

Sonoma County Community Development Commission

Emergency Solutions Grant Program Guide

The manual and guides provide a basic overview of the Emergency Solutions Grant Program and its eligible activities and requirements. Policies and procedures may be updated as the need arises. They are not intended to replace existing guidance produced by HUD. Additional program information can be found on the [HUD Exchange ESG Page](#).

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PART I ESG GENERAL PROVISIONS

SECTION 1

Introduction

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) amended the McKinney-Vento Homeless Assistance Act, revising the Emergency Shelter Grants Program in significant ways and renaming it the Emergency Solutions Grants (ESG) program. The ESG Interim Rule took effect on January 4, 2012. Based on the Emergency Solutions Grant (ESG) regulations at 24 CFR § 576 the following policies were established and implemented by the County of Sonoma. The following standards are intended as basic, minimum standards to which individual ESG applicants and/ or subrecipients can add additional and more stringent standards applicable only to their own projects. These required standards help to ensure that the ESG program is administered fairly and methodically. The County and the Sonoma CoC will continue to build upon and refine this document. All subrecipients of ESG funds must implement, at a minimum, the following policies.

Background

The Emergency Shelter Grants program was authorized by subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act of 1987 (42 U.S.C. (United States Code) 11371-11378). The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 amended the McKinney-Vento Homeless Assistance Act, revising the Emergency Shelter Grants program and renaming it the Emergency Solutions Grants (ESG) program. It authorized the U.S. Department of Housing and Urban Development (HUD) to make grants to metropolitan cities, urban counties, territories, and States for the rehabilitation or conversion of buildings for use as emergency shelters for the homeless, the payment of certain expenses related to operating emergency shelters, essential services related to emergency shelters and street outreach for the homeless, and homelessness prevention and rapid rehousing assistance. The HEARTH Act amendments to the McKinney-Vento Act contains provisions requiring coordination, collaboration, and consultation between Continuums of Care and ESG State and local government recipients.

Program Administration and Overview

The ESG program objective is to assist individuals and families experiencing homelessness, or who are at risk of homelessness, to regain stability through services provided under the eligible activities outlined in this manual.

The Sonoma County Community Development Commission (SCCDC) administers ESG funds for the County of Sonoma. SCCDC delegates the implementation to subrecipients; however, as the

HUD grantee for this program, the SCCDC is responsible for ensuring that activities are carried out in compliance with all applicable requirements. Subrecipients are responsible, whether they are providing services directly or subcontracting, for making sure that compliance with program requirements occur at all applicable levels.

SECTION 2

Standards Applicable to All Projects

The following standards are intended as basic, minimum standards that apply to all ESG subrecipients. In addition to these standards, ESG subrecipients must apply the written standards for their funded program component.

Coordination of Services

Subrecipients shall provide housing and related support services for low-income persons and their households in the entire Continuum of Care Service Area (“Service Area”) in accordance with HUD ESG Program regulations and the State of California Emergency Solutions Grant (“CA ESG”) Program regulations. The Service Area encompasses the entire Sonoma County Region. The ESG Program is governed by the Code of Federal Regulations (CFR) Title 24 Part 576 (“Federal Regulations”). The State ESG Program is governed by California Code of Regulations (CCR), Section 8400 et seq. (“CA ESG Regulations”).

Coordination with Continuum of Care and other programs

To ensure effective coordination among agencies that assist people experiencing homelessness and prevention of homelessness, collaboration is necessary among housing and service providers within the Sonoma County Continuum of Care. Subrecipients of ESG funding should actively engage in the Sonoma County CoC by attending and participating in the Sonoma County CoC Community Meetings.

Coordination with Other Targeted Homeless Services

ESG subrecipients must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by the Continuum of Care or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area. These include but are not limited to:

1. Continuum of Care Program (24 CFR 578)
2. Section 8 Moderate Rehabilitation Program for Single Room Occupancy Program for Homeless Individuals (24 CFR 882)
3. HUD—Veterans Affairs Supportive Housing (HUD—VASH) (division K, title II, Consolidated Appropriations Act, 2008, Pub. L. 110–161 (2007), 73 FR 25026 (May 6, 2008))
4. Education for Homeless Children and Youth Grants for State and Local Activities (title VII–B of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.))
5. Grants for the Benefit of Homeless Individuals (section 506 of the Public Health Services Act (42 U.S.C. 290aa– 5))
6. Healthcare for the Homeless (42 CFR part 51c)

7. Programs for Runaway and Homeless Youth (Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.))
8. Projects for Assistance in Transition from Homelessness (part C of title V of the Public Health Service Act (42 U.S.C. 290cc–21 et seq.))
9. Services in Supportive Housing Grants (section 520A of the Public Health Service Act)
10. Emergency Food and Shelter Program (title III of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11331 et seq.))
11. Transitional Housing Assistance Grants for Victims of Sexual Assault, Domestic Violence, Dating
12. Violence, and Stalking Program (section 40299 of the Violent Crime Control and Law Enforcement Act (42 U.S.C. 13975))
13. Homeless Veterans Reintegration Program (section 5(a)(1)) of the Homeless Veterans Comprehensive Assistance Act (38 U.S.C. 2021)
14. Domiciliary Care for Homeless Veterans Program (38 U.S.C. 2043)
15. VA Homeless Providers Grant and Per Diem Program (38 CFR part 61)
16. Health Care for Homeless Veterans Program (38 U.S.C. 2031)
17. Homeless Veterans Dental Program (38 U.S.C. 2062)
18. Supportive Services for Veteran Families Program (38 CFR part 62)
19. Veteran Justice Outreach Initiative (38 U.S.C. 2031)

Coordination with Other Mainstream Resources

ESG subrecipients must assist each program participant, as needed, to obtain appropriate supportive services, including assistance in obtaining permanent housing, medical health treatment, mental health treatment, counseling, supervision, and other services essential for achieving independent living; and other Federal, State, local, and private assistance available to assist the program participant in obtaining housing stability. These include but are not limited to:

1. Medicaid
2. Supplemental Nutrition Assistance Program
3. Women, Infants and Children (WIC)
4. Federal-State Unemployment Insurance Program
5. Social Security Disability Insurance
6. Supplemental Security Income (SSI)
7. Child and Adult Care Food Program
8. Public housing programs
9. Housing programs receiving tenant-based or project-based assistance
10. Supportive Housing for Persons with Disabilities
11. HOME Investment Partnerships Program
12. Temporary Assistance for Needy Families (TANF)
13. Health Center Program
14. State Children's Health Insurance Program
15. Mental Health and Substance Abuse Block Grants
16. Services funded under the Workforce Investment Act

Housing First

All of Sonoma County Community Development Commission and HUD funded programs adhere to Housing First principles per HUD regulations and California State Law. Housing First is an approach to quickly and successfully connect individuals and families experiencing homelessness to permanent housing without preconditions and barriers to entry, which include but are not limited to:

1. Ensuring low-barrier, easily accessible assistance to all people, including, but not limited to, people with no income or income history, and people with active substance abuse or mental health issues;
2. Helping participants quickly identify and resolve barriers to obtaining and maintaining housing;
3. Seeking to quickly resolve the housing crisis before focusing on other non-housing related services;
4. Allowing participants to choose the services and housing that meets their needs, within practical and funding limitations;
5. Connecting participants to appropriate support and services available in the community that foster long-term housing stability.

Coordinated Entry

To help ensure homeless households receive immediate housing and minimize barriers to housing access, all subrecipients will be required to enter and/or receive referrals through Sonoma County's Coordinated Entry System (CES). CES is a CoC-wide process for facilitating access for all resources designated for homeless individuals and families. This system ensures that every homeless individual or family is known by name, provides assistance based on the individual or family's unique needs, and matches them to the most appropriate service strategy or housing intervention. In doing so, CES ensures system coordination among emergency shelters, essential service providers, homelessness prevention providers, rapid re-housing providers, other homeless assistance providers, and mainstream service and housing providers. Subrecipients who are victim service provider may choose not to use the Continuum of Care's coordinated entry system.

Subrecipients must keep records to show compliance with Coordinated Entry requirements.

Homeless Management Information System (HMIS) Requirements:

All ESG-funded subrecipients are required to enter participants in the community-wide Homeless Management Information System (HMIS) at first contact. Only subrecipients that are specifically forbidden by other statutes or regulations (e.g., domestic violence victim service providers) may not participate. All HMIS-participating agencies must collect and maintain common data fields as determined by the HMIS Administrator, considering all relevant

regulations. This helps to ensure coordination between service providers through the Coordinated Entry System (CES) while avoiding duplication of services and participant data, and provides an opportunity to document homelessness.

If the subrecipient is a victim service provider or a legal services provider, it may use a comparable database that collects client-level data over time (*i.e.*, longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS.

All staff using HMIS are required to complete basic HMIS training(s). Those running and maintaining reports must also complete other HMIS data quality training.

Subrecipients will make Data Quality an integral part of the program's reporting policies and procedures.

ESG HMIS Data Standards Manual can be found below:

<https://files.hudexchange.info/resources/documents/ESG-Program-HMIS-Manual.pdf>

HMIS Data Standards can be found below:

<https://www.hudexchange.info/resource/3824/hmis-data-dictionary/>

Initial Evaluation

Subrecipients will conduct an initial evaluation to determine each individual's or family's eligibility for ESG assistance. The initial evaluations should include verification and documentation of eligibility and the amount and types of assistance the individual or family needs to regain stability in permanent housing. See each project type below for eligibility criteria specific to each project.

Documentation of Eligibility

Subrecipients must maintain documentation at intake of the evidence relied upon to establish and verify homeless status or at-risk of homelessness status. Order for priority for obtaining evidence of eligibility is third party documentation first, intake worker observations second and certification form the person seeking assistance third. If the participant is self-certifying eligibility for program, subrecipient must document attempts to obtain third party verification and intake workers observations. Records contained in an HMIS or comparable database used by victim service or legal service providers are acceptable evidence of third-party documentation and intake worker observations if the HMIS retains an auditable history of all entries, including the person who entered the data, the date of entry, and the change made; and if the HMIS prevents overrides or changes of the dates on which entries are made.

Documentation of Homelessness, must follow HUD's prioritization of documentation of

homelessness and 24 CFR 576.500. See Section 8 'Recordkeeping Requirements' and HUD webinar: [*Determining Homeless and At-Risk Status, Income and Disability Webinar*](#).

Under no circumstances must the lack of third-party documentation prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider.

Ineligibility

For each individual and family determined ineligible to receive ESG assistance, the program must have documentation for the reason for that determination.

Termination of Assistance

If a program participant violates program requirements (i.e. fails to meet with a Case Manager on a monthly basis) the subrecipient may terminate assistance. Subrecipients must have a formal process and written procedures for terminating assistance to participants from the program. Subrecipients should examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases. These procedures must recognize the rights of individuals affected that at a minimum meet the following requirements:

1. Written notice to the program participant containing a clear statement of the reasons for termination,
2. A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate) who made or approved the termination decision, and
3. Prompt written notice of the final decision to the program participant.

Termination does not bar the subrecipient from providing further assistance at a later date to the same family or individual.

Subrecipients must keep records to show compliance with ESG program termination of assistance requirements.

Grievance Policy

All Subrecipients are required to have a written formal grievance policy that is provided to all participants at intake and made available at any time, to enable a participant to dispute an agency decision. The policy must include the method by which an applicant would be made aware of the grievance procedure, and the formal process for review and resolution. If a participant household violates program requirements, the subrecipient may terminate assistance in accordance with a formal process established above. The policy will include a written notice providing a clear statement of reason(s) for termination and the participant

household must be given the opportunity to present information before someone other than the person (or subordinate of that person) making the termination decision. A final written notice of the termination decision must be delivered to the participant no later two weeks after a determination is made.

Subrecipients must keep records to show compliance with ESG program grievance policy requirements.

PART II PROJECT SPECIFIC GUIDANCE

SECTION 3:

Street Outreach

ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, nonfacility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

Street Outreach should be principally focused to one goal: that of supporting persons experiencing homelessness in achieving some form of permanent, sustainable housing. While Street Outreach teams may use incentives to encourage trust and build relationships, or to ensure that homeless households' emergency needs are met, the awards made should be used with permanent housing as the end goal rather than simply seeking to alleviate the burden of living on the streets.

