

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

HOUSING CHOICE VOUCHER PROGRAM
FAMILY SELF SUFFICIENCY
ACTION PLAN

July 1, 2025

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I. Introduction

This document constitutes the Family Self Sufficiency (FSS) Program Action Plan for the FSS program operated by Knoxville's Community Development Corporation (KCDC). It was submitted to HUD on September 29, 2022

The purpose of the FSS Program is to promote the development of local strategies to coordinate the use of HUD assistance with public and private resources to enable eligible families to make progress toward economic security.

The purpose of the FSS Action Plan is to establish policies and procedures for carrying out the FSS program in a manner consistent with HUD requirements and local objectives.

This FSS Action Plan describes the KCDC's local policies for operation of the FSS program in the context of federal laws and regulations. The FSS program will be operated in accordance with applicable laws, regulations, notices and HUD handbooks. The policies in this FSS Action Plan have been designed to ensure compliance with all approved applications for HUD FSS funding.

The FSS program and the functions and responsibilities of PHA staff are consistent with KCDC's personnel policy and Agency Plan.

II. Program Objectives

KCDC's FSS program seeks to help families make progress toward economic security by supporting the family's efforts to:

- Increase their earned income
- Build financial capability
- Achieve their financial goals

The implementation of a Family Self-Sufficiency Program (FSS) is mandated by the National Affordable Housing Act of 1990. All public/Indian housing authorities that receive additional Section 8 Existing and/or conventional public housing units in FY 1993 and subsequent years must implement an FSS program. The objective of the FSS program is to promote economic self-sufficiency among participating families by reducing the dependency of low-income families on welfare assistance and on public and Section 8 housing assistance. References to the Public Housing Family Self-Sufficiency program have been removed from this plan because that program has been discontinued.

The housing authority is responsible for fulfilling its traditional role of providing subsidized housing. Additionally, the authority must establish an FSS program that provides assistance to participating families to obtain education, skills, and employment necessary to achieve self-sufficiency. The housing authority may leverage public and private sector resources to provide supportive services that assist families to achieve economic independence.

Knoxville's Community Development Corporation (KCDC) voluntarily established a Family Self-Sufficiency program in 1990. This program was designed to meet the FSS Guidelines and has been revised to comply with the Family Self-Sufficiency Final Rule effective May 27, 1994. Effective July 1, 2018, KCDC adopted a voluntary FSS program which will not exceed 50 FSS

participants. The Action Plan is reviewed yearly to reflect changes in the administration and distribution of services.

III. Program Size & Characteristics

A. Family Demographics

These tables describe the demographics of the population expected to be served by KCDC's Action Plan.

The FSS program will serve the following housing assistance programs

- Housing Choice Vouchers (HCV)
- Housing Choice Vouchers (HCV): HCV Homeownership
- Family Unification Program (FUP)
- Family Unification Program- Youth (FUP-Y)
- Fostering Youth to Independence Initiative (FYI)
- Emergency Housing Vouchers (EHV)
- Veterans Affairs Supportive Housing (VASH)

The following chart presents the characteristics typifying the residents of the Section 8 program. The analysis below documents very low-income families residing in subsidized housing, with the higher concentration being African-American families.

Section 8 Housing	
Race: Caucasian	1287
African-American	1795
Ethnicity: Hispanic	176
Head of Household (Sex)	2495 Female / Male 555
Average Family Size	2.22
Average Annual Income	\$14730

B. Supportive Services Needs

The following is a list of the supportive service needs of the families expected to enroll in KCDC's FSS program:

- Training in basic skills and executive function (including household management)

- Employment training, including sectoral training and contextualized and/or accelerated basic skills instruction
- Job placement assistance
- GED preparation
- Higher education guidance and support
- English as a Second Language
- Assistance accessing and paying for childcare
- Transportation assistance
- Financial coaching, including assistance with budgeting, banking, credit, debt, and savings
- Access to counseling or treatment for substance abuse and mental health
- Dental care, health care, and mental health care including substance abuse treatment/counseling
- Homeownership readiness

This list of supportive services needs is based on experience with past FSS or other supportive service program participants and input from the PCC and other service provider partners.

