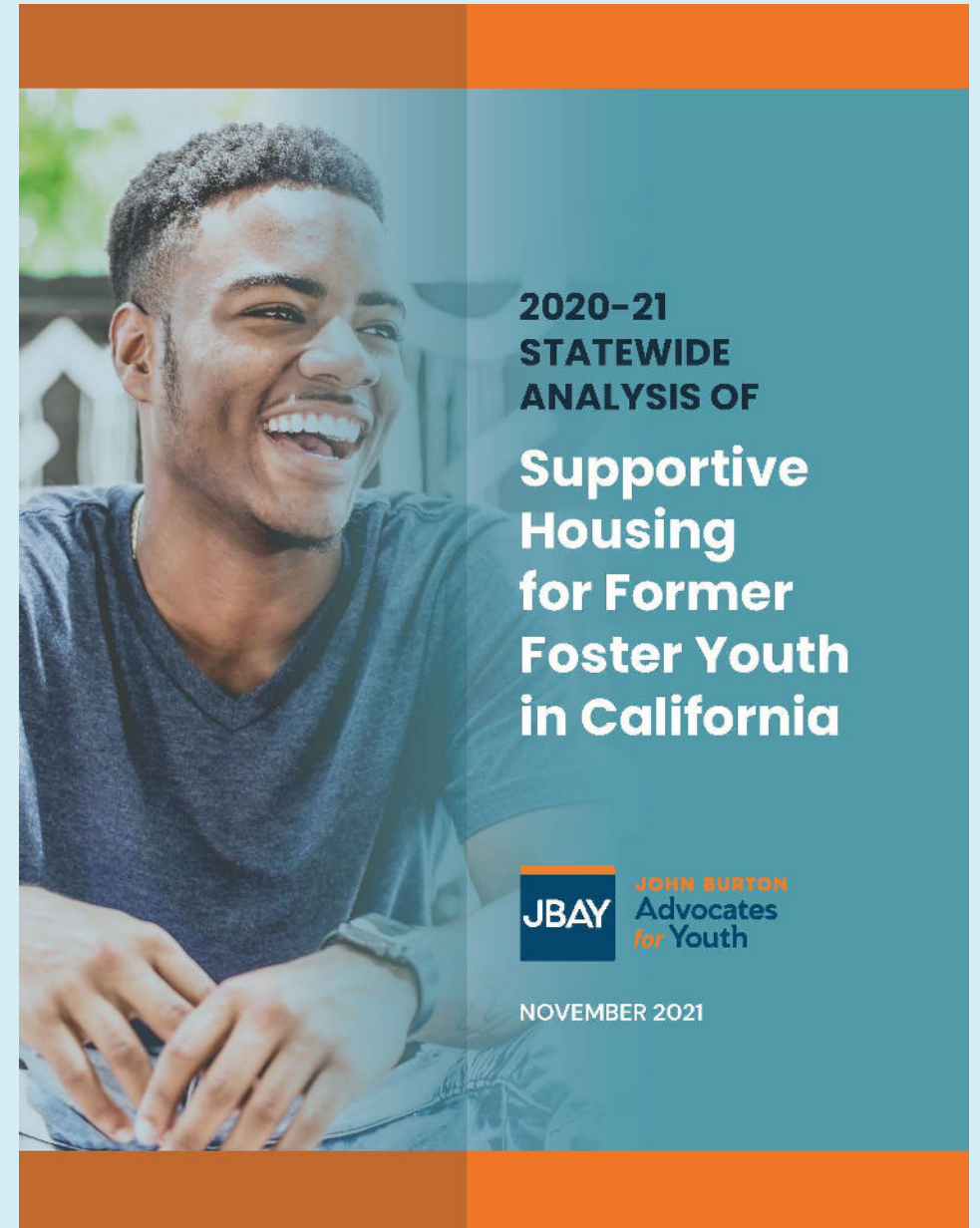
# CURRENT REPORT

The current report is a follow up to JBAY's previous report which conducted the first count of FYI/FUP vouchers in California and analyzed obstacles to utilization.

2020-2021 Statewide Analysis of Supportive Housing for Former Foster Youth in California

Available at

<https://jbay.org/resources/2020-21-supportive-housing-for-ffy/>



# Recent State & Federal Policy Developments

## PROBLEM

No designated funding for county child welfare agencies to provide or secure supportive services



## SOLUTION

State established an ongoing \$8.7 million in designated funding for services through augmentation of the Housing Navigation & Maintenance Program  
*(2022-23 state budget)*

## PROBLEM

PHAs had to reach 90% utilization rate for existing FYI/FUP vouchers to request more vouchers



## SOLUTION

Federal policy change allowing exceptions to this rule  
*(PIH 2023-24)*

## PROBLEM

Youth often need more than 3 years of housing support



## SOLUTION

Federal policy change requiring PHAs to inform youth of the availability of a 2-year extension to FYI/FUP  
*(FSHO Act of 2020)*

# Report Methodology

## Statewide survey of county child welfare agencies

- July-October 2023
- 37 of California's 58 counties responded representing 85% of state's non-minor dependent population and possess 93% of state's FYI/FUP vouchers
- Just 4 counties that offer FYI/FUP vouchers did not respond; JBAY gathered their voucher numbers to ensure complete statewide count

## FYI/FUP Community of Practice

- Held in partnership with National Center for Housing and Child Welfare (NCHCW), national FYI expert
- Launched in February 2023
- 15 counties participating

Interviews with additional county child welfare and Public Housing Authority representatives




# 2023-2024 FYI/FUP Community of Practice

## 15 Counties

- County child welfare agencies
- Public Housing Authorities
- Service providers *(if applicable)*
- Homeless Continuums of Care *(if applicable)*

1. Alameda
2. Butte
3. Contra Costa
4. Los Angeles
5. Marin
6. Nevada
7. Orange
8. Sacramento
9. San Francisco
10. San Joaquin
11. San Mateo
12. Santa Clara
13. Santa Cruz
14. Sonoma
15. Stanislaus