Target Population

The term "Unsheltered homeless people" means an individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.

Subrecipients must determine an individual or family's vulnerability and willingness or ability to access emergency shelter, housing, or an appropriate health facility, prior to providing essential services under this component to ensure that ESG funding is used to assist those with the greatest need for street outreach assistance.

Street Outreach workers should be focused on working with the unsheltered population who are NOT connected with other services such as day centers and emergency shelters, as these persons have the ability to access services and case management from these providers. Street Outreach work is unique with the ability to reach those who cannot or will not reach services on their own.

Diversion

Diversion is a strategy that helps people experiencing a housing crisis to identify and access safe alternatives to an emergency shelter quickly. Street outreach workers should work to resolve problems through natural supports and progressive engagement of "lighter touch" solutions before providing a more intensive response through the shelter system or any other homeless service. Diversion includes services such as: creative problem-solving conversations; connecting

with community resources and family supports; housing search and placement to help individuals and families resolve their immediate housing crisis.

Homeless response systems and shelters should engage in diversion strategies because it reduces new entries into homelessness, cuts down on shelter wait lists, reduces demand for limited shelter beds, and targets more intensive homelessness interventions to those with higher needs. – *National Alliance to End Homelessness*

Universal Assessment

If an individual or family cannot be diverted from the homeless system of care, street outreach workers will complete the Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SPDAT). The Coordinated Entry System utilizes the VI-SPDAT, TAY VI-SPDAT, and Family VI-SPDAT for determination of housing needs and vulnerability prioritization. The VI-SPDAT is a brief survey that can be conducted to quickly determine whether a client has high, moderate, or low acuity and vulnerability. These are taken into consideration with other factors to determine housing and services prioritization.

Eligible Costs

Eligible costs for Street Outreach services include providing essential services necessary to reach out to unsheltered homeless individuals and families, connect them with emergency shelter, housing, or critical services, and provide them with urgent, non-facility-based care. Component services consist of engagement, case management, emergency health and mental health services, and transportation. Specific requirements and eligible costs include:

1. **Engagement:** The costs of activities to locate, identify, and build relationships with unsheltered homeless people including:
 - a. Initial assessment of needs and eligibility (VI-SPDAT)
 - b. Providing crisis counseling
 - c. Actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs
 - d. Addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries
 - e. Cell phone costs for outreach workers during the performance of street outreach activities
 - f. Salaries of staff conducting engagement work

2. **Case Management:** The costs of assessing housing or service needs, arranging, coordinating, monitoring the delivery of individualized services including:
 - a. Using Sonoma County Coordinated Entry system
 - b. Initial evaluation including verifying and documenting eligibility
 - c. Counseling

- d. Developing, securing, and coordinating services
 - e. Obtaining Federal, state, and local benefits
 - f. Monitoring and evaluating participant progress
 - g. Providing information and referrals to other providers
 - h. Developing an individualized housing and service plan, including planning a path to permanent housing stability
 - i. Salaries of staff conducting case management
3. **Emergency Health Services:** The costs of outpatient treatment of medical conditions provided by licensed medical professionals operating in community-based settings (e.g. streets, parks, and campgrounds) to those ***eligible participants unwilling or unable to access emergency shelter or an appropriate healthcare facility***. Eligible treatment consists of:
- a. Assessing participant’s health problems and developing a treatment plans
 - b. Assisting participants to understand their health needs
 - c. Providing or helping participants to obtain appropriate emergency medical treatment
 - d. Providing medication and follow-up services.
4. **Emergency Mental Health Services:** The costs of outpatient treatment of urgent mental health conditions by licensed mental health professionals in community-based settings (e.g. streets, parks, and campgrounds) to those ***eligible participants unwilling or unable to access emergency shelter or an appropriate healthcare facility***, including:
- a. Crisis interventions
 - b. The prescription of psychotropic medications
 - c. Explanation about the use and management of medications
 - d. Combinations of therapeutic approaches to address multiple problems
5. **Transportation**– The costs of travel by outreach workers, social workers, medical professionals, or other service providers during the provision of services eligible street outreach services, including:
- a. The costs of transporting unsheltered people to emergency shelters or other service facilities
 - b. The cost of a participant’s travel on public transit
 - c. Mileage allowance for service workers to visit program participants
 - d. Purchasing or leasing a vehicle for staff use in conducting outreach activities, including the cost of gas, insurance, taxes and maintenance for the vehicle
 - e. Costs of staff to accompany or assist participants to use public transportation
6. **Services Special Populations:** The costs of otherwise eligible Street Outreach services that have been tailored to address the needs of the special needs of homeless youth, victims of domestic violence and related crimes/threats, and/or people living with HIV/AIDS who are literally homeless, including:
- a. Engagement
 - b. Case Management

- c. Emergency Health Services
- d. Emergency Mental Health Services
- e. Transportation
- f. Housing Assistance

Safety and Security

Subrecipients should have policies and procedures in place which address providing a safe environment for street outreach workers and participants. Policies and procedures may vary depending on the location and population being served.

HMIS

All Street Outreach programs are required to enter participants in to HMIS at first contact per the ESG and CoC Interim Rule (24 CFR 576 and 578). This helps to ensure coordination between service providers through the Coordinated Entry System (CES) while avoiding duplication of services and participant data, and provides an opportunity to document homelessness.

Street Outreach requirements in HMIS:

1. Complete enrollment (project start date & demographics)
2. Complete Household (Family ID)
3. HUD Entry Assessment
4. Outreach and Services Engagement (Taken just once per enrollment)
5. Outreach and Services Contact (Taken at each contact with client)
6. HUD Exit Assessment/Program Dismissal

From the ESG Program HMIS Manual

<https://files.hudexchange.info/resources/documents/ESG-Program-HMIS-Manual.pdf>

Data Collection Challenges: A street outreach project is likely to encounter difficulty engaging homeless persons. Street outreach projects may record a project start with limited information about the client and improve on the accuracy and completeness of client data over time by editing data in an HMIS as they engage the client. The initial entry may be as basic as the project entry date and a de-identified name (e.g., “Redhat Tenthstreetbridge”) that would be identifiable for retrieval by the worker in the system. However, Street Outreach projects are prohibited from establishing protocols that only require outreach workers to collect minimal client data. Over time, outreach workers must attempt to collect all data required for street outreach projects and edit recorded data for accuracy (e.g., replacing “Redhat” with “Robert”) as the worker learns more about the client.

Project start vs enrollment: For Street Outreach projects, the project start date is the date of first contact with the client. The project start date is a required UDE that indicates when a client has joined the project.

Contacts: A street outreach project is expected to record every contact made with each client in the HMIS via 4.12 Current Living Situation. A contact is defined as an interaction between a worker and a client designed to engage the client. Contacts may include activities such as a conversation between the street outreach worker and the client about the client's well-being or needs, an office visit to discuss their housing plan, a phone call or a referral to another community service. A contact must be recorded anytime a client is met, including when an engagement date or project start date is recorded on the same day.

Engagements: Per the HMIS Data Standards and by agreement across all federal partners, an engagement date is the date when an interactive client relationship results in a deliberate client assessment or beginning of a case plan. The date of engagement should be entered into HMIS at the point when the client has been engaged by the outreach worker. This date may be on or after the project start date and must be prior to project exit. If the client exits without becoming engaged, the engagement date should be left blank. If the client was contacted on the date of engagement, a contact must also be entered for that date.

Data Quality: Reporting to HUD on data quality for street outreach projects is limited to clients with a date of engagement. Therefore, it is important that outreach workers record the engagement date and also review all of the UDE and applicable Common Program Specific Data Elements for completeness and accuracy. The Date of Engagement coincides with the requirement for HMIS data quality, therefore all UDE should be entered into HMIS at or before the Date of Engagement.

Project Exit: Project exit represents the end of a client's participation with a project. For street outreach projects, the exit date should coincide with the date that the client is no longer considered to be participating in the project. Reasons to exit a client include:

1. The client has entered another project type (e.g., TH, PSH) or otherwise found housing;
2. The client is engaged with another outreach worker or project;
3. The client is deceased;
4. The outreach worker has been unable to locate the client for an extended period of time and there are no recorded contacts. The 'extended period of time' for Sonoma County is 3-months.
 - a. If this situation arises, and the client is to be exited from the project due to a lack of regular contact the project exit Destination (3.12) should be listed as "No Exit Interview Completed."

The possibility that the client may not be seen again is not a reason to exit a client from a project, and project exit should only be recorded once project participation has ended, or after the locally-determined period of time has passed without a contact with the client.

File Checklist

The basis of all determinations (eligibility, assistance needed, assistance provided, etc.) must be supported by the evidence documented in the case file. Documentation will enable a supervisor or other entity charged with monitoring the program to readily identify the factors and process that resulted in the determination that each participant assisted met SCCDC and HUD requirements. Minimum Documentation should include but is not limited to:

1. Proof of eligibility - Documentation of Homelessness, must follow HUD's prioritization of documentation of homelessness and 24 CFR 576.500.
2. Program Intake Documents such as:
 - a. HMIS Release of Information,
 - b. Notice of Privacy Practices,
 - c. Participant grievance,
 - d. Participant consent form,
 - e. Participant identification, if applicable
 - f. Release(s) of Information if applicable,
3. Case Plan that shows the street outreach worker and program participant developed a plan to assist the program participant to enter into permanent housing or sheltered services.
4. Case notes that reflect the program participant met with the street outreach worker to work on case plan goals.
5. Back-up documentation for the services and assistance provided to that program participant, including, as applicable, gas voucher, bus pass, DMV receipt, etc.
6. Referrals made by the subrecipient to program participant to obtain mainstream and other resources as needed.
7. Program Discharge/Exit paperwork

SECTION 4

Emergency Shelter

Emergency shelter is any facility that has as its primary purpose to provide a temporary shelter for the homeless in general or for specific populations of the homeless, and which does not require occupants to sign leases or occupancy agreements. Effective shelters should embrace a Housing First approach, offer immediate and low-barrier access to anyone facing a housing crisis, and measure shelter performance in order to improve results. Shelter stays, when deemed necessary, should be limited to the shortest time possible to help participants regain permanent housing.

Emergency shelters provide a safe, secure and clean place to stay for those who cannot be diverted from the homeless system of care. Emergency shelters provide a short-term placement while permanent or more long-term housing options are obtained and shelters provide support with accessing housing resources in the community.

Diversion

Diversion is a strategy that helps people experiencing a housing crisis to identify and access safe alternatives to an emergency shelter quickly. Emergency shelter staff should work to resolve problems through natural supports and progressive engagement of “lighter touch” solutions before providing a more intensive response through the shelter system or any other homeless service. Diversion includes services such as: creative problem-solving conversations; connecting with community resources and family supports; housing search and placement to help individuals and families resolve their immediate housing crisis.

Homeless response systems and shelters should engage in diversion strategies because it reduces new entries into homelessness, cuts down on shelter wait lists, reduces demand for limited shelter beds, and targets more intensive homelessness interventions to those with higher needs. – *National Alliance to End Homelessness*

Universal Assessment

If an individual or family cannot be diverted from the homeless system of care, emergency shelter workers will coordinate with Coordinated Entry so the individual or family can complete the Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SPDAT). The Coordinated Entry System utilizes the VI-SPDAT, TAY VI-SPDAT, and Family VI-SPDAT for determination of housing needs and vulnerability prioritization. These are taken into consideration with other factors to determine housing and services prioritization.

Referrals through Coordinated Entry

Per the Continuum of Care, Emergency shelters are required, at a minimum, to fill 50% of shelter openings directly through Coordinated Entry referrals. These placements are prioritized for those that are the most vulnerable within the system and awaiting PSH placement. If participants reach the maximum length of stay, participants may exit the emergency shelter and be referred directly back to the project if they remain the highest participant prioritized for placement.

The remaining 50% of shelter openings will be managed through the subrecipient's internal policy. Participants will need to connect with Coordinated Entry within 48 hours of placement in the shelter. If the participant refuses to enroll in Coordinated Entry, that is their choice, subrecipients are responsible for explaining the benefits of the enrollment into the system for potential housing opportunities.

