

Emergency Solutions Grant (ESG) July 1, 2023



Emergency Solutions Grant Program Operations Manual

Contacts

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Program Summary

The Emergency Solutions Grant (ESG) provides federal funds to assist individuals and families to quickly regain stability in permanent housing after experiencing a housing crisis or homelessness. ESG funds are available for five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and data collection through the Homeless Management Information System; as well as administrative activities. The ESG program is authorized by subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371 – 11378).

1. General Program Requirements

A. Program Written Standards

Subgrantees and subrecipients are required to comply with the department's state minimum standards for providing ESG assistance and when established, those standards relevant to ESG that are required by their Continuum of Care. The following minimum program standards are required for delivering the ESG program as outlined in CFR 576.400 (c) (3):

1) Evaluating Eligibility for Assistance

Subgrantees and subrecipients are required to actively participate in and promote the Continuum of Care (CoC) coordinated entry process for their service area, including utilizing standard COC assessment tools and protocols once they are established. Subgrantees and subrecipients may choose to utilize a different intake and assessment system for victims of domestic violence and other crimes where safety is a predominant concern.

The minimum eligibility process will include an initial phone or in person screening to determine if the applicant meets one of HUD's categorical definitions of homeless or at risk of homelessness. If yes, then a more comprehensive assessment will be completed in person by subgrantee staff to verify applicants' homeless status and determine which ESG service components they qualify for and that will address their housing need. Eligibility determinations must be documented in client files and preferably through third-party documentation. Intake worker observation or participant self-certification can be used when due diligence by staff and client is documented in the file indicating third-party verification is unavailable.

Re-evaluations of eligibility for continued receipt of homelessness prevention and rapid re-housing assistance are required—every three (3) months for prevention and annually for rapid re-housing. Minimally, each re-evaluation of eligibility must verify that the client household does not have an annual income that exceeds thirty (30) percent of HUD-determined area median family income, **and** the household continues to lack sufficient resources and support networks needed to retain housing without ESG assistance. Meeting the definition of homelessness is not a requirement of re-evaluation for continued receipt of homelessness prevention and rapid re-housing assistance. If a

client household informs, but is not required to notify the subgrantee and subrecipient of a change in income or other circumstances that may affect eligibility, there is no immediate effect on the program participant's eligibility and assistance can continue at the discretion of the subgrantee and subrecipient until the next required re-evaluation. There is no HUD or OHCS requirement that the client notifies the subgrantee and subrecipient of changes to income prior to the required re-evaluations as specified above.

2) Targeting and Providing Essential Services Related to Street Outreach

To complete Street Outreach activities, subgrantees and subrecipients must seek out unsheltered homeless individuals and/or families whose primary nighttime residence is a public or private place not meant for human habitation. It is recommended that preference be given to those populations who are most vulnerable to being harmed by living in unsafe and unprotected places, i.e., victims of domestic and other forms of violence, youth, families with children, people or persons who are disabled, elderly, etc.

Engagement activities must include an initial assessment of needs and eligibility in order to prioritize the most beneficial type and source of assistance, with safety and health being the highest priority needs. Emergency health services, including mental health, can be funded with ESG only to the documented extent that other non-ESG funded appropriate health services are inaccessible or unavailable within the service area. Based on need and assessment, qualifying individuals and/or families will be offered essential services beyond emergency health and other crisis intervention assistance that include case management, transportation, and housing stabilization. Whenever feasible, rapid re-housing will be a priority over the provision or referral to emergency shelter or transitional housing.

3) Emergency Shelter Operations

a) CoC Approval/Local Governmental Approval

Subgrantees must obtain their local Continuum of Care written approval of all ESG activities performed by the subgrantee (not just emergency shelter activities) and such written documentation must be provided to OHCS in the biennial funding application. Subgrantees must obtain their local governmental entities' written approval of all ESG emergency shelter activities and such written documentation must be provided to OHS in the biennial funding application. If the subgrantee is also a local government entity, they are excluded from this requirement per 24 CFR 576.202.

b) Admission

Subgrantees and subrecipients must have standardized screening and intake criteria in writing for determining eligibility for admission to emergency shelter. The criteria must comply with Fair Housing Law and cannot force involuntary family separation by denying family admission based on the age of a child less than 18 years. The admission process requires an initial assessment to determine the homeless status

of the applicant based on HUD's four categorical definitions of homeless (24 CFR 576.2) and meeting other subgrantee and subrecipient determined eligibility criteria. The assessment process and tools must meet the service area's Continuum of Care coordinated entry requirements (24 CFR 576.400(d)) once developed.

c) *Diversion from Shelter*

Based on screening results, individuals and families should be diverted when appropriate to the most stable housing available including supportive or subsidized permanent housing using the Housing First or Rapid Re-housing service models.

d) *Essential Services and Referral*

Emergency shelter participants and persons receiving hotel/motel vouchers must have access to essential services through direct service delivery by the subgrantee and subrecipient and/or provision of information and referral to other service providers. Essential services include: case management; child care; education services, employment assistance and job training; outpatient health services; legal services; life skills training; mental health services; substance abuse treatment services; transportation; services for special populations and mainstream income and health benefits where appropriate.

e) *Length of Stay and Discharge*

Provision of essential services and shelter must be available for homeless individuals and families for at least the period during which the ESG funds are provided. Limitations on individual and family shelter stays, if any, must be identified in writing in the subgrantees' and subrecipients' policies and procedures governing shelter operations.

f) *Safety and Accommodations for Special Populations*

Any shelter facility that receives ESG assistance for conversion, major rehabilitation, renovation, or operations is required to meet all federal, state, and local government safety, sanitation and accessibility standards including compliance with the safety, sanitation and privacy requirements contained in 24 CFR 576.403.

g) *Accommodating Families*

If a HUD-Assisted shelter has private rooms in which a family can stay together, then the family must be able to stay in a room together if they choose. In all cases (whether or not it is a congregate-style shelter), all families must be treated the same. For example:

- If the standard practice is to put down mats in a conference room for everyone who is considered "overflow" (beyond the capacity of the shelter beds), then it can shelter a family together in that space.
- If the standard practice is to place a family in its own room, it would be acceptable to leave a bed empty to accommodate the family, (e.g., a family of four could stay in a unit with 5 beds, and the fifth bed could be open.) In

this example, HUD would not expect a grantee or subgrantee to fill the 5th bed with an individual that is not a member of the family, so long as the subgrantee or subrecipient documented the reasons for having open beds.

h) Non-Discrimination

Subgrantees and subrecipients are required to comply with all state and federal statutes relating to nondiscrimination as identified in Section 7 of this manual.

i) Reasonable Accommodations

Reasonable accommodations for persons with disabilities must be available to ensure persons with disabilities have an equal opportunity to utilize the shelter and receive essential services. Greater levels of accessibility may be required for some shelters in compliance with The Americans with Disabilities Act.

j) Limited English Proficiency

Subgrantees and subrecipients are required to comply with all state and federal statutes relating to nondiscrimination as identified in Section 7 of this manual

k) Domestic Violence

Domestic violence victims and other persons in need of victim services must have access to a safe setting and have their identity protected. Subgrantees and subrecipients are required to implement procedures to ensure confidentiality of records pertaining to any individual who is provided family violence prevention, treatment, or other services. Subgrantees and subrecipients must also certify that the address of a family/individual violence shelter will not be made public without permission of the shelter agency.

Shelters for domestic violence survivors must adhere to the following shelter policies and procedures:

- Prohibit disclosing personally identifying victim information to any third party without consent of the victim;
- Ensure victim consent is reasonably time-limited, written and specific as to whom information will be shared;
- Identify and utilize an alternative HMIS to collect program data that will prevent the disclosure of personally identifying victim information; **and**
- Include confidentiality policies and procedures that require staff to refrain from discussing client information in public and ensure client records are secure and only accessible to authorized staff.

4) Assessing, Prioritizing and Reassessing Needs for Essential Services Related to Emergency Shelter

Subgrantees and subrecipients are required to have a written standard assessment process and tool(s) that are applied to all eligible recipients of shelter essential services. Prioritization for services must align with service area homeless and/or community needs assessment plans. When developed, subgrantees and subrecipients are required

to comply with their services area(s) Continuum of Care assessment and prioritization requirements (576.400(d)), including verifying and documenting eligibility.

Shelter essential services include: case management; child care; education services; employment assistance and job training; outpatient health services; legal services; life skills training; mental health services; substance abuse treatment services; transportation; and services for special populations. Provision of services should be determined based on client need and in alignment with subgrantee's and subrecipient's targeted populations.

Provision of essential services and shelter must be available to shelter residents and persons receiving hotel/motel vouchers, for at least the period during which the ESG funds are provided. Services do not need to be limited to a particular site as long as the site serves the same categories and types of homeless originally provided with essential services or serves homeless persons in the same service area where the subgrantee originally provided the services.

5) Coordination Among Homeless Assistance Providers, Mainstream Service Providers and Housing Providers

Subgrantees and subrecipients must coordinate and integrate, to the extent possible, their ESG-funded assistance with other programs serving homeless and at-risk of homelessness people within their service area (refer to 24 CFR 576.400). Documentation of such coordination will minimally include written COC verification of support of the subgrantee's and subrecipient's plan for utilizing ESG funds as part of the subgrantee's biennial funding application to the state.

6) Determining and Prioritizing Eligibility for Homeless Prevention and Rapid Re-housing Assistance

Determination of eligibility for homeless prevention requires an in-person assessment (in compliance with COC coordinated entry process when established) to verify that applicants meet HUD's categorical definition for imminent risk of homelessness, homeless under other federal statutes, fleeing/attempting to flee domestic violence, or at-risk of homelessness **and** have an annual income at 30% or below of area median income. Homeless status and income eligibility must be documented in client files through third-party verification unless written justification is provided showing that due diligence was conducted substantiating that third-party was not available/accessible. Additionally, the assessment must indicate that prevention assistance would likely allow the applicant to regain stability in their current permanent housing or access other permanent housing and achieve stability.

Prioritization for homeless prevention assistance must comply with Continuum of Care standards once developed. Minimally, prioritization should align with vulnerable homeless and at-risk of homelessness populations identified in subgrantee's and subrecipient's service area homeless plan(s) and/or community assessment(s).

Determination of eligibility for rapid re-housing requires an initial assessment to verify that clients meet HUD's categorical definition for literally homeless or fleeing/attempting to flee domestic violence and are literally homeless. Homeless status must be documented in client files in accordance with HUD documentation standards with preference given to third-party verification where available.

Prioritization for rapid re-housing must comply with Continuum of Care standards once developed and be supported by subgrantee and subrecipient service area homeless plans and/or community assessment data. When appropriate, local prioritization should also align with HUD's homeless strategic plan goals for ending chronic homelessness, homelessness among Veterans, and families with children and youth homelessness.

7) Determining Client's Share of Rent and Utility Costs

Subgrantees and subrecipients must comply with existing Continuum of Care standards once developed for determining client's required share of rent and utility costs. State minimum standards require that whatever rent assistance model is chosen must be consistently implemented for all households within each ESG funded program. Acceptable models include a client flat rate (specific dollar amount) contribution, percent of gross household income (typically not to exceed 30%) or a graduated client share over a fixed time at intervals predetermined by the subgrantee and subrecipient and communicated in advance to the client. Subgrantees and subrecipients can choose to not require any client contribution toward rent or utility costs unless their Continuum of Care standards require such contribution.