C. Estimate of Participating Families

In the Section 8 FSS program, KCDC anticipates enrolling the amount needed to meet the minimum requirement size for the FSS program based on the number of rental vouchers KCDC received in FY 1991/1992, plus the number of additional voucher units reserved between FY 1993 and October 20, 1998 (excluding renewal funding for units previously reserved), and by subtracting the number of families that graduated on or after October 20, 1998 by fulfilling their contracts of participation and subtracting the current participants.

It is anticipated that these families will typify the demographic characteristics of the Section 8 families described above in III A. The controlling factor will be the availability of Section 8 funds to pay for the administrative costs of the program.

In recent years, KCDC has been funded for one (1) FSS Specialist. The minimum number of participants required to be served based on this funding is 50. Historically, KCDC's FSS Program has enrolled 67 families over a five-year period.

IV. Family Selection Procedures

A. Waiting List

If necessary, KCDC will maintain an FSS applicant waiting list for Section 8. All Section 8 voucher holders will be eligible to apply for the KCDC FSS program which also includes Housing Choice Vouchers (HCV), Homeownership, Family Unification Program (FUP) eligible Families and Family Unification Program-Youth (FUP-Y) eligible Youth, Fostering Youth to Independence Initiative (FYI), Emergency Housing Vouchers (EHV), and Veterans Affairs Supportive Housing (VASH). A selection preference and motivational screening factors, as described below, will be used to select the FSS participants from the application lists.

B. Admissions Preference

- i. Applicants who have one or more family members currently enrolled in an FSS-related service program or on the waiting list will be given a preference for up to 50% of the slots in KCDC's FSS program. Within this preference group, the selection cycle will begin with the oldest application. Families who are currently in an FSS-related service program must have documentation of consistent work toward achieving their interim goals to receive preference for selection to the KCDC FSS program.
- ii. Selection of applicants who do not qualify for the preference will be based on the date of application. Once the available slots are filled using this process, the preliminary participants will enter the motivational screening phase of selection.

C. Screening for Motivation

FSS orientation sessions, pre-selection interviews and an assignment of FSS related tasks will be used to determine the family's willingness to undertake the obligations inherent in the FSS program. None of the motivational screening factors prohibited by HUD will be included. Applicants successfully completing this phase of screening, and in compliance with their lease, will be selected as FSS participants.

In the event the necessary supportive services are not available for selected applicants, they will maintain their position on the waiting list until the services can be arranged. They will then be offered the next available open slot.

D. Compliance with Non-Discrimination Policies

It is the policy of KCDC to comply with all Federal, State, and local nondiscrimination laws and regulations, including but not limited to the Fair Housing Act, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973. No person shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the FSS program on the grounds of race, color, sex, religion, national or ethnic origin, family status, source of income, disability or perceived gender identity and sexual orientation. In addition, KCDC's FSS staff will, upon request, provide reasonable accommodation to persons with disabilities to ensure they are able to take advantage of the services provided by the FSS program (see Requests for Reasonable Accommodations).

The FSS program staff has the primary responsibility to make sure that participants are not discriminated against in the selection process. For families or individuals whose potential enrollment is in question, the FSS Specialist will review the file in the staff review meeting to ensure that non-selection is not based on discriminatory factors before the final decision is made. Applicants will be notified in writing of the reason(s) they were not selected for participation and will have the opportunity to appeal the decision (see Hearing Procedures). At all times, KCDC will select families for participation in the FSS program in accordance with FSS Regulations and HUD guidelines.

E. Denial of Participation

- i. An applicant family may be determined ineligible for the FSS program if they previously participated in a family self-sufficiency program and were terminated for failure to comply with the contract of participation. KCDC's FSS Specialist will determine if the applicant is now able to work toward self-sufficiency goals. If participation is granted, the family would not be entitled

to any selection preference. Applicants may also be denied participation if they owe money to KCDC or another housing authority.

- ii. Any family who previously participated in the FSS Program and completed the Contract of Participation with a release of escrow totaling \$5,000 or more will be ineligible to participate in the FSS Program again. Any family who voluntarily terminates their Contract of Participation for good cause will be granted a second opportunity to participate in the FSS Program. The family will be required to wait a period of six months before reapplying for the FSS program.
- iii. Any family that states they are “unable to work” and are not willing or able to seek and maintain suitable employment as required shall be denied participation in the FSS program. NOTE: Disabled individuals who state they are unable to work outside the home but are willing to explore in-home employment opportunities shall not be denied participation.
- iv. Any family that is currently engaged in or awaiting a hearing process with KCDC regarding participation in the Housing Choice Voucher Program may be determined ineligible.