Emergency shelters are responsible for balancing the referrals equitably between the following referral types:

1. Male Bottom Bunk
2. Male Top Bunk
3. Female Bottom Bunk
4. Female Top Bunk

Eligibility

Subrecipients must determine that individuals and families meet one or more of HUD's Criteria for Defining Homelessness and assess their vulnerability to ensure that only those individuals or families that have the greatest need for emergency shelter assistance receive ESG-funded assistance. Programs will document that all program participants who receive Emergency Shelter assistance met the eligibility criteria of paragraph (1), (2), or (4) of the "homeless" definition in § 576.2.

Paragraph (1) of the homeless definition:

An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

1. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
2. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
3. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or a place not meant for human habitation immediately before entering that institution;

Paragraph (2) of the homeless definition:

An individual or family who will imminently lose their primary nighttime residence, provided that:

1. The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
2. No subsequent residence has been identified; and
3. The individual or family lacks the resources or support networks, *e.g.*, family, friends, faith-based or other social networks, needed to obtain other permanent housing;

Paragraph (4) of the homeless definition:

Any individual or family who:

1. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
2. Has no other residence; and
3. Lacks the resources or support networks, *e.g.*, family, friends, faith-based or other social networks, to obtain other permanent housing.

Essential services

ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters, and operating emergency shelters. ESG funds may be used to provide essential services to individuals and families who are in an emergency shelter, as follows:

1. Case management:

The cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible. Component services and activities consist of:

- a. Using the centralized or coordinated assessment system as required under;
- b. Conducting the initial evaluation, including verifying and documenting eligibility;
- c. Counseling;
- d. Developing, securing, and coordinating services;
- e. Obtaining Federal, State, and local benefits;
- f. Monitoring and evaluating program participant progress;
- g. Providing information and referrals to other providers;
- h. Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
- i. Developing an individualized housing and service plan, including planning a path to permanent housing stability.

2. **Child care:**

The costs of child care for program participants, including providing meals and snacks, and comprehensive and coordinated sets of appropriate developmental activities, are eligible. The children must be under the age of 13, unless they are disabled. Disabled children must be under the age of 18. **The child-care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.**

3. **Education services:**

When necessary for the program participant to obtain and maintain housing, the costs of improving knowledge and basic educational skills are eligible, including:

- a. Instruction or training in consumer education,
- b. Health education,
- c. Substance abuse prevention,
- d. Literacy, English as a Second Language, and General Educational Development (GED).
- e. Screening, assessment and testing;
- f. Individual or group instruction;
- g. Tutoring;
- h. Provision of books, supplies and instructional material;
- i. Counseling; and
- j. Referral to community resources.

4. **Employment assistance and job training**

The costs of employment assistance and job training programs including classroom, online, and/or computer instruction; on-the-job instruction; and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential.

- a. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is an eligible cost.
- b. Learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.
- c. Services that assist individuals in securing employment consist of employment screening, assessment, or testing; structured job skills and job-seeking skills; special training and tutoring, including literacy training and prevocational training; books and instructional material; counseling or job coaching; and referral to community resources.

5. **Outpatient health services**

Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals. **Emergency Solutions Grant (ESG) funds may be used only for these services to the extent that other appropriate health services are unavailable within the community.** Eligible treatment consists of:

- a. assessing a program participant's health problems and developing a treatment plan;
- b. assisting program participants to understand their health needs;
- c. providing directly or assisting program participants to obtain appropriate medical treatment, preventive medical care, and health maintenance services, including emergency medical services;

- d. providing medication and follow-up services;
- e. Providing preventive and noncosmetic dental care.

6. Legal services

Eligible costs are the hourly fees for legal advice and representation by attorneys licensed and in good standing with the bar association of the state in which the services are provided, and by person(s) under the supervision of the licensed attorney, regarding matters that interfere with the program participant's ability to obtain and retain housing. **Emergency Solutions Grant (ESG) funds may be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community.** Eligible subject matters are:

- a. Child support, guardianship, paternity, emancipation, and legal separation, orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking, appeal of veterans and public benefit claim denials, and the resolution of outstanding criminal warrants.
- b. Component services or activities may include: participant intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling.
- c. Eligible Costs: Fees based on the actual service performed (*i.e.*, fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible.
- d. Ineligible Costs include: Legal services for immigration and citizenship matters, issues relating to mortgages, and retainer fee arrangements and contingency fee arrangements.
- e. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient's employees' salaries and other costs necessary to perform the services.

7. Life skills training

The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance use, and homelessness are eligible costs. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are:

- a. Budgeting resources,
- b. Managing money,
- c. Managing a household,
- d. Resolving conflict,
- e. Shopping for food and needed items,
- f. Improving nutrition,
- g. Using public transportation,
- h. Parenting.

8. Mental health services

Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions. **ESG funds may only be used for these services to the extent that other appropriate mental health services are unavailable or inaccessible within the community.**

Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances. Problem areas may include family and marital relationships, parent-child problems, or symptom management.

Eligible treatment consists of:

- a. Crisis interventions;
- b. Individual, family, or group therapy sessions;
- c. The prescription of psychotropic medications or explanations about the use and management of medications;
- d. Combinations of therapeutic approaches to address multiple problems.

9. Substance abuse treatment services

Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals. **ESG funds may only be used for these services to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community.** Eligible treatment consists of:

- a. Participant intake and assessment,
- b. Outpatient treatment for up to 30 days
- c. Group and individual counseling and drug testing are eligible costs
- d. Ineligible costs include: Inpatient detoxification and other inpatient drug or alcohol treatment

10. Transportation

Eligible costs consist of the transportation costs of a program participant's travel to and from medical care, employment, child care, or other eligible essential services facilities. These costs include the following:

- a. The cost of a program participant's travel on public transportation;
- b. If service workers use their own vehicles, mileage allowance for service workers to visit program participants;
- c. The cost of purchasing or leasing a vehicle for the recipient or subrecipient in which staff transports program participants and/or staff serving program participants, and the cost of gas, insurance, taxes, and maintenance for the vehicle;
- d. The travel costs of recipient or subrecipient staff to accompany or assist program participants to use public transportation.

11. Services for special populations

Funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible. The term *victim services* means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking.

Operations

Eligible costs are:

1. the costs of maintenance (including minor or routine repairs),
2. rent,
3. security,
4. fuel,
5. equipment,
6. insurance,
7. utilities,
8. food,
9. furnishings,
10. Supplies necessary for the operation of the emergency shelter.
11. Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual.

Ineligible operating or maintenance costs include:

1. Staff salaries (including fringe benefits) paid under the operating costs category are limited to 10 percent of the grant.
 - a. Maintenance and security salary costs are not subject to the 10 percent standard.
2. Recruitment or on-going training of staff
3. Depreciation
4. Costs associated with the organization rather than the supportive housing project (advertisements, pamphlets about organization, surveys, etc.)
5. Staff training, entertainment, conferences, or retreats
6. Public relations or fund raising
7. Bad debts/late fees
8. Mortgage payments

Assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)

Eligible costs are the costs of providing URA assistance under § 576.408, including relocation payments and other assistance to persons displaced by a project assisted with ESG funds. Persons that receive URA assistance are not considered "program participants" for the purposes of this part, and relocation payments and other URA assistance are not considered "rental assistance" or "housing relocation and stabilization services" for the purposes of this part.

Other Emergency Shelter Requirements

1. Lead-Based Paint

Subrecipients will comply with all lead-based paint requirements and maintain documentation. Generally, these provisions require the recipient to screen for, disclose the existence of, and take reasonable precautions regarding the presence of lead-based

paint in leased or assisted units constructed prior to 1978.

ESG-funded programs are required to incorporate the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4846), and 24 CFR part 35, subparts A, B, H, J, K, M, and R apply to all shelters assisted under ESG program and all housing occupied by program participants.

2. **Minimum standards for emergency shelters**

Any building for which Emergency Solutions Grant (ESG) funds are used for conversion, major rehabilitation, or other renovation, must meet state or local government safety and sanitation standards, as applicable, and the following minimum safety, sanitation, and privacy standards. Any emergency shelter that receives assistance for shelter operations must also meet the following minimum safety, sanitation, and privacy standards. The subrecipient may also establish standards that exceed or add to these standards but at a minimum must include:

- a. Structure and materials: The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
- b. Space and security: Each resident must be provided adequate space and security for themselves and their belongings: Each resident must be provided an acceptable place to sleep.
- c. Interior air quality: Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
- d. Water supply: The water supply must be free from contamination.
- e. Sanitary facilities: Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
- f. Thermal environment: The housing must have any necessary heating/cooling facilities in proper operating condition.
- g. Illumination and electricity: The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.
- h. Food preparation: All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
- i. Sanitary conditions: The housing must be maintained in a sanitary condition.
- j. Fire safety:
 - a. There must be a second means of exiting the building in the event of fire or other emergency.
 - b. Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a

bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.

- c. The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

Minimum Habitability Standards with Checklist:

<https://www.hudexchange.info/resource/3766/esg-minimum-habitability-standards-for-emergency-shelters-and-permanent-housing/>

Subrecipients must maintain documentation of the completed checklist (or equivalent documentation) should be placed in a file pertaining to the shelter.

3. **Violence Against Women Act (VAWA)**

The following requirements apply to emergency shelters:

- a. No individual or family may be denied admission to or removed from the emergency shelter on the basis or as a direct result of the fact that the individual or family is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the individual or family otherwise qualifies for admission or occupancy.
- b. The terms "affiliated individual," "dating violence," "domestic violence," "sexual assault," and "stalking" are defined in 24 CFR 5.2003.

4. **Prohibition against involuntary family separation**

The age and gender of a child under age 18 cannot be used as a basis for denying any family's admission to emergency shelter. All shelters funded with federally-originated dollars must adhere to this rule.

5. **Safety and Security**

Subrecipients should have policies and procedures in place which address providing a safe environment for emergency shelter staff and participants. Policies and procedures may vary depending on the location and population being served.

6. **Minimum Period of Use**

Where the subrecipient uses ESG funds solely for essential services or shelter operations, the subrecipient must provide services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided. The subrecipient does not need to limit these services or shelter to a particular site or structure, so long as the site or

structure serves the same type of persons originally served with the assistance (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or serves homeless persons in the same area where the subrecipient originally provided the services or shelter.

7. **Length of Stay**

ESG subrecipients must also reassess emergency shelter participants on an ongoing basis, to determine the earliest possible time that a participant can be discharged to permanent housing. Program participants can remain in the emergency shelter for up to 6 months. Subrecipients will discharge participants when they have reached the end of the stay. Subrecipients will coordinate with Coordinated Entry to determine whether there are other options for housing available. Every effort should be made to prevent discharging participants to the street or other unsheltered location.

HMIS

<https://files.hudexchange.info/resources/documents/ESG-Program-HMIS-Manual.pdf>

All Emergency Shelter programs are required to enter participants in to HMIS at first contact per the ESG and CoC Interim Rule (24 CFR 576 and 578). This helps to ensure coordination between service providers through the Coordinated Entry System (CES) while avoiding duplication of services and participant data, and provides an opportunity to document homelessness.

Projects funded under ESG where the subrecipient is a victim services provider may not enter client-level data into an HMIS; instead, they must use a comparable database to collect client-level data over time and generate unduplicated aggregate reports based on that data.

Emergency Shelter workflow in HMIS:

1. Complete enrollment (project start date & demographics)
2. Complete Household (Family ID)
3. HUD Entry Assessment
4. Annual Assessment (if applicable)
5. HUD Exit Assessment/Program Dismissal

File Checklist

The basis of all determinations (eligibility, assistance needed, assistance provided, etc.) must be supported by the evidence documented in the case file. Documentation will enable a supervisor or other entity charged with monitoring the program to readily identify the factors and process that resulted in the determination that each participant assisted met SCCDC and HUD requirements.

1. Proof of eligibility - Documentation of Homelessness, must follow HUD's prioritization of

documentation of homelessness and 24 CFR 576.500.