## Monthly Virtual Sessions

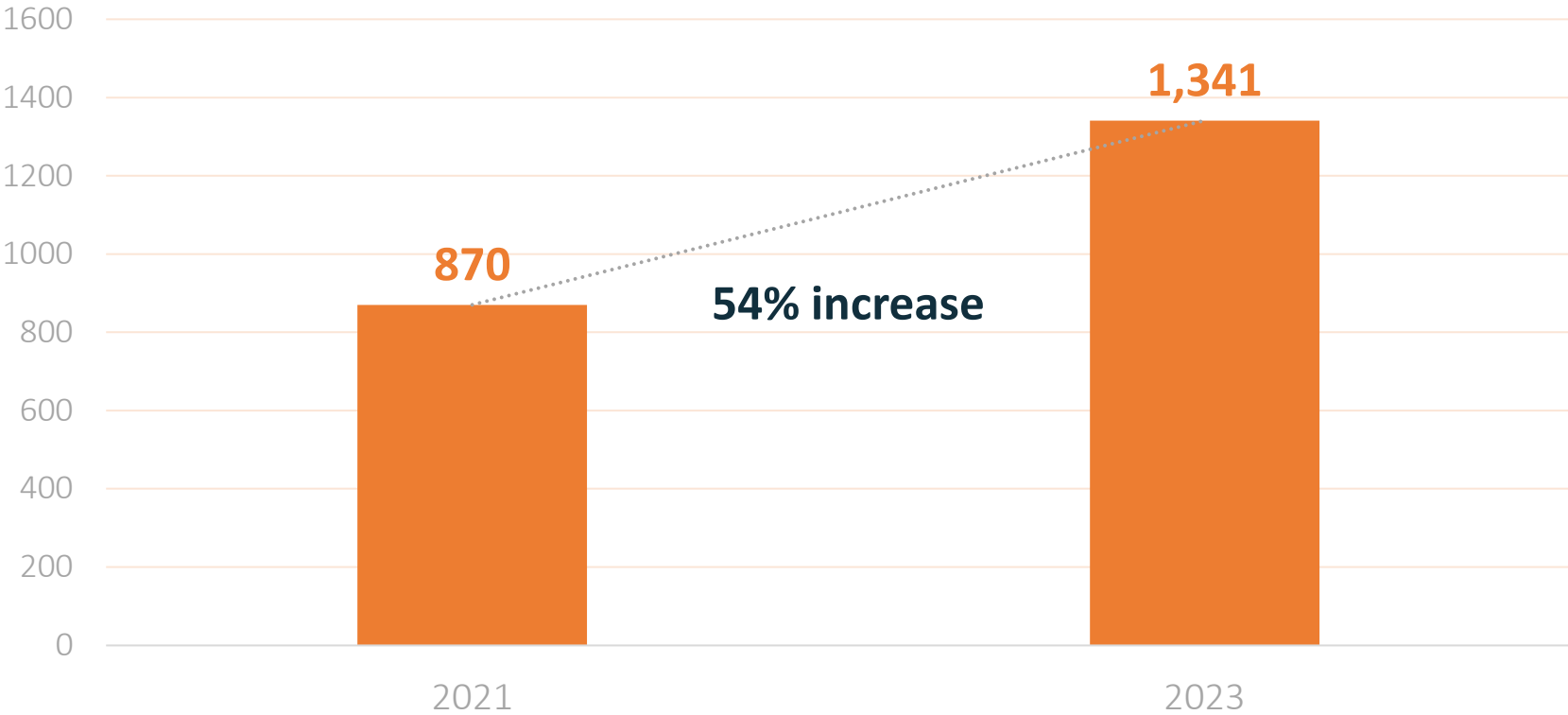
- **Group peer learning sessions on alternating topics** 
- Individual technical assistance calls to work toward goals set at start of initiative

- **Feb. 2023**  
In-Person Kick-Off
- **Apr. 2023**  
Building & Maintaining Partnerships & Requesting Vouchers from HUD
- **Jun. 2023**  
Identifying & Preparing Eligible Youth
- **Aug. 2023** Offering, Funding, & Finding Support Services
- **Oct. 2023** Landlord Recruitment & Incentives
- **Feb. 2024**  
Voucher Extension/Family Self-Sufficiency Program



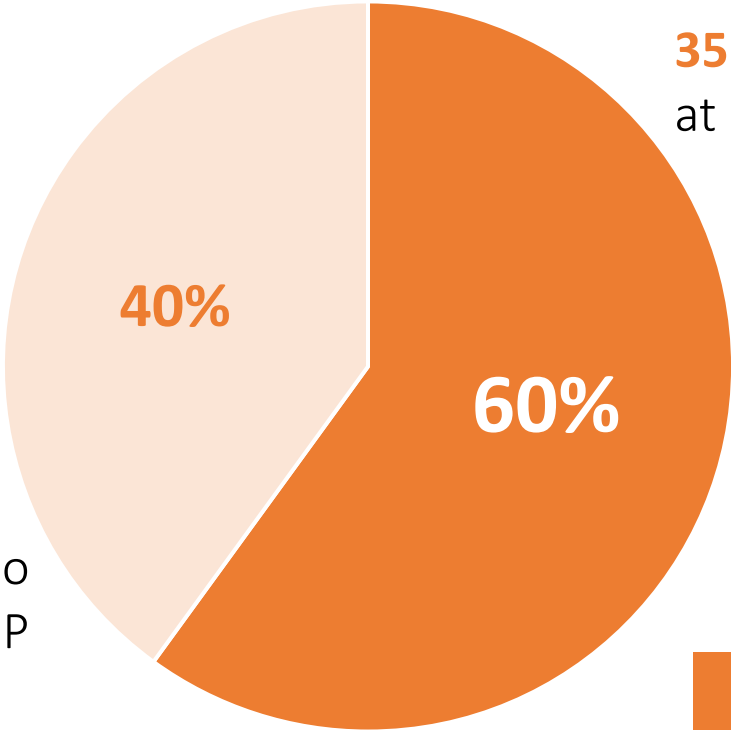
# Survey & Findings

**Since 2021, the number of FYI/FUP vouchers in California has increased 54%, from 870 to 1,341.**



Report appendix lists vouchers by county as of October 1, 2023

# A total of 35 county child welfare agencies (60%) partner with at least one Public Housing Authority (PHA) to administer FYI/FUP vouchers to youth.