F. Head of FSS Family

The head of the FSS family is designated by the participating family. KCDC may make itself available to consult with families on this decision, but it is the assisted household that chooses the head of the FSS family that is most suitable for their individual household circumstances. The designation or any changes by the household to the Head of FSS Family must be submitted to KCDC in writing.

V. Outreach

To ensure the widest possible recruitment of participants for the FSS program, KCDC will pursue a three-prong outreach approach: residents, community and social service agencies. All efforts will be conscientiously directed toward recruiting a broad representation of both minority and non-minority participants. Outreach materials such as posters and brochures will be designed to reflect the diversity of the participant population. Referrals, support and volunteer services will be sought from community groups and social service agencies that have frequent contact with minority groups as well as non-minority groups.

A. Outreach to KCDC Residents

Outreach directed to new voucher recipients provides most of the FSS enrollments. The FSS program is promoted by distributing brochures and annual mailings. Brochures are distributed both at voucher orientations for new voucher recipients and again when voucher holders come to the office to complete annual re-certifications. At the time of re-certification, the program will be explained in detail to the resident families. To ensure that no family is missed, each head of household will be asked to initial a statement indicating that the FSS program has been explained to them. Anyone who is interested in participating will be put in contact with the Section 8 Family Self-Sufficiency Specialist to begin the intake process or to be placed on a waiting list, if necessary.

Outreach to residents will be an ongoing process. Program brochures and posters will be placed in the KCDC Section 8 admissions office to apprise voucher holders of the

availability of the program. The Section 8 staff will explain the FSS program during the briefing session for the new voucher holder. Information about the program and the application process will be included in the briefing packet. During the lease signing for Section 8, the family will be reminded of the opportunity to apply for participation in the FSS program.

B. Community Outreach

It is important that the community-at-large be informed about the FSS program. An awareness that residents of KCDC housing are striving to reduce their dependency on welfare assistance will counteract many of the negative stereotypes about housing residents. It will also help alert the community to an emerging source of potential employees, students and productive members of the community.

Information about the FSS program will be distributed to various community organizations, and religious and civic institutions. The staff will actively seek publicity about the program through social media and will be available for speaking engagements and interviews on radio and television to further disseminate information about the program. Several graduates have been featured as success stories in the local newspaper and staff will continue to seek this publicity.

C. Agency Outreach

The social service agencies in the area will be a valuable recruitment resource for the FSS program. Many of them provide services for the residents of KCDC housing. They can provide the encouragement and continued support necessary for these residents to apply and complete the FSS Contract of Participation. Information about the program will be provided to these social service providers and will be shared at the quarterly Social Services Committee Agency Meeting hosted by 211, Knoxville's non-emergency information hot line. Follow-up contacts will be made to the most frequently used agencies such as the Department of Human Services, the Knoxville Area Urban League, and the Knoxville-Knox County Community Action Committee.

VI. FSS Escrow Account & Other Incentives for Participants

FSS participants will be eligible to build savings from the FSS escrow account. Key policies and procedures applicable to the FSS escrow account, as well as any additional incentives offered by KCDC are described below.

A. Additional Incentives

There are two major incentives offered to the participants of the FSS program. One incentive is the supportive services provided by the FSS Specialist. The second significant incentive is the establishment of an escrow account.

i. FSS Specialist Case Management Services/Coaching

Each participant will work with the FSS Specialist who will provide guidance in developing a plan to move toward economic self-sufficiency and will link the participant to valuable community resources, as well as act as an advocate for the individual to facilitate full use of appropriate community resources. In addition, the FSS Specialist who coordinates the FSS program will work to develop community resources when needed.

ii. FSS Escrow Account

KCDC will establish a single depository account for the Section 8 FSS program in one or more of the HUD approved investments. The process to

determine when a family pays into the escrow account is as follows:

When the family is selected for participation into the FSS program, KCDC will establish the family's baseline income data.

The FSS families will continue to pay rent in accordance with their income.

KCDC will conduct the customary annual and/or interim reexamination. The calculations will be conducted using the HUD prescribed formula and worksheet for FSS. These calculations will consider the different procedure required for each income limit.

