EMERGENCY SOLUTIONS GRANT

Policy Manual

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Table of Contents

Purpose and Scope.................................................................................................................................................. 1

ESG 1 – 0 – Overview and Programmatic Changes................................................................................................. 1

Eligible Activities .................................................................................................................................................... 4

ESG 2 – 0 ESG Eligible Activity Categories............................................................................................................. 4

ESG 2 – 1 Street Outreach......................................................................................................................................... 5

ESG 2 – 2 Emergency Shelter - Requirements and Special Considerations.................................................................. 8

ESG 2 – 2 – 1 Emergency Shelter – Essential Services.............................................................................................. 12

ESG 2 – 2 – 2 Emergency Shelter – Shelter Maintenance (Operations)................................................................. 18

ESG 2 – 2 – 3 Emergency Shelter – Renovation ...................................................................................................... 20

ESG 2 – 2 – 4 Emergency Shelter – Uniform Relocation Assistance (URA) and Real Property
Acquisition Policies .................................................................................................................................................. 21

ESG 2 – 3 Homeless Prevention ............................................................................................................................. 22

ESG 2 – 4 Rapid Re-Housing..................................................................................................................................... 26

ESG 2 – 4 – 1 Rental Assistance Services .............................................................................................................. 28

ESG 2 – 4 – 2 Housing Relocation and Stabilization Services .................................................................................... 32

ESG 2 – 4 – 3 Written Standards and Procedures Under 576.400............................................................................ 36

ESG 2 – 5 Administrative Costs .............................................................................................................................. 39

ESG 2 – 5 – 1 Employee Compensation and other Overhead Costs ...................................................................... 41

ESG 2 – 5 – 2 Indirect Costs...................................................................................................................................... 42

ESG 2 – 6 Homeless Management Information System (HMIS) Activities........................................................... 43

Eligibility Requirements .......................................................................................................................................... 44

ESG 3 – 0 ESG Record Keeping Requirements...................................................................................................... 44

ESG 4 – 0 Client Intake, Assessment and Case Management ................................................................................... 73

ESG 5 – 0 Income Eligibility ................................................................................................................................... 75

ESG 6 – 0 Housing Status Eligibility ........................................................................................................................ 79

ESG 7 – 0 Utility Assistance...................................................................................................................................... 82

ESG 8 – 0 Treatment of Assets ............................................................................................................................... 83

Ineligible Activities ................................................................................................................................................. 84

ESG 9 – 0 Ineligible Activities – Housing Assistance ............................................................................................... 84

Determine Allowable Rent....................................................................................................................................... 85

ESG 10 – 0 Fair Market Rent and Rent Reasonableness .......................................................................................... 85
Purpose and Scope

ESG 1 – 0 – Overview and Programmatic Changes

The EMERGENCY SOLUTIONS GRANT (ESG) renames the Emergency Shelter Grant and broadens existing emergency shelter and homelessness prevention activities and adds short- and medium-term rental assistance and services to rapidly re-house homeless people. This program places a greater focus on homelessness prevention for persons at risk of homelessness and rapid re-housing assistance for homeless persons.

The purpose of the EMERGENCY SOLUTIONS GRANT is continue the grant funding for the Emergency Shelter Grant and to implement the expanded program that was temporarily funded as the Homeless Prevention Rapid Re-Housing program whose mission was to provide homelessness prevention assistance to households who would otherwise become homeless—many due to the economic crisis—and to provide assistance to rapidly re-house persons who are homeless.

Changes with ESG include:

- Part of a community’s larger plan for ending homelessness (Consolidated Plan)
- Written standards required to codify policies and procedures including targeting
- Increased case management requirement
- Increased HMIS and documentation/recordkeeping requirements
- Eligible activities
- Eligible program participants and target populations (including reassessment requirements)

Program components include (§ 576.100):

- Street Outreach
- Emergency Shelter
- Homeless Prevention
- Rapid Re-Housing
- HMIS Component
- Administrative costs

Indirect Costs (§ 576.109):

Indirect costs may be allocated to each eligible activity, so long as the allocation is consistent with an indirect cost rate proposal developed in accordance with OMB circulars.

Restrictions on Street Outreach, Emergency Shelter, Administrative Costs (§ 576.100).

Combined Street Outreach and Emergency Shelter expenditures are limited to 60 percent of the recipient’s total 2010 ESG expenditures for Street Outreach and Emergency Shelter. This may be exceeded only with DPHHS approval.
The total sub-recipient funds that can be spent on administrative activities are 5.0% percent of the sub-recipient’s ESG grant. Employee compensation and other overhead costs directly related to carrying out street outreach, emergency shelter, homelessness prevention, rapid re-housing and HMIS activities are eligible costs of those activities and not subject to the spending limit for administrative costs.

General purpose local government is prohibited from using ESG funds to replace funds the local government provided for Street Outreach or Emergency Shelter unless HUD determines a severe financial deficit exists.

**HMIS Component.** Section 416 (F) of the McKinney-Vento Act requires that projects receiving funding under Emergency Solutions Grant program participate in HMIS. There is no longer an outcome reporting through the IDIS system. No agency will be allowed to send hard copy reports detailing annual program performance as this information will be reported from data in the HMIS system unless the agency is a victim or legal services provider. 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.

Matching Requirements: § 576.109. Matching requirements must be reported annually to conform to HUD reporting requirements.

Agencies must comply with applicable laws and guidance including the requirements of:

1. Housing and Urban Development (HUD) [Docket Number FR-5474-I-01]
2. Section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302)
3. 24 CFR Part 91
4. PART 91 --- Consolidated Submissions for Community Planning and Development Programs
5. The HEARTH Act
6. Circulars A-110 (2 CFR 215) and A-122 (2 CFR 230) or OMB Circulars A-87 (2 CFR 225) and A-102 (for units of local government)
7. Single Audit Act Amendments of 1996 (OMB Circular A-133)
8. HUD Eligibility Determination and Documentation Guidance

Resources are available at: https://www.hudexchange.info/programs/esg/

**Reporting and Recordkeeping Burden:**

**Information Collection**

576.400 (a) Consultation with Continuum of Care
576.400 (b) Coordination with Other Targeted Homeless Services
576.400 (c) System and Program Coordination with Mainstream Resources
576.400 (e) Written Standards for Determining the Amount of Assistance
576.400 (f) Participation in HMIS
576.401(a) Initial Evaluation
576.401(b) Recertification
576.401(d) Connection to Mainstream Resources
576.401(e) Housing Retention Plan
576.402 Terminating Assistance
576.403 Habitability Review
576.405 Homeless Participation
576.500 Recordkeeping Requirements
576.501(b) Remedial Actions
576.501(c) Recipient Sanctions
576.501(c) Subrecipient Response

The ESG program requirements are aligned with other formula programs and rental assistance programs in order to increase efficiency and coordination among the different programs. This framework will maximize communitywide planning and strategic use of resources to:

- Standardize eligibility determinations.
- Prevent and end homelessness through direct funding to the most critical services to help people achieve long-term housing stability and avoid becoming homeless again
- Improve coordination and integration with mainstream services and focus on shortening homelessness
- Improve coordination within each community's homeless services including services funded by other programs targeted to homeless people
- Improving targeting of those most in need
- Improve data collection and performance measurement
- Allow each community to tailors its program to the particular strengths and challenges within that community
- The concept is to marshal available resources capitalizing on existing strength and increase efficiency
Eligible Activities

ESG 2 – 0 ESG Eligible Activity Categories

The purpose of the EMERGENCY SOLUTIONS GRANT is to continue the grant funding for the Emergency Shelter Grant and to implement the expanded program that was temporarily funded as the Homeless Prevention Rapid Re-Housing program whose mission was to provide homelessness prevention assistance to households who would otherwise become homeless—many due to the economic crisis—and to provide assistance to rapidly re-house persons who are homeless.

ESG Eligible Activity Categories

1. Street Outreach
   a. Essential Services
2. Emergency Shelter
   a. Essential Services
   b. Shelter Maintenance (Operation)
   c. Renovation
   d. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)
3. Homeless Prevention
   a. Housing Relocation and Stabilization Service
   b. Short- Medium Term Rental Assistance
   c. Tenant-Based Rental Assistance
   d. Project-Based Rental Assistance
4. Rapid Re-Housing
   a. Housing Relocation and Stabilization Services
   b. Short- Medium Term Rental Assistance
   c. Tenant-Based Rental Assistance
   d. Project-Based Rental Assistance
5. HMIS Component
6. Administrative Activities (5.0% available to agencies)
ESG 2 – 1 Street Outreach

Essential Services (§ 576.101)

Essential services are now directly related to the Street Outreach and Emergency Shelter components.

Essential Services are used to reach out to unsheltered homeless people; connect them with emergency shelter, housing or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

A unit of general purpose local government is prohibited from using ESG Funds to replace funds the local government provided for street outreach during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit.

Combined Street Outreach and Emergency Shelter expenditures are limited to 60 percent of the recipient’s total 2010 ESG expenditures for Street Outreach and Emergency Shelter. This may be exceeded only with DPHHS approval.

HMIS: Recipients of ESG funding must enter client data into the HMIS system.

Eligible Activities:

1. Engagement Activities
2. Case Management
3. Emergency Health Services
4. Emergency Mental Health services
5. Transportation Costs
6. Services for special populations (homeless youth, homeless persons with HIV/AIDS, etc.)

Description of Eligible Activities:

1. Engagement Activities of locating, identifying and building relationships with unsheltered homeless people:
   - Making initial assessments of needs and eligibility
   - Providing crisis counseling
   - Addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries
   - Providing information and referrals to programs targeted to homeless people, mainstream social services and housing programs (including emergency shelter, transitional housing, community based services, permanent supportive housing and rapid re-housing.
   - Allowable costs include: Cell phone costs of outreach workers during the performance of these activities.
2. Case Management of assessing housing and service needs, arranging, coordinating and monitoring the delivery of individualized eligible services of:

- Using a centralized or coordinated assessment system
- Conducting the initial evaluation including verifying and documenting eligibility, counseling, developing, securing and coordinating services, obtaining Federal, State and local benefits, monitoring evaluating program participant progress, providing information and referrals to other providers, developing an individualized housing and service plan, including planning a path to permanent housing stability.

3. Emergency Health Services for the direct outpatient treatment of medical conditions that are provided by a licensed medical professional operating in community-based settings, including streets, parks and other places other unsheltered homeless people are living.

Eligible Treatment:

- Assessing health problems and developing a treatment plan
- Assisting program participants to understand their health care needs
- Providing directly or assisting to obtain appropriate emergency medical treatment
- Providing medication and follow-up services.
- ESG funds may only be used for these services to the extent that other appropriate health services are inaccessible or unavailable within the area.

4. Emergency Mental Health services for direct outpatient treatment by licensed professionals of mental health conditions operating in community-based settings, including streets, parks, and other places where unsheltered people are living.

Eligible Services: Application of therapeutic processes to personal, family, situational or occupational problems

Eligible Treatment:

- Crisis interventions
- Prescription of psychotropic medications
- Explanation about the use and management of medications
- Combinations of therapeutic approaches to address multiple problems.
- ESG funds may only be used for these services to the extent that other appropriate health services are inaccessible or unavailable within the area.

5. Transportation costs of unsheltered people to emergency shelters or other service facilities and travel by outreach workers, social workers, medical professionals, or other service providers provided that the travel takes place during the provision of services eligible under this section.

Allowable costs include:
• Program participant travel on public transportation
• If service workers use their own vehicles, mileage allowance for service workers to visit program participants
• The cost of purchasing or leasing a vehicle for the recipient or sub-recipient and/or staff serving program participants and the cost of gas, insurance, taxes and maintenance for the vehicle
• Travel cost to accompany or assist program participants to use public transportation.

6. Services for special populations to provide services for homeless youth, victim services (assisting program participants who are victims of domestic violence, dating violence, sexual assault, or stalking) and for people living with HIV/AIDS, so long as the costs of providing these services are eligible under paragraphs 1 – 5 of this section. Victim Services include services offered by rape crisis centers and domestic violence shelters and other organizations with a documented history of effective work concerning domestic violence, sexual assault or stalking.
ESG 2 – 2. Emergency Shelter - Requirements and Special Considerations

Emergency Assistance Program Descriptions (§ 576.102):

Essential Services was a separate activity under the Emergency Shelter Grant. It is now directly related to Street Outreach and Emergency Shelter components.

Essential Services are used to reach out to unsheltered homeless people; connect them with emergency shelter, housing or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

Eligible activities:

1. Essential Services
2. Shelter Maintenance
3. Renovation
4. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)

Emergency Shelter Requirements: § 576.403  Shelter and housing standards.

(a) Lead-based paint remediation and disclosure. 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. 4851–4856), and implementing regulations in 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.

(b) 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 recipient may also establish standards that exceed or add to these minimum standards.

(1) Structure and materials. The shelter building must be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents. Any renovation (including major rehabilitation and conversion) carried out with ESG assistance must use Energy Star and WaterSense products and appliances.

(2) Access. The shelter must be accessible in accordance with Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; the Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing regulations at 24 CFR part 100; and Title II of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.) and 28 CFR part 35; where applicable.
(3) Space and security. Except where the shelter is intended for day use only, the shelter must provide each program participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.

(4) Interior air quality. Each room or space within the shelter 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.

(5) Water supply. The shelter’s water supply must be free of contamination.

(6) Sanitary facilities. Each program participant in the shelter must have access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.

(7) Thermal environment. The shelter must have any necessary heating/cooling facilities in proper operating condition.

(8) Illumination and electricity. The shelter 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 shelter.

(9) Food preparation. Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

(10) Sanitary conditions. The shelter must be maintained in a sanitary condition.

(11) Fire safety. There must be at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors must be located near sleeping areas. The fire alarm system must be designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector. There must also be a second means of exiting the building in the event of fire or other emergency.

(c) Minimum standards for permanent housing. The recipient or subrecipient cannot use ESG funds to help a program participant remain or move into housing that does not meet the minimum habitability standards provided in this paragraph (c). The recipient may also establish standards that exceed or add to these minimum standards.

(1) 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.

(2) 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.
(3) 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.

(4) Water supply. The water supply must be free from contamination.

(5) 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.

(6) Thermal environment. The housing must have any necessary heating/cooling facilities in proper operating condition.

(7) 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.

(8) Food preparation. All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

(9) Sanitary conditions. The housing must be maintained in a sanitary condition.

(10) 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.

**Special Considerations:**

Combined Street Outreach and Emergency Shelter expenditures are limited to 60 percent of the recipient’s total 2010 ESG expenditures for Street Outreach and Emergency Shelter. This may be exceeded only with DPHHS approval.