Utility assistance is limited to 24 months within a 3-year period and can be used to pay the cost of utility deposits, utility arrears (up to 6 months past due utilities), and gas, electric, water and sewage services. Assistance can only be provided if the utility account is in the name of a member of the client household or there is documented proof of household responsibility for utility payments. Utility arrears assistance for homeless prevention requires a shut off notice and for rapid re-housing must result in utilities being turned on at the new permanent housing location. The client's share of the utility costs, in the absence of COC standards, is at the discretion of the subgrantee and subrecipient who is encouraged to assist clients in accessing energy assistance programs for which they are eligible as a first option in providing utility assistance. It is recommended that un-used utility deposits be returned to households when feasible.

8) Determining Duration and Amount of Rental Assistance Provided to Client

The duration of rental assistance is limited to twenty-four months within a 3-year period. Short-term assistance can be provided up to three (3) months and medium-term assistance is limited to twenty-four (24) months. The amount of rent assistance provided must be the least amount needed to stabilize clients in their permanent housing. Subgrantees and subrecipient have the discretion to further set a maximum number of months that a client can receive rental assistance and the maximum dollar amount of assistance. The process for determining such conditions must be applied

consistently for all households within each ESG funded program, incorporated into the subgrantee's and subrecipient's ESG policies and procedures and communicated in advance to eligible clients.

Rent arrearage assistance is defined as: past due rent owed to a current, prospective, or previous landlord. If arrears are owed to a previous landlord, these arrears can be paid, but only when there is documented evidence that payment of the arrears is necessary for the participant to obtain permanent housing and maintain stability in that housing. Payment of arrears is restricted to a one-time payment for up to 6 months of past due rent.

9) Determining Type, Amount, and Duration of Housing Stabilization and/or Relocation Services Provided to Client

a) Eligible Activities

Type of Housing Stabilization and/or Relocation Services is limited to financial assistance costs and service costs, subject to the general conditions and restrictions identified under 24 CFR 576.103 and 576.104. Security deposits are limited to no more than 2 month's rent. A last month's rent must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any 3-year period. Utility payments are limited to up to 24 months within a 3-year period per client, per service, including up to 6 months of arrears, per service. Eligible utility services are gas, electric, water, and sewage. Temporary storage fees associated with moving costs are limited to up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance.

b) Housing Search/Stabilization/Relocation Services

ESG funds may be used 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.

c) Other Eligible Services

Mediation services are allowable, provided that the mediation is necessary to prevent the program participant from losing the permanent housing in which the client currently resides. Legal services must be necessary to resolve a legal problem that prohibits the client from obtaining permanent housing or will likely result in the client losing the permanent housing in which they currently reside. Credit repair does not include the payment or modification of a debt.

d) Ineligible Services

Financial assistance cannot be provided to a client who is receiving the same type of assistance through other public sources or to a client who has been provided with

replacement housing payments under the URA during the period covered by the URA payments.

e) Duration of Services and Participant Financial Responsibility

The subgrantee and subrecipient can set a maximum dollar amount that a client can receive for each type of financial assistance and can set a maximum period for which a client can receive any of the types of assistance or service.

However, except for housing stability case management, the total period for which any client may receive assistance 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 household.

B. Emergency Transfer Plan

In accordance with the Violence Against Women Act (VAWA), an Emergency Transfer Plan (ETP) must be in place for all subgrantees and subrecipients receiving ESG assistance to allow survivor tenants to transfer to another available and safe unit assisted under covered housing program if:

- Tenant expressly requests the transfer; **and**
- Tenant reasonably believes that s/he is threatened with imminent harm from further violence if s/he remains or tenant is a victim of sexual assault that occurred on premises within 90 days before the request.

The following table provides a guide clarifying if the subgrantee or housing provider has primary responsibility

COVERED HOUSING PROVIDER RESPONSIBILITIES		
	Grantee	Housing Owner
Lease bifurcation §5.2009 (a)		X
Victim status documentation; confidentiality §5.2007	X	X
Emergency transfer plan §5.2005(e)	X	
Actual and imminent threat exception §5.2005 (d) (3), (4)		X
Exception of violations not premised on DV; higher standard §5.2005 (d) (2)	PJ	X
Court order exception §5.2005 (d) (1)		X

1. Emergency Transfer Plan Guidelines

- (a) HUD's model ETP presents the basic elements set out in §5.2005(e), Notification of Occupancy Rights and Certification form.
- (b) HUD encourages housing providers to be familiar with and establish relationships with organizations that assist survivors of domestic violence, particularly those that offer help in locating safe housing for victims of domestic violence.
- (c) Housing providers in covered programs are allowed to establish preferences for victims of domestic violence, dating violence, sexual assault, and stalking. Covered housing providers must detail in their ETPs the measure of any priority that those who qualify for an emergency transfer under VAWA will receive.

Specific elements in §5.2005(e) must be adopted by all housing providers.

- (d) VAWA requires each housing provider to develop and issue an ETP that works with other housing providers in their area.
- (e) Lease Bifurcation: If housing providers allow the lease to bifurcate (to fork or legally divide), the remaining tenants may remain in the unit for a reasonable time to apply for housing under a VAWA-covered program or to find new housing as the result of violence or abuse covered by VAWA. The remaining tenants who had not established eligibility for assistance must be given the maximum time permitted by statute or at least 90 days from the date of bifurcation or expiration of the lease.

2. Emergency Transfer Plan (ETP) Requirements

Each Grantee must develop an ETP that meets requirements in 24 CFR 5.2005 (e). For complete description of definitions and requirements that apply to the VAWA Final Rule, refer to the additional information provided in the Appendix.

Each covered housing provider shall have an ETP based on HUD's model ETP, in accordance with the following:

- a. For purposes of this section, the following definitions apply:
 - 1. ***Internal emergency transfer*** refers to an emergency relocation of a tenant to another unit where the tenant would not be categorized as a new applicant; that is, the tenant may reside in the new unit without having to undergo an application process.
 - 2. ***External emergency transfer*** refers to an emergency relocation of a tenant to another unit where the tenant would be categorized as a new applicant; that is the tenant must undergo an application process in order to reside in the new unit.
 - 3. ***Safe unit*** refers to a unit that the victim of domestic violence, dating violence, sexual assault, or stalking believes is safe.

- b. The ETP must provide that a tenant receiving rental assistance through, or residing in a unit subsidized under, a covered housing program_who is a victim of domestic violence, dating violence, sexual assault, or stalking qualifies for an emergency transfer if:
 - 1. The tenant_expressly requests the transfer; and
 - 2. **(A)** The tenant reasonably believes there is a threat of imminent harm from further violence if the tenant remains within the same dwelling unit that the tenant is currently occupying; or
 - (B)** The tenant reasonably believes there is a threat of imminent harm from further violence if the tenant_remains within the same dwelling unit that the tenant is currently occupying, or the sexual assault occurred on the premises during the 90-calendar-day period preceding the date of the request for transfer.
- c. The ETP must detail the measure of any priority given to tenants who qualify for an emergency transfer under VAWA protection.
- d. The ETP must incorporate strict confidentiality measures to ensure that the covered housing provider does not disclose the location of the dwelling unit of the tenant to a person who committed or threatened to commit an act of domestic violence, dating violence, sexual assault, or stalking_against the tenant.
- e. The ETP must allow a tenant to make an internal emergency transfer under VAWA when a safe unit is immediately available.
- f. The ETP must describe policies for assisting a tenant in making an internal emergency transfer under VAWA_when a safe unit is not immediately available.
- g. The ETP must describe reasonable efforts the covered housing provider_will take to assist a tenant_who wishes to make an external emergency transfer when a safe unit is not immediately available. These policies may include:
 - 1. Arrangements, including memoranda of understanding, with other covered housing providers to facilitate moves; and
 - 2. Outreach activities to organizations that assist or provide resources to victims of domestic violence, dating violence, sexual assault, or stalking.
- h. Nothing will preclude a tenant from seeking an internal emergency transfer and an external emergency transfer concurrently if a safe unit is not immediately available.
- i. Where applicable, the ETP must describe policies for a tenant who has tenant-based rental assistance and who meets the requirements of paragraph (e)(2) of this section to move quickly with that assistance.

- j. The ETP shall require documentation from a tenant seeking an emergency transfer, provided that:
 1. The tenant's submission of a written request to the covered housing provider, where the tenant certifies that they meet the criteria in paragraph (e)(2)(ii) of this section, shall be sufficient documentation of the requirements in paragraph (e)(2) of this section;
 2. The covered housing provider may, at its discretion, ask an individual seeking an emergency transfer to document the occurrence of domestic violence, dating violence, sexual assault, or stalking, in accordance with [24 CFR 5.2007](#), for which the individual is seeking the emergency transfer, if the individual has not already provided documentation of that occurrence; and
 3. No other documentation is required to qualify the tenant for an emergency transfer.
- k. The covered housing provider must make its ETP available upon request and, when feasible, must make its plan publicly available.
- l. The covered housing provider must keep a record of all emergency transfers requested under its ETP, and the outcomes of such requests, and retain these records for a period of three years, or for a period of time as specified in program regulations. ETP requests and outcomes of such requests must be reported to HUD annually.
- m. Nothing in this paragraph (e) Emergency Transfer Plan shall be construed to supersede any eligibility or other occupancy requirements that may apply under a covered housing program.

C. Continuum of Care Coordination

HUD requires collaboration between ESG recipients/subrecipients and Continuums of Care in planning, funding, implementing, and evaluating homeless assistance and homelessness prevention programs locally. Subgrantees are required to be active participants in their respective Continuum of Care and comply with Program Standard #5—*Coordination Among Homeless Assistance Providers, Mainstream Service Providers and Housing Providers* located under *General Program Requirements* of this manual.

Subgrantees and subrecipients are expected to coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by their Continuum of Care and/or service area. These programs include (24 CFR 576.400 and 24 CFR 91.100(d)(e)) but are not exclusive to:

- Shelter Plus Care Program
- Supportive Housing Program
- Section 8 Moderate Rehabilitation Program for SRO Program for Homeless Individuals
- Veterans Affairs Supportive Housing

- Education for Homeless Children and Youth Grants for State and Local Activities
- Grants for the Benefit of Homeless Individuals
- Healthcare for the Homeless
- Programs for Runaway and Homeless Youth
- Projects for Assistance in Transition from Homelessness
- Services in Supportive Housing Grants
- Emergency Food and Shelter Program
- Transitional Housing Assistance Grants for Victims of Sexual Assault, Domestic Violence, Dating Violence, and Stalking Program
- Homeless Veterans Reintegration Program
- Domiciliary Care for Homeless Veterans Program
- VA Homeless Providers Grant and Per Diem Program
- Health Care for Homeless Veterans Program
- Homeless Veterans Dental Program
- Supportive Services for Veteran Families Program
- Veteran Justice Outreach initiative
- As well as 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, such as:
 - Public housing programs
 - Housing programs receiving tenant-based or project-based assistance
 - Supportive Housing for Persons with Disabilities
 - HOME Investment Partnerships Program
 - Temporary Assistance for Needy Families
 - Health Center program
 - State Children’s Health Insurance Program
 - Head Start
 - Mental Health and Substance Abuse Block Grants
 - Services funded under the Workforce Investment Act.