The worksheet calculation will determine the difference, if any, between the baseline income and the current income. In cases where there has been an increase in earned income, an escrow account will be established for the family. The family will begin to accrue escrow into the escrow account when the current Family Rent is greater than the Family Rent on the date the Contract of Participation was executed.

The FSS families will be charged rent in accordance with the procedures used to calculate rent for Section 8. The amount of the increase in Family Rent, due to an increase in earned income, will be credited to the family's escrow account. KCDC will take the escrow amount from the Section 8 housing assistance funds.

At the discretion of KCDC, a family that has fulfilled certain interim goals may request and receive a portion (up to 50%) of the escrow funds during the Contract period. The intended use of the funds must be consistent with stated goals of the Contract. The withdrawn amount does not have to be repaid unless it is determined that the family received the funds based on fraud or misinformation

There are no restrictions on the family's use of the escrow funds once the Contract of Participation obligations have been fulfilled. Among the anticipated uses are moving costs to relocate to unassisted housing, down payment on a house, educational and transportation costs.

iii. FSS Escrow Forfeiture

The Escrow Account will be forfeited if the Contract of Participation is terminated or if the family is still receiving welfare assistance and/or has not met their stated goals when the Contract and extensions expire.

KCDC will use forfeited escrow accounts for support and other costs for FSS participants in good standing when funds requested are needed to complete an interim goal or task in the ITSP and are not ongoing expenses or if the family can demonstrate that the need for one-time payment of otherwise ongoing expenses such as rent, utilities, telephone, cell phone, pager, car payments, car maintenance, insurance, or childcare is needed to complete an interim goal, a final goal, or a task related to such goals in the ITSP. Each participant may only access the forfeited escrow funds twice per calendar year. KCDC will use forfeited escrow accounts for training provided to the FSS Specialist.

VII. Family Activities & Supportive Services

Based on the profile of the families expected to participate in the FSS program, a vast array of problems and needs will have to be addressed. Five broad service areas have been established and private and public resources have been identified to work with the participants in each area. An assessment of the participant's skills and aptitude will be completed by the FSS staff and appropriate community agencies. Based on the results, family members will participate in activities and receive services in one or more of the identified service areas. The following is a description of the service areas and the available service resources:

A. Education & Training

- American Job Center
- Department of Human Services' (DHS) Families First program to provide assessment and job skills training
- Knoxville Area Urban League which provides training for job specific computer skills
- Tennessee College of Applied Technology (TCAT) which offers a variety of academic and job training opportunities leading to certifications
- The Department of Rehabilitation Services offers vocational rehabilitation services which provides assessments and vocational counseling and job training for physically and mentally disabled persons
- Knox County Adult Basic Education Program which provides Adult Basic Education, Adult Business Education, Computer Education, Adult Home Economics, Adult Literacy Program, Evening Trade Extension, and GED preparation
- Financial Literacy and Home Buyers Education which includes: HomeSource, Operation HOPE, and The Knoxville Area Urban League which are all HUD approved financial counseling agencies.
- In additions, the area hosts a large number of public and private institutions of higher education such as Roane State Community College, Tusculum College, Pellissippi State Technical Community College, Lincoln Memorial, and the University of Tennessee all of which provide education opportunities and services for reentry students and students with disabilities.

B. Individual & Family Counseling

An analysis of the services provided in KCDC's voluntary FSS program shows that most FSS participants need some type of counseling services, and many need intensive therapy before they can begin working toward the skills needed to secure financial stability. A variety of services will be available, including individual and family therapy; problem specific counseling for victims of sexual assault or abuse, veterans and their families, persons addicted to drugs and/or alcohol; and victims and perpetrators of domestic violence. The following sample listings are some community resources available to provide these services:

- Child and Family Services which provides individual, family, and group counseling
- Helen Ross McNabb Mental Health Center and Cherokee Health Systems provide individual, family and group counseling as well as medication and testing services. In addition, the Helen Ross McNabb Center provides intervention, detoxification, treatment and after-care services for persons addicted to alcohol and drugs

- Sexual Assault Crisis Center which works with individuals and families who are dealing with issues surrounding sexual abuse and incest
- Veteran Affairs Outpatient Clinic which provides counseling for veterans with service related disabilities
- Y.W.C.A. Victim Advocacy Program which provides education, support, and legal assistance for victims of domestic violence