**Prohibition against involuntary family separation.** The age, of a child under age 18 must not be used as a basis for denying any family’s admission to an emergency shelter that uses ESG funding or services and provides shelter to families with children under age 18.
Essential Services and shelter operation funding considerations. Where the recipient or subrecipient uses ESG funds solely for essential services or shelter operations, the recipient or subrecipient must provide services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided. These services or shelters are not limited 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 recipient or subrecipient originally provided the services or shelter.
ESG 2 – 2 – 1 Emergency Shelter – Essential Services

Combined Street Outreach and Emergency Shelter expenditures are limited to 60 percent of the recipient’s total 2010 ESG expenditures for Street Outreach and Emergency Shelter. This may be exceeded only with DPHHS approval.

A unit of general purpose local government is prohibited from using ESG Funds to replace funds the local government provided for emergency shelter services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit.

A transitional facility will only be eligible to receive ESG funds for these costs if:

(1) It meets BOTH of the following criteria under the new emergency shelter definition:

(a) Its primary purpose is to provide a temporary shelter for the homeless in general or for specific populations of the homeless; and

(b) It does not require occupants to sign leases or occupancy agreements;

OR

(2) It received funds under a FY 2010 Emergency Shelter Grants grant and met the criteria under the former emergency shelter definition (“any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless”).

HMIS: Recipients of ESG funding must enter client data into the HMIS system

Eligible Activities:

1. Case Management
2. Child Care
3. Educational Services
4. Employment Assistance and Job Training
5. Outpatient Health Services
6. Legal Services
7. Life Skills Training
8. Mental Health Services
9. Substance Abuse Treatment
10. Transportation
11. Services for special populations

Description of Eligible Activities:

1. Case Management of assessing, arranging, coordinating and monitoring the delivery of individualized eligible services of:

   • Using a centralized or coordinated assessment system
• Conducting the initial evaluation including verifying and documenting eligibility
• Counseling
• Developing, securing and coordinating services
• Obtaining Federal, State and local benefits
• Monitoring evaluating program participant progress
• Providing information and referral to other providers
• Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking
• Developing an individualized housing and service plan, including planning a path to permanent housing stability

2. Child Care is an allowable cost for children under the age of 13 unless the child is disabled. Disabled children must be under the age of 18. The child care must be licensed by the jurisdiction in which it operates to be eligible.

Allowable costs include:

• Meals and snacks
• Comprehensive and coordinated sets of appropriate developmental activities.

3. Educational Services for program participants to obtain and maintaining housing.

Allowable costs include:

• The cost of improving knowledge and basic educational skills
• Eligible Services include instruction or training in:
  • Consumer education
  • Health education
  • Substance abuse prevention
  • Literacy
  • English as a second language
  • General Educational Development

Component Services or activities:

• Screening, assessment, testing
• Individual or group instructions
• Tutoring
• Provision of books, supplies and instructional material
• Counseling
• Referral to community resources
4. Employment assistance and job training for costs of employment assistance and job training programs including:

- Classroom, online, and/or computer instruction
- On the job instruction
- Services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential

Allowable costs include:

- Reasonable stipends to program participants in employment assistance and job training.

   Job training: Learning skills include skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.

   Employment assistance: Services that assist individuals in securing employment including:

   - 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
   - Referral to community resources

5. Outpatient Health Services (ESG may only be used for these services to the extent that other appropriate health services are unavailable in the community.)

Allowable costs include: Direct outpatient treatment of medical conditions provided by a licensed medical professional.

Eligible Treatment:

- Assessing a program participant’s health problems and developing a treatment plan
- Assisting participants understand their health needs
- Providing directly or assisting participants to obtain appropriate medical treatment, preventative medical care and health maintenance services, including emergency medical services
- Providing medication and follow-up services
- Providing preventive and non-cosmetic dental care

6. Legal Services (ESG may only be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community)

Allowable Costs Include: Hourly fees for legal advice and representation by attorneys licensed and in good standing with the bar association of MT and by persons(s) under the supervision of
the licensed attorney, regarding matters that interfere with the programs participant’s ability to obtain and retain housing.

Eligible subject matters:

- Child support
- Guardianship
- Paternity
- Emancipation
- Legal separation
- Orders of protection
- Other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking
- Appeal of veterans and public benefit claims denials
- Resolution of outstanding criminal warrants

Component Services or activities may include:

- Client intake
- Preparation of cases for trial
- Provision of legal advice
- Representation at hearings
- Counseling

Eligible Fees:

- Actual services performed, but only if the cost would be less than the cost of hourly fees
- Filing fees and other necessary court costs

Note: If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the employee’s salaries and other costs necessary to perform the service.

Ineligible costs:

- Legal services for immigration and citizenship matters
- Issues relating to mortgages
- Retainer fee arrangements and contingency arrangements

7. Life Skills Training for services necessary to assist the program participant to function independently in the community.

Allowable costs include: 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.
Component Life Skills:

- Budgeting resources
- Managing money
- Managing a household
- Resolving conflict
- Shopping for food and needed items
- Improving nutrition
- Using public transportation
- Parenting

8. Mental Health Services (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)

Allowable costs include: Direct outpatient treatment provided by a licensed professional of mental health conditions.

Eligible Services: Application of therapeutic processes to personal, family, situational, or occupational problems

Problem areas:

- Family and marital relationships,
- Parent-child problems
- Symptom management

Eligible Treatment:

- Crisis intervention
- Individual, family, or group therapy sessions
- Prescription of psychotropic medications or explanations about the use and management of medications
- Combinations of therapeutic approaches to address multiple problems.

9. Substance Abuse treatment: (ESG funds may only be used for services to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community.)

Eligible Services: Services designed to prevent, reduce, eliminate or deter relapse of substance abuse or addictive relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals.

Eligible Treatment:

- Client intake and assessment
- Outpatient treatment for up to 30 days

Allowable costs include:

- Group and individual counseling
- Drug testing

Ineligible Costs:

- Inpatient detoxification
- Other inpatient drug or alcohol treatment

10. Transportation for costs of travel by program participants to and from medical care, employment, child care, or other eligible essential services facilities.

Allowable costs include:

- Program participant travel on public transportation
- If service workers use their own vehicles, mileage allowance for service workers to visit program participants
- The cost of purchasing or leasing a vehicle for the recipient or sub-recipient and/or staff serving program participants and the cost of gas, insurance, taxes and maintenance for the vehicle.
- Travel cost to accompany or assist program participants to use public transportation.

11. Services for special populations to provide services for homeless youth, victim services (assisting program participants who are victims of domestic violence, dating violence, sexual assault, or stalking) and for people living with HIV/AIDS, so long as the costs of providing these services are eligible. Victim Services include 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.

Ineligible costs:

- Legal services for immigration and citizenship matters
- Issues relating to mortgages
- Retainer fee arrangements and contingency arrangements
- Inpatient detoxification and other inpatient drug or alcohol treatment
ESG 2 – 2 – 2 Emergency Shelter – Shelter Maintenance (Operations)

A unit of general purpose local government is prohibited from using ESG Funds to replace funds the local government provided for emergency shelter services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit.

A transitional facility will only be eligible to receive ESG funds for these costs if:

(1) It meets BOTH of the following criteria under the new emergency shelter definition:
   (a) its primary purpose is to provide a temporary shelter for the homeless in general or for specific populations of the homeless; and
   (b) it does not require occupants to sign leases or occupancy agreements;

OR

(2) The sub-recipient received funds under a FY 2010 Emergency Shelter Grants grant and met the criteria under the former emergency shelter definition (“any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless”).

Allowable costs include:

- Maintenance (including minor or routine repairs)
- Rent
- Security
- Fuel
- Equipment
- Insurance
- Utilities
- Food
- Furnishings and supplies
- Hotel/Motel Voucher (Where no appropriate emergency shelter is available for a homeless family or individual).

HMIS: Recipients of ESG funding must enter client data into the HMIS system

Special Considerations:

Essential Services and shelter operation funding considerations. Where the recipient or subrecipient uses ESG funds solely for essential services or shelter operation, the recipient or subrecipient must provide services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided. These services or shelters are not limited 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 recipient or subrecipient originally provided the services or shelter.
ESG 2 – 2 – 3 Emergency Shelter – Renovation

Renovation of a building requires that it must be owned by a government entity or a private nonprofit organization.

Eligible Costs:

- Labor
- Materials
- Tools
- Other costs for renovation (including major rehabilitation of an emergency shelter or conversion of a building into an emergency shelter).

Special Considerations:

Renovated/Converted Buildings Minimum Period of Use: Each building renovated/converted with ESG funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years, depending on the type of renovation/conversion and the value of the building. The value of the building is the reasonable monetary value assigned to the building, such as the value assigned by an independent real estate appraiser. The minimum use must begin on the date the building is first occupied by a homeless individual or family after the completed renovation. A minimum period of use of 10 years, required for major rehabilitation and conversion, must be enforced by a recorded deed or use restriction. (See 576.102(c)(i)-(iii))
ESG 2 – 2 – 4 Emergency Shelter – Uniform Relocation Assistance (URA) and Real Property Acquisition Policies

An agency must take reasonable steps to minimize displacement as a result of ESG-funded project.

Uniform Relocation Act applies, but is extremely rare for ESG. See § 576.408 for details.

- Types of relocation assistance
- Definition of displaced person
- Types of non-qualified displaced persons
- Definition of initiation of negotiation
- Appeals of determinations of assistance

**URA – Allowable costs include:**

Cost of providing URA assistance under subsection 576.408 including:

- Relocation payment
- Other assistance to persons displaced by a project assisted with ESG

**Special Considerations:** People assisted are not considered “program participants” and relocation payments and other URA assistance are not considered “rental assistance” or “housing relocation and stabilization services”.

Real Property Acquisition Policies: Recipients and sub-recipients must have written policies for real property acquisition. Funding is not available through the ESG grant for this purpose.
ESG 2 – 3 Homeless Prevention

Housing relocation and stabilization services §576.105 and short- and/or medium-term rental assistance §576.106 may be provided to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition.

Homelessness prevention may be provided to individuals and families who meet the criteria under the “at risk of homelessness”, or who meet the criteria in paragraph (2), (3), or (4) of the “homeless” definition in Subsection 576.2. The cost of homelessness prevention are only eligible 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 the housing.

ESG financial assistance cannot be provided to a program participant receiving the same type of assistance for the same period of time from another public program.

Written standards for determining the amount of assistance are required (§576.400).

Eligibility Requirements:

Homeless Prevention services may be provided to those “At Risk of Homelessness” meeting the following conditions:

(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 at initial eligibility determination or at or below 30 percent at reassessment;

   (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:

       (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

       (B) Is living in the home of another because of economic hardship;

       (C) 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;

       (D) 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;
(E) 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;

(F) 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

(G) 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.

Please see ESG Policy 18-0 for federal statute and links concerning the homeless and youth in items (2) and (3) above.

**Homeless Prevention services may be provided to those “Homeless” meeting the following conditions:**

(2) An individual or family who will imminently lose their primary nighttime residence provided that:

   (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;

   (ii) No subsequent residence has been identified; and

   (iii) 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;

(3) 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:

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);

(ii) 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;

(iii) 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

(iv) 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; or

(4) Any individual or family who:

(i) 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;

(ii) Has no other residence; and

(iii) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

Additional Requirements:

- ALL persons assisted with homelessness prevention funds must have an income BELOW 30% AMI at initial eligibility determination
- All persons must be reassessed every 3 months
- Reassessed income must be AT or BELOW 30% AMI
- All persons must meet at least monthly with a case manager (except where prohibited by Violence Against Women Act (VAWA) and the Family Violence Prevention and Services Act (FVPSA)) to assist the program participant in ensuring long-term housing stability
- All persons must have a documented individualized plan to help retain permanent housing after the ESG assistance ends
- All persons must have a written lease for the provision of rental assistance
- Agency must have a rental assistance agreement with the home owner/landlord
• Must meet the requirements of record keeping in ESG Policy 3.0.

Homelessness prevention must be provided in accordance with:

• Short-and/or medium-term rental assistance Subsection §576.106 (ESG Policy 2-4-1);
• Housing relocation and stabilizations services Subsection §576.105 (ESG Policy 2-4-2); and
• Written standards and procedures under Subsection §576.400(ESG Policy 2-4-3).
ESG 2 – 4 Rapid Re-Housing

ESG funds may be used to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. This assistance may be provided to program participants who meet the criteria under paragraph (1) of the “homeless” definition in Subsection 576.2 or who meet the criteria under paragraph (4) of the “homeless” definition (where the individual or family also meets the criteria for paragraph 1).

Homeless Definition:

In determining eligibility for the Rapid Re-Housing program homeless means:

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

   (i) 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;

   (ii) 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

   (iii) 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;

(4) Any individual or family who:

   (i) 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; (where the individual or family also meets the criteria for paragraph 1).

   (ii) Has no other residence; and

   (iii) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

Additional Requirements:
• Initial assessment to document Rapid Re-Housing eligibility does not include an income requirement.
• Reassessment at one year requires:
  • Annualized Income AT OR BELOW 30% AMI
  • Documentation as to whether persons lack sufficient resources and support networks necessary to retain the housing without assistance.
  • All persons must meet at least monthly with a case manager (except where prohibited by Violence Against Women Act (VAWA) and the Family Violence Prevention and Services Act (FVPSA)) to assist the program participant in ensuring long-term housing stability.
  • All persons must have a documented individualized plan to help retain permanent housing after the ESG assistance ends.
  • All persons must have a written lease for the provision of rental assistance
  • Agency must have a rental assistance agreement with the home owner/landlord
  • Must meet the requirements of record keeping in Policy Manual Section 3.0.

**Rapid Re-Housing Assistance must be provided in Accordance with:**

• Short-and/or medium-term rental assistance Subsection §576.106 (ESG Policy 2-4-1);
• Housing relocation and stabilizations services Subsection §576.105 (ESG Policy 2-4-2); and
• Written standards and procedures under Subsection §576.400(ESG Policy 2-4-3).
**ESG 2 – 4 – 1 Rental Assistance Services**

Homeless Prevention and Rapid-Re-Housing includes rental assistance and housing relocation and stabilization services. (Subject to the general conditions under Subsection §576.103 and §576.104)

Program participants may be provided up to 24 months of rental assistance during any three-year period. This assistance may be short-term rental assistance, medium-term rental assistance, payment of rental arrears, or any combination of this assistance.

**Eligible Activities:**

1. **Short-Term Rental Assistance**
2. **Medium-Term Rental Assistance**
3. **Rental Assistance Arrears**

1. **Short-Term Rental Assistance**: Assistance for up to (3) months of rent. Designation of Short Term Rental Assistance must take into consideration payment of Rental Assistance Arrears.

2. **Medium-Term Rental Assistance**: Assistance for more than 3 months but not more than 24 months of rent.