D. Training

Subgrantee and subrecipient staff that provide direct services and supervise staff who provide direct services and manage homeless grants must receive relevant training. Required training must occur for staff minimally, within one year from the beginning date of employment and current staff must receive training minimally once every four years from the date of the previous training taken. Subgrantee and subrecipients must track who attended each training, the date of the training, and the synopsis of the training. Records for training must be made available to OHCS, upon request. Training is an eligible expense of case management and must minimally include:

- Trauma Informed Services;
- Mental Health First Aid;
- Harm Reduction;
- Supporting Victims of Domestic Violence;
- Local Coordinated Entry Policies and Procedures;
- Fair Housing; and
- For those using OHCS funds for Street Outreach, training must include Outreach Safety Strategies.

E. Duplication of Benefits

Per the subgrantee's grant agreement/contract Standard Terms and Condition, OHCS funds shall not be issued if it duplicates a benefit already paid through other sources. If a duplicate payment is made, subgrantee has thirty (30) days in which to return the duplicative payment. Subgrantees and subrecipients must check to ensure that benefits issued do not duplicate other benefits for the same payment/service through HMIS and any other data system for which the subgrantee or subrecipient have access.

Subgrantees must have a stand-alone policy that identifies:

- 1) How they will ensure benefits are not duplicated; and
- 2) What system(s) they use to check for duplicated benefits.

Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

2. Applicant Eligibility

A. Assessment

All applicants must be assessed to determine eligibility for receipt of ESG funded services and assistance in accordance with *Program Written Standard #1—Evaluating Eligibility for Assistance* located under *General Program Requirements* of this manual.

Applicant assessment and determination of ESG eligibility includes the cost of staff time to complete an intake and/or assessment, either as a sole provider or through a coordinated entry process even if it's determined from the evaluation the applicant is not eligible for ESG program assistance. Service costs beyond initial assessment for applicants determined to be ineligible for ESG assistance are not allowable, including follow-up and case management.

B. Household Composition

Household composition includes an individual living alone, family with or without children, or a group of individuals who are living together as one economic unit. In all cases a household must lack sufficient resources and support networks necessary to obtain or retain housing without the provision of ESG assistance to be program eligible.

The type of ESG assistance for which an eligible household qualifies is determined by the stability of their current housing or their homeless status.

C. Categorical Homeless Definitions and Criteria

Eligible applicants for program services must meet one of the following categorical definitions of homeless or at-risk of homelessness:

Category 1: Literally homeless--a household that lacks a fixed, regular, and adequate nighttime residence, meaning:

- Living in a primary nighttime residence that is a public or private place not designed for or ordinarily used for as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground); **or**
- 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**
- 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 the institution.

Category 2: Imminent risk of homelessness--a household that will imminently lose their primary nighttime residence, provided that:

- The residence will be lost within 14 days of the date of application for homeless assistance; **and**
- No subsequent residence has been identified; **and**
- The household lacks the resources or support networks needed to obtain other permanent housing.

Category 3: Homeless Under Other Federal Statutes-- Unaccompanied youth under 25 years of age, or family who do not otherwise qualify as literally homeless or imminent risk of homelessness, but who:

- Are defined as homeless under Section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a); **and**
- 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; **and**
- 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**
- 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.

Category 4: Fleeing, or attempting to flee, domestic violence-- a household who:

- 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; **and**
- Has no other residence; **and**
- Lacks the resources or support networks to obtain other permanent housing.

D. Criteria for At Risk of Homelessness Qualification

Applicants for program services for at-risk individuals or households must meet the following definition of At Risk of Homelessness:

- Have an annual income at or below 30% of median household income for the area; **and**
- Do not have sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter or another place defined in Category 1 of the "homeless" definition; **and** meet one of the following conditions:
- Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for assistance; **or**
- Is living in the home of another because of economic hardship; **or**
- 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; **or**
- Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government programs for low-income individuals; **or**
- Lives in an SRO 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 one and a half persons per room; **or**
- 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 OHCS' approved Consolidated Plan.

A youth who does not qualify as homeless under the above eligibility criteria, is eligible if they:

- Qualify 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))m 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**

- Qualify 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.

E. Criteria for Chronically Homeless Qualification

Chronically homeless means:

(1) A “homeless individual with a disability,” as defined in section 401(9) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(9)), who:

(i) Lives in a place or resides in a place not meant for human habitation, a safe haven, or in an emergency shelter; **and**

(ii) Has been homeless and living as described continuously for at least 12 months or on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights of not living as described directly above in paragraph (1)(i).

Stays in institutional care facilities for fewer than 90 days will not constitute as a break in homelessness, but rather such stays are included in the 12-month total, as long as the individual was living or residing in a place not meant for human habitation, a safe haven, or an emergency shelter immediately before entering the institutional care facility;

(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, for fewer than 90 days and met all the criteria in paragraph (1) of this definition, before entering that facility; **or**

(3) A 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 criteria in paragraph (1) or (2) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

Evidence of chronically homeless individuals must be kept in the program participant file to demonstrate that an individual or family met the definition of “chronically homeless” at the point of entry into a program.

F. Income Determination and Requirements

1) Income Eligibility

Homeless Prevention assistance requires applicants to be at or below 30% AMI at time of intake.

Rapid Re-housing does not have income eligibility requirements at the time of intake; however, to qualify for continuation of Rapid Re-housing assistance, applicant client must have an annual income at or below 30% AMI at the time of re-evaluation.

There are no other initial income eligibility requirements to receive program services.

2) Calculating Gross Annual Income

Annual Income is the gross amount of income anticipated to be received by a household during the coming year based on the household's circumstances at the time of program intake and assessment. Annual Income determination is consistent with the Housing Choice Voucher definition of annual Income found at 24 CFR 5.609.

Convert periodic wages to annual income by multiplying:

1. *Hourly wages by the number of hours worked per year (2,080 hours for full-time employment with a 40-hour week and no overtime);*
2. *Weekly wages by 52;*
3. *Bi-weekly wages (paid every other week) by 26;*
4. *Semi-monthly wages (paid twice each month) by 24; and*
5. *Monthly wages by 12.*

To annualize other than full-time income, multiply the wages by the actual number of hours or weeks the person is expected to work.

When determining the annual income of a household to establish eligibility for ESG assistance, subgrantee and subrecipient must count the income of all adults in the household, including nonrelated individuals, within the limitations imposed by 24 CFR 5.609. Not everyone living in the unit is considered a member of the household for the purposes of determining a household's income. Excluded persons include: foster children, foster adults, live-in aides, children of live-in aides and unborn children. A child subject to a shared-custody agreement should be counted as a household member if the child resides with the household at least 50 percent of the time.

Income generated by an asset, such as the interest on a savings or checking account is considered household income even if the household elects not to receive it. For example, though an applicant may elect to reinvest the interest or dividends from an asset, the interest or dividends are still counted as income anticipated to be received during the coming 12 months. Asset income is discussed in 24 CFR 5.609. Income producing assets include: bank accounts; life insurance policies; lump sum additions (legal settlement, refund, etc.); personal property held as investments; retirement/pension funds; trusts; assets disposed of for less than fair market value; and stocks, bonds or mutual funds.

G. Eligibility Documentation and Recordkeeping

Subgrantees and subrecipient must establish written intake procedures that include a requirement for written documentation verifying eligibility for program services in accordance with the following preferred order of documentation:

Third-Party Documentation—source documents provided by an outside source, is the preferable form of documentation. Third party documentation includes a written statement or document from an employer, landlord, public benefit worker, or agency service provider, etc. Written verification sent directly to program staff or via the applicant/participant is preferred.

Intake/Case Manager Worker Observation—documented by ESG staff.

Staff documentation includes oral statements made by a social worker, case manager, or other appropriate official at an institution, shelter, or other facility and documented by the program intake worker/case manager. When the intake worker/case manager is unable to obtain a written or oral statement from a shelter, institution or facility staff, the intake worker/case manager must document, in writing, their efforts to obtain eligibility documentation and must place their documentation in the applicant/participant's file.

Applicant/Participant Self-certification—applicant/participant signed document certifying eligibility, requires a written and signed document by the individual or head of household seeking assistance attesting to the eligibility facts for which they are certifying. A third party can be designated by an applicant/participant to sign documents on their behalf when they are unable to do so. It is the responsibility of the subgrantee/subrecipient to provide access to language interpretation services and assistive devices necessary for applicants/participants to understand the documents they are certifying. Self-certification documentation is only used when documented staff efforts verify that third-party or intake worker/case manager observation documentation is not available. However, lack of third-party documentation must not prevent an individual or household from being immediately admitted to emergency shelter, receiving street outreach services, or immediately accessing domestic violence/victim service shelter and assistance.

Documentation of all applicant/participant information must be available in applicant/participant files or if kept electronically, available upon request. Documentation of all efforts to obtain higher preference of verification (3rd party and Intake Worker Observation) when lower forms of preference are used, must be in writing and kept in the applicant/participant file

Remote Application and Documentation

The standard preference is for applicants/participants to apply for assistance in person or to have in-person contact with the subgrantee or subrecipient throughout the application and service delivery process. A remote application and documentation process can be used when necessitated; however, the identity of the applicant/participant must be verified. Client file must reflect what method of identity verification was used.

Applicants/participants who apply for assistance and provide eligibility or other documentation remotely can do so via electronic and other communication; e.g., phone, email, text, electronic messaging, mail and other electronic or remote means. Eligibility and other documentation must be kept in each applicant/participant file to meet eligibility and monitoring requirements.

Subgrantees must have a stand-alone policy for the use of a remote application and eligibility documentation process. Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. Such policy must be applied equitably across services that use or are supported by OHCS funding and where allowed by the funding source. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

The subgrantee’s Remote Application and Documentation policy must address the following elements:

1. In what circumstances a remote application and documentation process will be used;
2. How the verification of the identity of the applicant is ascertained;
3. How the verification and documentation of qualification for assistance in relation to program eligibility criteria are ascertained;
4. When remote verification and documentation is appropriate for ongoing demonstration of eligibility;
5. How notifications are provided to applicant/participant, inclusive of privacy notification and grievance/appeal notification.

3. Allowable Program Service Components and Activities

Documentation of allowable program components and expenditures must identify how an expense or service helped a client maintain or attain permanent housing.

A. Service Components and Homeless Eligibility

ESG funds can pay for five program service components: Street Outreach; Emergency Shelter; Homelessness Prevention; Rapid Re-housing; and Homeless Management Information System (HMIS). The following chart shows which service components are available for homeless and/or at-risk households.

Component	Serving	
	Those who are Homeless	Those who are At-Risk of Homelessness
1) Street Outreach	✓	
2) Emergency Shelter	✓	
3) Homelessness Prevention		✓
4) Rapid Re-housing	✓	
Collecting Data		
5) Homeless Management Information System (HMIS)	✓	✓

NOTE: Housing counseling for renters is an eligible activity under the ESG program. However, housing counseling must be provided by a HUD-certified Housing Counselor who

works for an agency approved to participate in HUD’s Housing Counseling program. Housing counseling is defined as independent, expert advice to address the consumer’s housing barriers and to help achieve their housing goals, including homeownership. The content and process of housing counseling must meet the standards of the HUD Housing Counseling Program. Additional information can be found at www.hudexchange.info/programs/housing-counseling/. Services to program participants such as rental housing information, placement and referral services, or landlord recruitment and/or support, do not constitute housing counseling and may be carried out by subgrantee’s staff.