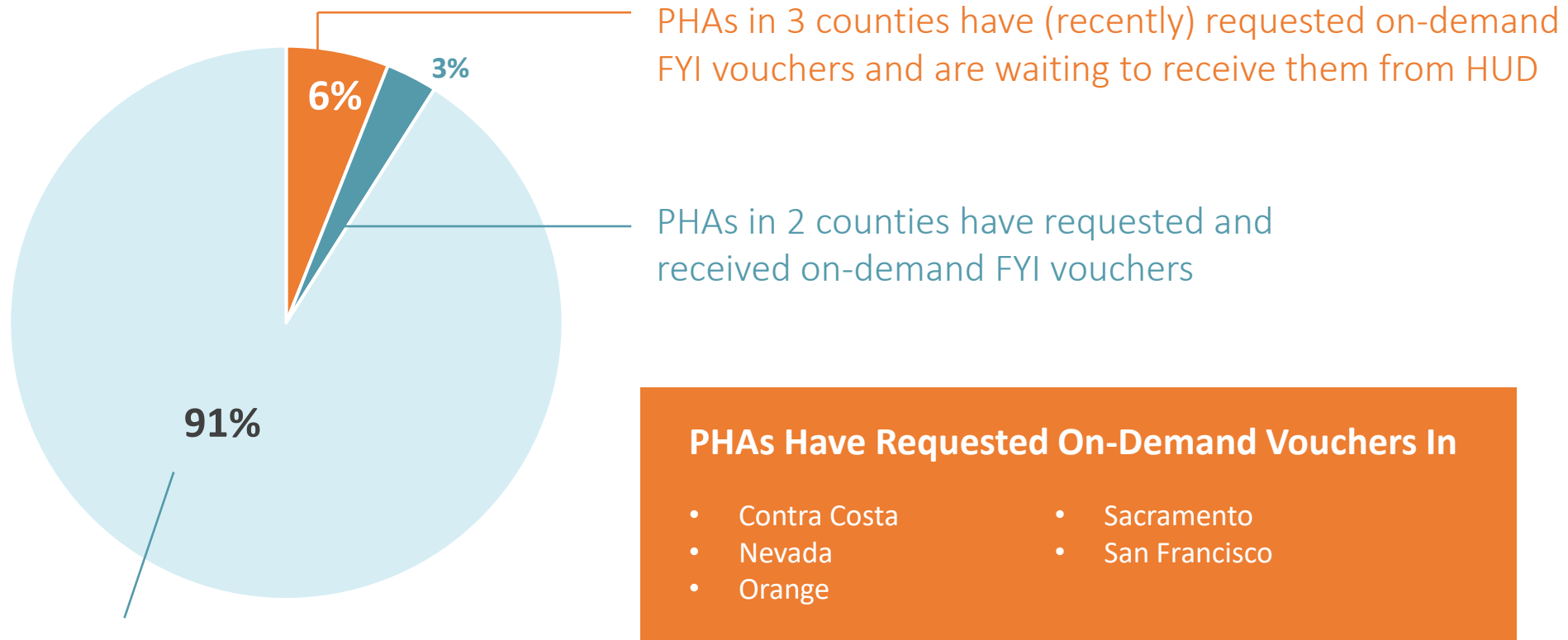
35 counties have a partnership with at least 1 PHA to administer FYI/FUP

- 86% partner with 1 PHA
- 11% partner with 2 PHAs
- 3% (LA Co.) partners with 3 PHAs

23 counties do not have FYI/FUP

A total of 42 PHAs in California (43%) administer FYI/FUP.

# PHAs in 9% of counties have requested at least one on-demand voucher, and PHAs in 3% of counties have received a voucher through the on-demand process.



PHAs in 53 counties have never requested an on-demand FYI voucher





# Among counties with FYI/FUP vouchers for youth, the average number of vouchers per county is 38, ranging from 1 to 202.

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Average number of FYI/FUP vouchers per county: 38

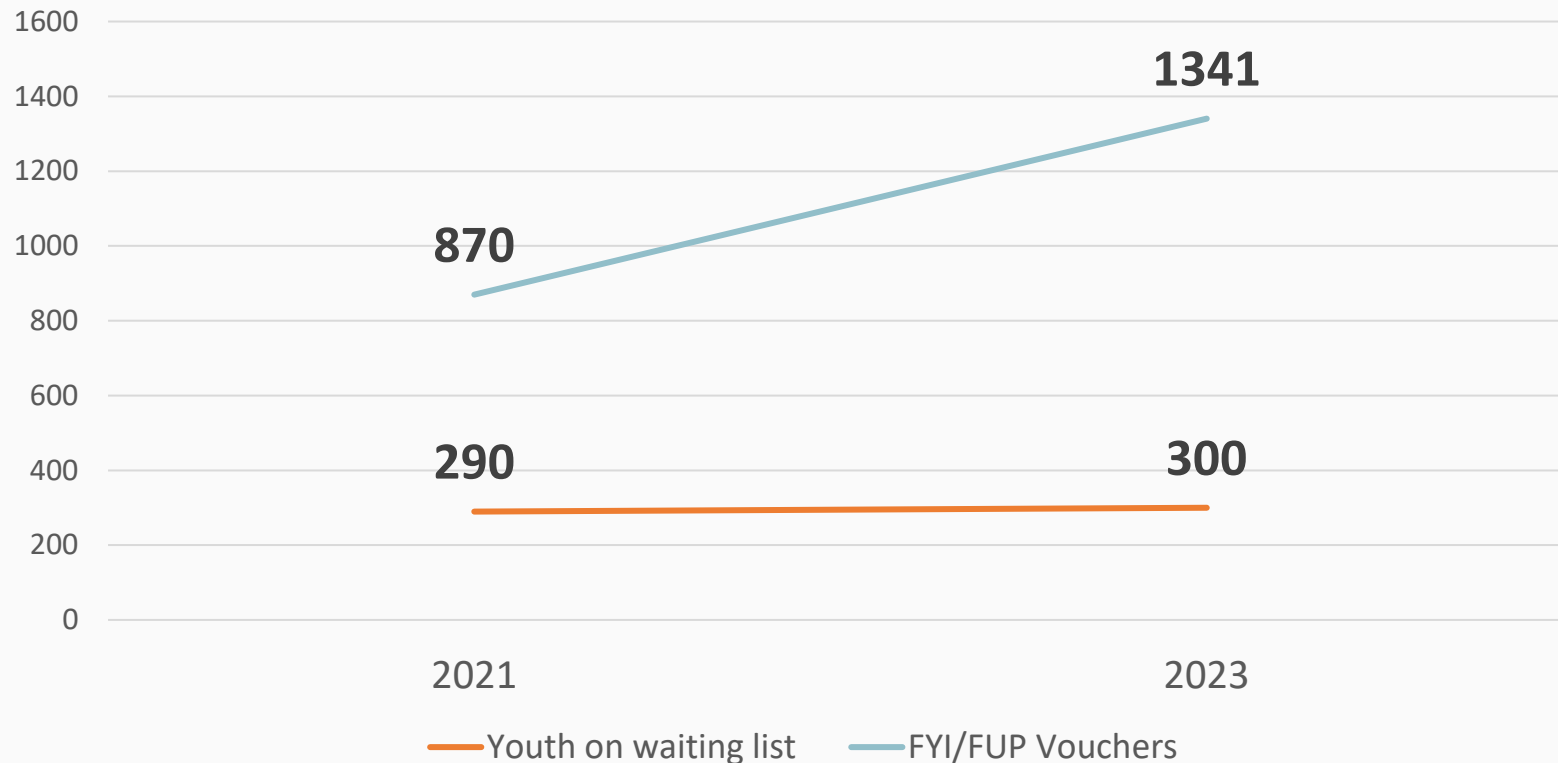


**1 voucher**  
*El Dorado, Kings,  
Napa, Plumas*



**202 vouchers**  
*Los Angeles*

# As of 10/1/23, 300 youth were on a waiting list for an FYI/FUP voucher, a figure that is largely unchanged from June 2021.