3. **Rental Assistance Arrears**: A one-time payment for up to 6 months of arrears and may include any late fees on those arrears but counts toward 24-month service period

   Months 1-3 are defined as Short-Term Arrears (or Short-Term Rental Assistance)

   Months 4-6 are defined as Medium Term Arrears (or Medium-Term Rental Assistance)

**Additionally:**

- The total rent for a housing unit must not exceed BOTH:
  - Fair market rent established by HUD, as provided under 24 CFR 888; AND
  - Rental assistance must comply with HUD’s “rent reasonableness” standard 24 CFR 982.507

- May be tenant-based or project-based rental assistance

- Those receiving assistance must meet with a case manager at least once a month to assist the program participant in ensuring long-term housing stability

- Reassessment required every 3 months for Homelessness Prevention Program

  - The subrecipient may choose to reassess based on a change in household composition change or income change. If so, it must be documented in the agency’s written policy and procedures manual.

- Reassessment is required annually for the Rapid Re-Housing Program

  - The subrecipient may choose to reassess based on a change in household composition or income change. If so, it must be documented in the agency’s written policy and procedures manual.
**Special Considerations:**

Discretion to set caps and conditions: The agency may set a maximum amount or percentage of rental assistance that a participant may receive rental assistance, a maximum number of months that a participant may receive rental assistance, or a maximum number of times that a participant may receive rental assistance. The agency may require program participants to share in the costs of rent. If so, it must be documented in the agency’s written policy and procedures manual.

Use with other subsidies: Except for a one-time payment of rental arrears on the tenant’s portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance, or living in a housing unit receiving project-based assistance or operating assistance, through other public sources. Rental assistance may not be provided to a participant who has been provided with replacement housing payments under URA during the period of time covered by the URA payments.

**Rent Restrictions.**

1) Rental assistance cannot be provided unless the rent does not exceed the Fair Market Rent established by HUD, as provided under 24 CFR part 888, and complies with HUD’s standard of rent reasonableness, as established under 24 CFR 982.507.

2) For purposes of calculating rent under this section, the rent shall equal the sum of the total monthly rent for the unit, and fees required for occupancy under the lease (other than late fees and pet fees) and if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.

**Rental Assistance Agreement.**

The agency may make rental assistance payments only to an owner with whom the agency has entered into a rental assistance agreement. The agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply. The rental assistance agreement must provide that, during the time of the agreement, the owner must give the agency a copy of any notice to the participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the participant.

**Lease**

Each program participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is sole for rental arrears. The lease must be between the owner and the program participant. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner’s financial records, rent ledgers, or canceled checks. For participants living in housing with project-based rental assistance, the lease must have an initial term of one year.
Late Payments.

The agency must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant’s lease. The agency is solely responsible for paying late payment penalties that it incurs with non-ESG funds.

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 agency 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:
   • The program participant move out of the housing unit for which the participant has a lease.
   • The lease terminates and is not renewed; or
   • The participant becomes ineligible to receive ESG rental assistance.

Project-based rental assistance

If the agency identifies a permanent housing unit that meets ESG requirements and becomes available before a participant is identified to lease the unit, the agency 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 agency may pay up to 100 percent of the first month’s rent, provided that a participant signs a lease 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 move 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 agency 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 agency 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 to 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 agency 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 agency 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 agency commit ESG fund to be expended beyond the expenditure deadline (§ 576.203) or commit funds for a future ESG grant before the grant is awarded.

**Mobile Home Lot Rent**

Paying for rent of a lot on which a mobile home (also known as a manufactured home) is located or for arrears of this rent is eligible as rental assistance under the ESG Homelessness Prevention component. All other program requirements pertaining to rental assistance still apply, including habitability standards, rent reasonableness, and Fair Market Rent (FMR). Some communities have FMRs for manufactured home spaces. If there are no FMRs for manufactured home spaces in the provider’s area, the FMR requirement does not apply in this limited situation.

Please note, however, that ESG may only be used if the client is determined to be eligible for ESG.

**Changes in household composition or participant’s income**

The limits on the assistance apply to the total assistance an individual receives, either as an individual or as part of a family. (§ 576.106)

The subrecipient may require each program participant receiving homelessness prevention or rapid re-housing assistance to notify the subrecipient regarding changes in the program participant’s income or other circumstances (e.g., changes in household composition) that affect the program participant’s need for assistance under ESG. When notified of a relevant change, the subrecipient must re-evaluate the program participant’s eligibility and the amount and types of assistance the program participant needs. (§ 576.401). To preserve local discretion, it is the subrecipient’s choice whether to use household composition or income change other than the required re-evaluation periods of three months for homeless prevention and annually for rapid re-housing. If so, it must be documented in the written policy and procedures manual.
ESG 2 – 4 – 2 Housing Relocation and Stabilization Services

Homeless Prevention and Rapid-Re-Housing (NEW under ESG) includes rental assistance and housing relocation and stabilization services. (Subject to the general conditions under Subsection §576.103 and §576.104)

Eligible Activities:

1. Rental Application Fees
2. Security Deposits
3. Last month’s rent
4. Utility Deposits
5. Utility Payments
6. Moving Costs
7. Services Costs
8. Housing Search and Placement
9. Housing Stability Case Management

ESG funds may be used to pay housing owners, utility companies and other third parties for the following costs:

1. Rental Application Fees for the rental housing application fee that is charged by the owner to all applicants.

2. Security Deposit for a security deposit that is equal to no more than 2 months’ rent.

3. Last month’s rent if necessary to obtain housing to the owner of that housing at the time the owner is paid the security deposit and the first month’s rent. This assistance must not exceed one month’s rent and must be included in calculating the program participant’s total rent assistance, which cannot exceed 24 months during any 3 year period.

4. Utility deposits for a standard utility deposit required by the utility company for all customers for utilities listed in the utility payment section.

5. Utility payments may pay for up to 24 months (during any 3 year period) of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if 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. Eligible utility services:
   - Gas
   - Electric
   - Water
• Sewage

6. Moving costs such as truck rental or hiring a moving company. This may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance and before the program participant move into permanent housing. Payment of temporary storage fees in arrears is not eligible.

7. Services costs. ESG funds may be used to pay the costs of providing the following services:
   • Assessment of housing barriers, needs and preferences
   • Development of an action plan for locating housing
   • Housing search
   • Outreach and negotiation with owners
   • Assistance with submitting rental applications and understanding leases
   • Assessment of housing for compliance with Emergency Solutions Grant (ESG) requirements for compliance with habitability, lead-based paint, and rent reasonableness
   • Assistance with obtaining utilities and making moving arrangement
   • Tenant counseling

8. Housing search and placement necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, include the following:
   • Assessment of housing barriers, needs, and preferences
   • Development of an action plan for locating housing
   • Housing search
   • Outreach to and negotiation with owners
   • Assistance with submitting rental applications and understanding leases
   • Assessment of housing for compliance with requirements for habitability, lead-based paint, and rent reasonableness
   • Assistance with obtaining utilities and making moving arrangement
   • Tenant counseling

9. Housing Stability case management to pay cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a program participant who resides in permanent housing or to assist a program participant in overcoming immediate barriers to obtaining housing. This 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.

Component Services and activities:

• Conducting the initial evaluation (required under subsection 576.401(a), including verifying and documenting eligibility, for individuals and families applying for homeless prevention or rapid re-housing assistance.
- Counseling
- Developing, securing and coordinating services and obtaining Federal, State, and local benefits
- Monitoring and evaluating program participant progress
- Providing information and referrals to other providers
- Developing an individualized housing and service plan, including planning a path to permanent housing and stability
- Conducting re-evaluations required under subsection 576.401(b).
- Mediation between the program participant and the owner or person(s) with whom the participant is living, providing that the mediation is necessary to prevent the participant from losing permanent housing in which they currently reside.
- Legal services as set forth in subsection 576.102 (a) (1) vi), except that the eligible subject matters also include landlord/tenant matters, and the services must be 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 the program participant currently resides.
- Credit repair for credit counseling and other services necessary to assist participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This does not include payment or modification of a debt.
- May be required to use a centralized or coordinated assessment system as required under Subsection 576.400 (d), to evaluate individuals and families applying for or receiving homeless prevention or rapid re-housing assistance.

Special Considerations:

Maximum amounts and periods of assistance: The agency may set a maximum dollar amount that a program participant may receive for each type of financial assistance. The agency may also set a maximum period for which a program participant may receive any of the types of assistance or services. However, except for the housing stability case management, the total period for which any program participant may receive the services must not exceed 24 months during any 3 year period. The limits on the assistance apply to the total assistance an individual receives, either as an individual or as part of a family.

Use with other subsidies: Financial assistance cannot be provided to a participant who is receiving the same type of assistance through other public sources or who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments.

Changes in household composition or participant’s income

The limits on the assistance apply to the total assistance an individual receives, either as an individual or as part of a family. (§ 576.106)
The subrecipient may require each program participant receiving homelessness prevention or rapid re-housing assistance to notify the subrecipient regarding changes in the program participant's income or other circumstances (e.g., changes in household composition) that affect the program participant's need for assistance under ESG. When notified of a relevant change, the subrecipient must re-evaluate the program participant's eligibility and the amount and types of assistance the program participant needs. (§ 576.401). To preserve local discretion, it is the sub recipient’s choice whether to use household composition or income change other than the required re-evaluation periods of three months for homeless prevention and annually for rapid re-housing. If so, it must be documented in the written policy and procedures manual.
ESG 2 – 4 – 3 Written Standards and Procedures Under 576.400

Area-Wide Systems Coordination Requirements

Consultation with Continuums of Care to:

- Determine how to allocate ESG funds each program year
- Develop the performance standards and evaluate outcomes for projects and activities assisted by ESG funds
- Develop policies and procedures for HMIS

Coordination with Other Targeted Homeless Services:

- Coordinate and integrate ESG-funded activities with other homeless programs covered by the CoC to prevent and end homelessness for the area.
- These programs include:
  - Shelter Plus Care Program (24CFR part 582)
  - Supportive Housing Program (24CFR part 583)
  - Section 8 Moderate Rehabilitation Program for Single Room Occupancy program for Homeless Individuals (24CFR part 882)
  - HUD-Veterans Affairs Supportive Housing (HUD-HASH)
  - Education for Homeless Children and Youth Grants for State and Local Activities (Title VII-B of the McKinney-Vento Homeless Assistance Act)
  - Grants for the Benefit of Homeless Individuals (section 506 for the Public Health Services Act (42 USC 290aa-5))
  - Health Care for the Homeless (42 CFR part 51c)
  - Programs for Runaway and Homeless Youth (42 USC 5701 et seq.)
  - 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.));
  - Services in Supportive Housing Grants (section 520A of the Public Health Service Act);
  - Emergency Food and Shelter Program (title III of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11331 et seq.));
  - Transitional Housing Assistance Grants for Victims of Sexual Assault, Domestic Violence, Dating Violence, and Stalking Program (section 40299 of the Violent Crime Control and Law Enforcement Act (42 U.S.C. 13975));
  - Homeless Veterans Reintegration Program (section 5(a)(1)) of the Homeless Veterans Comprehensive Assistance Act (38 U.S.C. 2021);
  - Domiciliary Care for Homeless Veterans Program (38 U.S.C. 2043);
  - VA Homeless Providers Grant and Per Diem Program (38 CFR part 61);
  - Health Care for Homeless Veterans Program (38 U.S.C. 2031);
- Homeless Veterans Dental Program (38 U.S.C. 2062);
- Supportive Services for Veteran Families Program (38 CFR part 62); and

System and Program Coordination with Mainstream Resources: The recipient and its subrecipients must coordinate and integrate, to the maximum extent practicable, ESG funded activities with mainstream housing, health, social services, employment, education, and youth programs for which families and individuals at risk of homelessness and homeless individuals and families may be eligible.

Examples of these programs include:
- Public housing programs assisted under section 9 of the U.S. Housing Act of 1937 (42 U.S.C. 1437g) (24 CFR parts 905, 968, and 990);
- Housing programs receiving tenant-based or project-based assistance under section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f) (respectively 24 CFR parts 982 and 983);
- Supportive Housing for Persons with Disabilities (Section 811) (24 CFR part 891);
- HOME Investment Partnerships Program (24 CFR part 92);
- Temporary Assistance for Needy Families (TANF) (45 CFR parts 260–265);
- Health Center Program (42 CFR part 51c);
- State Children’s Health Insurance Program (42 CFR part 457);
- Head Start (45 CFR chapter XIII, subchapter B);
- Mental Health and Substance Abuse Block Grants (45 CFR part 96); and
- Services funded under the Workforce Investment Act (29 U.S.C. 2801 et seq.).

Centralized or Coordinated Assessment: Once the Continuum of Care has developed a centralized assessment system or a coordinated assessment system in accordance with requirements to be established by HUD, each ESG-funded program or project within the Continuum of Care’s area must:
- Use the CoC’s assessment system.
- Work with the Continuum of Care to ensure the screening, assessment and referrals of program participants are consistent with the Written Standards for Providing ESG assistance.

A victim service provider may choose not to use the Continuum of Care’s centralized or coordinated assessment system.

Written Standards for Providing ESG Assistance

The DPHHS has provided this statewide policy and procedure manual. The subrecipient must consider how they will administer their program and develop appropriate guidelines specific to
the activities that are being provided. Written standards should be established and applied consistently within the subrecipients program.

At a minimum written standards must include:

- Standards for targeting and providing essential services related to street outreach;
- 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 longest;
- Policies and procedures for assessing, prioritizing, and reassessing individuals’ and families’ needs for essential services related to emergency shelter;
- 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 above for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable);
- 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;
- 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;
- 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
- 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.
ESG 2 – 5 Administrative Costs

Subrecipients cannot exceed 5.0% of grant total

Special Considerations:

Case Management costs should be charged as program costs as described as allowable in the Policy Manual 2.0 Eligible Activities and are not to be considered administrative costs.

Eligible Activities:

- Accounting for the use of grant funds
- Preparing reports for submission to HUD
- Obtaining program audits
- Agency staff salaries associated with eligible administrative costs
- ESGP training for program administrator and case managers

Description: General management, oversight and coordination. Cost of overall program management, coordination, monitoring, and evaluation. These costs include but are not limited to:

- Salaries, wages and related costs of agency staff, the staff of subrecipients, or other staff engaged in program administration. In charging costs to this category, the recipient may either include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The recipient may use only one of these methods for each fiscal year grant.

- Program administration assignments include the following:
  - Preparing program budgets and schedules, and amendments to those budgets and schedules;
  - Developing systems for assuring compliance with program requirements;
  - Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
  - Monitoring program activities for progress and compliance with program requirements;
  - Preparing reports and other documents directly related to the program for submission to HUD;
  - Coordinating the resolution of audit and monitoring findings;
  - Evaluating program results against state objectives; and
  - Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as described in this section.