B. Street Outreach

Street outreach is service delivery for the specific purpose of reaching out to unsheltered homeless people; connecting them with emergency shelter, housing, or critical services; and providing urgent, non-facility-based care. Street outreach must be provided in accordance with Program Standard #2—*Targeting and Providing Essential Services Related to Street Outreach* located under *General Program Requirements* of this manual.

Individuals defined as unsheltered must meet the criteria for: Category 1, literally homeless; or Category 4, fleeing/attempting to flee domestic violence (where the individual or household also meet the criteria for category 1); and are:

- living on the streets (or other places not meant for human habitation); **and**
- unwilling or unable to access services in emergency shelter.

1) Essential Services

Engagement Services

Engagement Services are activities to locate, identify, and build relationships with unsheltered homeless people to offer immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and other housing programs. Eligible costs include:

- Conducting an initial assessment of applicant needs and eligibility;
- Providing crisis counseling;
- Addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries;
- Actively connecting and providing information and referrals to needed services; **and**
- Cell phone costs of outreach workers.

Case Management

Case Management is activities to assess housing and service needs and arrange, coordinate and/or monitor the delivery of individualized services. Eligible costs include:

- Assessment and intake including using coordinated entry;
- Conducting initial evaluations including verifying and documenting eligibility;
- Counseling;
- Developing/securing/coordinating services;

- Helping obtain Federal, State, and local benefits;
- Monitoring and evaluating program participant progress;
- Providing information and referrals to other providers; **and**
- Developing an individualized housing stabilization plan that leads to the attainment of stable permanent housing.

Emergency Health

Emergency health services are eligible activities to the extent that other appropriate services and treatment are unavailable or inaccessible within the community. An example of customary emergency health services is outpatient treatment of urgent medical conditions by licensed medical professionals in community-based settings (e.g.; streets, parks, and campgrounds) to those eligible participants unwilling or unable to access emergency shelter or an appropriate healthcare facility. Eligible costs include:

- Assessing health problems and developing treatment plans;
- Assistance in understanding health needs;
- Providing directly or assisting to obtain appropriate emergency medical treatment; **and**
- Providing medication and follow-up services.

Emergency Mental Health

Emergency mental health services are eligible activities to the extent that other appropriate services and treatment are unavailable or inaccessible within the community; i.e.; outpatient treatment of urgent mental health conditions by licensed professionals in community-based setting (e.g.; streets, parks, and campgrounds) to those eligible participants unable or unwilling to access emergency shelter or an appropriate health care facility. Eligible costs include:

- Crisis intervention;
- Prescription of psychotropic medications;
- Explanation about the use and management of medications; **and**
- Combinations of therapeutic approaches to address multiple problems.

Transportation

Travel expenses incurred by outreach workers, social workers, medical professionals, or other service agency employees during the provision of allowable street outreach services are eligible costs. They include:

- Transporting unsheltered people to emergency shelters or other service facilities;
- Public transportation for participants;
- Mileage allowance for outreach workers using their own vehicles to visit program participants;
- Purchasing or leasing a vehicle for use in conducting outreach activities, including the cost of gas, insurance, taxes, and maintenance for the vehicle; **and**

- Costs of staff to accompany or assist program participants to use public transportation.

2) Services for Special Populations

Services for special populations are essential services that have been tailored to address the special needs of homeless youths, victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers, domestic violence shelters, and persons living with HIV/AIDS. Eligible costs include:

- Engagement;
- Case Management;
- Emergency Health Services;
- Emergency Mental Health Services; **and**
- Transportation.

C. Emergency Shelter

Emergency shelter means any appropriate facility that has the primary use of providing temporary or transitional shelter for the homeless in general or for specific populations of the homeless and the use of which does not require occupants to sign leases or occupancy agreements. Emergency Shelter must be provided in compliance with Program Standard #3—*Emergency Shelter Operations* and Program Standard #4—*Assessing, Prioritizing and Reassessing Needs for Essential Services Related to Emergency Shelter* located under *General Program Requirements* of this manual. ESG funds can be used to provide essential services; renovation; and shelter operations.

1) Shelter Operations

Shelter operations are costs to operate and maintain emergency shelters and provide other emergency lodging when appropriate. Eligible Costs include:

- Maintenance (minor or routine repairs);
- Rent;
- Security;
- Fuel;
- Equipment;
- Insurance;
- Utilities;
- Food;
- Furnishings;
- Supplies necessary for the operation of the emergency shelters; **and**
- Hotel/Motel voucher, only for families and individuals when no emergency shelter is available.

2) Essential Services

Emergency shelter essential services are services to homeless households and individuals in emergency shelters. Program applicants meeting the definition of homeless in Categories 1, 2, 3, and 4 of the HUD definitions for homeless are eligible for emergency shelter services. Categories located under *Applicant Eligibility – Categorical Homeless Definitions and Criteria* of this manual.

Eligible uses for funds within the Emergency Shelter Essential Services category include:

Case Management

Case Management activities assess, arrange, coordinate, and monitor individualized services developed for program participants. Eligible costs include:

- Using coordinated entry;
- Conducting initial evaluations including, verifying and documenting eligibility;
- 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;
- Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; **and**
- Developing an individualized housing and service plan, including planning a path to permanent housing stability.

Childcare Costs

The cost of childcare is eligible if the child is under the age of 13, or a child(ren) with disabilities under the age of 18. The childcare center must be licensed by the jurisdiction in which it operates. Eligible costs include:

- Childcare costs;
- Providing meals and snacks; **and**
- Comprehensive and coordinated sets of appropriate developmental activities.

Education

Education is instruction or training to enhance participants' ability to obtain and maintain housing, consumer education, health education, substance abuse prevention, literacy, ESL, GED preparation and various life skills. Eligible costs include:

- Screening, assessment, and testing;
- Individual/group instruction;
- Tutoring;
- Books, supplies, and instructional materials;
- Counseling; **and**
- Referral to community resources.

Employment Assistance and Job Training

Job Assistance services help participants to secure employment and placement in job training programs. Eligible costs include:

- Classroom, online, and/or computer instruction;
- On the job instruction;
- Job finding and skill building;
- Reasonable stipends to program participants in employment assistance and job training programs;
- Books and instruction materials;
- Employment screening; assessment or testing;
- Structured job seeking support;
- Special training and tutoring; including literacy training and pre-vocational training;
- Counseling or job coaching; **and**
- Referral to community resources.

Outpatient Health

Outpatient Health Services are eligible activities to the extent that other appropriate services and treatment are unavailable or inaccessible within the community. Eligible costs include:

- Assessing health problems and developing treatment plans;
- Assistance in understanding health needs;
- Providing directly or assisting to obtain appropriate medical treatment, preventive medical care, health maintenance services, including emergency medical services;
- Providing medication and follow-up services; **and**
- Providing preventive and non-cosmetic dental care.

Legal services

Legal advice and representation are eligible activities to the extent that other appropriate services and treatment are unavailable or inaccessible within the community. This would include necessary legal services regarding matters that interfere with the program participant's ability to obtain permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides. Legal issues would include child support, guardianship, paternity, emancipation, 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 resolution of outstanding criminal warrants. Eligible costs include:

- Hourly fees for legal advice and representation by licensed attorneys and certain other fees-for-service;
- Client intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling; **and**
- Filing fees and other necessary court costs.

Legal services to address immigration, citizenship, and mortgage issues including retainer fee arrangements, and contingency fee arrangement are **not** eligible costs.

Life Skills Training

Life Skills Training teaches 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. Allowable services must be necessary to assist the program participant to function independently in the community. They include:

- 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

Mental Health Services are eligible activities to the extent that other appropriate services and treatment are unavailable or inaccessible within the community. Services are direct outpatient treatment of mental health conditions by licensed professionals. Eligible costs include:

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

Substance Abuse Treatment

Substance Abuse Treatment is an eligible activity to the extent that other appropriate services and treatment are unavailable or inaccessible within the community. Services must be provided by licensed or certified professionals, and be designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors. Inpatient detoxification and other inpatient drug or alcohol treatment are not eligible costs. Eligible costs include:

- Client intake and assessment;
- Outpatient treatment for up to 30 days;
- Group and individual counseling; **and**
- Drug testing.

Transportation

Costs of travel by program participants to and from medical care, employment, childcare or other facilities that provide eligible essential services are eligible. Staff travel costs incurred to support provision of essential services are also allowable. Eligible costs include:

- Public transportation for participants;
- Mileage allowance for service workers using their own vehicles to visit program participants; **and**
- Purchasing or leasing a vehicle used for transport of participants and/or staff serving participants, including the cost of gas, insurance, taxes, and maintenance for purchased or leased vehicles.

Services for Special Populations

Services for Special Populations means otherwise eligible essential services that are tailored to address the special needs of homeless youth, victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers, domestic violence shelters and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking. Also eligible are services provided to persons living with HIV/AIDS in emergency shelters. Eligible costs include:

- Case management;
- Childcare;
- Education services;
- Employment assistance and job training;
- Outpatient Health services;
- Legal services;
- Life Skills training;
- Mental health services;
- Substance abuse treatment services; **and**
- Transportation.

3) Shelter Facility Rehabilitation, Conversion and Renovation

For costs of rehabilitation, conversion, or renovation to be eligible for payment with ESG funds, the building must be used for an emergency shelter for homeless families and individuals. [Refer to subgrantee's grant agreement/contract for additional information on procurement requirements and while acquisition is not allowable with ESG funds, see the Acquisition/Rehabilitation Guidance document on the [HSS Dashboard](#) for specific reporting requirements for rehabilitation, conversion, or renovation projects.] A government entity or private non-profit organization must own the emergency shelter building before and after the renovation or rehabilitation. Buildings renovated with ESG funds as a shelter for homeless individuals and families are required to function as a shelter for a minimum period, depending on the type of renovation and the value of the building. See the table below:

Eligible Costs include:

- Labor;
- Materials;
- Tools; **and**
- Other costs for renovation, including soft costs.

Rehabilitation and Renovation Minimum Period of Use		
	Use Requirement	Determining Criteria
Major Rehabilitation	10 years	Rehab costs exceed 75% of the value of the building before rehabilitation.
Conversion	10 years	Conversion costs exceed 75% of the value of the building after conversion.
Renovation, including rehab and conversion costs that do not meet 10 Year criteria.	3 years	Renovation costs are 75% or less of the value of the building before renovation.

All shelters must meet minimum habitability standards. Documentation must be kept by the subgrantee/subrecipient denoting subgrantee's/subrecipient's compliance with this requirement and available to OHCS during OHCS monitoring. See **Habitability Standards** section of this manual. Shelters renovated with ESG funds are also required to meet state or local government safety and sanitation standards, as applicable, including the use of energy-efficient appliances and materials.

In projects where lead-based paint evaluation and/or hazard reduction are undertaken with ESG funds as part of rehabilitation/renovation, additional Lead-Based Paint requirements apply as identified in 24 CFR 35.900-35.940.

ESG funds shall not be used for rehabilitation or renovation of structures that will be used for inherently religious activities. Sanctuaries, chapels, or other rooms used as a principal place of worship are ineligible for funded improvements paid by ESG.