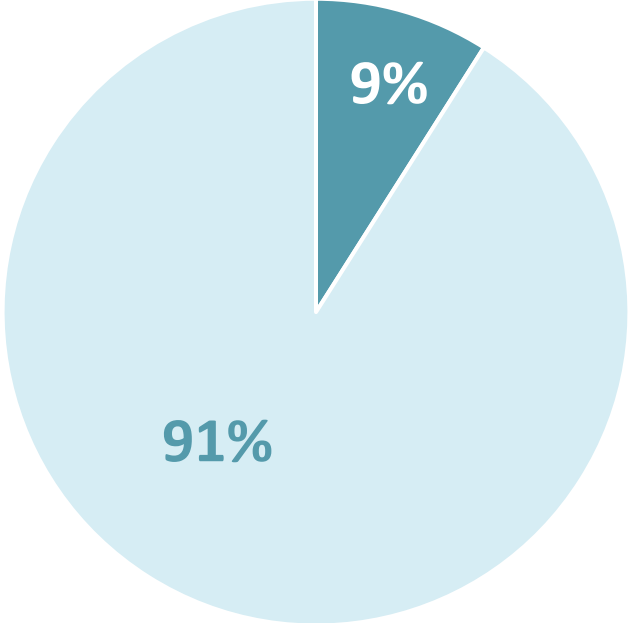


## Increase in Youth on FYI/FUP Waiting List vs. Increase in FYI/FUP Vouchers

The number of youth waiting for vouchers increased despite the 54% increase in vouchers since 2021. *This suggests that the demand for vouchers has outpaced the increase in voucher inventory.*

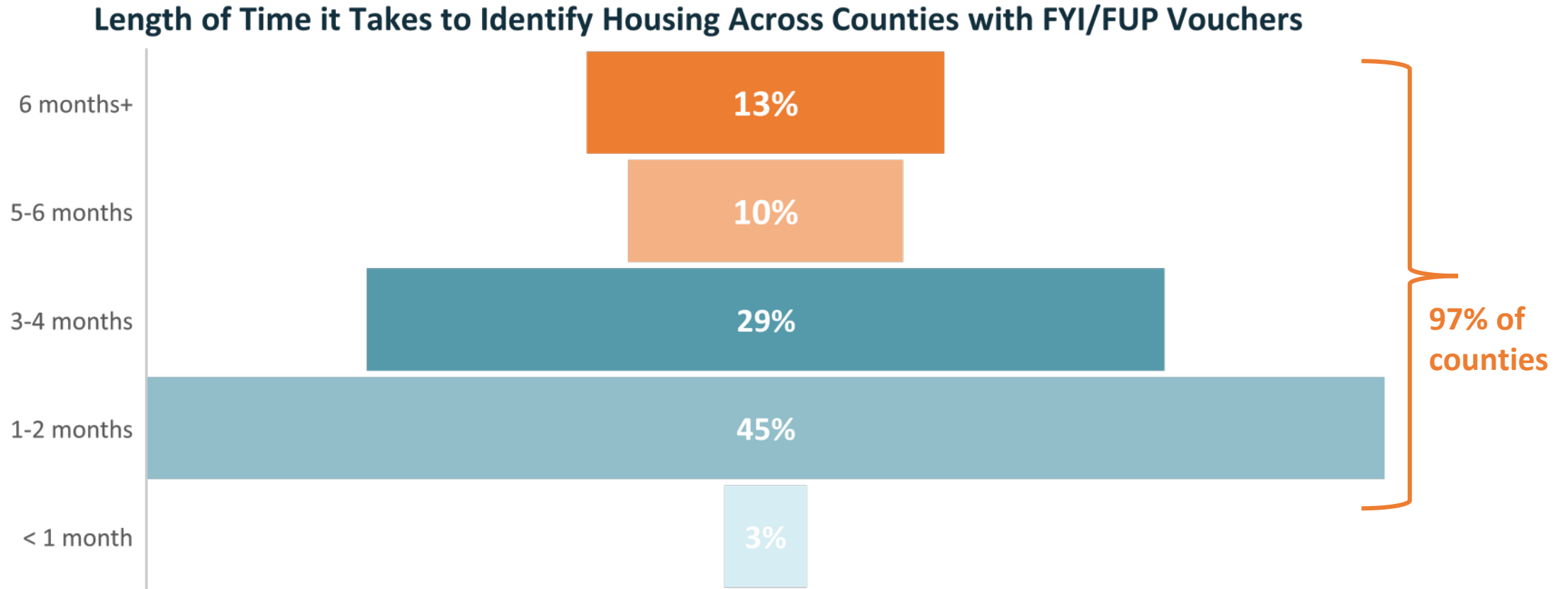
Of the 35 counties with FYI/FUP vouchers for youth, 13 had current waiting lists. Largest waiting lists were in Santa Clara and Los Angeles Counties (100 each).

**Three county child welfare agencies that offer FYI/FUP vouchers (9%) conduct landlord recruitment and provide landlord incentives.**



- Conducts landlord recruitment or secures living units for youth with FYI/FUP vouchers
- Does not conduct landlord recruitment or secure living units for youth with FYI/FUP vouchers