Allowable costs:

- Travel costs incurred for monitoring of subrecipients;
- Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and
• Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies and rental and maintenance (but not purchase) of office space.
• Training on ESG requirements
• Consolidated plan. Costs of preparing and amending the ESG and homelessness-related sections of the consolidated plan
• Environmental review. Costs of carrying out the environmental review responsibilities under subsection 576.407.
ESG 2 – 5 – 1 Employee Compensation and other Overhead Costs

Eligible Costs:

Employee compensation and other overhead costs directly related to carrying out:

- Street Outreach
- Emergency shelter
- Homeless Prevention
- Rapid Re-housing
- And HMIS

Are eligible program components and are not subject to the Administration expenditure limit.
ESG 2 – 5 – 2 Indirect Costs

ESG may be used to pay indirect costs in accordance with OMB Circular A-87 (2 CFR part 225), or A-122 (2 CFR part 230), as applicable.

Expenditure limits: The indirect costs charged to an activity subject to an expenditure limit under subsection 576.100 must be added to the direct costs charged for that activity when determining the total cost subject to expenditure limit.
ESG 2 – 6 Homeless Management Information System (HMIS) Activities

Eligible Activities:

- Reasonable costs for collecting and reporting data through HMIS
- Software and hardware costs
- Connectivity costs
- HMIS training (users and system admin.)
- Data warehousing/aggregation from multiple CoCs with different HMIS software solutions implemented
- Participation fees for providers using the HMIS
- HUD Research and Evaluation of ESG
Eligibility Requirements  
ESG 3 – 0 ESG Record Keeping Requirements

*Documentation is different for each category; so the first consideration is the type of assistance that the individual/family will receive. The following describes the information that is necessary for minimum record keeping requirements.*

Regardless of the type of assistance provided, if the assistance was a direct service payment there must be a client file must contain documentation that details the reason for the assistance. The documentation should include:

Verification of Homelessness or At-Risk of Homelessness (Homeless Certification, or Self Declaration of Housing Status)

- Verification of U.S. Citizenship or Lawful Resident (Declaration of Section 214 or U.S. Identification)
- Initial Consultation Form and Case Notes
- Intake and Certification Form
- Follow-up Case Manager/Client Meetings and at least monthly case notes.
- Documented Individualized Housing and Service Plan, including planning a path to permanent housing stability
- Documentation of Financial Assistance payment (Documentation of payment must include the Type of Assistance, Payee Name, Client Name, Check Number and Amount paid using ESG funds).
- Documentation of 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.
- As applicable, determinations of Ineligibility – For each individual and family determined ineligible to receive ESG, the client file must include documentation of the reason for that determination.
- Documentation of the HMIS Household number or a documented reason why the number is not available.
**Street Outreach Clients Category 1 Literally Homeless Clients**

1. For applicants who lacks a fixed, regular, and adequate nighttime residence, meaning: car; park; abandoned building; bus or train station; airport; camping ground; or hotel and motels paid for by charitable organizations or federal, state or local government programs
   - Written observation by the outreach worker; or
   - Written referral by another housing or service provider; or
   - Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in a shelter

2. For an individual who is exiting an institution where he/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 –
   - Written observation by the outreach worker; or
   - Written referral by another housing or service provider; or
   - Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in a shelter
   and:
   - 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
   - Written record of intake worker’s due diligence in attempting to obtain the evidence described above evidence and certification by the applicant that states he/she is exiting or has just exited an institution where he/she resided for 90 days or less.

3. Written documentation that individuals and families are living on the streets (or other places not meant for human habitation) and are unwilling or unable to access services in an emergency shelter.

4. Documentation of compliance with the applicable requirements for providing service and assistance (576.101) includes:
   - Engagement Documentation: Initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid-re-housing programs
   - Case Management Documentation: Document eligibility; counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and
evaluating program participant progress; providing information and referrals to other providers; and developing and individualized housing and service plan, including planning a path to permanent housing stability.

- Emergency Health Services: Documentation of direct outpatient services provided.
- Emergency Mental Health Services: Documentation of direct outpatient services provided.
- Transportation Documentation:
  - Cost of transporting unsheltered people to emergency shelters or other service facilities.
  - Cost of Program participant’s travel on public transportation
Street Outreach Clients Category 4 Fleeing/Attempting to Flee Domestic Violence

For Victim Service Providers:

1. An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker.

For non-Victim Service Providers:

1. An oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the care worker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and

2. Certification by the individual or head of household that no subsequent residence has been identified; and

3. Self-certification or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

4. Documentation of compliance with the applicable requirements for providing service and assistance (576.101) includes:

   • Engagement Documentation: Initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid-re-housing programs

   • Case Management Documentation: Document eligibility; counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing and individualized housing and service plan, including planning a path to permanent housing stability.

   • Emergency Health Services: Documentation of direct outpatient services provided.

   • Emergency Mental Health Services: Documentation of direct outpatient services provided.

   • Transportation Documentation:

     o Cost of transporting unsheltered people to emergency shelters or other service facilities.

     o Cost of Program participant’s travel on public transportation
Emergency Shelter Category 1 Literally Homeless Clients

1. For applicants who lacks a fixed, regular, and adequate nighttime residence, meaning: car; park; abandoned building; bus or train station; airport; camping ground; or hotel and motels paid for by charitable organizations or federal, state or local government programs
   - Written observation by the outreach worker; or
   - Written referral by another housing or service provider; or
   - Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in a shelter

2. For an individual who is exiting an institution where he/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 –
   - Written observation by the outreach worker; or
   - Written referral by another housing or service provider; or
   - Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in a shelter
   and:
   - 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
   - Written record of intake worker’s due diligence in attempting to obtain the evidence described above evidence and certification by the applicant that states he/she is exiting or has just exited an institution where he/she resided for 90 days or less.

3. Documentation of compliance with the applicable requirements for providing service and assistance (576.102) includes:
   - Case Management Documentation: Assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible.
     - Initial Evaluation
     - Documenting eligibility
     - Document Counseling
     - Document securing, coordinating services and obtaining Federal, State, and local benefits;
     - Document program participant progress;
     - Document information and referrals to other providers;
     - Document ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
     - Document an individualized housing and service plan, including planning a path to permanent housing stability.
• Child Care Documentation: Child care provided for program participants
  o Document meals and snacks provided
  o Document appropriate developmental activities provided
  o Documentation verifying the child-care center is licensed

• Education Services Documentation: Document the costs of improving knowledge and basic educational skills
  o Document instruction or training in consumer education
  o Document instruction or training in health education
  o Document substance abuse prevention instruction or training,
  o Document instruction or training in Literacy
  o Document English as a second language instruction or training
  o Document General Education Development (GED) instruction or training
  o Document component services or activities such as screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources.

• Employment Assistance and Job Training Documentation:
  o Document 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.
  o Document stipends provided to program participants in employment assistance and job training programs.
  o Document learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.
  o Document 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;
  o Document referrals to community resources.

• Outpatient Health Services Documentation: Document direct outpatient treatment of medical conditions provided by licensed medical professionals.

• Legal services Documentation:
  o Document legal advice provided
  o Document the attorney is licensed and in good standing with the bar association
  o Document the matters that interfere with the program participant’s ability to obtain and retain housing. Eligible subject matters are 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.

• Life skills training Documentation:
o Document life skills training necessary to assist the program participant to function independently in the community. (i.e., budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.)

- Mental health services Documentation:
  o Document direct outpatient treatment by licensed professionals of mental health conditions.

- Substance abuse treatment services Documentation.
  o Document substance abuse treatment services designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors
  o Document the treatment providers are licensed or certified professionals.
  o Document duration of outpatient treatment (up to 30 days)
  o Document group and individual counseling sessions
  o Document drug testing

- Transportation Documentation:
  o Document transportation of a program participant’s travel to and from medical care, employment, child care, or other eligible essential services facilities.
  o Document program participant’s travel on public transportation;
  o Document program participant’s use of public transportation.
Emergency Shelter Homeless Category 2 Imminent Risk of Homeless Clients

1. Document applicant is at risk of homelessness
   - A court order resulting from an eviction action notifying the individual or family that they must 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;
   - 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
   - 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.
     o The intake worker must record the statement and certify that it was found credible. To be found credible, the oral statement must either:
       ▪ 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
       ▪ 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;

and

2. Certification that no subsequent residence has been identified;

and

3. Self-certification or other written documentation that the individual lacks the financial resources and support necessary to reside there for more than 14 days after the date of application for homeless prevention.

4. Documentation of compliance with the applicable requirements for providing service and assistance (576.102) includes:
   - Case Management Documentation: Assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible.
     o Initial Evaluation
     o Documenting eligibility
     o Document Counseling
     o Document securing, coordinating services and obtaining Federal, State, and local benefits;
     o Document program participant progress;
o Document information and referrals to other providers;
o Document ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
o Document an individualized housing and service plan, including planning a path to permanent housing stability.

- Child Care Documentation: Child care provided for program participants
  o Document meals and snacks provided
  o Document appropriate developmental activities provided
  o Documentation verifying the child-care center is licensed

- Education Services Documentation: Document the costs of improving knowledge and basic educational skills
  o Document instruction or training in consumer education
  o Document instruction or training in health education
  o Document substance abuse prevention instruction or training,
  o Document instruction or training in Literacy
  o Document English as a second language instruction or training
  o Document General Education Development (GED) instruction or training
  o Document component services or activities such as screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources.

- Employment Assistance and Job Training Documentation:
  o Document 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.
  o Document stipends provided to program participants in employment assistance and job training programs.
  o Document learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.
  o Document 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;
  o Document referrals to community resources.

- Outpatient Health Services Documentation: Document direct outpatient treatment of medical conditions provided by licensed medical professionals.

- Legal services Documentation:
  o Document legal advice provided
  o Document the attorney is licensed and in good standing with the bar association
  o Document the matters that interfere with the program participant’s ability to obtain and retain housing. Eligible subject matters are 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.

- **Life skills training Documentation:**
  - Document life skills training necessary to assist the program participant to function independently in the community. (i.e., budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.)

- **Mental health services Documentation:**
  - Document direct outpatient treatment by licensed professionals of mental health conditions.

- **Substance abuse treatment services Documentation.**
  - Document substance abuse treatment services designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors
  - Document the treatment providers are licensed or certified professionals.
  - Document duration of outpatient treatment (up to 30 days)
  - Document group and individual counseling sessions
  - Document drug testing

- **Transportation Documentation:**
  - Document transportation of a program participant’s travel to and from medical care, employment, child care, or other eligible essential services facilities.
  - Document program participant’s travel on public transportation;
  - Document program participant’s use of public transportation.
**Emergency Shelter Homeless Category 3 Homeless Under Other Federal Statutes Clients**

1. Certification by the agency that the individual or family does not 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:
   - Certification of homeless status by the local private nonprofit organization or state or local governmental entity responsible for administering assistance under
     - Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.),
     - 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),
     - 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.),

   and

2. Certification of no permanent housing in last 60 days:
   - 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;

   and

3. Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days 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

4. Documentation of special needs or two or more barriers to employment:
   - Obtain of a 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).
Two or more barriers to employment which include: employment records; department of corrections records; literacy, English proficiency tests; lack of a high school degree or General Education Development (GED); a history of unstable employment; or document the applicant is 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,

5. Documentation of compliance with the applicable requirements for providing service and assistance (576.102) includes:

- **Case Management Documentation:** Assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible.
  - Initial Evaluation
  - Documenting eligibility
  - Document Counseling
  - Document securing, coordinating services and obtaining Federal, State, and local benefits;
  - Document program participant progress;
  - Document information and referrals to other providers;
  - Document ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
  - Document an individualized housing and service plan, including planning a path to permanent housing stability.

- **Child Care Documentation:** Child care provided for program participants
  - Document meals and snacks provided
  - Document appropriate developmental activities provided
  - Documentation verifying the child-care center is licensed

- **Education Services Documentation:** Document the costs of improving knowledge and basic educational skills
  - Document instruction or training in consumer education
  - Document instruction or training in health education
  - Document substance abuse prevention instruction or training,
  - Document instruction or training in Literacy
  - Document English as a second language instruction or training
  - Document General Education Development (GED) instruction or training
  - Document component services or activities such as screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources.

- **Employment Assistance and Job Training Documentation:**
o Document 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.

o Document stipends provided to program participants in employment assistance and job training programs.

o Document learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.

o Document 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;

o Document referrals to community resources.

• Outpatient Health Services Documentation:
  o Document direct outpatient treatment of medical conditions provided by licensed medical professionals.

• Legal services Documentation:
  o Document legal advice provided
  o Document the attorney is licensed and in good standing with the bar association
  o Document the matters that interfere with the program participant’s ability to obtain and retain housing. Eligible subject matters are 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.

• Life skills training Documentation:
  o Document life skills training necessary to assist the program participant to function independently in the community. (i.e., budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.)

• Mental health services Documentation:
  o Document direct outpatient treatment by licensed professionals of mental health conditions.

• Substance abuse treatment services Documentation.
  o Document substance abuse treatment services designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors
  o Document the treatment providers are licensed or certified professionals.
- Document duration of outpatient treatment (up to 30 days)
- Document group and individual counseling sessions
- Document drug testing

- Transportation Documentation:
  - Document transportation of a program participant’s travel to and from medical care, employment, child care, or other eligible essential services facilities.
  - Document program participant’s travel on public transportation;
  - Document program participant’s use of public transportation.
Emergency Shelter Homeless Category 4 Fleeing/Attempting to Flee Domestic Violence

For Victim Service Providers:
1. An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker.

For non-Victim Service Providers:
1. An oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the care worker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and
2. Certification by the individual or head of household that no subsequent residence has been identified; and
3. Self-certification or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.
4. Documentation of compliance with the applicable requirements for providing service and assistance (576.102) includes:

- Case Management Documentation: Assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible.
  - Initial Evaluation
  - Documenting eligibility
  - Document Counseling
  - Document securing, coordinating services and obtaining Federal, State, and local benefits;
  - Document program participant progress;
  - Document information and referrals to other providers;
  - Document ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
  - Document an individualized housing and service plan, including planning a path to permanent housing stability.

- Child Care Documentation: Child care provided for program participants.
  - Document meals and snacks provided
  - Document appropriate developmental activities provided
  - Documentation verifying the child-care center is licensed

- Education Services Documentation: Document the costs of improving knowledge and basic educational skills
  - Document instruction or training in consumer education
  - Document instruction or training in health education
  - Document substance abuse prevention instruction or training,
  - Document instruction or training in Literacy
- Document English as a second language instruction or training
- Document General Education Development (GED) instruction or training
- Document component services or activities such as screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources.

- Employment Assistance and Job Training Documentation:
  - Document 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.
  - Document stipends provided to program participants in employment assistance and job training programs.
  - Document learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.
  - Document 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;
  - Document referrals to community resources.

- Outpatient Health Services Documentation:
  - Document direct outpatient treatment of medical conditions provided by licensed medical professionals.

- Legal services Documentation:
  - Document legal advice provided
  - Document the attorney is licensed and in good standing with the bar association
  - Document the matters that interfere with the program participant’s ability to obtain and retain housing. Eligible subject matters are 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.