ESG funds can pay for rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under the ESG program. Where a structure is used for both eligible and religious activities, the amount of ESG funds used must not exceed the cost of those portions of the rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to ESG funds.

For all shelter rehabilitation, conversion, or renovation, subgrantee, subrecipient and their contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. Documentation must be kept by the subgrantee/subrecipient denoting subgrantee's/subrecipient's compliance with

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

4) Assistance Required under “URA”

Subgrantee and subrecipient must ensure they have taken all reasonable steps to minimize the displacement of persons or commercial entities as a result of a project assisted with ESG funds. No tenant occupant of housing that is converted into an emergency shelter shall be required to relocate temporarily for a project assisted with ESG or be required to move to another unit in the same building/complex. When a tenant is required to move because of a project assisted with ESG under conditions that trigger the Uniform Relocation Assistance (URA) and Real Property Acquisition Policies Act (42 U.S.C. 4601-4655), the tenant should be treated as permanently displaced and offered relocation assistance and payments consistent with the Act.

Any person who disagrees with subgrantee’s and subrecipient’s determination concerning whether the person qualifies as a displaced person or the amount of relocation assistance offered, can file a written appeal of that determination with subgrantee and subrecipient under 49 CFR 24.10. A low-income person who disagrees with the determination can submit a written request for review of that determination to the nearest HUD field office.

Subgrantee and subrecipient must keep records documenting compliance with the displacement, relocation, and acquisition requirements of the ESG program. See 24 CFR 576.408.

D. Essential Services Comparison between Outreach and Shelter

Services through the street outreach component are not the same as services provided through emergency shelter systems. The chart below compares appropriate services for each component.

Comparison of Essential Services	
Street Outreach (Unsheltered Homeless persons)	Emergency Shelter Services (Sheltered Homeless persons)
Engagement	----
Case Management	Case Management
----	Childcare
----	Education Services

----	Employment Assistance/Training
Emergency Health Care	Outpatient Health Services
----	Legal Services
----	Life Skills Training
Emergency Mental Health Care	Mental Health Services
Services for Special Populations	Services for Special Populations
----	Substance Abuse Treatment
Transportation	Transportation

E. Homelessness Prevention and Rapid Re-housing

Homelessness Prevention Services are intended to prevent persons who are housed from becoming homeless by helping them regain stability in their current housing or other permanent housing. Eligible participants must be at imminent risk of homelessness, homeless under other federal statutes, fleeing/attempting to flee domestic violence or meet the criteria for being at-risk of homelessness and have annual incomes at or below 30% of area median income.

Rapid Re-Housing services are intended to help eligible participants who are literally homeless, including fleeing/attempting to flee domestic violence, to transition from the streets or shelter as quickly as possible into permanent housing and achieve housing stability. Eligible participants for either service component must lack the resources or support networks to help them retain or obtain other appropriate, stable housing. Eligibility determination and prioritization must comply with Program Standard #6—*Determining and Prioritizing Eligibility for Homelessness Prevention and Rapid Re-housing Assistance* located under *General Program Requirements* of this manual.

Eligible activities for both service components include housing relocation and stabilization services and short- and medium-term rental assistance. These activities must comply with Program Standard #7—*Determining Client’s Share of Rent and Utility Costs* and Program Standard #8—*Determining Duration and Amount of Rental Assistance Provided to Client* located under *General Program Requirements* of this manual.

If a client was first assisted under Homelessness Prevention and then became homeless, Subgrantee must exit the client from the Homelessness Prevention component and enter the individual or household into the appropriate homeless component.

1) Homelessness Prevention and Rapid Re-housing Comparison

The chart below shows the differences between Homelessness Prevention and Rapid Re-Housing service components.

	Homelessness Prevention	Rapid Re-Housing
Eligible Participants	Category 2 – Imminent Risk Category 3 – Other Federal Statutes Category 4 – Fleeing/Attempting to Flee	Category 1 – Literally Homeless OR Category 4 – Fleeing/Attempting to Flee Domestic Violence and has no

	Domestic Violence and has no other residence OR At-Risk of Homelessness	other residence.
Purpose	<ul style="list-style-type: none"> To <u>prevent</u> persons who are housed from becoming homeless To help such persons <u>regain stability</u> in their current housing or other permanent housing 	<ul style="list-style-type: none"> To help homeless persons living on the streets or in an emergency shelter <u>transition</u> as quickly as possible into permanent housing, and then To help such persons <u>achieve stability</u> in that housing
Reassessment	<ul style="list-style-type: none"> Every 3 months Must have income <u>at or below 30%</u> AMI, AND Lack resources and support network 	<ul style="list-style-type: none"> Every 12 months Must have income <u>at or below 30%</u> AMI, AND Lack resources and support network
Eligible Activities	Housing Relocation and Stabilization Services and Financial Assistance	Housing Relocation and Stabilization Services and Financial Assistance
	Short- and Medium-Term Rental Assistance	Short- and Medium-Term Rental Assistance

2) Housing Relocation and Stabilization Financial Assistance

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

- **Rental application fee** charged by the landlord to all applicants;
- **Security deposit**, equal to or not more than 2 month’s rent;
- **Last month’s rent**, paid to landlord at the time security deposit and first month’s rent are paid. The amount must not exceed one month’s rent and is included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any 3-year period;
- **Moving costs**, including truck rental, hiring a moving company, and temporary storage fees. Storage fees can be up to 3 month’s rent, providing costs are not incurred until after program participation begins and before move-in. Moving costs cannot include arrearage temporary storage fees;
- **Standard utility deposit** (gas, electric, water, sewer) required by the utility company for all customers;
- **Utility payment** can be for up to 24 months 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 are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.

OHCS recommends that subgrantees and subrecipients develop a written policy regarding to whom the landlord and utility companies will refund security and utility deposit payments. Any policy must be applied consistently for all program participants. Any deposit funds returned to subgrantee is program income and must be documented as match. Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

Financial assistance cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under the URA, during the period covered by the URA payments. Financial assistance refers to: rental application fees, security deposits and eligible fees, last month's rent, utility deposits and arrearages, utility payments and moving costs.

3) Housing Relocation and Stabilization Services

ESG funds can be used to provide the following services:

- **Housing search and placement** including assessment of client housing barriers, needs, and preferences; housing search and landlord recruitment, assistance with rental applications and agreements, ensuring housing compliance with habitability and other housing related requirements;
- **Housing Stability Case Management** including client eligibility and service needs assessment, development of individualized housing and service plans, conducting required re-evaluations and follow-up, and coordinating access to other federal, state and local benefits;
- **Mediation** services to prevent the tenant from losing their housing including mediation between tenant and landlord, household members, neighbors or others impacting the tenant's housing stability;
- **Legal Services** pertaining to certain legal matters as identified in 24 CFR 576.102(a)(1)(vi) that are necessary to resolve in order for program participant to obtain or maintain stable housing; **and**
- **Credit Repair** including credit counseling, household budgeting, money management, obtaining credit reports and resolving credit related barriers to housing stability.

4) Short- and Medium-Term Rental Assistance

A participant can be provided up to 24 months of rental assistance during any 3-year period. Rental assistance can include payment of rent arrearages for tenant or project-based housing. Duration of rental assistance must minimally comply with program standards including:

- **Short-Term Assistance** is for up to 3 months' rent;
- **Medium-Term Assistance** is more than 3 months, no more than 24 months; **and**

- **Payment of Rent Arrearages** must be a one-time payment of up to 6 months' rent, including late fees. If arrears are owed to a previous landlord, these arrears may be paid, but only when there is documented evidence that payment of the arrears is necessary for the participant to obtain permanent housing and maintain stability in that housing.
- **Lease Break Fee.** If a program participant receiving short- or medium-term rental assistance meets the conditions for an emergency transfer under 24 CFR 5.2005(e), ESG funds can be used to pay amounts owed for breaking a lease to allow for an emergency transfer. These costs are not subject to the 24-month limit on rental assistance.

Subgrantee and subrecipients must comply with department minimum standards and Continuum of Care standards once developed regarding rental assistance. Subgrantee and subrecipient can establish their own written requirements beyond these standards upon review and approval by OHCS. Any subgrantee and subrecipient determined requirements must be applied consistently for all program participants within each ESG-funded program.

Rental Assistance can be either tenant-based or project-based. Tenant-based rental assistance allows program participants to select a housing unit. If the participant chooses to move to another location within the service area, the rental assistance can go with them to the new unit. Project-based rental assistance requires the subgrantee or a contracted agency to identify permanent housing units that meet ESG requirements. Subgrantee and subrecipients enters into a rental assistance agreement with the owner to reserve the unit and provides the unit at a subsidized rent to eligible program participants.

For program participants living in housing with project-based rental assistance, the lease must have an initial term of one year.

Under Rapid Re-housing, a subgrantee and subrecipient can provide tenant-based rental assistance to a program participant that chooses a unit in which the subgrantee and subrecipient has an ownership interest. However, the subgrantee and subrecipient cannot exclusively direct a program participant to a unit it owns, nor can it carry out the initial evaluation to determine eligibility for the assistance - another agency must make that determination. The participant's file must include documentation that the program participant had a choice of other units.

A subgrantee and subrecipient must receive a HUD approved waiver to provide project-based assistance for a unit where the subgrantee and subrecipient has ownership interest. A waiver is also required to provide Homelessness Prevention rent assistance to a participant residing in a unit owned by the subgrantee and subrecipient. The waiver is necessary because the rental agreement must be between the subgrantee or subrecipient and housing owner and it is not possible for the subgrantee or subrecipient to create such an agreement with itself. Waiver requests must be submitted to OHCS for review and submission to HUD.

Except for a one-time payment of rental arrears, 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 rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a program participant who has received replacement housing payments under the URA during the period covered by the URA payments.

5) Rental Agreement and Lease

Short- and medium-term rental assistance requires both a rental assistance agreement signed by the subgrantee or subrecipient and landlord **and** a lease signed by the program participant and landlord. Subgrantees and subrecipients are required to make rental assistance payments only to a landlord with whom subgrantee or subrecipient has entered into a rental assistance agreement. The rental assistance agreement sets out the terms under which rental assistance will be paid. A rental assistance agreement is a separate document from the rental lease. There is no requirement that the term of the lease coincide with the term of the rental assistance agreement if they are both in effect during the time ESG-funded rental assistance is provided.

A rental assistance agreement must set forth the terms under which rental assistance will be provided, including the following requirements:

- The landlord shall give the agency a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant;
- Payment due date, grace period, and late payment penalty requirements will be the same as documented in the program participant's lease;
- If the rental assistance is tenant-based or project-based;
- If the subgrantee and subrecipient incurs late payment penalties, it is the sole responsibility of the agency to pay those penalties, using non-ESG funds;
- If the subgrantee and subrecipient requires the program participant to pay a portion of the monthly rental cost, the amount of rent to be paid by each party; and
- The amount to be paid by the subgrantee and subrecipient for payment of rent arrears, number of months covered, any other terms and conditions of the payment, and certification the program participant is eligible, and landlord has provided sufficient evidence of the rent arrears and that payment of such arrears is necessary for the participant to obtain permanent housing and maintain stability in that housing.

If the only cost being paid with ESG funds is rent arrears, a rental assistance agreement is needed, but a current lease is not. When the assistance is solely for rent arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program 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.