# In almost all counties, it requires 1-2 months or more for a youth to successfully identify housing.

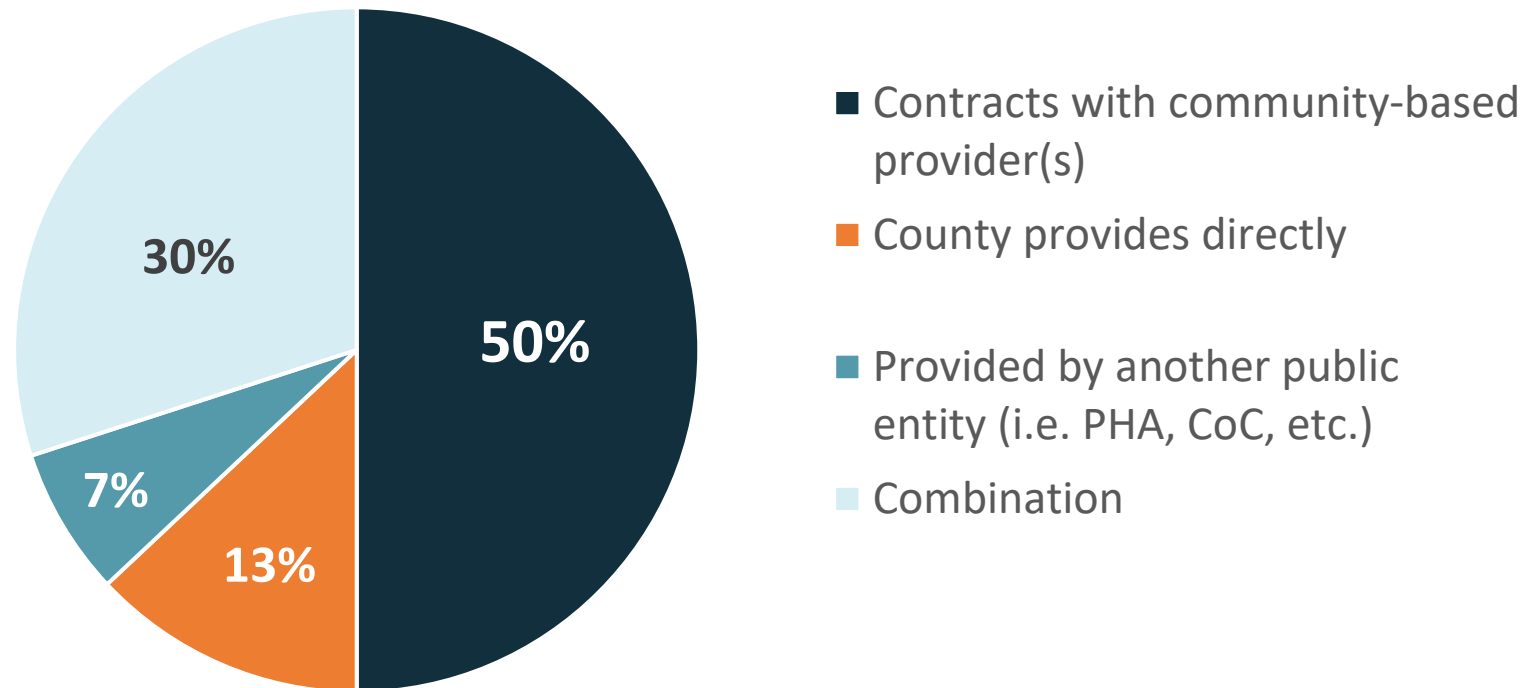


When we say “identify housing” we mean, from the time the housing search or selection process begins to the time a rental unit is secured.



# Counties provide FYI/FUP services through a variety of arrangements; contracts with community-based providers are the most common.

How County Provides Supportive Services



# Representatives from roughly two-thirds (65%) of county child welfare agencies that offer FYI/FUP vouchers were unaware of the opportunity to extend the vouchers from 3 to 5 years.

2022 amendments to the federal FSHO Act require Public Housing Authorities to offer youth with FYI/FUP vouchers the opportunity to extend their vouchers for an additional two years by:

Participating in the Family Self-Sufficiency (FSS) program, or

Fulfilling participation conditions if they do not offer FSS or it is impacted.

## Family Self-Sufficiency Program (FSS):

- Must execute **FSS Action Plan**
- Voucher holder must be **employed**;
- Provides and/or coordinates **services**; and
- Establishes an **interest-bearing escrow account** where increases in voucher holder's rent from increased earned income result in a credit to the escrow account which they receive at exit.

## Participation Conditions:

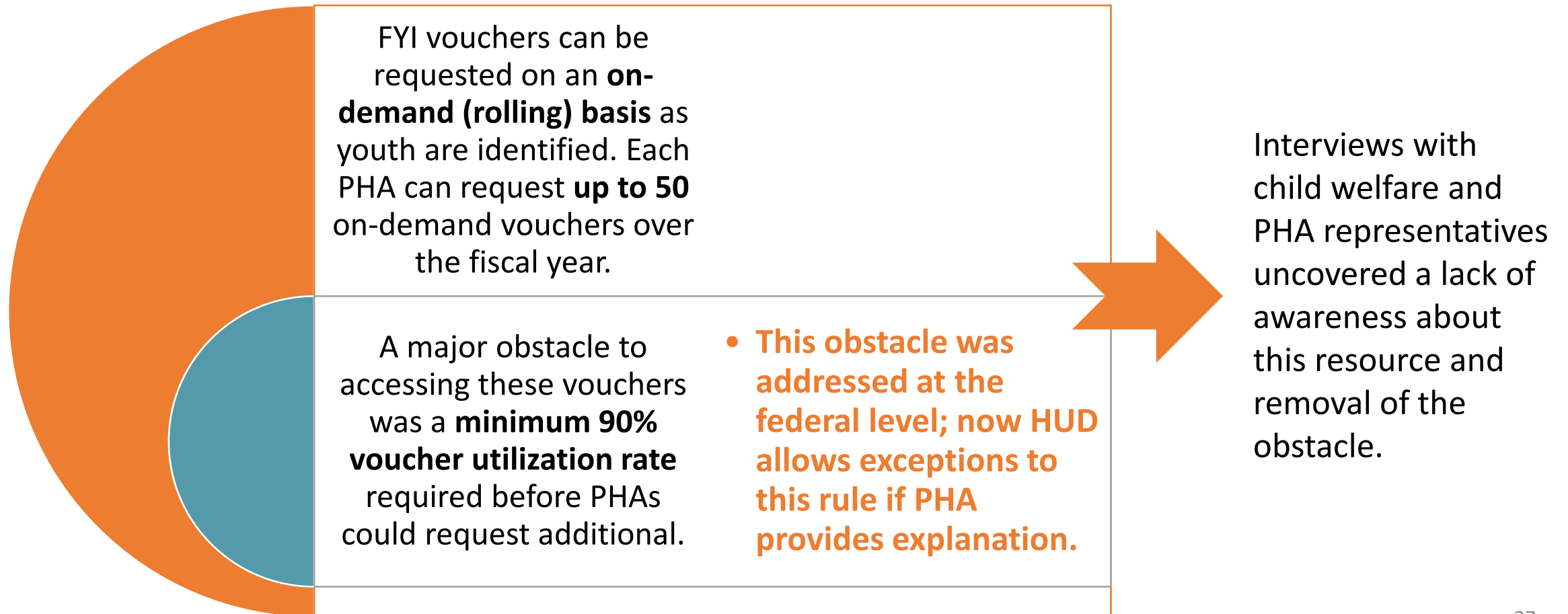
- Education;
- Workforce development;
- Employment; or
- Exceptions (*i.e. has child under 6, cares for incapacitated person, in drug/alcohol treatment, documented medical condition*)

**\*\*There is a lack of awareness about this extension opportunity among child welfare agencies\*\***



# Interview Findings

# Many county child welfare and PHA representatives remain unaware of the on-demand voucher request mechanism and recent policy changes that simplify the request process.



# County child welfare representatives report that despite the establishment of specified funding for FYI/FUP services, insufficient allocation amounts are a limiting factor in requesting additional FYI/FUP vouchers.