- Life skills training Documentation:
  - Document life skills training necessary to assist the program participant to function independently in the community. (i.e., budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.)

- Mental health services Documentation:
- Document direct outpatient treatment by licensed professionals of mental health conditions.

- **Substance abuse treatment services Documentation.**
  - Document substance abuse treatment services designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors
  - Document the treatment providers are licensed or certified professionals.
  - Document duration of outpatient treatment (up to 30 days)
  - Document group and individual counseling sessions
  - Document drug testing

- **Transportation Documentation:**
  - Document transportation of a program participant’s travel to and from medical care, employment, child care, or other eligible essential services facilities.
  - Document program participant’s travel on public transportation;
  - Document program participant’s use of public transportation.
Rapid Re-Housing Category 1 Literally Homeless Clients

1. For applicants who lacks a fixed, regular, and adequate nighttime residence, meaning: car; park; abandoned building; bus or train station; airport; camping ground; or hotel and motels paid for by charitable organizations or federal, state or local government programs
   - Written observation by the outreach worker; or
   - Written referral by another housing or service provider; or
   - Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in a shelter

2. For an individual who is exiting an institution where he/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 –
   - Written observation by the outreach worker; or
   - Written referral by another housing or service provider; or
   - Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in a shelter
   and:
   - 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
   - Written record of intake worker’s due diligence in attempting to obtain the evidence described above evidence and certification by the applicant that states he/she is exiting or has just exited an institution where he/she resided for 90 days or less.

3. Monthly case manager meeting case notes
4. Documented individualized plan to help retain permanent housing after the ESG assistance ends.
5. Verification of Income – Not required for Rapid Re-Housing until recertification at 1 year mark.

Rental Assistance Agreements and Payments
- 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
- Supporting Documentation for these payments, including dates of occupancy by program participants

Utility Allowance:
- Document the monthly allowance for utilities (excluding phone) used to determine compliance with the rent restriction.

Shelter and Housing Standards: Documentation of compliance with the shelter and housing standards:
- Lead-Based Paint documentation
- Habitability Standards
- Environmental review documentation (24 CFR Part 50)

Reassessment at one year requires:
- Annualized Income AT OR BELOW 30% AMI
- Documentation as to whether persons lack sufficient resources and support networks necessary to retain the housing without assistance.
**Rapid Re-Housing Category 4 Fleeing/Attempting to Flee DV**

For Victim Service Providers:
1. An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker.

For non-Victim Service Providers:
2. An oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the care worker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and
3. Certification by the individual or head of household that no subsequent residence has been identified; and
4. Self-certification or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Documentation of compliance with the applicable requirements for providing service and assistance (576.104) includes:
- Monthly case manager meeting case notes
- Documented individualized plan to help retain permanent housing after the ESG assistance ends.
- Verification of Income – Not required for Rapid Re-Housing until recertification at 1 year mark.

**Rental Assistance Agreements and Payments**
- Copy of a written lease from the landlord with the client for the of rental assistance.
- Copy of rental assistance agreement between agency and the home owner/landlord.
- Copy of Eviction Notice; Notice to Quit; Demand For Possession or Summons & Complaint.
- Housing Plan
- Documentation of Rent Reasonableness
- Documentation of Fair Market Rent
- Documentation of payments made to owners for the provision of rental assistance
- Supporting Documentation for these payments, including dates of occupancy by program participants

**Utility Allowance:**
- Document the monthly allowance for utilities (excluding phone) used to determine compliance with the rent restriction.

**Shelter and Housing Standards:** Documentation of compliance with the shelter and housing standards
- Lead-Based Paint documentation
- Habitability Standards
- Environmental review documentation (24 CFR Part 50)
Reassessment at one year requires:

- Annualized Income AT OR BELOW 30% AMI
- Documentation as to whether persons lack sufficient resources and support networks necessary to retain the housing without assistance.
Homelessness Prevention Category 2 – Imminent Risk of Homelessness

1. Document applicant is at risk of homelessness
   - A court order resulting from an eviction action notifying the individual or family that they must 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;
   - 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
   - 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.
       - To be found credible, the oral statement must either:
         - 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
         - 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;

   and

2. Certification that no subsequent residence has been identified; and

3. Self-certification or other written documentation that the individual lacks the financial resources and support necessary to reside there for more than 14 days after the date of application for homeless prevention. Acceptable evidence includes:
   - Source documents (e.g., notice of termination from employment, unemployment compensation statement, bank statement, health-care bill showing arrears, utility bill showing arrears);
   - 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 intake staff of the oral verification by the relevant third party that the applicant meets the criteria under paragraph (1)(ii) of the definition of “at risk of homelessness” in §576.2; or
   - To the extent that source documents and third-party verification are unobtainable, a written statement by the intake staff describing the efforts taken to obtain the required evidence; and
4. Documentation of one of the following conditions: To the extent that source documents and third-party verification are unobtainable, a written statement by the intake staff that the staff person has visited the applicant’s residence and determined that the applicant meets one or more of the following criteria. If a visit is not practicable or relevant to the determination, a written statement by the intake staff describing the efforts taken to obtain the required evidence.

- Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
- Is living in the home of another because of economic hardship;
- 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;
- Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organization or by federal, State, or local government programs for low income individuals;
- 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 people per room, as defined by the U.S. Census Bureau;
- 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
- 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;

5. Documentation of compliance with the applicable requirements for providing service and assistance (576.103) includes:

6. Monthly case manager meeting case notes

7. Documented individualized plan to help retain permanent housing after the ESG assistance ends.

8. Verification of Income (Has an annual income below 30 percent of median family income for the area, as determined by HUD at initial eligibility determination)

Rental Assistance Agreements and Payments

- Copy of a written lease from the landlord with the client for the provision of rental assistance.
- Copy of rental assistance agreement between agency and the home owner/landlord.
- Copy of Eviction Notice; Notice to Quit; Demand For Possession or Summons & Complaint.
- Housing Plan
- Documentation of Rent Reasonableness
- Documentation of Fair Market Rent
- Documentation of payments made to owners for the provision of rental assistance
- Supporting Documentation for these payments, including dates of occupancy by program participants
Utility Arrearages
- Copy of Shut-Off Notice that is in a household member’s name.

Utility Allowance:
- Document the monthly allowance for utilities (excluding phone) used to determine compliance with the rent restriction.

Shelter and Housing Standards: Documentation of compliance with housing standards
- Lead-Based Paint documentation
- Habitability Standards
- Environmental review documentation (24 CFR Part 50)

Reassessment every 3 months requires:
- Annualized Income AT OR BELOW 30% AMI
- Documentation as to whether persons lack sufficient resources and support networks necessary to retain the housing without assistance.
1. Certification by the agency that the individual or family does not 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:
   - Certification of homeless status by the local private nonprofit organization or state or local governmental entity responsible for administering assistance under
     - Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.),
     - 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),
     - 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.),

   and

2. Certification of no permanent housing in last 60 days;
   - 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;

   and

3. Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days 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

4. Documentation of special needs or two or more barriers to employment:
   - Obtain of a 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).
   - Two or more barriers to employment which include: employment records; department of corrections records; literacy, English proficiency tests; lack of a high school degree or
General Education Development (GED); a history of unstable employment; or document the applicant is 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,

5. Documentation of compliance with the applicable requirements for providing service and assistance (576.103) includes:
   - Monthly case manager meeting case notes
   - Documented individualized plan to help retain permanent housing after the ESG assistance ends.

6. Verification of Income (Has an annual income below 30 percent of median family income for the area, as determined by HUD at initial eligibility determination)

7. Documentation of one or more “At Risk of Homelessness” conditions found on page 30 of the ESG Policy Manual.

Rental Assistance Agreements and Payments
   - Copy of a written lease from the landlord with the client for the provision of rental assistance.
   - Copy of rental assistance agreement between agency and the home owner/landlord.
   - Copy of Eviction Notice; Notice to Quit; Demand For Possession or Summons & Complaint.
   - Housing Plan
   - Documentation of Rent Reasonableness
   - Documentation of Fair Market Rent
   - Documentation of payments made to owners for the provision of rental assistance
   - Supporting Documentation for these payments, including dates of occupancy by program participants

Utility Arrearages
   - Copy of Shut-Off Notice that is in a household member’s name.

Utility Allowance:
   - Document the monthly allowance for utilities (excluding phone) used to determine compliance with the rent restriction.

Shelter and Housing Standards:
   - Documentation of compliance with housing standards
   - Lead-Based Paint documentation
   - Habitability Standards
   - Environmental review documentation (24 CFR Part 50)

Reassessment every 3 months requires:
   - Annualized Income AT OR BELOW 30% AMI
• Documentation as to whether persons lack sufficient resources and support networks necessary to retain the housing without assistance.
**Homelessness Prevention Category 4 Fleeing/Attempting to Flee Domestic Violence**

For Victim Service Providers:
1. An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker. (Skip to #4 below)

For non-Victim Service Providers:
2. An oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the care worker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and
3. Certification by the individual or head of household that no subsequent residence has been identified; and
4. Self-certification or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.
5. Monthly case manager meeting case notes
6. Documented individualized plan to help retain permanent housing after the ESG assistance ends.
7. Verification of Income (Has an annual income below 30 percent of median family income for the area, as determined by HUD at initial eligibility determination)
8. Documentation of one or more “At Risk of Homelessness” conditions found on page 30 of the ESG Policy Manual.
9. Documentation of compliance with the applicable requirements for providing service and assistance (576.104) includes:

**Rental Assistance Agreements and Payments**
- Copy of a written lease from the landlord with the client for the provision of rental assistance.
- Copy of rental assistance agreement between agency and the home owner/landlord.
- Copy of Eviction Notice; Notice to Quit; Demand For Possession or Summons & Complaint.
- Housing Plan
- Documentation of Rent Reasonableness
- Documentation of Fair Market Rent
- Documentation of payments made to owners for the provision of rental assistance
- Supporting Documentation for these payments, including dates of occupancy by program participants

**Utility Arrearages**
- Copy of Shut-Off Notice that is in a household member’s name.

**Utility Allowance:**
- Document the monthly allowance for utilities (excluding phone) used to determine compliance with the rent restriction.
Shelter and Housing Standards: Documentation of compliance with housing standards

- Lead-Based Paint documentation
- Habitability Standards
- Environmental review documentation (24 CFR Part 50)

Reassessment every 3 months requires:

- Annualized Income AT OR BELOW 30% AMI
- Documentation as to whether persons lack sufficient resources and support networks necessary to retain the housing without assistance.
ESG 4 – 0 Client Intake, Assessment and Case Management

Agencies are expected to include documentation on the results of the eligibility assessment in the case file. Obtaining or maintaining stable housing is a likely primary goal and other steps needed to achieve housing stability (such as employment or needed supports) are likely related goals. Plans must be developed with full involvement from household members, and should start with a strengths assessment. Case managers should build plans around the client’s own goals. Service needs may include: mental health, substance abuse, domestic violence, education, employment, and health care. The plan should assist the program participant in retaining permanent housing after the ESG assistance ends.

Participants must be assisted, as needed, in obtaining appropriate supportive services such as medical or mental health treatment or services essential for independent living including mainstream benefits (Medicaid, SSI, SNAP, etc.)

In addition to assessing and documenting income and the current housing situation of applicant households, the agencies must also assess and document that the household would become homeless but for the ESG assistance. This includes assessing and documenting a household’s support networks and financial resources and other housing options.

Note: An eviction notice and proof of income alone are not enough to determine eligibility and appropriateness for ESG.

Example templates for determining and documenting income and housing status eligibility are available at https://www.hudexchange.info/. (Look under “Find Resources by Topic” on the right side of the page) The example templates are also included under the forms section of this document.

Case Management: Case Mangers must meet with program participants at least once a month.

Recertification of Eligibility:

Agencies must evaluate and reassess the eligibility of ESG program participants not less than once every 3 months for Homelessness Prevention. Agencies should determine the reassessment date based on the original eligibility assessment date. The intent is to assure the household remains eligible and needs continued assistance to prevent homelessness, particularly since eligibility is based on current income as opposed to past or projected income.

The calculation of current income at the time of the three month eligibility recertification is also based on the total gross income the household is receiving. (Homelessness Prevention Only).

Staff Certification of Eligibility for ESG Assistance:

The “Staff Certification of Eligibility for ESG Assistance” form (formally “Staff Affidavit”) must be completed and signed by the person determining eligibility and his/her supervisor for all households determined eligible. A new Staff Certification form is only required if a different staff person re-certifies eligibility at a later date. Visit the forms section of this document or the HUD Exchange website.
http://sites.google.com/site/mtESG/home/administrative.

The “Staff Certification of Eligibility for ESG Assistance” form must in every case file determined eligible or recertified.
ESG 5 – 0 Income Eligibility

Income must be calculated at the time of application and every three (3) months thereafter as part of the re-certification process for Homelessness Prevention individuals or families. Income calculations must be documented in the client file.

Initial assessment to document Homeless Prevention eligibility requires income assessment. See Income Calculation section below.

Initial assessment to document Rapid Re-Housing eligibility does not include an income requirement.

Rapid Re-Housing reassessment at one year requires:

- Annualized Income at or below 30% AMI

This section provides detailed information on how to determine the Area Median Income (AMI) and how to calculate household income. Documentation of a household’s total annualized gross income relative to Area Median Income and indicating the actual income guidelines for the area (30% of AMI or less) must be documented in the participant file.

Determining Area Median Income:
A household must have a gross annual income that is at or below 30% of the AMI. AMI is determined according to the state and local jurisdiction in which a household resides or enters the program, and is dependent on the number of household members. The AMI for each community can be found on HUD’s Office of Policy Development and Research website. The agencies should be sure to use the most recent data posted.

Income:
Income is any money that goes to, or on behalf of, the head of household or spouse (even if temporarily absent) or to any other household member. Annual income includes the current (within 30 days) gross income of all adult household members (18 years of age or older) and income attributable to a minor (S.S.I., child support, etc.)