C. Life Skills Development

Activities and workshops will be provided to help participants develop and improve the skills needed to establish and maintain a stable home environment, compete in the job market, and develop a personal sense of worth. The following sample listings are some community resources available to provide these services:

- KCDC's FSS Specialist will provide social assessment, case management, and coaching to identify and promote the development of needed life skills
- Child & Family Services provides parenting classes
- Knox County Health Department provides family planning education and counseling
- The Disability Resource Center provides life skills training for people with disabilities

D. Supportive Services

One of the major deterrents to achieving self-sufficiency for the targeted participants is their inability to access and/or make sufficient use of supportive services. The FSS Specialist will assist the participants in securing supportive services based on need, and will monitor use of such services. The following sample listings are some community resources available to provide these services:

- Tennessee Department of Human Services (DHS) which provides transitional services such as child care, and TennCare for Temporary Assistance to Needy Families (TANF) recipients enrolled in the Families First program
- The Knoxville/Knox County Community Action Committee's (CAC) Child Care and Head Start Services provide vendor child care, pre-school and after-school education, available on a sliding scale
- Volunteer Ministry Center (The Refuge) which provides financial assistance and supportive counseling
- Catholic Charities provides short term financial assistance, emergency food, clothing and intermediary services for Spanish speaking persons
- Interfaith Health Clinic which provides primary health care on a sliding scale for people who have no medical insurance
- Knoxville Legal Aid Society which provides legal services
- Project Graduation Program which provides college funding to eligible low-income families.

E. Employment

- Tennessee Department of Labor and Workforce Development which provides employment listings and job referrals
- American Job Center provides job-seeking training and placement services
- The Knoxville Area Urban League which provides employment listings and assists in job searches, especially for minority participants

- Tennessee Department of Human Services' provides job-placement services through the Families First program for TANF recipients to work toward economic self-sufficiency.

VIII. Method of Identifying Family Support Needs & Delivering Appropriate Support Services

A. Identifying Family Support Needs

To help determine the supportive services needs of each family, the FSS Specialist will work with the family to complete an initial informal needs assessment for that family before completion of the initial Individual Training Service Plan (ITSP) and signing of the contract of participation. After enrollment in the FSS program, the FSS Specialist may make referrals to partner agencies for completion of one or more formal needs assessments. These assessments may focus on such issues as: employment readiness and employment training needs, educational needs related to secondary and post-secondary education, financial health, and other topics, depending on the needs and interests of the family.

The formal assessments may lead to adjustments to the Individual Training Service Plan, if requested by the family.

B. Delivering Appropriate Support Services

All families who participate in the FSS program will be assigned an FSS Specialist who will provide coaching services to help each participating family to:

- Understand the benefits of participating in the FSS program and how the program can help the family achieve its goals.
- Identify achievable, but challenging interim and final goals for participation in the FSS program, break down the goals into achievable steps and accompany the family through the process.
- Identify existing family strengths and skills.
- Understand the needs that the family has for services and supports that may help the family make progress toward their goals.
- Access services available in the community through referral to appropriate
- Overcome obstacles in the way of achieving a family's goals.

C. Transitional Supportive Service Assistance

Families that have completed their Contract of Participation (CoP) and remain in assisted housing may request assistance with referrals to service providers in order to continue their progress toward economic security. Subject to limitations on staff capacity, KCDC will try to help these families with appropriate referrals. The time spent on these referrals will not be covered by funds designated by HUD to support the FSS program.

IX. Contract of Participation

All families enrolled in the FSS program will be required to sign a Contract of Participation (CoP) that includes an Individual Training and Services Plan (ITSP). This section describes the contents of the CoP and KCDC's policies and practices regarding the CoP.

A. Form & Content of Contract

The CoP, which will incorporate one ITSP for each participating member of the family, sets forth the principal terms and conditions governing participation in the FSS program. These include the rights and responsibilities of the FSS family and of KCDC, the services to be provided to, and the activities to be completed by, each adult member of the FSS family who elects to participate in the program.