Subgrantee and subrecipient must terminate the rental assistance agreement and provide no further rental assistance payments if the program participant moves out of the leased housing unit, the lease terminates and is not renewed, or the program participant becomes ineligible to receive ESG rental assistance.

6) Rent Reasonableness Determination

Subgrantee and subrecipient must determine whether the gross rent of a particular unit is a reasonable rent in comparison to rent for other comparable unassisted units. To make this determination, subgrantee must consider 1) the location, quality, size, unit type, and age of the contract unit; and 2) any amenities, housing services, maintenance, and utilities to be provided by the owner in accordance with the lease. The unit's gross rent must be comparable to the rent reasonableness rent for the unit to be considered for rental assistance.

Subgrantee and subrecipient must determine the review method(s) they will use to establish rent reasonableness standards for their area (e.g.; A list of comparable rents can be compiled by using a market study of rents charged for units of different sizes or by reviewing advertisements for comparable rental units). To learn how public housing authorities establish rent reasonableness for the Housing Choice Voucher program, review Chapter 9 of the HUD Housing Choice Voucher Program Guidebook. The link to the Guidebook is in the appendices of this manual.

Comparable rents vary over time with market modifications. Rent Reasonableness standards must be reviewed periodically and adjusted to align with these rent market changes.

The Rent Reasonableness review completed for each unit must be documented in the client case file. A sample rent reasonableness form is included in the forms available on the OHCS web site.

7) Fair Market Rent (FMR) Requirement

HUD establishes FMRs to determine rent ceilings for HUD-funded rental assistance programs. HUD publishes the FMR schedule annually for 530 metropolitan areas and 2,045 non-metropolitan county areas. The link to HUD's FMR index is included in the appendices in this manual.

Gross rent for units in which ESG provides rental assistance must be the same or less than the FMR for that location. If subgrantee's and subrecipient's service area includes more than one county, subgrantee and subrecipient must use the appropriate FMR for the county in which the assisted rental unit is located. The applicable FMR data should be copied and placed in the client file to document the FMR for that participant's unit size and geographic area.

8) Calculating Gross Rent

Whether a household is seeking to maintain its current housing or relocate to another unit to avoid homelessness, or exiting homelessness into new permanent housing, the process for determining acceptable rent amounts is the same: the gross rent (rent plus appropriate utility allowance) must 1) be no greater than the Fair Market Rent set by HUD and 2) fit within the limitations resulting from a rent reasonableness analysis. If the gross rent for the unit exceeds either the rent reasonableness standard or FMR, the subgrantee and subrecipient is prohibited from using ESG funds for any portion of the rent, even if the household is willing and/or able to pay the difference.

Fair Market Rent and rent reasonableness requirements do not apply when a program participant receives only financial assistance or services. This includes rental application fees, security deposits, utility payments/deposits/arrearages, moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

A utility allowance is a projection of the cost of utilities the client will pay monthly while renting their unit. Subgrantee must determine the amount of utility allowance to be used in the calculation of gross rent. The local public housing authority maintains a utility allowance chart which considers the number of bedrooms and types of utilities in a unit (e.g.; gas and/or electric, water, sewer, and trash). Any utilities included in the rent payment must not also be included in the utility allowance calculation. Telephone, cable or satellite television service, and internet service are not counted as utility costs.

To calculate the gross rent of a unit:

$$\begin{array}{r}
 \text{total contract rent amount of the unit} \\
 \pm \\
 \text{allowable* fees required for occupancy under the lease} \\
 \pm \\
 \text{, monthly utility allowance established by local public housing authority} \\
 \equiv \\
 \text{Gross Rent Amount}
 \end{array}$$

*excludes late fees and pet fees

Example:

A case manager wants to rapidly re-house a mother and son and has identified a 2-bedroom unit at a rent of \$1,200 per month, not including utilities. The utility allowance for that size and type of unit is \$150. Therefore, the gross rent is \$1,350. A check of three similar units in the neighborhood reveals that the reasonable rent is \$1,400 for that area of the city. However, the FMR for the jurisdiction is \$1,300. This means the household cannot be assisted with ESG rental assistance in this unit because the gross rent exceeds the FMR.

Once a housing unit is determined to meet the FMR and rent reasonableness requirements, program funds can be used to pay for the actual utility costs. The utility

allowance calculation is only used to determine whether the unit meets the FMR standard.

9) Eligibility Re-certification

Reassessments are required for homelessness prevention and rapid re-housing participants. Homelessness prevention reassessments are required every three months and must verify that a household continues to have an annual income at or below 30% of area median income and lacks the resources or support to retain or obtain appropriate permanent housing. Rapid re-housing assessments are required at least once per year to verify that a household's income is at or below 30% area median income and they lack the resources and support networks to retain or obtain appropriate permanent housing. If a client informs staff of an income change, but is not required by the subgrantee and subrecipient to notify staff of a change in circumstances that may affect eligibility, there is no immediate effect on the client's eligibility and assistance can continue until the next required re-evaluation.

10) Housing Stability Case Management

ESG funds may be used to pay the cost of assessing, arranging, coordinating, and monitoring the delivery of individualized housing stabilization services to a program participant already in permanent housing (not to exceed 24 months) or to assist a program participant to overcome immediate barriers to obtaining housing (not to exceed 30 days).

While providing homelessness prevention or rapid re-housing assistance to a program participant, the recipient or subrecipient must

- (a) Require the program participant to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability; and
- (b) Develop a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area. Plans are required to be client driven, using input and goal setting by the client.

Case management includes the following services:

- Using a coordinated entry process (upon the CoC's development or approval of this system);
- Conducting initial evaluation, including verification and documentation of eligibility;
- Developing, securing and coordinating services;
- Obtaining federal, state, and local benefits;
- Monitoring and evaluating participant's progress in the program;
- Developing an individualized, client driven housing stability service plan; **and**

- Conducting re-evaluations of participant’s eligibility and types and amounts of assistance needed.

F. HMIS / Data Collection Costs

Eligible HMIS costs for ESG recipients and subrecipients include HMIS user fees, salaries for staff entering HMIS data for the ESG recipient or subrecipient, hardware and software costs of participation, and other eligible activities as needed to support the ESG recipient or subrecipient to comply with HMIS requires of the ESG grant. See 24 CFR 576.107 (a)(1) and (a)(2).

- Purchasing or leasing computer hardware;
- Purchasing software or software licenses;
- Purchasing or leasing equipment, including telephones, fax machines, and furniture;
- Obtaining technical support;
- Leasing office space;
- Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS;
- Paying salaries for operating HMIS, including:
 - Completing data entry;
 - Monitoring and reviewing data quality;
 - Completing data analysis;
 - Reporting to the HMIS Lead;
 - Training staff on using the HMIS or comparable database; and
 - Implementing and complying with HMIS requirements;
- Costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act;
- Paying staff travel costs to conduct intake;
- Paying participation fees charged by the HMIS Lead, and
- If the subgrantee or subrecipient is a Victim Services Provider (VSP) or a legal services provider, it can use ESG funds to establish and operate 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 in a comparable database must not be entered directly into or provided to an HMIS.

G. Ineligible Activities and Costs

Ineligible activities that cannot be funded with ESG include, but are not exclusive to:

- replacement of existing mainstream resources;
- payments made directly to program participants;
- payments on a mortgage or land contract, rent to own, or lease to purchase;

- payment of rent for eligible individuals or families for the same period of time and for the same cost types being assisted through any other federal, state, or local housing subsidy program - financial assistance, such as payment of security deposits, is allowed if that cost is not eligible under the other subsidy program;
- payment of pet deposits or pet care;
- payments on credit card bills or other consumer debt, including child support or garnishments;
- provision of cash assistance;
- purchase of gifts cards for participants for any purpose;
- payment of costs of discharge planning programs in mainstream institutions such as hospitals, nursing homes, jails, or prisons; **and**
- payment for religious activities (**Note:** While organizations that are religious or faith-based are eligible to receive ESG funds, religious activities must be conducted separately, in time and location, from ESG-funded activities and participation must be voluntary for program participants).

4. Housing and Facility Standards

A. Occupancy Standards

Occupancy standards provide consistent criteria for determining the size of the permanent housing unit for which the household is eligible and thus, the amount of assistance to be provided.

Subgrantee and subrecipient may choose to use the occupancy guidelines set by the Housing Choice Voucher Program, 24 CFR 982 Subpart I: 982.401(d), or develop their own standards. Subgrantee and subrecipient must develop a written policy outlining their occupancy standards requirements and use those standards consistently. Such policy must be available to OHCS during OHCS monitoring. Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

B. Habitability Standards

All housing units supported with program funds must meet HUD Habitability Standards. Habitability Standards are different from the Housing Quality Standards (HQS) used for HOME and HOME TBA programs. Because the HQS criteria are more restrictive than the Habitability Standards, subgrantee and subrecipient could use either standard for shelter or rental assistance funded with ESG. Housing also needs to be compliant with local housing codes relating to occupancy, health, and safety standards and the program must comply with the more stringent of the two.

1) Permanent Housing

Minimum habitability standards for permanent housing include requirements for:

- structure and materials;

- personal space and security;
- interior air quality;
- water supply;
- sanitary facilities;
- heating and cooling operating equipment;
- natural and electrically produced light;
- area for food preparation;
- safe and sanitary project maintenance; **and**
- fire safety.

For households moving into a new unit, the unit must meet habitability standards before the lease is signed and the household moves in. For households already residing in a unit, the unit must meet habitability standards before financial or rental assistance can be provided.

2) Shelters

In addition to established housing codes, habitability standards for shelters in which ESG funds are used must be in compliance with CFR 576.403(b) which includes requirements for the following:

- structure and materials;
- access to and within the shelter;
- personal space and security;
- interior air quality;
- water supply;
- sanitary facilities;
- heating and cooling operating equipment;
- natural and electrically produced light;
- area for food preparation;
- safe and sanitary facility maintenance; **and**
- fire safety/smoke detectors.

More information about habitability requirements is included in the appendices section of this manual and a habitability standards checklist is available on the OHCS website.

C. Lead-Based Paint Requirements

Federal lead-based paint requirements apply any time federal funds are used for housing assistance and the living space or unit was built prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing, then the requirements do apply) or any 0-bedroom dwelling. 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 with ESG funding and all housing occupied by program participants.

The following subparts of HUD's implementing regulations at 24 CFR part 35 include:

Subpart A – Lead disclosure rule

Subpart B – General requirements

Subpart H – Project-based assistance

Subpart J – Rehabilitation

Subpart K – Acquisition, leasing, support services, or operation

Subpart M – Tenant-based rental assistance

Subpart R – Methods and standards for hazard evaluation and reduction

Subgrantee and subrecipient must provide the lead hazard information pamphlet to any resident who will be residing in a unit built before 1978. The tenant must receive the pamphlet before moving into the unit. If subgrantee and subrecipient can document the tenant received the pamphlet previously, subgrantee and subrecipient is not required to provide it again.

For units older than 1978 which will house one or more children under the age of 6, landlord and tenant must complete a Lead-Based Paint Disclosure form (see OHCS website for sample form). The form describes any known current or previous lead-based paint hazards, and documents tenant's receipt of records and the lead hazard information pamphlet. Additionally, a visual lead-based paint assessment must be completed by a person trained in this inspection process. The inspection may be completed in conjunction with the habitability inspection if the inspector is qualified. At Intake, it should be noted on the Application Form if there will be any child in the household younger than 6 years. This information should be provided to the habitability inspector prior to their examination of the proposed rental unit.