2. Program Intake Documents including:
 - a. HMIS Release of Information,
 - b. Notice of Privacy Practices,
 - c. Participant grievance,
 - d. Participant consent form,
 - e. Release of Information if applicable,
 - f. Other subrecipient documentation
3. Identification – if participant does not have ID it should not prevent them from entering the shelter. The case plan may focus on assisting participants with obtaining their ID if it will needed for housing, employment, benefits, etc.
4. Assessment
5. Case plans – should be focused on housing and addressing barriers to housing.
6. Case notes – should be focused on tasks related to participant plan and participant obtaining housing.
7. Any back-up documentation for services provided to participant. For example, if a participant was provided a bus pass to travel to employment, a copy of that bus pass should be in the participant file.
8. Copies of any documentation provided to the participant. For example, if a participant is given a warning letter for behavioral issues, a copy of that letter should be in the participant file.
9. Participant grievance, if applicable
10. Discharge/Termination forms used by agency

SECTION 5

Rapid Re-Housing

Rapid Re-housing (RRH) provides short-term and medium-term rental assistance and services. Performance Benchmarks include: reducing the length of time program participants spend homeless, exiting households to permanent housing and helping participants obtain housing stability and connections to support services. RRH is offered without preconditions (such as employment, income, absence of criminal record, or sobriety) and the resources and services provided are tailored to the needs of the participant.

Eligibility

Subrecipients will document that all program participants who receive rapid re-housing assistance meet the eligibility criteria of paragraph (1) of the “homeless” definition or who meet the criteria under paragraph (4) of the “homeless” definition **and** live in an emergency shelter or other place described in paragraph (1) of the “homeless” definition of 24 CFR § 576.2.

Paragraph (1) of the homeless definition:

An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

1. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
2. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
3. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

Paragraph (4) of the homeless definition:

Any individual or family who:

1. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
2. Has no other residence; and
3. Lacks the resources or support networks, *e.g.*, family, friends, faith-based or other social networks, to obtain other permanent housing.

Re-evaluations

Subrecipients will re-evaluate program participants' eligibility and the types and amounts of assistance the program participant needs not less than once annually for program participants receiving rapid re-housing assistance. The re-evaluation has to be completed within the 30 days directly before or after the participant's annual program anniversary date.

Subrecipients must document that each re-evaluation of eligibility established that the program participant:

- a. Did not have an annual income that exceeds 30% AMI as established by HUD (see Annual Income section below); *and*
- b. Lacked sufficient resources and support networks necessary to retain housing without ESG assistance.

If a program participant is found to be ineligible for continued assistance they must be exited from the program.

Annual income – Subrecipients will use 24 CFR 5.609 to determine annual income. For each program participant who receives rapid re-housing assistance longer than one year the following documentation of annual income must be maintained:

- 1) Income evaluation form containing the minimum requirements specified by HUD and completed by the subrecipient; and
- 2) Source documents for the assets held by the program participant and income received over the most recent period for which representative data is available before the date of the evaluation (*e.g.*, wage statement, unemployment compensation statement, public benefits statement, bank statement);
- 3) To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, employer, government benefits administrator) or the written certification by the subrecipient's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period for which representative data is available; or
- 4) To the extent that source documents and third party verification are unobtainable, the written certification by the program participant of the amount of income the program participant received for the most recent period representative of the income that the program participant is reasonably expected to receive over the 3-month period following the evaluation.

Subrecipients should use the HUD CPD Income Eligibility Calculator to determine Annual income and eligibility. The CPD Income Eligibility Calculator is an interactive tool that assists in determining the income eligibility and assistance amounts for beneficiaries of CPD programs. Simply enter the requested data and this calculator will work behind the scenes to generate a summary of results for each program participant. You should then print out the summary and include it as part of the program participant's file. Subrecipients may use other methods to verify participant's income; however, they must meet requirements of 24 CFR 5.609.

CPD Income Eligibility Calculator:

<https://www.hudexchange.info/incomecalculator/>

CPD Income Eligibility Calculator Manual:

https://files.hudexchange.info/resources/documents/CPDIncomeEligibilityCalculator_User_Manual.pdf

ESG Income Limits Information:

<https://www.hudexchange.info/resource/5079/esg-income-limits/>

HMIS

All Rapid Re-Housing programs are required to enter participants in to HMIS. Projects funded under ESG where the subrecipient is a victim services provider may not enter client-level data into an HMIS; instead, they must use a comparable database to collect client-level data over time and generate unduplicated aggregate reports based on that data.

Rapid Re-Housing Workflow in HMIS:

1. Complete enrollment (project start date & demographics)
2. Complete Household (Family ID)
3. HUD Entry Assessment
4. Annual Assessment (if applicable)
5. Rapid Rehousing – assistance provided touchpoint upon exit
6. HUD Exit Assessment/Program Dismissal

From the ESG Program HMIS Manual

<https://files.hudexchange.info/resources/documents/ESG-Program-HMIS-Manual.pdf>

For Rapid Re-Housing projects the Project Start Date it is the date following application that the client was admitted into the project. Admission into the project indicates the client met the following factors:

1. Information provided by the client or from the referral indicates they meet the criteria for admission (for example: if chronic homelessness is required the client indicates they have a serious disability and have been homeless long enough to qualify, even though all documentation may not yet have been gathered);
2. The client has indicated they want to be housed in this project;
3. The client can access services and housing through the project. The expectation is the project has a housing opening or expects to have one in a reasonably short amount of time.

The project start date is not expected to generate a “waiting list” for housing. It is not expected that everyone with a project start will actually move into a unit with the project. It is expected

that the time it takes from project start to move into housing will be carefully reviewed by the subrecipient to determine program and system performance and continuously strive to reduce the time from project start to move-in.

Housing move-in date must be completed for all participants who have moved into housing. Move-in means a lease arrangement has been made, the participant has a key or entry ability to the unit and that the participant has physically slept in the unit.

Subrecipients must re-evaluate and update information on Rapid Re-Housing clients once annually. Information required to be updated in the HMIS includes: 4.02 Income and Sources; 4.03 Non-Cash Benefits; and 4.4 Health Insurance. Data elements required for collection at annual assessment must be entered with an *Information Date* of no more than 30 days before or after the one-year anniversary of the head of household's *Project Start Date*, regardless of the date of the most recent 'update' or any other 'annual assessment'.

File Checklist

The basis of all determinations (eligibility, assistance needed, assistance provided, rent reasonableness, FMR, etc.) must be supported by the evidence documented in the case file. Documentation will enable a supervisor or other entity charged with monitoring the program to readily identify the factors and process that resulted in the determination that each participant and unit assisted met SCCDC and HUD requirements. Subrecipients will maintain a participant file that will include but is not limited to the following documents:

1. Initial Evaluation
2. Proof of eligibility - Documentation of Homelessness, must follow HUD's prioritization of documentation of homelessness and 24 CFR 576.500.
3. Program Intake Documents including:
 - a. HMIS Release of Information,
 - b. Notice of Privacy Practices,
 - c. Participant grievance,
 - d. Participant consent form,
 - e. Release of Information if applicable,
 - f. Other subrecipient documentation
4. Case Plan that showed the program and program participant developed a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as:
 - a. the program participant's current or expected income and expenses,
 - b. other public or private assistance for which the program participant will be eligible and likely to receive; and
 - c. the relative affordability of available housing in the area
5. Lease agreement between the Owner and program participant
6. Rental assistance agreement between the owner and the subrecipient
7. FMR calculations
8. Rent Reasonableness

9. Lead Paint Inspection
10. Minimum Habitability Standards
11. Case notes that reflect the program participant met with a case manager at least once per month to assist the participant in ensuring long-term housing stability.
12. Back-up documentation for the services and assistance provided to that program participant, including, as applicable, security deposit, rental assistance, and utility payments made on behalf of the program participant, and copies of documentation of payments made to owners for rental assistance provided, and supporting documentation for these payments, including dates of occupancy by program participants in the participant file.
13. Referrals made by the program to program participant to obtain mainstream and other resources as needed.
14. Program Discharge/Exit paperwork

See Section 7 for Additional Rapid Re-Housing Requirements

SECTION 6

Homelessness Prevention

Homelessness Prevention may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place not meant for human habitation. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing and achieve stability in that housing.

Eligibility

Subrecipients will document that all program participants who receive homelessness prevention assistance meet the eligibility criteria of 'at-risk of homelessness' definition or paragraph (2), (3), or (4) of the 'homeless' definition **AND** has an annual income below 30 percent area medical income (AMI) as determined by HUD.

At risk of homelessness means:

1. An individual or family who:
 - i. Has an annual income below 30 percent of median family income for the area, as determined by HUD;
 - ii. Does not have sufficient resources or support networks, *e.g.*, family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "homeless" definition in this section; and
 - iii. Meets one of the following conditions:
 1. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 2. Is living in the home of another because of economic hardship;
 3. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
 4. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
 5. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;

6. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
7. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

2. A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

3. A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

Paragraph (2) of the homeless definition:

An individual or family who will imminently lose their primary nighttime residence, provided that:

1. The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
2. No subsequent residence has been identified; and
3. The individual or family lacks the resources or support networks, *e.g.*, family, friends, faith-based or other social networks, needed to obtain other permanent housing;

Paragraph (3) of the homeless definition:

Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

1. Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
2. Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
3. Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

4. Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment;

Paragraph (4) of the homeless definition:

Any individual or family who:

1. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
2. Has no other residence; and
3. Lacks the resources or support networks, *e.g.*, family, friends, faith-based or other social networks, to obtain other permanent housing.

Annual income - Subrecipients will use 24 CFR 5.609 to determine annual income. A household's annual income must be below 30 percent area medical income (AMI) as determined by HUD to qualify for homelessness prevention assistance. The following documentation of annual income must be maintained for initial evaluation of eligibility for homelessness prevention assistance and not less than once every 3 months for re-evaluation of eligibility for homelessness prevention assistance:

- 5) Income evaluation form containing the minimum requirements specified by HUD and completed by the subrecipient; and
- 6) Source documents for the assets held by the program participant and income received over the most recent period for which representative data is available before the date of the evaluation (*e.g.*, wage statement, unemployment compensation statement, public benefits statement, bank statement);
- 7) To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, employer, government benefits administrator) or the written certification by the subrecipient's intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period for which representative data is available; or
- 8) To the extent that source documents and third party verification are unobtainable, the written certification by the program participant of the amount of income the program participant received for the most recent period representative of the income that the program participant is reasonably expected to receive over the 3-month period following the evaluation.

Subrecipients should use the HUD CPD Income Eligibility Calculator to determine Annual income and eligibility. The CPD Income Eligibility Calculator is an interactive tool that assists in

determining the income eligibility and assistance amounts for beneficiaries of CPD programs. Simply enter the requested data and this calculator will work behind the scenes to generate a summary of results for each program participant. You should then print out the summary and include it as part of the program participant's file. Subrecipients may use other methods to verify participant's income; however, they must meet requirements of 24 CFR 5.609.

CPD Income Eligibility Calculator:

<https://www.hudexchange.info/incomecalculator/>

CPD Income Eligibility Calculator Manual:

https://files.hudexchange.info/resources/documents/CPDIncomeEligibilityCalculator_User_Manual.pdf

ESG Income Limits Information:

<https://www.hudexchange.info/resource/5079/esg-income-limits/>

Re-evaluation

Subrecipients will re-evaluate program participants' eligibility and the types and amounts of assistance the program participant needs not less than once every three months for program participants receiving homelessness prevention assistance.

For continued assistance, programs will document that each re-evaluation of eligibility established that the program participant:

- a. Did not have an annual income that exceeds 30% AMI as established by HUD; *and*
- b. Lacked sufficient resources and support networks necessary to retain housing without ESG assistance.

If a program participant is found to be ineligible for continued assistance they must be exited from the program.

HMIS

All Homelessness Prevention programs are required to enter participants in to HMIS. Projects funded under ESG where the subrecipient is a victim services provider may not enter client-level data into an HMIS; instead, they must use a comparable database to collect client-level data over time and generate unduplicated aggregate reports based on that data.

Homelessness Prevention Workflow in HMIS:

1. Complete enrollment (project start date & demographics)
2. Complete Household (Family ID)
3. HUD Entry Assessment
4. Annual Assessment (if applicable)
5. Rapid Rehousing – assistance provided touchpoint

6. HUD Exit Assessment/Program Dismissal

From the ESG Program HMIS Manual

<https://files.hudexchange.info/resources/documents/ESG-Program-HMIS-Manual.pdf>

Project start date is the date the client first began working with the project and generally received the first provision of service.

Subrecipients must re-evaluate and update information on Homelessness Prevention clients once every 3 months. Information required to be updated in the HMIS, if changes have occurred, include: 4.02 Income and Sources; 4.03 Non-Cash Benefits; and 4.04 Health Insurance.