B. Individual Training and Service Plan

Each individual's Individual Training and Service Plan (ITSP) will establish specific interim and final goals by which KCDC and the family will measure the family's progress towards fulfilling its obligations under the CoP. For any FSS family that is a recipient of welfare assistance at the outset of the CoP or that receives welfare assistance while in the FSS program, KCDC will establish as a final goal that every household member certify they are free from welfare assistance on the completion date of the CoP. The ITSP of the head of FSS family will also include as a final goal that they seek and maintain suitable employment. The FSS Specialist will work with each participating individual to identify additional ITSP goals that are relevant, feasible and desirable. Any such additional goals will be realistic and individualized.

C. Determination of Suitable Employment

As defined in the FSS regulations (24 CFR 984.303(4)(iii)), a determination of what constitutes "suitable employment" for each family member with a goal of seeking and maintaining it will be made by KCDC, with the agreement of the affected participant, based on the skills, education, job training and receipt of other benefits of the family member and based on the available job opportunities within the community.

D. Contract of Participation Term & Extensions

The CoP will go into effect on the first day of the month following the execution of the CoP. The initial term of the CoP will run the effective date through the five-year anniversary of the first reexamination of income that follows the execution date. Families may request up to two one-year extensions and are required to submit a written request that documents the need for the extension. KCDC will grant the extension if it finds that good cause exists to do so. In this context, good cause means:

- i. Circumstances beyond the control of the FSS family, as determined by KCDC, such as a serious illness or involuntary loss of employment;
- ii. Active pursuit of a current or additional goal that will result in furtherance of self-sufficiency during the period of the extension (e.g. completion of a college degree during which the participant is unemployed or under-employed, credit repair towards being homeownership ready, etc.) as determined by KCDC or

- iii. Any other circumstances that the KCDC determines warrants an extension.

E. Completion of the Contract

The CoP is completed, and a family's participation in the FSS program is concluded when the FSS family has fulfilled all its obligations under the CoP, or before the expiration of the contract term. The family must provide appropriate documentation that each of the ITSP goals has been completed. KCDC requires a combination of self-certification and third-party verification to document completion of ITSP goals.

F. Modification

KCDC and the FSS family may mutually agree to modify the CoP with respect to the ITSP and/or the contract term, and/or designation of the head of FSS household. All modifications must be in writing and signed by the KCDC as well as the Head of FSS Family.

KCDC will allow for modifications to the CoP under the following circumstances:

- i. When the modifications to the ITSP improve the participant's ability to complete their obligations in the CoP or progress toward economic self-sufficiency
- ii. When the designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, after consultation with KCDC, designate another family member to be the FSS head of family
- iii. When a relocating family is entering the FSS program of a receiving PHA and the start date of the CoP must be changed to reflect the date the new CoP is signed with the receiving PHA

G. Consequences of Non-Compliance with the Contract

Participant non-compliance with the CoP may result in termination from the FSS program. See policies on Involuntary Termination in Section X(A).

X. Program Termination, Withholding of Services, & Available Grievance Procedures

A. Program Termination

KCDC may terminate the Contract of Participation for any of the following reasons:

- The participant and KCDC mutually agree to terminate the contract.
- KCDC determines that the participant has not fulfilled his/her responsibilities under the contract.
- KCDC will not terminate Section 8 assistance as a consequence of the family's termination from the FSS program for non-compliance with the Contract of Participation.

- The participant withdraws from the FSS program.
- The participant has been granted the maximum time allowed for FSS contract extensions and has not been able to achieve self-sufficiency.
- The participant is terminated from the Housing Choice Voucher program.
- The participant is found to have falsified records or committed fraud.
- No contact made in three (3) consecutive quarters, (nine months).

KCDC will give the family prompt written notice of the decision to terminate FSS participation. The notice will contain a statement of the reasons for termination of services, and inform the family of the right to request an informal hearing on the decision and the time by which the request for an informal hearing must be made.

The informal hearing will be conducted by members of the FSS Program Coordinating Committee. KCDC committee members and any other member(s) who were involved in the decision to terminate, or supervise those who made the decision, will be ineligible to serve as hearing officers. The hearing will be conducted in accordance with the Section 8 regulations. A copy of the hearing decision will be furnished promptly to the participating family.

B. Termination with Escrow Disbursement

In most cases, families whose FSS contracts are terminated will not be entitled to disbursement of their accrued FSS escrowed funds. However, the CoP will be terminated with FSS disbursement when one of the following situations occurs:

- i. Services that KCDC and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable.
- ii. The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless KCDC and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family.
- iii. An FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with portability requirements at 24 CFR §982.353) for good cause, as determined by the PHA, and continuation of the CoP after the move, or completion of the CoP prior to the move, is not possible.