The following types of income must be counted (inclusions) when calculating gross income for the household:

- Earned Income
- Payment statement
- Statement of income from employer/source of income
- Self Employment/Business Income
- Most recent financial statement
- Interest & Dividend Income
- Most recent interest or dividend income statement
- Pension Retiremen Income (VA, SS, and from a former job)
• Most recent benefit notice, pension statement or other payment statement from pension provider
• Armed Forces Income
• Payment statement
• Statement of income from government official/agency
• Unemployment
• Most recent benefit statement
• Disability Income (SSI, SSDI, private disability insurance and VA disability)
• Disability income notice from SSI
• Statement from SSI
• VA Benefit Letter
• TANF/Public Assistance/General Assistance
• Most recent benefit or income notice from public assistance administrator
• Statement from public assistance administrator
• Alimony, Child Support
• Court Order
• Most recent payment statement
• Armed Forces Income
• All income from full-time students when the head of household or spouse
• Income from full-time students up to $480 annually when not head of household or spouse
• Adoption Assistance Payments up to $480 annually
• Worker’s Compensation
• No Income Reported
• Self-Certification

The following types of income are NOT counted (exclusions) when calculating gross income for ESG eligibility purposes:
• Income from employment of children, including foster children (Under 18)
• Inheritance and Insurance Income (Lump sum payments)
• Medical Expense Reimbursements
• Income of Live-in Aides
• Disabled Persons
• Student Financial Aid
• Armed Forces Hostile Fire Pay
• Self-Sufficiency Program Income –Funds set aside for use under a PASS program
• Other Income (i.e., temporary, non-recurring or sporadic income)(Gifts)
• Reparations paid by a foreign government
• Income from full-time students- Annual earnings in excess of $480 for each full-time student (18 or older)(Excluding the head of household or spouse)
• Adoption Assistance Payments- In excess of $480 annually
- Deferred and Lump Sum Social Security & SSI payments
- Income Tax and Property Tax refunds
- Home Care Assistance
- Other Federal Exclusions- 24 CFR 5.609(c) apply (i.e. food stamps, VISTA, LI.EAP, WIA, WIC, Childcare, )

**NOTE:** Household assets are generally not counted as income, with the exception of interest and dividend income as indicated above.

**Income Calculation:**
Depending on pay periods used by the employer or the schedule of periodic payments, the following calculations convert the average wage into annual income:
- Hourly Wage multiplied by Hours Worked Per Week multiplied by 52 weeks
- Weekly Wage multiplied by 52 weeks
- Bi-Weekly (every other week) Wage multiplied by 26 bi-weekly periods
- Semi-Monthly Wage (twice a month) multiplied by 24 semi-monthly periods
- Monthly Wage multiplied by 12 months

**Income Documentation:**

**HUD’s required order**
1. Third Party
   - Source
     - Written, including already available documents
     - Oral
2. Intake Staff Observations
3. Self-Certification

**Third Party – Written Letters/Referrals**
- Official communication (issued on agency stationary or program template)
- Signed and dated by appropriate third party representative
- Additional standards depend on criteria/condition of the Homeless Definition Category being used

**Third Party – Recorded Oral Statements**
- By intake staff of 3rd party providing verification
- **Must be Signed and dated** by intake staff as true and complete

**Oral Third Party**—Verification from a third party (e.g. individual employer, Social Security Administration, welfare office, etc.) provided by the third party over the telephone or in-person directly to ESG staff. Oral third party verification is acceptable only if written third party verification cannot be obtained. ESG staff must document reasons why third party written verification could not
be obtained in the ESG case file. The agency may use the ‘Verification of Income’ form to document oral third party income verification.

Intake Staff Observations

Applicant Self-Certification—an affidavit of income status as reported by the household is allowable, but is only acceptable if written or verbal third party verification cannot be obtained. ESG staff must document reasons why third party written or oral verification could not be obtained in the ESG case file. See “ESG Self-Declaration of Income” template at https://www.hudexchange.info/ for examples. The “ESG Self-Declaration of Income” template is also included under the forms section of this document. At a minimum, self-declaration documentation must include, source, amount, frequency, applicant’s signature, and date.

HUD’s Required Order documentation requirements do not apply when providing:

- Emergency Shelter Assistance (Unsheltered Homeless)
- Street Outreach Assistance
- Domestic Violence Assistance

Note: ESG staff must clearly and briefly describe in case file anytime written third party documentation is not used. This may be done as part of the documented client assessment or as part of other case file documentation (e.g., in case notes, on the income verification form).

Timeliness of Documentation

Documentation that is dated within 30 days prior to the time of application is acceptable for purposes of ESG. However, a statement received any time within the twelve months prior to the time of application and reflecting current benefits received by an applicant household is allowed.
ESG 6 – 0 Housing Status Eligibility

The household’s housing status must be determined at the time of application and every three (3) months for Homeless Prevention and annually for Rapid Re-housing as part of the re-certification requirement and documentation must be in the case file.

For each client, determine whether the client is: literally homeless; imminently losing their housing; unstably housed and at-risk of losing their housing; or stably housed at program entry and exit. For clients exiting a program, the Housing Status should reflect their housing status immediately after exiting the program as determined by the client’s housing destination and anticipated housing stability.

Housing status is only changed in the HMIS system upon entry and exit of the ESG program.

The following is a list of allowable Housing Status options:

- **Rapid Re-Housing Option:**
  - 1 = Literally homeless

- **Homeless Prevention Option:**
  - 2 = Imminently losing their housing
  - 3 = Unstably housed and at-risk of losing their housing

- **Other Options at Exit:**
  - 4 = Stably housed
  - 8 = Don’t Know
  - 9 = Refused

For purposes of ESG, HUD allows various types of documentation, ranging from third party verification to applicant self declaration. Minimum acceptable types of documentation vary depending on the particular housing status and circumstance being documented. General documentation standards, in order of preference, are as follows:

1. **Written Third Party**—Verification in writing from a third party (e.g. emergency shelter provider, landlord, etc.) either directly to ESG staff or via the applicant is most preferred. Written third party documentation may include completion of a standardized form, such as “ESG Homeless Certification” template. See “ESG Homeless Certification” templates at https://www.hudexchange.info/ for examples. A copy of the “ESG Homeless Certification” form is under the forms section of this document.

2. **Oral Third Party**—Verification from a third party provided by the third party over the telephone or in-person directly to ESG staff. Oral third party verification is acceptable only if written third party verification cannot be obtained. ESG staff must document reasons why third party written verification could not be obtained in the ESG participant file. See “ESG Homeless Certification”
templates at https://www.hudexchange.info/ for examples. A copy of the “ESG Homeless Certification” form is under the forms section of this document.

3. **Applicant Self-Declaration**—An affidavit of housing status as reported by the household is allowable, but is only acceptable if written or verbal third party verification cannot be obtained. Self-declaration of housing status (e.g., eviction) should be rare. ESG staff must document reasons why third party written or oral verification could not be obtained in the ESG participant file. “ESG Self-Declaration of Housing Status” templates at https://www.hudexchange.info/ for examples. A copy of the “ESG Self-Declaration of Housing Status” form is under the forms section of this document.

**Housing Status Documentation:**

But before providing assistance through ESG, the agency **must determine and document** if the household has any other available options or resources that may prevent them from becoming literally homeless. For all ESG applicants documentation of the following must be in the case file: Other housing options (i.e., could they stay with a family member until they are able to move into a new unit or get their first paycheck?),

- Assess and **document** all other appropriate housing options
- Verify that no other housing options are available
  - Must be **documented** by ESG case manager or authorized staff
  - Include assessment summary or other statement indicating that applicant has no other appropriate housing options,
  - Be signed and dated by ESG case manager or other authorized ESG staff.
- Include **documentation** indicating no other subsequent housing options in the case file.

- **Support networks and financial resources to obtain immediate housing or remain in current housing.**
  - Assess with applicant all financial resources **AND** support networks (i.e. friends, family or other personal sources of financial or material support)
  - Verify that applicant lacks financial resources and support networks to obtain other appropriate subsequent housing or remain in their housing.
  - Assessment Form or Other Documentation Must:
    - Be documented by ESG case manager or other authorized staff.
    - Include review of current account balances in checking and savings accounts held by applicant household.
    - Include assessment summary or other statement indicating that applicant lacks financial resources and support networks to obtain other appropriate subsequent housing or remain in their housing.
    - Be signed and dated by ESG case manager or other authorized ESG staff
  - Include **documentation** indicating insufficient financial resources and support networks in participant case file.
NOTE: Remember, specifically for housing status, determining eligibility can be a multi-level process; applicants must meet ALL criteria and evidence of this must be present in the case file.
ESG 7 – 0 Utility Assistance

A household seeking utility only assistance may be eligible for ESG assistance if it can be documented that they will lose their housing and become literally homeless if utility assistance is not provided and the household meets other ESG eligibility requirements. In such cases, agency must confirm and document in the case file that the utility company will in fact disconnect the utility service if the full amount or a partial payment is not paid, that the disconnection of utility service will cause housing to be unsafe or otherwise cause eviction (i.e. if the applicant is required to maintain utilities per their lease), and that no other utility assistance (i.e. LIEAP, Energy Share or ESG) is available to prevent the shut-off.

A copy of a utility shut-off notice or arrears statement is not sufficient by itself to document program eligibility.

NOTE: There are laws governing public utilities that prevent certain utility companies from shutting off power to a unit during certain periods of the year.
ESG 8 – 0 Treatment of Assets

Assets are cash or material items that can be converted to cash quickly. They include real property, personal property, and investments that a household may possess, including assets that are owned by more than one person, but allow unrestricted access to the applicant.

Assets include:

1. Amounts in checking and saving bank accounts.
2. Stocks, bonds, savings certificates, money market funds, and other investment accounts.
3. The cash value of trusts that may be withdrawn by the household.
4. IRA, Keogh and similar retirement savings accounts, even when early withdrawal will result in a penalty.
5. Lump sum receipts of cash received and accessible by household, such as inheritances, capital gains, lottery winnings, insurance settlements, and other claims.

In Montana, ESG applicants cannot have liquid assets totaling more than two (2) months of 80% of Fair Market Rate Value for rentals in Montana.
Ineligible Activities

ESG 9 – 0 Ineligible Activities – Housing Assistance

Ineligible activities include:

- Duplicating payments– using ESG funds and another source for exact same cost type for same time period
- Mortgage assistance/costs
- Legal Services related to Mortgages
- Operations costs for housing programs
- Assistance longer than 24 months
- Direct payments to program participants
- Payment of credit arrears (credit cards, loans, other consumer debit etc.)
- Pet Care
- Car Repair
- Medical/Dental Care
- Medication
- Clothing and Grooming
- Entertainment Activities
- Cash Assistance
- Non-housing services, such as:
  - Food, household items, clothing
  - Furniture and appliances
  - Discharge planning at institutions (hospitals, jails or prisons)
- Planning or developing new HMIS systems
- Development of New Software
- 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.
- Contracting for program evaluation
- Certifications, Licenses and General Training Classes (e.g. for a case manager to gain credentials)
Determine Allowable Rent

ESG 10 – 0 Fair Market Rent and Rent Reasonableness

Fair Market Rents (FMRs) are applicable under ESG.

As explained in the ESG Notice, similar to the rules of other HUD housing programs, the interim rule prohibits rental assistance from being provided for a housing unit, unless the total rent for the unit does not exceed the fair market rent established by HUD, as provided under 24 CFR, Part 888 and complies with HUD’s standard of rent reasonableness 24 CFR 982.507. These rent restrictions are intended to make sure that program participants can remain in their housing after their ESG assistance ends.

Rent reasonableness is determined on a case-by-case basis. Rent reasonableness should be determined by considering the following:

1. The reasonableness in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, management, and maintenance of each unit.
2. The rent should not be in excess of rents currently being charged by the same owner for comparable unassisted units. As the notice states, this comparison can include units advertised for rent as well those actual rents charged.

Agencies must determine and document rent reasonableness for all units for which ESG rental assistance (including arrears) and/or security deposit assistance is being provided. The requirement applies whether homelessness prevention assistance or rapid re-housing assistance is provided (i.e. when participants are moving into units and when there is a current lease in place).

If the rent for the unit does not meet the rent reasonableness standard, then ESG funds may not be used to assist the household in that unit. Further, ESG funds cannot be used to pay the rent up to the rent reasonable standard, while the tenant pays the remainder. However, an eligible household could receive ESG assistance to relocate to another unit that does comply with rent reasonableness standards, and is ultimately more affordable to the household.

In the Notice, HUD set a requirement that rents must be in compliance with the HUD standard of "rent reasonableness." This would include rental payments, rental arrears, and security deposits. However, it is up to the grantee to determine exactly which documentation it will require in order to ensure that the rent reasonableness standard is met. Agencies may choose to use the "Rent Reasonableness Checklist and Certification" template found at:

- https://www.hudexchange.info/ or
- Under the forms section of this document.
Confidentiality

ESG 11 – 0 Client Privacy

Each agency must have written procedures to ensure:

1. The security and confidentiality of records containing any personally identifying information of any individual or family who applies for and/or receives assistance; and

2. That the address or location of any assisted housing will not be made public, except to the extent that this prohibition contradicts a pre-existing privacy policy of the agency.
Termination of Housing Assistance
ESG 12 – 0 Request for Administrative Review

The agency may terminate assistance to a household who violates program requirements. In terminating assistance to a household, the agency must provide a formal process that recognizes the rights of individuals receiving assistance to due process of law. This process, at a minimum, must consist of:

1. Written notice to the program participant containing a clear statement of the reasons for termination; (Termination Notice Form Letter)
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 of that person) who made or approved the termination decision; and
3. Prompt written notice of the final decision to the program participant.

A copy of the “Termination Notice Form Letter” and “Request for Administrative Assistance” form is included under the forms section of this document.

The subrecipient may resume assistance to a family or individual whose assistance has been terminated.
Inspections

ESG 13 – 1 Habitability Standards

Emergency Shelters: All shelters must meet minimum habitability standards. Shelters renovated with ESG funds are required to meet state or local government safety and sanitation standards, include energy-efficient appliances and materials.

Accessibility: Reasonable accommodations for persons with disabilities must be made in order to enable program participants with a disability to have an equal opportunity to participate in the program or activities. If undertaking shelter alterations, you must consult the specific requirements to be in compliance with 24 CFR Part 8.

Housing Standards: If ESG funds are used to help a program participant remain in or move into permanent housing that housing must meet habitability standards.

An on-site inspection is required anytime a program participant is receiving ESG financial assistance. (Financial assistance includes arrears, rental assistance, security deposit assistance, utility assistance, etc.). Habitability inspections are also not required for persons receiving services only.

Following are the habitability standards that grantees must follow:

- The unit must be in compliance with all applicable state and local housing codes and licensing requirements.
- Structure and materials must be structurally sound so as not to pose any health and safety threat to occupants and to protect occupants from the elements.
- Access must be accessible to occupants without being accessible to unauthorized persons, and must provide an alternate means of egress in case of fire.
- Space and security must afford adequate space and security for occupants and belongings including an acceptable place to sleep.
- Interior air quality each room or space must be provided with natural or mechanical ventilation and must be free of air pollutants at levels that threaten the health of the occupants.
- Water supply must be free from contamination.
- Sanitary facilities Residents must have access to sufficient sanitary facilities that are in proper operating condition, may be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.
- Thermal environment must have adequate heating and or cooling facilities in proper working condition.
- Illumination and electricity must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.
- Food preparation and refuse disposal all food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.
• Sanitary condition housing and any equipment must be maintained in a sanitary condition.

• Fire safety
  o Each dwelling 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 the hearing-impaired in each bedroom occupied by a hearing-impaired person.
  o 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 detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwell, and common areas.
  o There must also be a second means of exiting the building in the event of fire or other emergency.