In addition to the UDE – 3.12 Destination, Homelessness Prevention projects must also collect W5 (Housing Assessment at Exit) information to more accurately reflect the housing situation of clients at exit.

File Checklist

The basis of all determinations (eligibility, assistance needed, assistance provided, rent reasonableness, FMR, etc.) must be supported by the evidence documented in the case file. Documentation will enable a supervisor or other entity charged with monitoring the program to readily identify the factors and process that resulted in the determination that each participant and unit assisted met SCCDC and HUD requirements.

Subrecipients will maintain a participant file that will include but is not limited to the following documents:

1. Initial Evaluation
2. Proof of eligibility - Documentation of At-Risk of Homelessness, must follow HUD's prioritization of documentation and 24 CFR 576.500.
3. Program Intake Documents including:
 - a. HMIS Release of Information,
 - b. Notice of Privacy Practices,
 - c. Participant grievance,
 - d. Participant consent form,
 - e. Identification
 - f. Release of Information if applicable,
 - g. Other subrecipient documentation
4. Case Plan that showed the program and program participant developed a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as:
 - a. the program participant's current or expected income and expenses,

- b. other public or private assistance for which the program participant will be eligible and likely to receive; and
 - c. the relative affordability of available housing in the area
- 5. Lease agreement between the Owner and program participant
- 6. Rental assistance agreement between the owner and the subrecipient
- 7. FMR calculations
- 8. Rent Reasonableness
- 9. Lead Paint Inspection
- 10. Minimum Habitability Standards
- 11. Case notes that reflect the program participant met with a case manager at least once per month to assist the participant in ensuring long-term housing stability.
- 12. Back-up documentation for the services and assistance provided to that program participant, including, as applicable, security deposit, rental assistance, and utility payments made on behalf of the program participant, and copies of documentation of payments made to owners for rental assistance provided, and supporting documentation for these payments, including dates of occupancy by program participants in the participant file.
- 13. Referrals made by the program to program participant to obtain mainstream and other resources as needed.
- 14. Program Discharge/Exit paperwork

See Section 7 for Additional Homelessness Prevention Requirements

SECTION 7

Rapid Re-Housing and Homelessness Prevention Eligible Costs and Requirements

Prioritization

The prioritization to determine which eligible individuals and families will receive Rapid Re-Housing and Homelessness Prevention assistance are:

1. Prioritized access to assistance for people with the most urgent and severe needs, including, but not limited to, survivors of domestic violence.
2. ESG-funded activities shall seek to prioritize people who:
 - a. Are unsheltered and living in places not designed for human habitation, such as cars, parks, bus stations, and abandoned buildings;
 - b. Have experienced the longest amount of time homeless;
 - c. Have multiple and severe service needs that inhibit their ability to quickly identify and secure housing on their own; and
 - d. For Homelessness prevention activities, people who are at greatest risk of becoming literally homeless without an intervention and are at greatest risk of experiencing a longer time in shelter or on the street should they become homeless.

Case Management

Case Managers must meet with Rapid Re-Housing and Homelessness Prevention program participants not less than once per month to assist the program participant in ensuring long-term housing stability. Additional case management should be provided on a case-by-case basis based on demonstrated need. Subrecipients must:

1. Develop a plan with each program participant on how they will retain permanent housing after the ESG assistance ends (see 24 CFR 576.401(e)(1)(ii)).
2. Require program participants to meet with a case manager not less than once per month while they are receiving ESG-assistance to implement the plan and monitor progress towards housing stability (see § 576.401(e)(1)(i)).
3. Assist program participants in obtaining appropriate supportive services, as well as connecting them to other federal, state, local, and private benefits and services for which they may be eligible. This includes, but is not limited to, Medicaid, SNAP, WIC, unemployment insurance, SSI/SSDI, services for veterans, and TANF (see § 576.401(d)).
4. Have written policies and procedures for coordination among different providers of services in the community. Activities must be coordinated and integrated to the maximum extent practicable (see § 576.400(e)(3)(v)).

Rapid Re-Housing and Homelessness Prevention Components		
Rental Assistance ^o	Housing Relocation and Stabilization Services	
	Financial Assistance	Services Costs
<u>Eligible activity types:</u> <ul style="list-style-type: none"> • Short-term rental assistance • Medium-term rental assistance • Rental arrears <p>^oRental assistance can be project-based or tenant-based.</p>	<u>Eligible activity types:</u> <ul style="list-style-type: none"> • Rental Application Fees • Security Deposits • Last Month's Rent • Utility Deposits • Utility Payments • Moving Costs 	<u>Eligible activity types:</u> <ul style="list-style-type: none"> • Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair

Eligible Costs

Eligible costs fall under two categories:

1. Housing Relocation and Stabilization Services
 - a. Financial Assistance
 - b. Services Costs
2. Rental Assistance

Payments can only be made to a housing owner, utility company, or other third party, **not** directly to the program participant, for eligible costs listed below.

Financial Assistance

1. **Rental Housing Application Fees:**

Subrecipients may assist with rental housing application fees. The rental housing application fee must be a standard charge issued by the owner to all applicants. Owners cannot charge more for application fees to ESG participants than they would to other applicants.

2. **Security Deposits:**

- a. Subrecipients may pay security deposits with ESG funds equal to no more than 2 months' rent.
- b. Subrecipients may assist participants with vouchers with deposit assistance.
 - i. Subrecipient staff should coordinate and collaborate with voucher case manager.
 - ii. Subrecipients must ensure participant and proposed unit meet all ESG eligibility criteria.

3. **Last Month's Rent:**

Subrecipients may pay for the last month's rent with ESG funds if the payment is:

- a. necessary to obtain housing for a program participant;

- b. paid to the owner of the housing at the time the owner was paid the security deposit and first month's rent;
- c. less than or equal to one month's rent; and
- d. included in calculating the program participant's total rental assistance

4. Utility Deposits:

Subrecipients may pay utility deposits with ESG funds. Only gas, electric, water and sewage are eligible types of utility services. The utility deposit must be required by the utility company for all customers.

5. Utility Payments:

Subrecipients may pay utility payments with ESG funds if the utility costs are:

- a. Up to a maximum of 24 months in a 3 year period of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service;
- b. Only provided when the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments; and
- c. Only for eligible utility services: gas, electric, water, and sewage.

6. Moving Costs:

Subrecipients may pay moving costs with ESG funds only for the following moving-related activities:

- a. Truck rental,
- b. Hiring a moving company, and
- c. Allowable temporary storage fees:
 - i. Up to 3 months, fees accrued after the date the program participant began receiving services and before the program participant moves into permanent housing, and excluding storage fees in arrears.

Services Costs

1. Housing Search and Placement:

Subrecipients may provide housing search and placement services necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing; eligible activities include:

- a. Assessment of housing barriers, needs, and preferences;
- b. Development of an action plan to locate housing;
- c. Housing search;
- d. Outreach to and negotiation with owners;
- e. Assistance with submitting rental applications and understanding leases;
- f. Assessment of housing for compliance with ESG requirements for habitability, lead-based paint, and rent reasonableness;

- g. Assistance with obtaining utilities and making moving arrangements; and
- h. Tenant counseling.

2. Mediation Costs:

Subrecipients may pay mediation costs with ESG funds if they are necessary to prevent the program participant from losing permanent housing in which the program participant currently resides, and used for mediation between the program participant and the owner or person(s) with whom the participant is living.

3. Legal Services:

Subrecipients may pay legal services costs with ESG funds only to the extent that other appropriate legal services are unavailable or inaccessible in the community. Only of the following costs are eligible:

- a. Hourly fees for legal advice and representation by attorneys licensed and in good standing with the bar association of the State in which the services are provided, or by person(s) under the supervision of the licensed attorney; or fees based on the actual service performed (i.e., fee for service), where the subrecipient documented that such costs were less than the anticipated cost of hourly fees;
- b. Filing fees and other necessary court costs;
- c. Subrecipient employees' salaries and other costs necessary to perform the services (if the program is a legal services provider and performs the services itself); and
- d. The following component services:
 - i. participant intake;
 - ii. preparation of cases for trial;
 - iii. provision of legal advice;
 - iv. representation at hearings;
 - v. counseling

Subrecipients must ensure that the legal services costs paid with ESG funds were used to the extent necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which they currently reside; for the following subject matters:

- a. landlord/tenant matters;
- b. child support;
- c. guardianship;
- d. paternity;
- e. emancipation;
- f. legal separation;
- g. orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking;
- h. appeal of veterans and public benefit claim denials; and
- i. the resolution of outstanding criminal warrants; and

- j. to the extent that other appropriate legal services were unavailable or inaccessible in the community**

- 4. Credit Repair:**

Subrecipients may pay credit repair costs with ESG funds for counseling or other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, or resolving personal credit problems. Subrecipients may **not** assist with the payment or modification of debt.

- 5. Housing Counseling:**

Housing counseling must be provided by HUD certified housing counselors working for an agency approved to participate in HUD’s Housing Counseling Program, by the Final Compliance Date. <https://www.hudexchange.info/programs/housing-counseling/program-description/>

- 6. Housing Stability Case Management:**

Subrecipients may use ESG funds for 30 days during the period the program participant is seeking permanent housing to assist a program participant in overcoming immediate barriers to obtaining housing; and 24 months during the period the program participant is living in permanent housing to facilitate housing stability. Eligible activities are:

 - a. Using the centralized or coordinated assessment system as required to evaluate individuals and families applying for or receiving rapid re-housing assistance;
 - b. Conducting the initial evaluation required, including verifying and documenting eligibility, for individuals and families applying for rapid re-housing assistance;
 - c. Counseling;
 - d. Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
 - e. Monitoring and evaluating program participant progress;
 - f. Providing information and referrals to other providers;
 - g. Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
 - h. Conducting re-evaluations.

Rental Assistance

- 1. Short-term rental assistance:** Subrecipients may pay up to 3 months of rent.

- 2. Medium-term rental assistance:** Subrecipients may pay for more than 3 months but not more than 24 months of rent.

- 3. Rental Arrears:** Subrecipients may pay rental arrears with ESG funds, which are one-time payments that do not exceed 6 months of rent owed, including any late fees on those arrears.

Rapid Re-Housing and Homelessness Prevention Requirements

1. **Limits and Amounts of Assistance:**

Program participant's total rental assistance, including any rental arrears and last month's rent, must not exceed 24 months during any 3-year period. The limits on rental assistance are the total assistance each individual received, either as an individual or as part of a household.

Participants will pay at a minimum 30% of their income towards rent and utilities each month. Income will be determined using HUD's Part 5 definition of income. Case Managers, through a progressive engagement approach should work with households to determine the level of assistance needed each month, providing assistance on an 'as needed basis'. Case Managers should work with participants so they will be prepared to assume full responsibility of the monthly contracted rent, monthly utility costs, and other essential household costs at the end of the rental assistance period. The minimum level of payment is designed to allow Case Managers flexibility in setting rental assistance subsidies based on progressive engagement strategies.

Progressive engagement and assistance practices, offers financial assistance and supportive services in a manner which offers a minimum amount of assistance initially, then completing a thorough assessment of the households need, adding more assistance if needed over time to resolve the housing crisis by either ending homelessness, or avoiding an immediate return to homelessness. The type, duration and amount of assistance offered is based on the individual assessment of the household, and the availability of other resources or support systems to resolve their housing crisis and stabilize them in housing. The notes related to the assessment of what amount the participant is able to pay, what additional supportive services are required and referrals made must be maintained in the participant file.

Housing stabilization Case management should occur regularly, and at a minimum monthly, to re-assess housing barriers and seek to close cases as soon as housing retention barriers are resolved. Following the progressive engagement model assistance is provided on an "as-needed basis" to keep a participant housed and, within funding constraints, programs offer more intensive support, additional rental assistance, or step-up referrals and help to access community-based assistance. Housing Stabilization Case management assistance cannot exceed 30 days during the period the program participant is seeking permanent housing and cannot exceed 24 months during the period the program participant is living in permanent housing.

2. **Use with Other Subsidies:**

Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, subrecipients may not assist program participants who were receiving tenant-based rental assistance or living in a housing unit receiving project-based rental assistance or operating assistance through other public sources; and program

participants who were provided with replacement housing payments under the URA during the period of time covered by the URA payments.

3. Violence Against Women Act

Subrecipients shall be in compliance with the Violence Against Women Reauthorization Act of 2013, which provides various protections to persons experiencing domestic violence, dating violence, sexual assault, stalking, and/or human trafficking.