XI. Assurance of Non-Interference with the Rights of Non-Participating Families

Participation in the FSS Program is voluntary. A family's decision on whether to participate in FSS will have no bearing on KCDC's decision of whether to admit the family into the Housing Choice Voucher program. The family's housing assistance will not be terminated based on whether they decide to participate in FSS, their successful completion of the CoP, or on their failure to comply with FSS program requirements.

KCDC will ensure that the voluntary nature of FSS program participation is clearly stated in all FSS outreach and recruitment efforts.

XII. Timetable

Operation of the FSS program began upon receipt of HUD approval of the Action Plan. Outreach began immediately.

The application process and participant selection for Section 8 families began in June 1994. By September 1994, the mandated FSS Section 8 program was in full operation.

XIII. Reasonable Accommodations, Effective Communications, & Limited English Proficiency

A. Requests for Reasonable Accommodations

A person with disabilities may request reasonable accommodations to facilitate participation in the FSS program. Requests will be considered on a case-by-case basis.

Requests should be made initially to the FSS Specialist. If a family is not satisfied with the FSS Specialist's response, the family may submit a request in writing in accordance with the agency's reasonable accommodations policy. The policy is available online at <https://www.kcdc.org/residents/>.

B. Request for Effective Communications

A person with disabilities may request the use of effective communication strategies in order to facilitate participation in the FSS program. Examples include: appropriate auxiliary aids and services, such as interpreters, computer-assisted real time transcription (CART), captioned videos with audible video description, visual alarm devices, a talking thermostat, accessible electronic communications and websites, documents in alternative formats (e.g., Braille, large print), or assistance in reading or completing a form, etc.

Requests should be made initially to the FSS Specialist. If a family is not satisfied with the FSS Specialist's response, the family may submit a request in writing in accordance with the agency's effective communications policy. The policy is available online at <https://www.kcdc.org/residents/>.

C. Limited English Proficiency

KCDC will comply with HUD requirements to conduct oral and written communication related to the FSS program in languages that are understandable to people with Limited English Proficiency. For more information, see the Limited English Proficiency policy available online at <https://www.kcdc.org/residents/>.

XIV. Coordination of Services

A. Certification of Coordination

Development of the services and activities under the FSS program has been coordinated with programs under title I of the Workforce Innovation and Opportunity Act 29 U.S.C. 3111 et seq., and other relevant employment, childcare, transportation, training, education, and financial empowerment programs in the area. Implementation will continue to be coordinated, in order to avoid duplication of services and activities.

B. Program Coordinating Committee

The principal vehicle for ensuring ongoing coordination of services is the program coordinating committee (PCC), which has been established in accordance with FSS regulations to assist in securing commitments of public and private resources for the operation of the FSS Program. Among other responsibilities, the PCC will help the FSS

program to identify and build strong referral relationships with providers of supportive services that meet the needs of FSS participants. The PCC will also be consulted in developing program policies and procedures.

The PCC will meet quarterly and may conduct business on an as-needed basis via email or telephone conferences. The PCC includes the following representatives:

- One or more FSS Specialists/ Program Coordinators
- One or more participants from each HUD rental assistance program served by the FSS program.
- Representatives from a variety of agencies and individuals, which include but are not limited to the following:
 - Tennessee Department of Human Services, the agency that administers the Families First Employment Program
 - Workforce Connections
 - Knoxville-Knox County Community Action Committee-CAC, the agency that serves as a broker for supportive services such as child care, transportation
 - Other agencies and organizations that provide services and training related to family self-sufficiency