If a notification is received from a public health department or other medical health care provider that a child of less than 6 years of age living in a unit funded by ESG rental assistance, has an elevated blood lead level, an environmental investigation of the dwelling unit and common areas servicing the dwelling unit in which the child lived, regardless of whether the child is still living in the dwelling. For more information, see 24 CFR 35.730 and 35.1225.

Essential service activities, such as, counseling, case management, street outreach, referrals to employment, etc., are exempt and excluded from the lead-based paint inspection requirements.

D. Environmental Review

Subgrantee, subrecipient and their contractors shall not rehabilitate, convert, or renovate a shelter or prospective shelter until OHCS has performed an environmental review under 24 CFR part 50. Subgrantee and subrecipient shall supply all available, relevant information necessary for OHCS to perform any environmental review required by 24 CFR Part 50. Subgrantee and subrecipient must carry out mitigating measures required by HUD or select

alternate eligible property. OHCS may eliminate from consideration any application that would require an Environmental Impact Statement (EIS).

Environmental reviews must also be completed for any project-based or leased housing assistance paid with ESG funding.

5. Client Confidentiality

A. General Requirements

Confidential records include all applications, records, files, and communications relating to applicant for, and participants, of ESG-funded services regardless of hard-copy or electronic format.

Subgrantees must have a stand-alone policy for the confidentiality of applicant/participant records. Such policy must include:

- 1) Identification of how all applicant/participant records are secured and confidentially maintained;
- 2) A statement that all applicant/participant records must be maintained within state guidelines for the proper retention and destruction of records;
- 3) A requirement that all subgrantee officers, employees and agents are aware of and comply with the subgrantee's confidentiality policy and must include an acknowledgement of such policy, in writing;
- 4) A provision for the electronic collection of applicant/participant information which states that:
 - a. Computer terminals must be located in a secure location, limiting access to only those persons who have a legitimate interest in and are responsible for applicant/participant records;
 - b. Computer monitors must be cleared (or a screen saver activated) immediately after accessing a(n) applicant/participant record;
 - c. Computer terminals must be on a "locked" mode or turned off if the terminal is unattended; and
 - d. Access to personally identifiable HMIS data shall be given to only authorized personnel as necessary for performing the work required for ESG funded programs; and
- 5) A statement that all records shall be open for review to federal and state authorized representatives, and auditors and/or examiners during their regular audits and monitoring functions of ESG funded programs.

Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

B. Victims of Domestic Violence

The address and location of ESG funded domestic violence shelter facilities, funded partially or in whole by OHCS must be protected from public disclosure except as authorized by the director of the organization responsible for operations of the shelter in compliance with federal, state, or local rules and regulations. OHCS retains the right to obtain shelter addresses and location funded partially or in whole by OHCS; however, such information is protected from public disclosure except as authorized by federal, state, or local rules and regulations.

C. Privacy Notification

Subgrantees and subrecipients must have a written document that meets the requirements of this section if provided to applicant/participant in written form, or they must have a stand-alone policy that describes how the subgrantee or subrecipient are providing this Privacy Notification verbally to applicant/participants.

A Privacy Notification must be provided to applicant/participants either verbally or in writing that identifies the following:

“Personally identifiable information is protected by federal laws (Privacy Act of 1974, as amended) and will be collected for the purpose of determining program eligibility, providing assistance/service, data collection, reporting and monitoring. Personally identifiable information will be shared with Oregon Housing and Community Services and other state agencies with an information sharing agreement with OHCS and are administering programs that serve the same or similar clients or populations, as is necessary to carry out the intent of an assistance or service program for the benefit of the person applying for such assistance or service and will be disclosed to Oregon Housing and Community Services without written authorization.”

Applicants/Participants may also be asked to sign a Release of Information by the subgrantee or subrecipient that includes the Privacy Notification. If required to sign a Release of Information, in addition to the information above, such form must include a statement that:

“Refusal to sign such authorization cannot be the basis for denying program services to otherwise eligible applicants/participants. Applicant/Participant refusal to sign a Release of Information does not negate the inclusion of personally identifiable in secure reporting to Oregon Housing and Community Services. Oregon Housing and Community Services will de-identify applicant/participant demographic data for the purposes of reporting.”

Subgrantees and their subrecipients must document in the applicant/participant file that a privacy notification was provided to the applicant/participant either verbally or in writing. For all other purposes of collecting personally identifiable information, subgrantees and their subrecipients must follow state and federal laws for the collection, use and sharing of applicant/participant information.

Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

6. Grievance and Conflict of Interest Policies

A. Grievance and Appeals Process

Subgrantees are required to have an established, written stand-alone policy for addressing applicant/participant grievances/appeal requests. Applicants/Participants must have the right and opportunity to grieve/appeal any decision that terminates, denies, limits, reduces or modifies benefits for any reason. Applicants/Participants must be notified of their right for a grievance or appeal of such decision and subgrantee policy must clarify how and when applicants/participants are notified of their right to grieve/appeal decisions. Such grievance/appeal policy can be posted in a public place; however, applicants/participants **must** receive a written notification for any decision that terminates, denies, limits, reduces or modifies any benefit. Applicants/Participants must still receive a denial notice in writing even if the reason for denial is a subgrantee's/subrecipient's lack of funding. At a minimum, the policy must include the following components:

- Informs the participant/applicant that they can contest any subgrantee's or subrecipient's decision that terminates, denies, limits, reduces, or modifies any benefits and identifies the steps to follow to contest the decision;
- Informs the participant/applicant of the reason for termination, denial, limitation, reduction, or modification of benefit;
- Allows any aggrieved person a minimum of thirty (30) days to request an administrative review/appeal of such decision;
- Informs the applicant/participant of their right to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the decision;
- Identifies what reasonable accommodations are available for applicants/participants who have language, mobility or disability barriers that would prevent them from participating in the review/appeal process and how to request such accommodations; and
- Informs the applicant/participant and OHCS in writing of the final determination and basis for the decision within ten (10) days of the final determination.

Any person or persons designated by subgrantee and subrecipient can complete the administrative review/appeal, other than the person who made or approved the decision under review/appeal or a subordinate of this person.

Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS

retains the right to require modification of any policy that in its determination does not meet basic principles or requirements for such a policy.

B. Conflict of Interest

In the performance of work under EHA, (DRF/DRF VET), ERA and SHAP, subgrantees and subrecipients will create no potential or actual conflict of interest, as defined by ORS Chapter 244, for a director, officer, agent, or employee of subgrantee or subrecipient. A conflict of interest exists if, among other things, a decision or recommendation could affect the finances of the subgrantee or subrecipient's officers, agents or employees or the finances of their officer's, agent's, or employees' relative. If a conflict of interest exists, the subgrantee or subrecipient's officer, agent or employee must always give written notice of the conflict, and in some situations the officer, agent or employee is restricted in their ability to participate in the matter that presents the conflict of interest. No subgrantee or subrecipient officer, agency or employee may carry out the initial evaluation required to obtain services for any person in which an actual or perceived conflict of interest does or would exist.

Subgrantee must have a conflict of interest policy that outlines the process for disclosing, in writing, any potential or actual conflict of interest. This includes procedures for staff when employees, board members, friends or family members apply for program services. Subgrantees and subrecipients must comply with conflict of interest standards for both individuals and organizations as identified in 24 CFR 576.404(a), 24 CFR 85.36, and 24 CFR 84.42. Subgrantee and subrecipient must keep records to show compliance with program conflict of interest requirements.

1) Organizational

The provision of any type or amount of ESG assistance must not be conditioned on an individual's or household's acceptance or occupancy of emergency shelter or housing owned by subgrantee, subrecipient or an affiliated organization. A subgrantee and subrecipient is prohibited from conducting a participant's intake assessment to determine program eligibility if the participant resides in housing where the subgrantee subrecipient has ownership interest. Subgrantee and subrecipient must find another independent organization that is also an ESG grantee to do the intake assessment and ensure that all program participants are eligible even if the subgrantee and subrecipient has a waiver of the conflict of interest requirements. Conflict of interest waivers regarding rent assistance and rental agreement requirements can only be approved by HUD. If a subgrantee and subrecipient wishes to apply for a waiver, they must contact the OHCS homeless program coordinator or manager for guidance in submission of a waiver request which must be approved by OHCS who will then submit to HUD. See 24 CFR 576.404(a).

Subgrantees and subrecipients cannot steer potential renters for units owned or operated by the subgrantee or subrecipient, if the renters will be using a rent subsidy paid with any OHCS funds. Rent-subsidized tenants are free to enter into a rental contract with another landlord within the subgrantee or subrecipient's jurisdiction or they can choose to rent a unit owned or operated by the subgrantee or subrecipient. A

waiver request is not required for this situation; however, subgrantees and subrecipients must comply with this provision of the conflict of interest policy.

Subgrantee and subrecipient must keep records to show compliance with ESG program organizational conflicts-of-interest requirements.

2) Individual

For the procurement of goods and services, subgrantee and subrecipient must comply with the codes of conduct and conflict of interest requirements under 24 CFR 85.36 (for governments) or 24 CFR 84.42 (for private nonprofit organizations).

Persons for whom the Conflict of Interest requirements apply include any person who is an employee, agent, consultant, officer, or elected or appointed official of the subgrantee and subrecipient agency. No person who exercises or has exercised any functions or responsibilities with respect to activities assisted under the ESG program, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under the Program, can obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has family or business ties, during his or her tenure or during the one-year period following his or her tenure.

Upon the written request of OHCS, HUD may grant an exception to the provisions of this paragraph on a case-by-case basis. Subgrantees and subrecipient wishing an exception must submit requests to OHCS for review and forwarding to HUD. There is no guarantee that an exception will be approved.

Subgrantee must have a Conflict of Interest stand-alone policy that complies with the following:

1. States that subgrantees officers, agents or employees will create no perceived, potential, or actual conflict of interest.
2. Identifies how officers, agents, and employees are notified of policy.
3. Outlines the process for disclosing, in writing, any potential or actual conflict of interest.
4. Identifies the process the subgrantee will follow when notice of a perceived, potential, or actual conflict of interest is received and must include procedures for staff when employees, board members, friends or family members apply for program services.
5. Identifies how records are kept of perceived, potential, or actual conflicts of interest.

Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

7. Fair Housing

A. Affirmative Outreach

Subgrantee and subrecipient must communicate and make known that use of ESG funded facilities, assistance and services are available to all on a nondiscriminatory basis.

Subgrantee and subrecipient must develop and implement affirmative outreach written procedures and communication tools and materials to inform persons without regard to race, color, ethnicity, religion, sex, age, national origin, familial status, or disability, how to obtain access to facilities and services. If it appears the procedures subgrantee and subrecipient intends to use to accomplish this will not reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those activities and services, subgrantee and subrecipient must establish additional procedures to ensure those persons are made aware of assistance opportunities.

Reasonable accommodations for persons with disabilities must be available to ensure participants with disabilities have an equal opportunity to utilize housing, including shelters, and receive essential services. Greater levels of accessibility may be required for some shelters in compliance with The Americans with Disabilities Act (ADA).

Outreach efforts must comply with Program Standard #3—*Emergency Shelter Operations (Safety and Accommodations for Special Populations)* located under *General Program Requirements* of this manual.