The Housing Quality Standards (HQS) used for other HUD programs are more stringent than the habitability standards outlined in the ESG Notice. Agencies are not required to use HQS, but may do so if they choose.

Habitability standards do not require a certified inspector to conduct on-site inspections.

Inspections must be conducted upon initial occupancy and then on an annual basis for the term of ESG assistance.

Agencies should use the “ESG Habitability Standards Checklist,” available on HUD’s Homelessness Resource Exchange, as a guide to conduct the on-site inspection. This checklist should be completed upon initial occupancy and on an annual basis for the term of ESG assistance. Copies of the completed checklists should be included in the case files for documentation purposes. The “ESG Habitability Standards Checklist” is also available in the forms section of this document.
ESG 13 – 2 Lead-Based Paint Requirements

The lead-based paint requirements exist to protect vulnerable families from potential health hazards. To prevent lead-poisoning in young children, agencies must comply with the Lead-Based Paint Poisoning Prevention Act of 1973 and its applicable regulations found at CFR 35, Parts A, B, M, and R. As agencies that provide assistance to and advocate on behalf of disadvantaged populations, it is important to understand that the lead rule is a tool that helps you ensure the safety and well-being of your clients.

Under ESG, the rule is that a lead-based paint visual assessment must be completed for all units that meet the three following conditions:

1. The household living in the unit is being assisted with ESG financial assistance (rent assistance, utilities assistance, utility/security deposits, or arrears).
2. The unit was constructed prior to 1978.
3. A child under the age of six is, child under 6 will be living in the unit or a pregnant woman will live there.

Note: Emergency Shelters receiving funds must be meet the Lead-Based Paint requirements as a condition of funding.

The lead requirements apply regardless of whether a household is remaining in an existing unit or moving to a new unit. The visual assessment must be completed prior to ESG assistance being provided, and annually thereafter.

There are certain exceptions to the rule. Visual assessments by ESG staff are not required under the following circumstances:

- It is a zero-bedroom or Single Room Occupancy (SRO) sized unit (studio apartments, dormitories, etc.);
- X-ray or laboratory testing of all painted surfaces by certified personnel has been conducted in accordance with HUD regulations and the unit is officially certified to not contain lead-based paint;
- The property has had all lead-based paint identified and removed in accordance with HUD regulations;
- The client is receiving Federal assistance from another program, where the unit has already undergone a visual assessment within the past 12 months – e.g., if the client has a Section 8 voucher and is receiving ESG assistance for a security deposit or arrears (note, in such cases, ESG staff are required to obtain documentation that a visual assessment has been conducted from the agency administering the other form of assistance for the ESG case file); or
- It meets any of the other exemptions described in 24 CFR Part 35.115(a).

If any of the conditions outlined above are met, ESG program staff simply needs to document the condition by completing the ESG Lead Screening Worksheet (available on the HUD HRE) and placing a copy in the case file. (Note: While grantees are required to document compliance with the lead rule, they are not required to use this particular screening worksheet. This tool was developed as a sample to...
assist agencies who may be looking for resources to use in their local programs.) Remember, regardless of these exceptions, all properties are still subject to the disclosure requirements.

**Disclosure requirements:** Disclosure requirements are triggered for ALL properties constructed prior to 1978. These requirements require that property owners or managers provide tenants with:

- HUD’s disclosure form for rental properties disclosing the presence of known and unknown lead-based paint; AND
- A copy of the “Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools” pamphlet. Both the disclosure form and pamphlet are available at: https://www.hud.gov/program_offices/healthy_homes/training/rrp/rrp  As explained, this requirement actually relates to property owners/managers, but sharing this information with your clients (or ensuring they have received it) is an easy thing to do and will make your job easier. ESG assessments are an important opportunity to educate clients about the potential hazards related to lead and their rights as tenants. Informed tenants are more likely to watch for potential problems in their home and proactively work with landlords to address any issues.

Program staff should consider sharing the following documents available on Homelessness Resource Exchange at https://www.hudexchange.info/ with property owners/managers as well as residents to outline responsibilities and provide additional guidance:

- Instructions for Property Owners Template
- Instructions for Residents Template

Depending on the results of the visual assessment, additional steps may be required before assistance can be provided for that unit.

**ESG Program Staff Responsibilities**

1. Determine whether lead-based paint requirements are triggered
2. Inform ESG client and property owner of the lead-based paint requirements and schedule visual assessment.
3. Conduct visual assessment
4. Identify risks and compare to “de minimis” level
5. Make assistance determination.
6. Confirm all identified deteriorated paint has been stabilized.
7. Respond to a child with elevated blood lead levels.
8. Conduct ongoing lead-based paint monitoring. (Annually)

ESG program staff is responsible for ensuring that property owners/managers understand their responsibilities with regard to lead-based paint hazards.

**Property Owner/Manager Responsibilities**

1. Distribution of pamphlets and disclosure notice to occupants.
2. Perform paint stabilization.
3. Use safe work practices.
4. Obtain clearance.
5. Provide Notice of Lead Hazard Reduction to tenants.
6. Conduct ongoing lead-based paint maintenance.

Anyone may become a HUD-Certified Visual Assessor by successfully completing the 20-minute online Visual Assessment Training on HUD’s website: The training teaches individuals how to identify deteriorated paint and how deteriorated paint must be treated.
ESG 13 – 3 Environmental Review

Environmental Review: ESG activities are subject to environmental review under HUD’s environmental regulations in 24 CFR Part 58. HUD has authorized states and units of general local government to assume HUD’s responsibilities for environmental review. The same environmental reviews procedures remain that have been required for all Emergency Shelter Grants program grants.
Complete ESG File Requirements
ESG 14 – 0 ESG Client File Checklist

In order to ensure that information contained within the file is complete and accurate, please use the 
Client File Checklist form located in the forms section ESG Policy 21.0.

Regardless of the type of assistance provided, if the assistance was a direct service payment there must 
be a client file that details the reason for the assistance.

- Refer to ESG Record Keeping Policy in ESG Policy 3.0
- Refer to ESG Client Files Checklist in ESG Policy 21.0

The types of assistance are categorized in a matrix published by HUD and shown in the ESG Policy 22.0.
Other Federal Requirements
ESG 15 – 1 Conflict of Interest

There are two situations that are often referred to as a “conflict of interest.”

1. The first is when ESG program participants are to be assisted in a property that is owned by the agency or affiliated organization of the agency. In this instance, a grantee must submit a letter to the CPD Director requesting a waiver for good cause.

The waiver must:
- Include a description of the benefit(s) to ESG participants;
- Explain how the agency disclosed the conflict and addresses/mitigates any potential issues;
- Demonstrate that the agency has looked for other appropriate housing and it is not available, or there is a good reason why the agency housing is better for the clients;
- Demonstrate that the subsidy is not tied to a unit (clients have to be able to choose the agency housing);
- Demonstrate that an attorney has reviewed the housing selections and determined that the activities proposed do not violate state and local law; and
- Demonstrate that there is no implied benefit to any individual or organization.

2. The second type of conflict of interest that can occur is at the individual level (as opposed to the agency level). The ESG Notice states: “No person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds there under, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.” (emphasis added)

**NOTE:** Employees of an agency and their families are not automatically disqualified from receiving ESG assistance, as long as they meet the qualifications of the above paragraph (i.e., they are not in a position to exercise any responsibilities, make decisions about, gain inside information into, or obtain a personal benefit from ESG). This situation would be more likely in a large agency than it would in a very small agency.

When a conflict of interest exists, the grantee may seek an exception by writing to the local HUD Field Office, including the following information:

- For states and other governmental entities, a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
• For all grantees, an opinion of the grantee’s attorney that the interest for which the exception is sought would not violate state or local law.

If there is a question or the appearance of a conflict of interest of any type, the agency should contact the local HUD field office to determine if an exception or waiver is needed.
ESG 15 – 2 Nondiscrimination and Equal Opportunity Requirements

Nondiscrimination and Equal Opportunity Requirements

Agencies must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a).

Agencies must make known that ESG rental assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about ESG and equal access to the financial assistance and services provided under this program.

Each agency must take reasonable steps to ensure meaningful access to programs to persons with limited English proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964. This may mean providing language assistance or ensuring that program information is available in the appropriate languages for the geographic area served by the jurisdiction and that limited English proficient persons have meaningful access to ESG assistance.

To assist the agencies, HUD published the “Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons” (72 42 Federal Register 2732; January 22, 2007).

In addition, all notices and communications shall be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.6.

If the procedures that the grantee intends to use to make known the availability of the rental assistance and services are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for such rental assistance and services, the grantee must establish additional procedures that will ensure that such persons are made aware of the rental assistance and services.

Recipients and subrecipients must also comply with the following other Federal Requirements:

- Fair Housing Act
- Uniform Administrative Requirements
- Equal Employment Opportunity Programs
- Minority Business Enterprises
- Nondiscrimination in Federally Assisted Programs
- Age Discrimination
- Women's Business Enterprise
- Drug Free Workplace Act
- Debarred Suspended • Section 504 of the Rehabilitation Act
- Americans with Debarred, Suspended, Ineligible Contractors
- Affirmative Outreach Disabilities Act
- Section 6002 of the Solid Waste
- Disposal Act, as amended by the Resource Conservation and Recovery Act
ESG 15 – 3 Faith-based Activities (576.406)

Religious/faith-based organizations

- Are eligible on same basis as other organizations
- Retain their independence
- Must not engage in inherently religious activities as part of ESG-funded activities
- Must not discriminate based on religion or religious belief
- Must not use ESG funds to rehabilitate structures used for inherently religious activities (e.g., chapels or sanctuaries)

If local government contributes its own funds to a faith-based organization to supplement federal funds

- Funds may be segregated or commingled
- If commingled, restrictions apply
ESG 15 – 4 Homeless Participation (576.405)

Homeless and Formerly Homeless Volunteer Involvement

Recipients other than States must involve homeless or formerly homeless persons on the board of directors or other policy/decision making body regarding ESG assistance.

Recipients unable to meet this requirement, must develop and implement a plan to consult with homeless or formerly homeless persons in considering and making policies regarding ESG assistance and must include this plan in their Consolidated Plan.

Recipients must involve homeless persons in:
- Renovation, construction, maintenance, and operation of ESG facilities
- Provision of ESG services
- Provision of services to occupants of facilities assisted with ESG funds

* Involvement may be volunteer or employment maximum extent practicable
Reporting Requirements
ESG 16 – 0 Reporting

Reporting guidelines

The State of Montana is required to use the following four systems to input data related to the Homeless Prevention and Rapid Re-Housing Program. Each system is listed below as is the requirements that the state has imposed on the Human Resource Councils.

1. FederalReporting.gov is managed by the White House Office of Management and Budget (OMB). OMB is requiring ESG grantees to submit data common to all Recovery Act programs in FederalReporting.gov every quarter.
   - Agencies are required to submit a monthly invoice to the Fiscal Officer at the State by the 10th of every month. The invoice can be faxed, mailed or emailed with a signature.
   - Included with the invoice is the following (Items may change as needs for the report change):
     - Invoice
     - Contract Summary
     - Invoice Details
     - Number Served
     - Hours
     - FTE Table (for informational purposes)

2. ODLC is an electronic grants management system. HUD will collect ESG-specific performance and expenditure data through ODLC every year via an Annual Performance Report (APR).

3. HUD’s Integrated Disbursement and Information System (IDIS) is the financial management system through which the Department must draw down funds. The Department will not be entering any performance or beneficiary data into IDIS.
   - Agencies must submit a work plan on how their money will be allocated. These amounts are inputted into IDIS. The agency must track their expenditures and ensure they are not overspending in any one budget category. If more authority is needed in any one budget category a revised work plan is required before the invoice will be paid.

1. A Homeless Management Information System (HMIS) is a client-level data collection and management system that allows for better coordination among agencies providing services to clients. It is not a national reporting system and it is not designed to be a financial reporting/accounting system. Agencies providing ESG assistance MUST enter client-level data into the DPHHS HMIS so the subrecipient can provide aggregate data to the DPHHS (which is then reported through e-snaps and FederalReporting.gov). New data standards are expected which may impact the data required to be collected.
**ESG 16 – 1 HMIS**

**PARTICIPATION IN HMIS**

The recipient must ensure that data on all persons served and all activities assisted under ESG are entered into the HMIS in the area in which those persons and activities are located, or in the case of victim service or legal services provider it may use a comparable database that collects client-level data over time, in accordance with HUD’s standards on participation, data collection, and reporting under a local HMIS. Information entered into a comparable database must not be entered directly into or provided to a HMIS system.

**HMIS DATA ENTRY DEADLINES**

All data for a quarter must be entered by the 5th day following the end of the quarter. This allows that information to be included in the Quarterly Performance Report (QPR) submission to HUD.

**HMIS DATA ENTRY STANDARDS**

Please refer to the HMIS Data Standards for a discussion of the data standards for collecting and entering information for clients. This is available in the HMIS Help option as well as through https://www.hudexchange.info/
ESG 17 – 0 Match Requirement

Matching is required to be reported annually. Matching contributions may be obtained from any source, including any Federal source other than the ESG program, as well as state, local, and private sources.

Federal Sources use as contributions:
1. The recipient must ensure the laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match Emergency Solutions Grant funds.
2. If ESG funds are used to satisfy the matching requirements of another Federal program, then funding from that program may not be used to satisfy the matching requirement.
3. Contributions that have been or will be counted as satisfying a matching requirement of another Federal grant or award may not count as satisfying the matching requirement.
4. The matching funds must be provided during a specified contract period.

Eligible types of matching contributions:
- Cash contributions which are expended for allowable costs
- Noncash contributions – The value of any real property, equipment, goods, or services contributed to the ESG program provided that if they were paid for with grant funds that they would have been allowable
- The value of any donated material or building,
- The value of any lease on a building,
- Any salary paid to staff to carry out the program of the recipient, and
- the value of the time and services contributed by volunteers to carry out the program.
- Program Income is to be used as a match

Calculating the amount of noncash contributions:
- Must use a method reasonably calculated to establish the fair market value.
- Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the organization or consistent with other employers for similar work in the same labor market.
- Costs paid by program income can count provided the costs are eligible ESG costs that supplement the ESG program.

Please Reference § 576.201 Matching requirement for further information.
Requesting Reimbursement
ESG 18 – 0 ESG Payment Process

1. Once the contract is signed and sent back to Intergovernmental Human Services Bureau (IHSB) at 1400 Carter Drive, Helena, MT then a Provider Invoice is sent to the Human Resource Development Council (HRDC), which will allows the HRDC to request an advance of funds and/or reimbursement of funds.