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Housing Navigation and Maintenance Program (HNMP) was **expanded by \$8.7 million in 2022** to provide designated funding to county child welfare agencies for the provision of housing navigation and supportive services for youth with FYI/FUP vouchers.

Since 2022, the **number of vouchers has increased 54%**, due in part to this expansion of services funding.

Requesting add'l vouchers without add'l services funding **compromises provision of quality services and ability for youth to successfully lease up.**



# The time-limited nature of FYI/FUP vouchers presents challenges for landlords, PHAs, and youth.

FYI/FUP for youth are the only Housing Choice Vouchers that are time-limited.



**Landlords** tend to prefer longer-term tenants and want to avoid time and cost associated with tenant turnover (more frequent maintenance, heightened risk of evictions, etc.)



Deterrent for some **PHAs** concerned about youth securing stable housing when voucher ends, more administrative workload than permanent vouchers.



**Youth** are commonly not yet earning enough money to secure market rate housing when voucher ends.

# Escalating housing costs and a scarcity of landlords renting to voucher holders have intensified the challenges of utilizing FYI/FUP vouchers.



Housing **affordability** was cited as one of the most significant barriers youth confront when attempting to secure housing.



Housing Choice Voucher holders are often **competing with one another** to secure housing from willing landlords.

- Youth are often not the most competitive tenants (limited tenancy history, young age, time-limited voucher) when compared to families or older adults.



# Landlord engagement is an integral part of voucher utilization and a core competence of PHAs.

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- Many PHAs have strong, extensive relationships with landlords and expertise in how to recruit them.
- PHAs report landlord engagement programs are critical to achieving a high voucher utilization rate, a key metric measured by HUD.

## COMMON LANDLORD INCENTIVES

- Signing bonus for property owners
- Modified tenancy requirements to address low or no credit or a lack of tenant history
- Risk mitigation fund that covers damages and lost rent that exceeds security deposit
- Small repair fund to help a unit pass Housing Quality Standards inspection
- Holding fees to reserve a unit during the application and inspection period or for yet-to-be-determined tenant

# Incompatibility between county child welfare agencies' claiming processes and the state's funding administration process has led to HNMP funds taking over a year to reach counties.

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Main funding source used by county child welfare agencies to fund supportive services for FYI/FUP voucher holders is the **Housing Navigation and Maintenance Program (HNMP)**, administered by the California Department of Housing and Community Development (HCD).

- Child welfare personnel unfamiliar with HCD's allocation process, distinct from process used by California Department of Social Services (CDSS).
- Lengthy process consisting of several steps, including securing a county board resolution.
- Many counties are utilizing a cost-reimbursement model; unfamiliar and burdensome to HCD.

# Vague statutory language about the purpose of HNMP has resulted in confusion among some county administrators.

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When HNMP was established in 2019 for the purpose of assisting current foster youth with identifying housing, statutory language was broad.



Language remained broad when HNMP was expanded in purpose in 2022 to include \$8.7 million to assist youth with FYI/FUP vouchers.



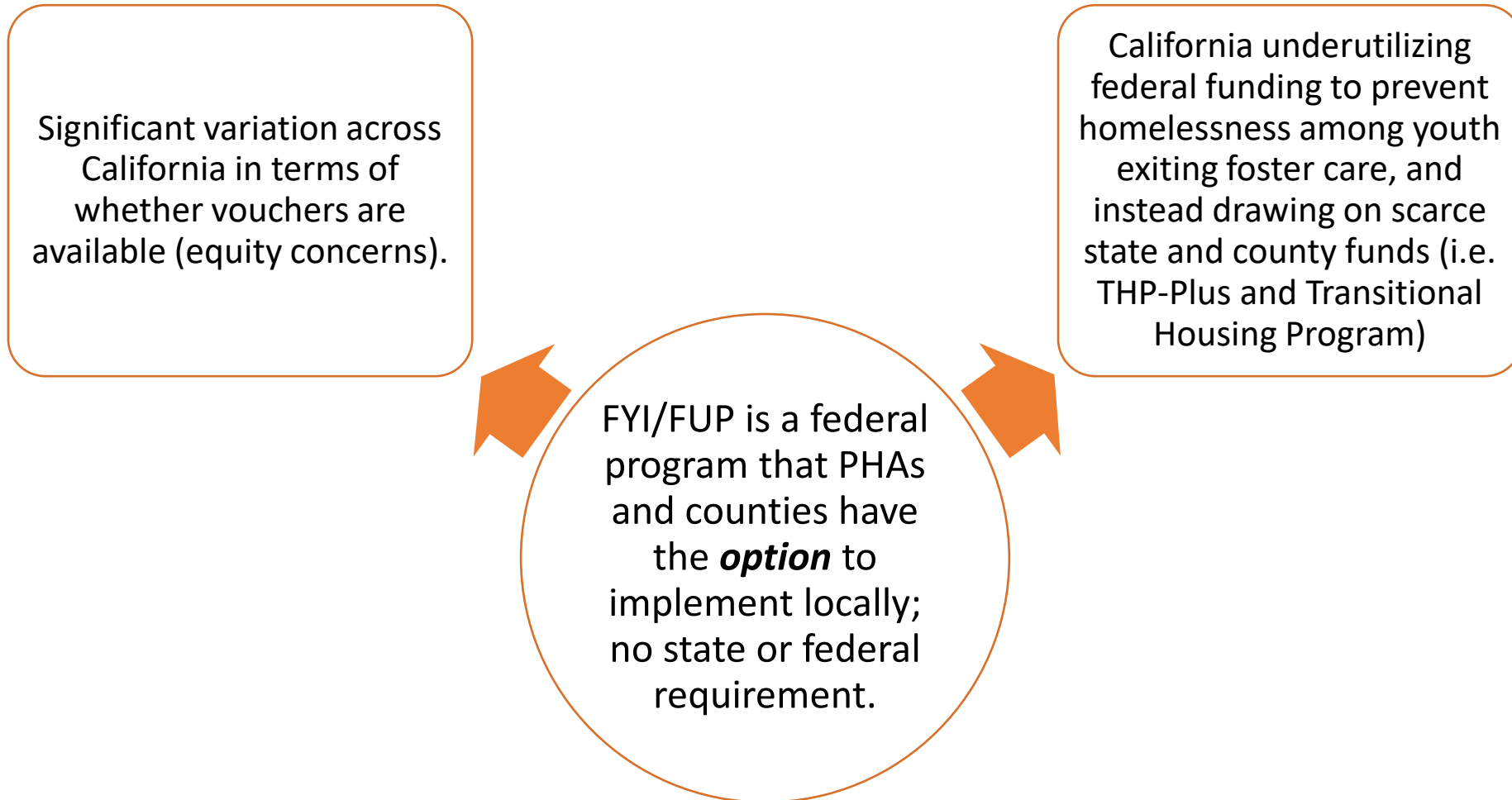
*“the department shall allocate funding to county child welfare agencies to provide housing navigators to help young adults who are 18 to 24 years of age, inclusive, secure and maintain housing.”*

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This has resulted in a lack of programmatic guidance for county child welfare agencies in terms of eligible uses of the funding, leaving some administrators trepidatious about using the funding for its intended purpose.