The **HUD-5380 Notice of Occupancy Rights under VAWA**, must give to participants when any of the following occur:

- a. When an individual or family is denied ESG rental assistance;
- b. When an individual or family's application for a unit receiving project-based rental assistance is denied;
- c. When a program participant begins receiving ESG rental assistance;
- d. When a program participant is notified of termination of ESG rental assistance; and
- e. When a program participant receives notification of eviction.

When a participant is invoking VAWA a written claim is required. The applicant or tenant may choose to submit ANY of the following documents to certify their status as a survivor:

- a. **HUD-5382 Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking and Alternative Documentation** - completed by the applicant/tenant and must be accepted without third party documentation unless limited circumstance are met
- b. federal, state, tribal, territorial or local police record or court record documenting status as a victim of a VAWA crime or a person affiliated with a victim of a VAWA crime,
- c. Document signed and attested to by a professional (attorney, medical personnel, etc.),
- d. If living in a DV shelter can accept verification of living situation.

If there is conflicting information such as more than one applicant or participant provides documentation on survivor status and the documentation conflicts with existing information already available the program can require third party verification.

Confidentiality - VAWA requires that information submitted by survivors, including status as a survivor, is maintained in confidence. Subrecipients must:

- a. Must ensure that employees of the subrecipient, landlord, or owner do not have access to the information unless explicitly authorized to carry out the work.

- b. Cannot ask for Personally Identifiable Information (PII) as a condition of providing housing or related housing services
- c. Cannot enter the information into HMIS or any shared database even if it has been encoded, encrypted, hashed or otherwise protected
- d. Cannot disclose the information to any other entity unless:
 - i. Survivor has given informed, written, time-limited consent
 - ii. Required for use in eviction proceeding or hearing regarding termination of assistance
 - iii. Otherwise required by law

Lease Addendum - All agreements between the landlord/owner and tenant in ESG assisted housing should be outlined in a VAWA lease addendum and must include the following elements:

- a. Right for the lease to be broken without penalty, if the tenant qualifies for an emergency transfer, except for tenant based rental assistance
- b. Language that protects individuals from being denied access to housing and/or evicted from their housing on the basis of or as a direct result of being a survivor
- c. Construction of lease terms and terms of assistance
- d. Limitation of VAWA protections
- e. Confidentiality requirements

Rental Assistance Agreement - Subrecipients must outline VAWA protections in all rental agreements/housing assistance contracts with private housing owners and manager, including:

- a. Requirement to include VAWA lease addendum to all leases in units assisted by ESG funds
- b. Requirement to coordination on emergency transfers
- c. Obligation for the owner to notify the recipient before a lease is bifurcated and/or a notice of eviction is provided

Emergency Transfer Plan - Emergency transfer plans must allow survivors of a VAWA defined crime to transfer to a safe dwelling unit under a covered housing program if the victim/survivor:

- a. Requests the transfer; AND
- b. Reasonably believes that they are threatened with imminent harm if they stay in the same unit; OR
- c. In the case of sexual assault, if the sexual assault occurred on the premises within 90 days of the request for transfer.

Lease Bifurcation - Only a project owner may bifurcate a lease in order to evict or terminate assistance to a tenant or occupant who commits acts of violence against family members or others.

- a. Bifurcation allows the abuser/offender to be evicted while preserving the lease and housing rights for the survivor.
- b. Subrecipients may choose to continue to serve the perpetrator with other resources to avoid homelessness but would be subject to existing resources

Prior to program participants entering into a lease agreement and prior to providing financial assistance Subrecipients must complete the follow requirements:

1. Fair Market Rent:

Subrecipients may not provide rental assistance for units that exceed the fair market rent (FMR). Subrecipients must have documentation of FMR calculations in the program participant's file. Typically, FMRs are updated by HUD annually in October.

NOTE: For this purpose, rent equals the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant paid separately for utilities, the monthly allowance for utilities (excluding telephone and Internet) established by the public housing authority for the area in which the housing is located.

Instructions for determining FMR and Rent Reasonableness:

<https://files.hudexchange.info/resources/documents/ESG-Rent-Reasonableness-and-FMR.pdf>

The FMR for Sonoma County is on the website below:

<https://www.huduser.gov/portal/datasets/fmr.html>

Subrecipients must account for utilities and will find the utility allowances set by the Sonoma County Public Housing Authority on the below web-site:

<http://sonomacounty.ca.gov/CDC/Housing-Authority/Property-Owners/Utility-Allowances/>

2. Rent Reasonableness:

Subrecipient may only provide rental assistance to units for which the rent complies with HUD's standard of rent reasonableness. The participant file must contain documentation showing the unit complied with HUD's standard of rent reasonableness.

Subrecipients must determine whether the rent to owner is a reasonable rent in comparison to rent for other comparable unassisted units. To make this determination, the subrecipients must consider:

- a. The location, quality, size, unit type, and age of the contract unit; and
- b. Any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.
- c. Comparable units must be within Sonoma County.

- d. The form and all comparable units' rental advertisement dates must be within 30 days of the proposed rental unit's proposed lease date.

Subrecipient's records must document the monthly allowance for utilities (excluding telephone) used to determine compliance with the rent restriction.

Rent Reasonableness sample form:

https://www.hud.gov/sites/documents/19671_RENTREASONABLECHE.PDF

Instructions for determining FMR and Rent Reasonableness:

<https://files.hudexchange.info/resources/documents/ESG-Rent-Reasonableness-and-FMR.pdf>

If rent reasonableness rates are lower than FMR, maximum allowable rent amount is capped at rent reasonableness rates.

3. **Rental Assistance Agreement:**

Subrecipients must have entered into a rental assistance agreement with each owner before providing the owner with rental assistance payments, including rental arrears.

Each rental assistance agreement must:

- a. set forth the terms under which rental assistance will be provided;
- b. provide that, during the term of the agreement, the owner must give the Program a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant;
- c. contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease; and
- d. Violence Against Women Act protections per 24 CFR part 5, subpart L, <https://www.hudexchange.info/trainings/courses/vawa-housing-protections-implementation-within-esg-and-coc-programs-webinar/>

Subrecipients must make timely payments to each owner in accordance with the rental assistance agreement.

Subrecipients may not pay any late payment penalties that they incurred with ESG funds.

Subrecipients must terminate the rental assistance agreement with the owner and stop providing rental assistance payments under that agreement when any of the following conditions were met:

- a. the program participant moved out of the unit for which the program participant has a lease;
- b. the lease terminated and was not renewed; or
- c. the program participant became ineligible to receive ESG assistance

4. Lead-Based Paint:

Where ESG funds are used for rental assistance or supportive services, Subrecipients will incorporate lead-based paint remediation and disclosure requirements and comply with all lead-based paint requirements and maintain documentation in program participant's file. Generally, these provisions require the recipient to screen for, disclose the existence of, and take reasonable precautions regarding the presence of lead-based paint in leased or assisted units constructed prior to 1978.

ESG-funded programs are required to incorporate the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4846), and 24 CFR part 35, subparts A, B, H, J, K, M, and R in the unit.

Lead based paint requirements must be met throughout the duration that assistance is provided. Lead based paint requirements should be completed at least annually for each unit.

Subrecipients are encourage to become a HUD--Certified Visual Assessor by successfully completing a 20--minute online training on HUD's website at:
<http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>.

5. Minimum Habitability Standards:

Subrecipients will ensure that all housing units met the HUD Minimum Habitability Standards before incurring any costs to help program participants remain in or move into those housing units. Subrecipients will maintain documentation in program participant's file. The subrecipient may also establish standards that exceed or add to these standards but at a minimum must include:

- a. Structure and materials: The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
- b. Space and security: Each resident must be provided adequate space and security for themselves and their belongings: Each resident must be provided an acceptable place to sleep.
- c. Interior air quality: Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
- d. Water supply: The water supply must be free from contamination.
- e. Sanitary facilities: Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
- f. Thermal environment: The housing must have any necessary heating/cooling facilities in proper operating condition.
- g. Illumination and electricity: The structure must have adequate natural or

artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.

- h. Food preparation: All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
- i. Sanitary conditions: The housing must be maintained in a sanitary condition.
- j. Fire safety:
 - i. There must be a second means of exiting the building in the event of fire or other emergency.
 - ii. Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.
 - iii. The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

Minimum Habitability Standards with Checklist:

<https://www.hudexchange.info/resource/3766/esg-minimum-habitability-standards-for-emergency-shelters-and-permanent-housing/>

If the program participants need Homelessness Prevention assistance to stay in their current housing, the housing must be inspected and found to meet the minimum habitability standards before the recipient/subrecipient incurs ESG costs for any of the following:

- a. Providing any service to the program participant;
- b. Entering into a rental assistance agreement with the owner; or
- c. Making any payment on behalf of the program participant (e.g., rental or utility arrears, rental or utility payments, etc.).

If the program participant needs Homelessness Prevention or Rapid Re-housing assistance to obtain housing, the unit into which the program participant is moving must be inspected before the program participant signs the lease and before the recipient/subrecipient provides any ESG rental assistance or housing relocation and stabilization services specific to the unit into which the program participant will be moving.

In all cases, if ESG funds are used for **ongoing** assistance (such as rental assistance, utility payments, etc.), the recipient/subrecipient must take reasonable measures to ensure the unit meets the minimum habitability standards for permanent housing for the duration of the assistance. If a unit does not meet the minimum standards, then it may be determined that the subrecipient is out of compliance with the ESG requirements.

For one-time assistance (such as rental arrears, a security deposit, etc.), the unit for which assistance is being provided—either for households that remain in place or for households that are moving to a unit—must meet the minimum standards for permanent housing at the time the assistance is provided (e.g., when the rental arrears payment is made).

Minimum Habitability Standard checks for the unit should be conducted in person by the subrecipient. If an in-person inspection is not able to be completed subrecipient may ensure the unit meets minimum habitability standards through a live video platform or photographs. Photographs or live feed recordings must be kept in participant file and have a date stamp that shows when the minimum habitability standards checklist was completed.

If a unit does not meet the minimum habitability standards the landlord will make any repairs necessary for the unit to meet the minimum habitability standards or the subrecipient will assist the program participant in finding a new unit that meets minimum habitability standards. Under no circumstances can ESG funds be used to pay for a program participant to remain in or move in to a unit that does not meet minimum habitability standards.

6. Leases:

Each program participant receiving rental assistance must have a file that contains a legally binding, written lease between the program participant and the owner of the property or his/her agent for the rental unit.

- a. Each lease must include a lease provision or incorporate a lease addendum that includes all requirements that apply to tenants, the owner or lease under 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking)
- b. Subrecipients must ensure the lease is with the owner of the property by verify owner's name with the Sonoma County Tax Assessors Office.

Tenant-based rental assistance

1. A participant who receives tenant-based rental assistance may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the participant continues to meet the program requirements.
2. The subrecipient may require that all program participants live within a particular area for the period in which the rental assistance is provided.

3. The rental assistance agreement with the owner must terminate and no further rental assistance payments shall be made if:
 - a. The program participant moves out of the housing unit for which the participant has a lease.
 - b. The lease terminates and is not renewed; or
 - c. The participant becomes ineligible to receive ESG rental assistance.

Project-based rental assistance

If the subrecipient identifies a permanent housing unit that meets ESG requirements and becomes available before a participant is identified to lease the unit, the subrecipient may enter into a rental assistance agreement with the owner to reserve the unit and subsidize its rent in accordance with the following requirements:

1. The rental assistance agreement may cover one or more permanent housing units in the same building. Each unit covered by the rental assistance agreement (“assisted unit”) may only be occupied by program participants, except as provided by item 4.
2. The subrecipient may pay up to 100 percent of the first month’s rent, provided that a program participant signs a lease with the owner and moves into the unit before the end of the month for which the first month’s rent is paid. The rent paid before a program participant moves into the unit must not exceed the rent to be charged under the program participant’s lease and must be included when determining that program participant’s rental assistance.
3. The subrecipient may make monthly rental assistance payments only for each whole or partial month an assisted unit is leased to a program participant. When a participant moves out of an assisted unit, the subrecipient may pay the next month’s rent, i.e., the first month’s rent for a new program participant as provided in 2).
4. The participant’s lease must not condition the term of occupancy on the provision of rental assistance payments. If the program participant is determined ineligible or reaches the maximum number of months over which rental assistance can be provided, the subrecipient must suspend or terminate the rental assistance payments for the unit. If the payments are suspended, the individual or family may remain in the assisted unit as permitted under the lease, and the subrecipient may resume payments if the individual or family again becomes eligible and needs further assistance. If the payments are terminated, the rental assistance may be transferred to another available unit in the same building, provided that the other unit meets all ESG requirements.
5. The rental assistance agreement must have an initial term of one year. When a new program participant moves into an assisted unit, the term of the rental assistance agreement may be extended to cover the initial term of the program participant’s lease. If the program participant’s lease is renewed, the rental assistance agreement may be renewed or extended, as needed, up to the maximum number or months for which the

program participant remains eligible. However, under no circumstances may the subrecipient commit ESG funds to be expended beyond the expenditure deadline (§ 576.203) or commit funds for a future ESG grant before the grant is awarded.