2. An explanation of the Provider Invoice is as follows
   a. Line 1 is equal to the contract amount of the contract. No reimbursement over the contract amount is allowed.
   b. Line 2 is the amount of cash that the HRDC has received to date. This will include both the outstanding advance and expenditure amounts that have been requested.
   c. Line 3 is the amount of cash that the HRDC has available to request.
   d. Line 4 is the amount of expenditures that have been asked for on the contract.
   e. Line 5 is equal to the amount that the HRDC is currently requesting for the specific time period.
   f. Line 5a is the amount of the current expenditures that will be expensed towards the outstanding advance. The amount in 5a should not be greater than the amount in line 5. For example if there is an outstanding advance of $100,000, but only $80,000 in expenditures then only put the $80,000 in Line 5a.
   g. Line 5b is the amount in line 5 minus the amount if any in line 5a.
   h. Line 6 is the total YTD expenditures, which will be line 4 plus line 5.
   i. Line 7 is the Cash Balance that is available which may be positive or negative depending on the amount of advance that is still outstanding. This amount is figured by taking line 2 and subtracting line 6.
   j. Line 8 is the amount of new advance that is being requested. This is the amount of upfront cash that you need to operate for the month. This amount will not be greater than the Current Contract Balance.
   k. Line 9 is the total payment amount which is equal to line 5b plus line 8.
   l. Line 10 is the new Contract Balance, line 3 minus line 9.
   m. In the Provider/Contractor Approval box is where an authorized person from the HRDC will sign to receive payment.

3. When the HRDC wishes to submit an invoice for payment they will fill out the Provider invoice and a supplemental program payment certification sheet that details the payment line items to be drawn down through IDIS. Payments will not be processed without both the Provider invoice and the Supplemental draw sheet. Both invoice sheets must have an appropriate person signature approval. The HRDC will scan and email to the IHSB Community Services Program Officer.

4. Once the invoice is received the monitor will input the invoice into the agency contract system AWACs. The invoice is then given to the department’s contract person to authorize.
5. The monitor will then compile all 10 HRDC invoices and supplemental draw sheets for the payment month into one draw sheet to be submitted to the General Ledger for drawdown through IDIS.

6. Once the invoice is authorized in AWACs the payment will process and be sent out to the agency either by direct deposit or check in the mail.

7. A new Provider Invoice will be emailed to the agency with the new balances remaining on the contract.

8. It is the HRDC’s responsibility to monitor available funding and make requests for amendments to work plans prior to exceeding available balances.

9. If there are ever any questions on the process of payments or any other questions please contact the Fiscal Officer at 406-447-4265.
ESG 18 – 1 ESG Reconciliation Requirement

Reconciliation between the HMIS housing assistance information and the amounts invoiced to DPHHS must be made on a quarterly basis. A quarterly report of HMIS data will be provided and the agency must provide written verification that the information in HMIS is complete and accurate.
ESG 19 – 0 Federal Statutes for ESG Specific Statutes Concerning Homeless Children and Youth

Agency

Links homeless definition for the children and youth:

(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

1. 42 U.S.C. 5732a(3)

(3) Homeless youth

The term “homeless”, used with respect to a youth, means an individual—

(A) who is—

(i) less than 21 years of age, or, in the case of a youth seeking shelter in a center under part A of this subchapter, less than 18 years of age, or is less than a higher maximum age if the State where the center is located has an applicable State or local law (including a regulation) that permits such higher maximum age in compliance with licensure requirements for child-and youth-serving [1] facilities; and

(ii) for the purposes of part B of this subchapter, not less than 16 years of age and either—

(I) less than 22 years of age; or

(II) not less than 22 years of age, as of the expiration of the maximum period of stay permitted under section 5714–2 (a)(2) of this title if such individual commences such stay before reaching 22 years of age;

(B) for whom it is not possible to live in a safe environment with a relative; and

(C) who has no other safe alternative living arrangement

Montana Department of Public Health and Human Services - Emergency Solutions Grant Manual
2. (42 U.S.C. 9832(11):

(11) The term “homeless children” has the meaning given the term “homeless children and youths” in section 11434a (2) of this title.

11434a (2)

(2) The term “homeless children and youths”—

(A) means individuals who lack a fixed, regular, and adequate nighttime residence (within the meaning of section 11302 (a)(1) of this title); and

(B) includes—

(i) children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement;

(ii) children and youths who have 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 (within the meaning of section 11302 (a)(2)(C) [1] of this title);

(iii) children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and

(iv) migratory children (as such term is defined in section 6399 of title 20) who qualify as homeless for the purposes of this part because the children are living in circumstances described in clauses (i) through (iii).

3. (42 U.S.C. 14043e–2(6)

(6) the terms “homeless”, “homeless individual”, and “homeless person”—

(A) mean an individual who lacks a fixed, regular, and adequate nighttime residence; and

(B) includes—

(i) an individual who—

(I) is sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason;

(II) is living in a motel, hotel, trailer park, or campground due to the lack of alternative adequate accommodations;

(III) is living in an emergency or transitional shelter;

(IV) is abandoned in a hospital; or
(V) is awaiting foster care placement;

(ii) an individual who has 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; or

(iii) migratory children (as defined in section 6399 of title 20) who qualify as homeless under this section because the children are living in circumstances described in this paragraph;

4. (42 U.S.C. 254b(h)(5)(A))

(h) Homeless population

(5) Definitions

For purposes of this section:

(A) Homeless individual

The term “homeless individual” means an individual who lacks housing (without regard to whether the individual is a member of a family), including an individual whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations and an individual who is a resident in transitional housing.

5. (7 U.S.C. 2012(m))

(m) “Homeless individual” means—

(1) an individual who lacks a fixed and regular nighttime residence; or

(2) an individual who has a primary nighttime residence that is—

(A) a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations;

(B) an institution that provides a temporary residence for individuals intended to be institutionalized;

(C) a temporary accommodation for not more than 90 days in the residence of another individual; or

(D) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

6. (42 U.S.C. 1786(b)(15))

(b) Definitions

As used in this section—

(15) “Homeless individual” means—
(A) an individual who lacks a fixed and regular nighttime residence; or

(B) an individual whose primary nighttime residence is—

(i) a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations;

(ii) an institution that provides a temporary residence for individuals intended to be institutionalized;

(iii) a temporary accommodation of not more than 365 days in the residence of another individual; or

(iv) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

7. (42 U.S.C. 11434a(2))

(2) The term “homeless children and youths”—

(A) means individuals who lack a fixed, regular, and adequate nighttime residence (within the meaning of section 11302 (a)(1) of this title); and

(B) includes—

(i) children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement;

(ii) children and youths who have 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 (within the meaning of section 11302 (a)(2)(C) [1] of this title);

(iii) children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and

(iv) migratory children (as such term is defined in section 6399 of title 20) who qualify as homeless for the purposes of this part because the children are living in circumstances described in clauses (i) through (iii).
ESG 20 – 0 Glossary of Terms and Acronyms

Agency: means any private non-profit organization or unit of general local government to which a grantee provides funds to carry out the eligible activities under the grant and which is accountable to the grantee for the use of the funds provided. See also Subgrantee.

APR: Annual Performance Report

Assessment: is a deeper level of inquiry into the actual problem and the client’s strengths and needs related to solving the problem. Assessment helps with service-matching and provides the information needed to determine the expected type, intensity, and duration of assistance a client or household might receive;

At Risk of Homelessness:
(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 (per 576.2 Paragraph 1) and (iii) meets one of the following conditions:

(A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
(B) Is living in the home of another because of economic hardship;
(C) 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;
(D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organization or by federal, State, or local government programs for low income individuals; (E) 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 people per room, as defined by the U.S. Census Bureau;
(F) 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
(G) 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 Act (42 U.S.C 11434a (and the parent(s) or guardians(s) of that child or youth if living with her or him).

CAA: Community Action Agency. See Subgrantee or Agency.

Chronically Homeless:
(1) Is an individual or family who (i) is homeless and lives or resides in a placement not meant for human habitation, a safe haven, or in an emergency shelter; (ii) has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least 1 year or on at least 4 separate occasions in the last 3 years, where each occasion was at least 15 days; and (iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000), post traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability;

(2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital or other similar facility and has resided there for fewer than 90 days if such person met all the criteria in paragraph (1) of this definition, prior to entering that facility; or

(3) The family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all the requirements in paragraph (1) of this definition, including a family’s whose composition has fluctuated while the head of household has been homeless.

CoC: See Continuums of Care.

Consolidated Plan: A plan prepared in accordance with 24 CFR part 91. An approved consolidated plan means a consolidated plan that has been approved by HUD in accordance with 24 CFR part 91.

Continuums of Care (CoC). The group composed of representatives of relevant organizations, which generally includes nonprofit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons that are organized to plan for and provide, as necessary, a system of outreach, engagement, and assessment; emergency shelter; rapid re-housing; transitional housing; permanent housing; and prevention strategies to address the various needs of homeless persons and persons at risk of homelessness for a specific geographic area.

Conversion: If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the minimum use is 10 years.
**Current Income:** is the income that the household is currently receiving at the time of application for ESG assistance. Income recently terminated should not be included.

**De minimus** is a Latin expression that, in the risk assessment world, refers to a level of risk that is too minimal to cause concern.

**Department:** means the legal entity to which HUD awards an ESG grant and which is accountable for the use of the funds provided. In this case the State of Montana, Department of Public Health and Human Services (DPHHS). See also Grantee.

**Emergency Shelter:** Any facility, the primary purpose of which is 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. Any project funded as an emergency shelter under FY 2010 Emergency Solutions grant may continue to be funded under ESG. (Including any project (transitional housing) that received funding in FY 2010 as an emergency shelter may continue to be funded under the ESG program, regardless of whether the project meets the revised definition.)

**Frequent Moves:** is defined as two.

**Grantee (Department):** means the legal entity to which HUD awards an ESG grant and which is accountable for the use of the funds provided. (See Recipient)

**Gross Income** is the amount of income earned before any deductions (such as taxes and health insurance premiums) are made.

**Homeless:** is defined in the “Defining Homeless rule” published 12/5/2011.

1. An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
   a. 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;
   b. 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
   c. 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 (meets all the requirements described in #1 above prior to entering that facility.

2. An individual or family who will imminently lose their primary nighttime residence, provided that:
a. The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
b. No subsequent residence has been identified; and
c. 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;

3. 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:
   b. 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;
   c. 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
   d. 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; or

4. Any individual or family who:
   a. 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;
   b. Has no other residence; and
   c. Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

**Homeless Management Information System (HMIS)** The information system designated by the Continuum of Care to comply with HUD’s data collection, management and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness.

**HRDC:** Human Resource Development Council. See Subrecipient or Agency.
**Income Inclusions**: Types of income to be counted

**Income Exclusions**: Types of income that are not to be counted as income

**Intake** the general process between the client’s first point of contact and the decision whether or not to admit the client to a program. The intake process can include screening, assessment, referral, and verification. Intake may or may not result in program admission;

**Integrated Disbursement and Information System (IDIS)** is the financial management system though which ESG grantees must draw down funds. ESG grantees will not be entering any performance or beneficiary data into IDIS.

**IPR**: Initial Performance Report

**LEP**: Limited English Proficiency persons include anyone “who does not speak English as their primary language and who have a limited ability to read, write, speak, or understand English . . . “(HUD LEP Guidance, 72 Fed. Reg. 2732) (Jan. 22, 2007)).

**Long Term Period**: is defined to mean 60 days.

**Major Renovation**: If the rehabilitation cost of an emergency shelter exceeds 75 percent of the value of the building before rehabilitation, the minimum period of use is 10 years.

**Minimum Use of an Emergency Shelter converted using ESG funds**: If the conversion cost of an emergency shelter exceeds 75% of the value of the building before conversion, the minimum period of use is 10 years; otherwise, the minimum period of use is 3 years.

**Minimum Use of an Emergency Shelter rehabilitated using ESG funds**: If the rehabilitation cost of an emergency shelter exceeds 75% of the value of the building before rehabilitation, the minimum period of use is 10 years; otherwise, the minimum period of use is 3 years.

**PASS**: Plan to Attain Self-Sufficiency- This is excluded income

**QPR**: Quarterly Performance Report

**Rapid Re-Housing Assistance**: The provision of housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a literally homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

**Recipient**: means any state, territory, metropolitan city, or urban county, or in the case of reallocation, any unit of general purpose local government, approved by HUD to assume financial responsibility and which enters into a grant agreement with HUD to administer Emergency Solutions Grant (ESG). Replaces the existing terminology or entities that received grants. For the purpose of this manual the Recipient is the Department of Health and Human Services.
Referral: referring a client to a particular program for possible help, without any obligation on the part of the receiving program to actually offer or provide the help;

Reparations: Payments paid by a foreign government pursuant to claims filed under the laws of the government by persons who were persecuted during the Nazi era.

Screening: a first-level decision about whether the client is eligible for a program and/or would have a priority for those services. Screening determines who receives assistance;

Subgrantee (Agency/CAA/HRDC/Subrecipient): means any private non-profit organization or unit of general local government to which a grantee provides funds to carry out the eligible activities under the grant and which is accountable to the grantee for the use of the funds provided.

Subrecipient: any unit of general purpose local government or private nonprofit organization to which a recipient awards ESG grant funds. This replaces the existing terminology for entities that receive subgrants. Governmental organizations, such as public housing agencies or state or local housing finance agencies are not eligible subrecipients under the ESG program. For the purpose of this document the subrecipient is the Agency contracting with the Department of Public Health and Human Services.

Targeting: process of determining the population to whom assistance will be directed. That is, the target population. The targeting process can occur at both the system and the program levels.

Verification: the gathering and review of information to substantiate the crisis situation and support program eligibility and priority determinations

Victim Service Provider: A private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. This term includes rape crisis centers, battered women’s shelters, domestic violence transitional housing programs, and other programs.

Victim Services: 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.

Youth: is defined as less than 25 years of age. This was set at 25 years of age to adequately and appropriately address the unique needs of transition-aged youth, including youth exiting foster care systems to become stable in permanent housing.
ESG 21 – 0 Forms

Forms available:

- ESG Client File Checklist
- Homeless Certification
- Self-Declaration of Housing Status
- Declaration of Section 214 Status
- Rent Reasonableness
- Fair Market Rent
- Housing Habitability Standards Inspection Checklist
- Disclosure of Information on LBP and its Hazards
- Notice of LBP (Lead Based Paint) Risk Assessment
- Administrative Review Request Form
- Notice of Termination
ESG 22 – 0 Federal Categories Descriptions HUD At-a-Glance Forms

**At-a-Glance – Criteria for Definition of At Risk of Homelessness** – This one-page document, available on the HRE, provides a high-level overview of the criteria for each category of at risk of homelessness. This document applies to recipients of Emergency Solutions Grants funds only. This document does not contain the same level of detail that can be found in the regulation.

**At-a-Glance – Criteria and Recordkeeping Requirements for Definition of Homeless** – This two-page document provides a high-level overview of the criteria for each category of homelessness (page 1) as well as the corresponding recordkeeping requirements for each category (page 2). This document does not contain the same level of detail that can be found in the regulation.