# The local and optional nature of the FYI/FUP program is a key reason why it has been underutilized in California.

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# Child welfare agencies in large counties experience challenges in securing partnerships with multiple PHAs.

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- Many larger counties are home to numerous Public Housing Authorities.
  - *E.g. Los Angeles County is home to 20 different PHAs*
- The more PHAs counties partner with, the more vouchers can be requested.
- Some larger counties have tried to establish additional relationships but have been unsuccessful.



# Local Recommendations



# Maximize use of the on-demand FYI process, allowing for the administration of 50 vouchers per Public Housing Authority (PHA) annually.

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- The non-competitive, on-demand mechanism for requesting FYI/FUP vouchers enables each PHA to request **up to 50 FYI/FUP vouchers annually**, on top of the competitive FYI/FUP vouchers they apply for.
- Awareness about on-demand vouchers is scarce. **Only 9% of counties across the state have utilized the on-demand process.**
- The on-demand nature of FYI/FUP vouchers makes them a **unique and critical tool** for social workers and probation officers.
- **Increased awareness and utilization is necessary.**



# Refer every youth to FYI/FUP as part of the 90-day transition plan, in counties that offer the program.

- California requires a **90-day transition plan** for nonminor dependents exiting foster care.
- FYI/FUP vouchers are authorized to be provided to youth who are 90 days from leaving foster care for this very purpose—**to make them available during transition planning.**
- Particularly useful in counties with **waiting lists** for transitional housing.



# Develop partnerships with multiple PHAs in larger counties to maximize the number of vouchers available to youth.

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Larger counties tend to have multiple PHAs, each allowed to request up to 50 on-demand FYI/FUP vouchers per fiscal year, in addition to competitive FYI/FUP vouchers.



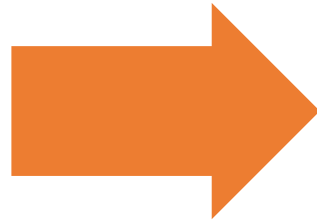
Establishing formal partnerships with as many PHAs as possible will increase the number of FYI/FUP vouchers available to youth in the county.

## Ensure child welfare partners and other relevant stakeholders are aware that youth must be offered the opportunity to extend their FYI/FUP voucher to 5 years.

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Federal FSHO Act requires PHAs to inform youth of the provisions that **allow them to extend the life of their FYI/FUP voucher from 3 years to 5 years** through participation in FSS or by fulfilling participation conditions.

Well over half **(65%) of respondents** from county child welfare **were unaware** of the requirement that youth be offered the extension.



**Knowledge of this opportunity among all relevant agencies** can help bridge communication with youth, facilitating this extension, which could prove invaluable in providing youth the opportunity to be better prepared to transition into permanent housing.

# Transition youth from an FYI/FUP voucher to a non-Special Purpose Housing Choice Voucher at the conclusion of their voucher term.

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- FYI/FUP vouchers are time-limited to 3-5 years, which can present youth with **housing challenges** when their voucher ends, given the **cost of housing** in California and **limited income** of young adults.
- Federal guidelines permit PHAs **discretion to establish local preferences** to reflect the housing needs and priorities of their community.
- Counties and PHAs can ensure the safety and well-being of former foster youth by **transitioning them to a permanent Housing Choice Voucher** when their FYI/FUP voucher concludes.

# Explore options to fund supportive services with the California Advancing and Innovating Medi-Cal (CalAIM) program.

- CalAIM is a statewide reform effort to expand the number of allowable services funded by Medi-Cal.
- CalAIM can fund services (including case management) that address and prevent homelessness.
- **Stakeholders should learn about CalAIM, its local application and how the program can be used to fund supportive services for youth with FYI/FUP vouchers.**





# Ensure equal access to FYI/FUP vouchers for youth exiting the juvenile probation system.

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- Youth who have an out-of-home placement order from the juvenile probation system **are eligible** for FYI/FUP vouchers.
- Many juvenile probation systems are **not aware of this eligibility** and **lack formal relationships** with their local PHA.



- Youth from the probation system can be served either:
  - Via referrals through existing partnerships with child welfare, or
  - By establishing independent referral processes between probation and local PHA(s).
- **County probation departments must be educated about FYI/FUP and encouraged to pursue partnerships with PHAs.**



# State Recommendations

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# Modify the Housing Navigation & Maintenance Program (HNMP) to include funding for PHAs to conduct landlord engagement, modeled after Emergency Housing Vouchers.

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- American Rescue Plan Act of 2021 included in its relief package, funding for Emergency Housing Vouchers (EHVs).
- Due to the urgent nature of this housing relief, each voucher was accompanied with a \$3,500 “Services Fee,” funding to help facilitate successful lease up drawing on several strategies including landlord incentives.
- PHA representatives cite the success of the EHV Services Fee and its applicability to FYI/FUP vouchers.

- There is not enough HNMP funding to cover these costs.
- County child welfare agencies are not the right entity to conduct these activities, but PHAs are not eligible to receive HNMP funds from the state.
- The \$13.7 million HNMP budget could be expanded for this purpose, and PHAs could be added as an eligible funding recipient.

# Increase funding for HNMP for county child welfare agencies.

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The establishment of HNMP addressed the main obstacle to requesting vouchers; there is now designated funding for services.

## However, this funding is insufficient

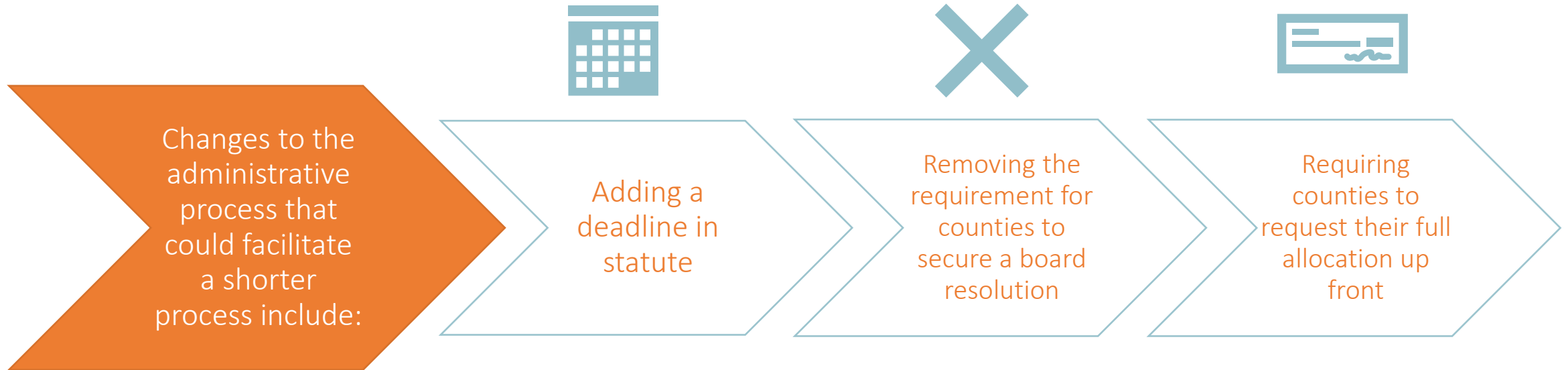
- \$8.7 million of the total \$13.7 million budget is intended to assist youth with FYI/FUP vouchers. This allows for approximately 870 youth to be served.