Rapid Re-Housing and Homelessness Prevention Ineligible and Prohibited Activities

The intent of ESG is to provide funding for housing expenses to persons who are homeless or who would be homeless if not for this assistance. Therefore, financial assistance or services to pay for expenses that are available through other programs, including child care and employment training, are not eligible. Case managers should work to link program participants to these other resources.

Financial assistance may not be used to pay for any mortgage costs or costs needed by homeowners to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable. This prohibition extends to land contracts and “rent to own” situations in which the householder has a legal interest in the property.

ESG funds may not be used to pay for any of the following items:

1. construction or rehabilitation;
2. credit card bills or other consumer debt;
3. car repair or other transportation costs;
4. travel costs;
5. food;
6. medical or dental care and medicines;
7. clothing and grooming;
8. home furnishings;
9. pet care;
10. entertainment activities;
11. work or education related materials;
12. landlord incentives;
13. and cash or gift cards to program participants.

Subrecipients may not charge fees to ESG program participants.

Any ESG funds used to support program participants must be issued directly to the appropriate third party, such as the landlord or utility company, and in no case are funds eligible to be issued directly to program participants.

If funds are found to be used for ineligible activities as determined by the SCCDC or HUD, the subrecipient will be required to reimburse HUD.

Assisted property may not be owned by the subrecipient or the parent, subsidiary or affiliated organization of the subrecipient.

ESG funds may not be used to move an individual or family into a transitional housing program or permanent supportive housing program.

ESG funds may not be used to assist persons who are residing in a transitional housing program.

1. Participants exiting from transitional housing to permanent housing can be assisted through Rapid Re-Housing, 24 CFR 576.2(1)(ii).

PART III Other Requirements

SECTION 8

Recordkeeping Requirements

Participant File Documentation

Sufficient records must be established and maintained to enable the SCCDC and HUD to determine whether ESG requirements are being met.

In addition to evidence of homeless status or “at risk of homelessness” status, as applicable, records must be kept for each program participant that document:

1. The services and assistance provided to that program participant, including, as applicable, the security deposit, rental assistance, and utility payments made on behalf of the program participant;
2. Compliance with the applicable requirements for providing services and assistance to that program participant under the program components and eligible activities provisions at § 576.101 through § 576.106, the provision on determining eligibility and amount and type of assistance at § 576.401(a) and (b), and the provision on using appropriate assistance and services at § 576.401(d) and (e); and
3. Where applicable, compliance with the termination of assistance requirement in § 576.402.(g)
4. Documentation evidencing the use of, and written intake procedures for, the centralized or coordinated assessment system(s) developed by the Continuum of Care(s) in accordance with the requirements established by HUD.
5. Copies of all leases and rental assistance agreements for the provision of rental assistance, documentation of payments made to owners for the provision of rental assistance, and supporting documentation for these payments, including dates of occupancy by program participants.
6. Document the monthly allowance for utilities (excluding telephone) used to determine compliance with the rent restriction.
7. Documentation of compliance with the shelter and housing standards in § 576.403, including inspection reports.
8. Subrecipient must keep records of the types of essential services, rental assistance, and housing stabilization and relocation services provided under the program and the amounts spent on these services and assistance.

Documentation of Eligibility

The subrecipient must maintain and follow written intake procedures to ensure compliance with the homeless definition in § 576.2. The procedures must require documentation at intake of the evidence relied upon to establish and verify homeless status. The procedures must establish the order of priority for obtaining evidence as third-party documentation first, intake worker observations second, and certification from the person seeking assistance third.

However, lack of third-party documentation must not prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider. Records contained in an HMIS or comparable database used by victim service or legal service providers are acceptable evidence of third-party documentation and intake worker observations if the HMIS retains an auditable history of all entries, including the person who entered the data, the date of entry, and the change made; and if the HMIS prevents overrides or changes of the dates on which entries are made.

Homeless status

- 1) If the individual or family qualifies as homeless under paragraph (1)(i) or (ii) of the homeless definition in § 576.2, acceptable evidence includes a written observation by an outreach worker of the conditions where the individual or family was living, a written referral by another housing or service provider, or a certification by the individual or head of household seeking assistance.
- 2) If the individual qualifies as homeless under paragraph (1)(iii) of the homeless definition in § 576.2, because he or she resided in an emergency shelter or place not meant for human habitation and is exiting an institution where he or she resided for 90 days or less, acceptable evidence includes the evidence described in 1) of this section and one of the following:
 - a) Discharge paperwork or a written or oral referral from a social worker, case manager, or other appropriate official of the institution, stating the beginning and end dates of the time residing in the institution. All oral statements must be recorded by the intake worker; or
 - b) Where the evidence in paragraph 2)(a) of this section is not obtainable, a written record of the intake worker's due diligence in attempting to obtain the evidence described in paragraph 2)(a) and a certification by the individual seeking assistance that states he or she is exiting or has just exited an institution where he or she resided for 90 days or less.
- 3) If the individual or family qualifies as homeless under paragraph (2) of the homeless definition in § 576.2, because the individual or family will imminently lose their housing, the evidence must include:
 - a)
 - i) A court order resulting from an eviction action that requires the individual or family to leave their residence within 14 days after the date of their application for homeless assistance; or the equivalent notice under applicable state law, a Notice to Quit, or a Notice to Terminate issued under state law;
 - ii) For individuals and families whose primary nighttime residence is a hotel or motel room not paid for by charitable organizations or federal, state, or local government programs for low-income individuals, evidence that the individual or family lacks the resources necessary to reside there for more than 14 days after the date of application for homeless assistance; or
 - iii) An oral statement by the individual or head of household that the owner or renter of the housing in which they currently reside will not allow them to stay for more than

14 days after the date of application for homeless assistance. The intake worker must record the statement and certify that it was found credible.

(1) To be found credible, the oral statement must either:

- (a) Be verified by the owner or renter of the housing in which the individual or family resides at the time of application for homeless assistance and documented by a written certification by the owner or renter or by the intake worker's recording of the owner or renter's oral statement; or
 - (b) if the intake worker is unable to contact the owner or renter, be documented by a written certification by the intake worker of his or her due diligence in attempting to obtain the owner or renter's verification and the written certification by the individual or head of household seeking assistance that his or her statement was true and complete;
- b) Certification by the individual or head of household that no subsequent residence has been identified; and
- c) Certification or other written documentation that the individual or family lacks the resources and support networks needed to obtain other permanent housing.
- 4) If the individual or family qualifies as homeless under paragraph (3) of the homeless definition in § 576.2, because the individual or family does not otherwise qualify as homeless under the homeless definition but is an unaccompanied youth under 25 years of age, or homeless family with one or more children or youth, and is defined as homeless under another Federal statute or section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), the evidence must include:
- a) For paragraph (3)(i) of the homeless definition in § 576.2, certification of homeless status by the local private nonprofit organization or state or local governmental entity responsible for administering assistance under the Runaway and Homeless Youth Act (42 U.S.C. 5701 *et seq.*), the Head Start Act (42 U.S.C. 9831 *et seq.*), subtitle N of the Violence Against Women Act of 1994 (42 U.S.C. 14043e *et seq.*), section 330 of the Public Health Service Act (42 U.S.C. 254b), the Food and Nutrition Act of 2008 (7 U.S.C. 2011 *et seq.*), section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), or subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 *et seq.*), as applicable;
 - b) For paragraph (3)(ii) of the homeless definition in § 576.2, referral by a housing or service provider, written observation by an outreach worker, or certification by the homeless individual or head of household seeking assistance;
 - c) For paragraph (3)(iii) of the homeless definition in § 576.2, certification by the individual or head of household and any available supporting documentation that the individual or family moved two or more times during the 60-day period immediately preceding the date of application for homeless assistance, including: recorded statements or records obtained from each owner or renter of housing, provider of shelter or housing, or social worker, case worker, or other appropriate official of a hospital or institution in which the individual or family resided; or, where these statements or records are unobtainable, a written record of the intake worker's due diligence in attempting to obtain these statements or records. Where a move was due to the individual or family fleeing domestic violence, dating violence, sexual assault, or stalking, then the intake

worker may alternatively obtain a written certification from the individual or head of household seeking assistance that they were fleeing that situation and that they resided at that address; and

- d) For paragraph (3)(iv) of the homeless definition in § 576.2, written diagnosis from a professional who is licensed by the state to diagnose and treat that condition (or intake staff-recorded observation of disability that within 45 days of date of the application for assistance is confirmed by a professional who is licensed by the state to diagnose and treat that condition); employment records; department of corrections records; literacy, English proficiency tests; or other reasonable documentation of the conditions required under paragraph (3)(iv) of the homeless definition.
- 5) If the individual or family qualifies under paragraph (4) of the homeless definition in § 576.2, because the individual or family is fleeing domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions related to violence, then acceptable evidence includes an oral statement by the individual or head of household seeking assistance that they are fleeing that situation, that no subsequent residence has been identified and that they lack the resources or support networks, *e.g.*, family, friends, faith-based or other social networks, needed to obtain other housing. If the individual or family is receiving shelter or services provided by a victim service provider, the oral statement must be documented by either a certification by the individual or head of household; or a certification by the intake worker. Otherwise, the oral statement that the individual or head of household seeking assistance has not identified a subsequent residence and lacks the resources or support networks, *e.g.*, family, friends, faith-based or other social networks, needed to obtain housing must be documented by a certification by the individual or head of household that the oral statement is true and complete, and, where the safety of the individual or family would not be jeopardized, the domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening condition must be verified by a written observation by the intake worker or a written referral by a housing or service provider, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or any other organization from whom the individual or head of household has sought assistance for domestic violence, dating violence, sexual assault, or stalking. The written referral or observation need only include the minimum amount of information necessary to document that the individual or family is fleeing, or attempting to flee domestic violence, dating violence, sexual assault, and stalking.

At Risk of Homelessness Status - For each individual or family who receives homelessness prevention assistance, the records must include the evidence relied upon to establish and verify the individual or family's "at risk of homelessness" status. This evidence must include an intake and certification form that meets HUD specifications and is completed by the subrecipient. The evidence must also include:

- 1) If the program participant meets the criteria under paragraph (1) of the "at risk of homelessness" definition in § 576.2:
 - a) The documentation specified for determining annual income;

- b) The program participant's certification on a form specified by HUD that the program participant has insufficient financial resources and support networks; *e.g.*, family, friends, faith-based or other social networks, immediately available to attain housing stability and meets one or more of the conditions under paragraph (1)(iii) of the definition of “at risk of homelessness” in § 576.2;
 - c) The most reliable evidence available to show that the program participant does not have sufficient resources or support networks; *e.g.*, family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition. Acceptable evidence includes:
 - i) Source documents (*e.g.*, notice of termination from employment, unemployment compensation statement, bank statement, health-care bill showing arrears, utility bill showing arrears);
 - ii) To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, former employer, public administrator, relative) or the written certification by the subrecipient's intake staff of the oral verification by the relevant third party that the applicant meets one or both of the criteria under paragraph (1)(ii) of the definition of “at risk of homelessness” in § 576.2; or
 - iii) To the extent that source documents and third-party verification are unobtainable, a written statement by the subrecipient's intake staff describing the efforts taken to obtain the required evidence; and
 - d) The most reliable evidence available to show that the program participant meets one or more of the conditions under paragraph (1)(iii) of the definition of “at risk of homelessness” in § 576.2. Acceptable evidence includes:
 - i) Source documents that evidence one or more of the conditions under paragraph (1)(iii) of the definition (*e.g.*, eviction notice, notice of termination from employment, bank statement);
 - ii) To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, former employer, owner, primary leaseholder, public administrator, hotel or motel manager) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party that the applicant meets one or more of the criteria under paragraph (1)(iii) of the definition of “at risk of homelessness”; or
 - iii) To the extent that source documents and third-party verification are unobtainable, a written statement by the subrecipient's intake staff that the staff person has visited the applicant's residence and determined that the applicant meets one or more of the criteria under paragraph (1)(iii) of the definition or, if a visit is not practicable or relevant to the determination, a written statement by the subrecipient's intake staff describing the efforts taken to obtain the required evidence; or
- 2) If the program participant meets the criteria under paragraph (2) or (3) of the “at risk of homelessness” definition in § 576.2, certification of the child or youth's homeless status by the agency or organization responsible for administering assistance under the Runaway and Homeless Youth Act (42 U.S.C. 5701 *et seq.*), the Head Start Act (42 U.S.C. 9831 *et seq.*), subtitle N of the Violence Against Women Act of 1994 (42 U.S.C. 14043e *et seq.*), section

330 of the Public Health Service Act (42 U.S.C. 254b), the Food and Nutrition Act of 2008 (7 U.S.C. 2011 *et seq.*), section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) or subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 *et seq.*), as applicable.