XV. FSS Portability

A. Portability in Initial 12 Months

- i. Families participating in the Section 8 FSS program must lease an assisted unit in KCDC's jurisdiction for twelve months after the effective date of the FSS Contract of Participation before they are eligible to exercise the portability provision. A portability move will not nullify the termination of FSS participation for a family who has failed to comply with the requirements of the Contract.
- ii. KCDC will continue to administer the Contract of Participation and the escrow account if the family can demonstrate to KCDC's satisfaction that it can meet the FSS obligations in the new location. If the family elects to remain in the KCDC FSS and cannot fulfill the goals at the new location, the Contract will be terminated and the escrow funds will be forfeited to KCDC.
- iii. A relocating FSS family may participate in the FSS program of the receiving PHA if the PHA agrees to accept the family into their FSS program. In such cases, KCDC will terminate its Contract with the family and transfer the escrow funds, if any, to the receiving PHA. The receiving PHA will enter into a new Contract of Participation with the FSS family for the term remaining on the Contract with KCDC.
- iv. If the receiving Housing Authority is absorbing, but does not offer the FSS program or the services needed, KCDC will have to terminate the participant because they will be unable to fulfill their obligation under the Contract of Participation. However, upon termination, the participant is permitted to receive a portion of their escrow account (as an interim disbursement not to exceed 50% of the fund) if they have completed some major goals and/or will be continuing their education.

- v. A family in good standing in another PHA's FSS program will be accepted into the KCDC FSS program if there is a vacant slot and no applicant on the waiting list with a selection preference. If the family can be readily accepted, KCDC will execute a Contract of Participation with the same expiration date as the initiating PHA's Contract and accept administration of the escrow account. If a relocating family cannot be accepted immediately into KCDC's FSS program, they will be placed on the waiting list with a selection preference.

Pursuant to the United States Housing Act of 1937 Section 16 subsection (a) (42 U.S.C 1437n(a)) which was amended with the issuance of the Housing Opportunity Through Modernization Act (HOTMA) of 2016, KCDC will implement the revised regulations related to income and assets in HOTMA Sections 102 and 104 as early as January 1, 2024, but no later than July 1, 2025, based on when KCDC's software.

KCDC which operates the FSS program should note that families participating in the FSS program are subject to all HOTMA interim reexamination regulations. KCDC cannot implement local policy to perform an interim reexamination for increases in adjusted income below the 10% threshold for FSS participants. Although families participating in FSS may experience fewer escrow increases under the HOTMA final rule, the revised IR regulations may provide these families the opportunity to use their increased earnings to realize other short or long-term goals outside of the scope of the FSS program. The HOTMA interim reexamination regulations impact administration of the FSS program in the following ways: is able to submit to the Housing Information Portal (HIP).

1. FSS participants are subject to all requirements of the HOTMA interim reexamination regulations; and
2. At enrollment, PHAs may not perform an interim reexamination of annual income unless the family experienced a change in adjusted annual income that meets the threshold to perform an interim reexamination under the HOTMA final rule.
3. Families for whom their first reexamination of income does not occur until their regularly scheduled annual reexamination will not have the opportunity to begin escrowing their increased earnings until that time and may have fewer escrow increases over the life of the 5-year contract.

ADDITIONAL PROGRAM INFORMATION

PROGRAM COORDINATING COMMITTEE

MEMBERSHIP ROSTER

- **After School Programs/Child Care**
 - A Representative from Boys and Girls Club
- **Community Resources**
 - A Representative from The Knoxville Area Urban League who also provides resources for Home Ownership and Job Training/Placement.
 - A Representative from Community Coalition Against Human Trafficking
 - A Representative from Knoxville Area Transit (Former FSS Participant)
- **Social Services**
 - A Representative from Knoxville/Knox County Community Action Committee
- **Education**
 - A Representative from Project GRAD
 - A Representative from Tennessee College of Applied Technology
 - A Representative from Pellissippi State Community College
 - A Representative from Knox County Schools
 - A Representative from The University of Tennessee Extension Program
 - A Representative from Roane State
- **Financial**
 - A Representative from Operation Hope
- **Health Services**
 - A Representative from a Mental Health Facility
 - A Representative from Knoxville Medicine
- **Home Ownership**
 - A Representative from KCDC's Section 8 Homeownership Program
 - A Representative from a Real Estate Company
- **Job Training/Placement**
 - A Representative from CAC Workforce Connections
 - A Representative from Goodwill Industries
- **Housing**
 - A Representative from East Tennessee Human Resource Agency (ETHRA)
 - A Representative from East Tennessee Housing Development Corporation
 - A Representative from The Restoration House
 - A Representative from Oak Ridge Housing Authority
- **KCDC Agency Representation**
 - FSS Specialist
 - Section 8 VP of Rental Assistance
- **Participant Representatives**
 - FSS Participant Section 8 Resident