## A \$10 million augmentation would allow counties to

- Serve all youth who currently have FYI/FUP vouchers **(1,341)**
- Serve all youth on the waiting list for which vouchers can be requested **(300)**
- Serve an additional **235** youth in 2024-25, assuming similar annual growth in vouchers as occurred between 2021 and 2023.

# Adopt policies that result in HNMP funding being allocated to counties within six months.

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# Align HNMP statute and program administration with the program's legislative intent.



In order for both HCD and county child welfare agency personnel to have a shared understanding of the purpose of HNMP...



...and for that understanding to be aligned with the intent of the State Legislature when it established and amended this program,



...statute must be amended to reflect the legislative intent of HNMP.

# Issue state policy guidance to county child welfare agencies to inform them about FYI/FUP and request that they implement it.

Although FYI/FUP is a federal program adopted at the discretion of local agencies, there are ways the California Department of Social Services (CDSS) could play a helpful role in promoting access to FYI/FUP vouchers.

## Some strategies to consider

- Disseminating information about FYI/FUP to county child welfare agencies.
- Requesting information from every county child welfare agency about the status of FYI/FUP in their county and providing a rationale if no PHA partnership is in place.
- Issuing practice guidance for counties to submit a request for an FYI/FUP voucher for all youth who are not entering a transitioning housing program, as part of the youth's 90-day transition plan.







# Federal Recommendations

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Credit: AJ\_Watt

# Align FYI/FUP with other Housing Choice Vouchers by making them permanent, rather than time limited.

FYI/FUP vouchers for youth are the *only time-limited Housing Choice Vouchers* issued by HUD.



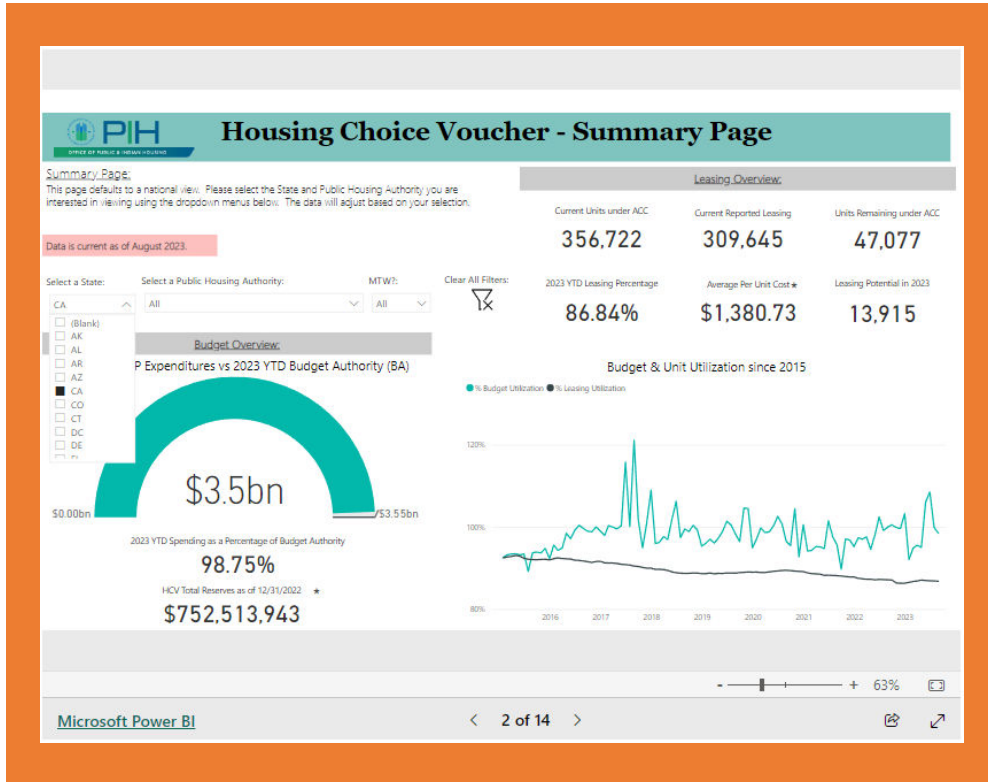
This restriction disincentivizes landlords from leasing to youth, deters some PHAs from participating in the program, and places former foster youth at risk for homelessness when voucher ends.



This policy change would require additional federal funding to ensure vouchers remain available to those in need.



# Separate FYI/FUP vouchers for youth from FUP vouchers for families within HUD's Housing Choice Voucher Data Dashboard.



HUD maintains a Housing Choice Voucher Data Dashboard showing budget and leasing trends, reserve balances, program admissions and attrition, per-unit cost and leasing potential, and allows the public to drill down to the state and PHA level.

FYI and FUP vouchers for youth are captured under FUP, with no distinction between FUP vouchers for families and FYI/FUP vouchers for youth.

If HUD were to separate FYI/FUP for youth from FUP for families, the dashboard could provide the public with a national, state, and local understanding of youth-specific lease-up rates, program admissions and attrition, and other key outcomes.

Dashboard: [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/hcv/dashboard](https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dashboard)

# Does Your Community Offer FYI/FUP Yet?

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View this roster to learn about the status of FUP/FYI in your county: <https://jbay.org/resources/fyi-roster/>



## Roster provides:

- Main point-of-contact for voucher referrals (usually county child welfare agency)
- Partner Public Housing Authority/ies administering vouchers
- Services provider (if county contracts out for services)
- Whether the PHA has requested any “on-demand” vouchers yet
- Whether the PHA has the Family Self-Sufficiency (FSS) program

**QUESTION & ANSWER**

**SUBMIT QUESTIONS VIA THE QUESTIONS BOX**

**FOR FUTURE QUESTIONS:**

[simone@jbay.org](mailto:simone@jbay.org) / [andy@jbay.org](mailto:andy@jbay.org)

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