Electronic Files

Documentation of participant eligibility and services received must be maintained in printed or electronically-saved participant case files.

If program participant file documents and signatures or policy documents are collected and maintained electronically, required documentation must be made available to the SCCDC in paper form when requested.

Records Retention

Subrecipients shall retain all program records pertinent to participant's services and expenditures paid with ESG funds in a manner consistent with the requirements of state and federal law.

Subrecipients must retain program records including participant files for five (5) years after the expenditure of all funds from the grant under which the program participant was served. Copies made by microfilming, photocopying, or similar methods may be substituted for the original records.

Subrecipient records for major rehabilitation or conversion of emergency shelter buildings must be retained for at least ten (10) years from the date that ESG funds were first obligated.

Fiscal records, which include books, documents, papers, plans, and agency records that document all program expenditures, must be retained for a minimum of six (6) years, or such longer period as may be required due to any audit, controversy or litigation arising out of, or relating to, program use.

Other records

The subrecipient must keep other records specified by HUD and SCCDC.

Access to records

Notwithstanding the confidentiality procedures established the subrecipients must comply with the requirements for access to records in 2 CFR 200.336.

SECTION 9

Financial Records

The subrecipients must retain supporting documentation for all costs charged to the ESG grant.

The subrecipients must keep documentation showing that ESG grant funds were spent on allowable costs in accordance with the requirements for eligible activities under 24 CFR 576.109, financial management in 2 CFR 200.302, and the cost principles in 2 CFR part 200, subpart E.

The subrecipients must retain records of the receipt and use of program income.

The subrecipient must keep documentation of compliance with the expenditure limits in § 576.100 and the expenditure deadline in § 576.203.

Landlord W9

Subrecipients are required to collect the W9 for each landlord and property management institution. For more information or to get a copy of the form, please refer to the Internal Revenue Service.

Audit Requirements

The subrecipient shall conform to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Requirements) of 2 CFR 200.302, Financial Management, 2 CFR Part 200, Subpart F, Audit Requirements and 2 CFR 200.303, Internal Controls.

Procurement

The subrecipients must retain copies of all procurement contracts and documentation of compliance with the procurement requirements in 2 CFR part 200, subpart D

Purchases of services from contractors or vendors by nonprofit subrecipients with ESG funds are subject to 24 CFR Part 84. This includes standards that prohibit conflicts of interest, procedures for open competition with consistent technical solicitations, affirmative efforts to hire minority- and women- and veteran owned businesses, maintenance of selection documentation, and a contract administration system that provides sufficient monitoring. Purchases of services from contractors or vendors by public agencies with ESG funds are subject to 24 CFR Part 85.

Section 10

Organizational Policies

Affirmative Outreach

Subrecipients must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures that the subrecipient intends to use to make known the availability of the facilities, assistance, and services will reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the subrecipient must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services. The subrecipients must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons information concerning the location of assistance, services, and facilities that are accessible to persons with disabilities. Consistent with Title VI and Executive Order 13166, recipients and subrecipients are also required to take reasonable steps to ensure meaningful access to programs and activities for limited English proficiency (LEP) persons.

Subrecipients must keep records to show compliance with ESG program affirmative outreach requirements.

Anti-Lobbying and Disclosure

Subrecipients will maintain certifications and disclosure forms required under the lobbying and disclosure requirements in 24 CFR part 87.

Confidentiality of Records

Subrecipients will ensure:

1. All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in HMIS) of any program participant who applies for and/or receives ESG assistance will be kept secure and confidential;
2. The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG program will not be made public, except with written authorization of the person responsible for the operation of the shelter;
3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the Division or subrecipient and consistent with state and local laws regarding privacy and obligations of confidentiality.

4. The confidentiality procedures must be in writing and must be maintained in accordance with this section.

Subrecipients must keep records to show compliance with ESG program Confidentiality of Records requirements.

Conflicts of Interest

1. Organizational conflicts of interest

The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the recipient, the subrecipient, or a parent or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent or subsidiary of the subrecipient, carry out the initial evaluation required under § 576.401 or administer homelessness prevention assistance under § 576.103. Recipients and subrecipients must also maintain written standards of conduct covering organizational conflicts of interest required under 2 CFR 200.318.

2. Individual conflicts of interest

For the procurement of goods and services, the recipient and its subrecipients must comply with 2 CFR 200.317 and 200.318.

For all other transactions and activities, the following restrictions apply:

No person described in paragraph 2. of this section who exercises or has exercised any functions or responsibilities with respect to activities assisted under the ESG program, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under the program, may obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has family or business ties, during his or her tenure or during the one-year period following his or her tenure.

The conflict-of-interest provisions of paragraph 1. of this section apply to any person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or its subrecipients.

Subrecipients must keep records to show compliance with the organizational conflicts-of-interest requirements in § 576.404(a), a copy of the personal conflicts of interest policy or codes of conduct developed and implemented to comply with the requirements in § 576.404(b), and records supporting exceptions to the personal conflicts of interest prohibitions.

Emergency Transfer Request

Subrecipients will maintain data on emergency transfers requested under § 576.409, pertaining to victims of domestic violence, dating violence, sexual assault, or stalking, including data on the outcomes of such requests.

Environmental Review

The SCCDC will complete environmental reviews for ESG project in compliance with HUD's environmental regulations in 24 CFR Part 50.

Faith-based activities

Subrecipients must document their compliance with the faith-based activities requirements under § 576.406.

Homeless Participation

The SCCDC includes the participation of homeless individual(s) or formerly homeless individual(s) on the HOME Sonoma County Leadership Advisory Committee.

To the maximum extent practicable, the subrecipient must involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.

Match

The SCCDC will provide match for ESG funds in accordance with 24 CFR 576.201.

Nondiscrimination / Equal Opportunity

Subrecipients must meet the requirements in 24 CFR part 5, subpart A, including the nondiscrimination and equal opportunity requirements at 24 CFR 5.105(a) and the housing counseling requirements at 24 CFR 5.111. Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and implementing regulations at 24 CFR part 135 apply, except that homeless individuals have priority over other Section 3 residents in accordance with § 576.405(c).

Subrecipients must maintain data concerning race, ethnicity, disability status, sex, and family characteristics of persons and households who are applicants for, or program participants in, any program or activity funded in whole or in part with ESG funds; and

Maintain documentation required under 24 CFR 5.168 and certification that the subrecipient will affirmatively further fair housing.

Subrecipients must keep records to show compliance with ESG program nondiscrimination/equal opportunity requirements.

Procurement

Subrecipients must retain copies of all procurement contracts and documentation of compliance with the procurement requirements in 2 CFR part 200, subpart D.

Procurement of Recovered Materials

Subrecipients must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Relocation

The records must include documentation of compliance with the displacement, relocation, and acquisition requirements in § 576.408.

Section 11

Written Standards

Subrecipients must have written standards for providing ESG assistance. These standards should have policies and procedures that are transparent, consistently applied across the program and result in decisions that comply with SCCDC, State, and Federal HUD requirements. At a minimum, an effective policy includes a methodology, documentation requirements, staffing assignments and strategies for addressing special circumstances. These written standards at a minimum must include:

1. Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG;
2. Standards for targeting and providing essential services related to street outreach;
3. Policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG, including standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, *e.g.*, victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the long
4. Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter;
5. Policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers; other homeless assistance providers; and mainstream service and housing providers (see § 576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable);
6. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance (these policies must include the emergency transfer priority required under § 576.409);
7. Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance;
8. Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time; and
9. Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receive assistance; or the maximum number of times the program participant may receive assistance.

Section 12

Monitoring

The SCCDC will review the performance of each subrecipient in carrying out its responsibilities under this part whenever determined necessary by the SCCDC, but at least annually. In conducting performance reviews, SCCDC will rely primarily on information obtained from the records and reports from the subrecipient as well as information from onsite monitoring, audit reports, and information from HMIS. Where applicable, the SCCDC may also consider relevant information pertaining to the recipient's performance gained from other sources, including citizen comments, complaint determinations, and litigation. Reviews to determine compliance with specific requirements of this part will be conducted as necessary, with or without prior notice to the subrecipient.

If the SCCDC determines preliminarily that the subrecipient has not complied with an ESG program requirement, the SCCDC will give the subrecipient notice of this determination and an opportunity to demonstrate, within the time prescribed by the SCCDC and on the basis of substantial facts and data that the subrecipient has complied with Emergency Solutions Grant (ESG) requirements. The SCCDC may change the method of payment to require the subrecipient to provide supporting documentation to the SCCDC in order to show that the funds to be drawn down were expended on eligible activities in accordance with all ESG program requirements.

If the subrecipient fails to demonstrate to the SCCDC's satisfaction that the activities were carried out in compliance with ESG program requirements, the SCCDC will take one or more of the remedial actions or sanctions specified below.

Remedial actions and sanctions

Remedial actions and sanctions for a failure to meet an ESG program requirement will be designed to prevent a continuation of the deficiency; mitigate, to the extent possible, its adverse effects or consequences; and prevent its recurrence.

The SCCDC may instruct the subrecipient to submit and comply with proposals for action to correct, mitigate, and prevent noncompliance with ESG requirements, including:

1. Preparing and following a schedule of actions for carrying out activities affected by the noncompliance, including schedules, timetables, and milestones necessary to implement the affected activities;
2. Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions;
3. Canceling or revising activities likely to be affected by the noncompliance, before expending ESG funds for the activities;
4. Reprogramming ESG funds that have not yet been expended from affected activities to other eligible activities;

5. Suspending disbursement of ESG funds for some or all activities;
6. Reducing or terminating the remaining grant of a subrecipient and reallocating those funds to other subrecipients; and
7. Making matching contributions before or as draws are made from the recipient's ESG grant.

The SCCDC may change the method of payment to a reimbursement basis.

The SCCDC may suspend payments to the extent the SCCDC deems it necessary to preclude the further expenditure of funds for affected activities.

The SCCDC may remove the subrecipient from participation in reallocations of funds under subpart D of this part.

The SCCDC may deny matching credit for all or part of the cost of the affected activities and require the subrecipient to make further matching contributions to make up for the contribution determined to be ineligible.

The SCCDC may require the subrecipient to reimburse its line of credit in an amount equal to the funds used for the affected activities.

The SCCDC may reduce or terminate the remaining grant of a subrecipient and reallocate those funds to other subrecipients in accordance with subpart D of this part.

The SCCDC may condition a future grant.

The SCCDC may take other remedies that are legally available.

Additional Resources:

<https://www.govinfo.gov/content/pkg/CFR-2018-title24-vol3/xml/CFR-2018-title24-vol3-part576.xml#seqnum576.409>

<https://www.law.cornell.edu/cfr/text/24/576.500>

<https://files.hudexchange.info/resources/documents/Rapid-Re-Housing-Brief.pdf>

https://endhomelessness.org/resources/?fwp_categories=rapid-re-housing

<https://www.usich.gov>