Subgrantee and subrecipient must document their compliance with federal affirmative outreach requirements. Subgrantee and subrecipient must have available for review records demonstrating compliance with state and federal nondiscrimination and equal opportunity rules, including data concerning race, ethnicity, disability status, sex, and family characteristics of persons and household who are applicants for, or program participants in, any program or activity funded in whole or in part with ESG funds and the affirmative outreach requirements above.

B. Nondiscrimination and Equal Access

Subgrantees are required to comply with all state and federal statutes relating to nondiscrimination. Subgrantee must have a stand-alone policy that complies with the following:

- 1) A statement that subgrantees will comply with all state, federal or local statutes, rules and guidelines for all protected classes and will not take any of the following actions based on race, color, national origin, age, religion, gender, familial status, or disability (federal) or victims of domestic violence, marital status, sexual orientation, gender identity or source of income (state):
 - (a) Refuse to accept an application for housing assistance or services;
 - (b) Deny an application for housing assistance or services;
 - (c) Set different terms, conditions or privileges for housing assistance or services;

- (d) Provide different or specific housing, facilities or services;
- (e) Falsely deny that housing is available for inspection or rental or that services are available;
- (f) Deny anyone access to a facility or service; or
- (g) Identifies how applicants or participants can request reasonable accommodation to access assistance or services, how that process is communicated to applicants and participants and how those requests are processed.

The Fair Housing Act prohibits discrimination based on protected classes in the housing activities of advertising, screening, and unit rentals. Using a target population in screening is allowed; however, refusal to accept application or provide information on services or available housing to any protected class, even if these groups do not fit into your targeting strategy, is prohibited.

Screening criteria cannot be discriminatory and must be consistently applied. For example, a provider might decide to give priority to applicants/participants who graduate from a tenant readiness education program that is inclusive of all protected classes. If two requests come in at the same time and both meet the screening criteria, the applicant/participant who also has the tenant readiness education experience could receive priority over the applicant who does not; however, providers must always accept the first request meeting their criteria or prioritization policy.

Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

For more information, see the [Guide to Fair Housing for Homeless and Domestic Violence Shelter Providers](#) produced by the Fair Housing Council of Oregon, or contact them directly at www.fhco.org.

Equal Access

HUD has published a final rule in the Federal Register entitled “Equal Access in Accordance with an Individual’s Gender Identity in Community Planning and Development Programs.” HUD ensures housing programs will be open to all eligible individuals and families regardless of sexual orientation, gender identity, or marital status. Subgrantees and subrecipients of CPD funding, as well as owners, operators, and managers of shelters, and other buildings and facilities and providers of services funded in whole or in part by any CPD program must grant equal access to such facilities, and other buildings and facilities, benefits, accommodations, and services to individuals in accordance with the individual's gender identity, and in a manner that affords equal access to the individual's family.

Policies and procedures to protect privacy, health, safety, and security, shall be established or amended, as necessary, and administered in a nondiscriminatory manner to ensure that:

- Equal access is provided in accordance with gender identity;
- In single-sex facilities, individuals are placed, served and accommodated in accordance with one's gender identity;
- Individuals are not subjected to intrusive questioning or asked to provide anatomical information or documentary, physical, or medical evidence of the individual's gender identity; and
- Nondiscriminatory steps are taken to address privacy concerns, including updating operating policies and procedures.

Subgrantees and subrecipients must provide the Notice of Equal Access to clients receiving housing assistance. The Notice of Equal Access form can be found on the OHCS [HSS Dashboard](#).

C. Limited English Proficiency

The Federal government has issued a series of policy documents, guides and regulations describing how subgrantees and subrecipient address the needs of persons who have limited English proficiency (LEP). The abbreviated definition of persons with limited English proficiency is those who: have difficulty reading, writing, speaking, or understanding English, and do not use English as their primary language.

Subgrantee must have a LEP stand-alone policy that describes the following:

- 1) The actions subgrantee took to identify LEP populations in their service area and cites any source(s) used for evaluation;
- 2) Defines actions subgrantee will take to provide language assistance and address language barriers;
- 3) States how and how often staff will receive training about assisting LEP persons; and
- 4) Identifies that, minimally, LEP populations are evaluated biennially and that updates to the LEP Policy incorporate any needed changes to address new or emerging LEP populations.

Subgrantees must ensure that subrecipients have policies that align with OHCS requirements and are consistent with the intent of such a policy as outlined by OHCS. OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy.

Subgrantees and subrecipient can create a written Language Access Plan (LAP) to provide a framework to document how the agency's programs will be accessible to all populations in their service area. Subgrantees and subrecipient who serve few persons needing LEP assistance can choose not to establish a LAP; however, the absence of a written LAP does not release subgrantee's and subrecipient's obligation to ensure LEP persons have access to programs or activities.

Links to more information about Limited English Proficiency requirements are provided in the appendices "Applicable Rules and Regulations".

8. Data Requirements

A. Data Entry

Subgrantees and their subrecipients are required to enter reliable, valid, and accurate ESG related participant and service data into the Homeless Management Information System (HMIS) being operated in their geographic Continuum of Care (CoC). HMIS Data and Technical Standards have been established by the U.S. Department of Housing and Urban Development (HUD). Subgrantees and their subrecipients must adhere to their CoC's HMIS Data Quality Plan.

HUD-defined Victim Service Providers (VSPs) must enter information into a comparable database system that meets HUD HMIS standards.

B. Data Timeliness

Timely and accurate data entry is critical to ensuring meaningful data analysis and reporting. For all project types, subgrantees and subrecipients must enter data within two business days or sooner, depending on local CoC HMIS policies. It is highly recommended for project types such as Emergency Shelter and Coordinated Entry that even more stringent data timeliness standards are applied.

C. Data Entry Requirements for Emergency and Transitional Shelters

Emergency or transitional shelters, or hotel/motel vouchers are required to report participants who are sheltered overnight. Overnight date-in and date-out must be entered to be able to determine who and how many people were served by a shelter or shelter type for any given night. This allows reporting on bed nights and daily shelter utilization in addition to the client-level information for those staying in shelters Using ShelterPoint for new project is required and shifting to ShelterPoint for existing projects. Facility, congregate-based programs, must be tracked separately and reported separately from any hotel/motel, non-congregate program.

D. Data Entry Requirement for Other Program Components

All other allowable components require both an HMIS entry/exit and HMIS Service Transaction to be entered into HMIS. Each allowable service must be represented with a Service Transaction. Same-day services will have the same Service Start and End Date. Service Transactions for Homelessness Prevention and Rapid Re-Housing costs, including all payments, arrearages, deposits, fees, landlord engagement and client non-categorical services, must include a HMIS Fund Source and Amount. An HMIS entry/exit and Service Transaction is required for both services-only and day-access shelter types.

E. Required Data Elements

Universal, program specific, and OHCS-required Data Elements must be collected in HMIS and are specific to program and project type. Refer to the [Data Collection Requirement by Program and Project Type](#) document that can be found on the HSS dashboard for applicable data elements specific to ESG.

F. Comparable Database

Violence Against Women Act (VAWA) and the Family Violence Prevention and Services Act (FVPSA) contains strong, legally codified confidentiality provisions that limit HUD-defined Victim Service Providers (VSPs) from sharing, disclosing, or revealing victims' personally identifying information (PII), including entering information into shared databases like HMIS. To protect clients, VSPs must enter required client-level data into a comparable database that is comparable to and complies with all HUD HMIS requirements.

Subgrantees/subrecipients defined as HUD VSPs are still subject to reporting requirements to OHCS of the grant for which they receive OHCS funding even if using a comparable database; however, no PII will be shared, only aggregate counts.

9. Submissions/Reporting Requirements

It is critical and subgrantees must meet deadlines for the submission of data, budgets, and reports (including, but not limited to annual, quarterly, implementation, and financial status reports, etc.) as required by OHCS. Subgrantees must submit complete and accurate materials requested by OHCS by the deadline provided by OHCS and in the form and format required. Any submission that is incomplete or after the deadline will be considered by OHCS to be late and out of compliance with requirements.

Subgrantees must enter complete, accurate, timely data and must monitor and confirm the quality of their data on a monthly basis.

System Query Data

Subgrantees must directly submit or automate the export of disaggregated HMIS participant, program and service transaction data twenty (20) days following the end of each month or as directed by OHCS. System Query Data may be used in published data visualizations (e.g., Tableau dashboards) and as the HMIS annual report.

Aggregated Quarterly Reports

Subgrantees must directly submit aggregated reports using the report provided in the HMIS reporting tool, SAP Business Objects, or the provided template, twenty (20) days following the end of each quarter.

Bed/Unit Inventory

Subgrantees must update Bed/Unit Inventory for Shelter and Transitional Housing in HMIS within 30 days of any change (additional or loss of beds, changes in bed type, etc.).

Program Delivery Annual Report

A narrative annual report must be submitted, in form and format required by OHCS, by the 60th day following the end of the fiscal year providing detail, including, but not limited to subrecipient budgets, program services, performance, outcomes, successes, and challenges.

Fiscal

The AGR/FSR is due to OHCS by the 60th day following the end of the fiscal year (see Funds Rollover section) and must be submitted within OPUS within this timeline.

At the discretion of OHCS, other reports can be required when deemed necessary by OHCS and subgrantees are subject to such requirement.

Subrecipient reporting to subgrantee must occur timely, so that subgrantees can meet the required deadline for reports to OHCS. It is the subgrantee's responsibility to ensure that subrecipients provide information to the subgrantee as required so that subgrantees can meet the reporting requirements of OHCS inclusive of subrecipient information.

Failure to provide required data or reports may result in a non-monetary finding in the Monitoring Report.

System-Wide Performance Requirements

The Oregon Legislative Fiscal office adopted a set of criteria that agencies must meet when developing key performance measures. In alignment with the federal and state strategic plans to end homelessness, OHCS has established the following key performance measure:

- Percentage of homeless households who exited into permanent housing and retained that housing for six months or longer (statewide target 80%).

This key performance measure uses HMIS as the primary data source.

10. Recordkeeping

A. Client File Documentation

Documentation of participant eligibility and services received must be maintained in participant case files (paper or electronically). Documentation for applicants found to be ineligible for assistance or for participants who are no longer eligible to receive assistance is required and must include the participant's request for assistance, why they are ineligible and how it was communicated to the applicant/participant, along with notification of the subgrantee's grievance/appeal process. Ineligible participants do not need to be entered into HMIS unless the use of HMIS is a part of the subgrantee or subrecipient's intake/assessment process.

A participant services or housing plan is required for those participants **receiving more than one time only** services and must be in the case file. Existing assessments and active case plans with other providers can be used and included in the participant file.

Drop-in or mass shelter facilities that provide bed nights and no case management must maintain sign-in attendance documentation that includes shelter resident self-certification of their homeless status. All other shelter provisions, including issuance of hotel/motel vouchers as a part of shelter strategy, require that participant eligibility documentation be maintained in the participant file.

File documentation will be the basis of OHCS monitoring to ensure subgrantee and subrecipient comply with program requirements, rules and regulations. OHCS recommends that subgrantees and subrecipients use a participant file checklist to ensure adequate documentation of case files. Sample forms are available on the OHCS website.

At the minimum, client files must contain the following, if applicable to subgrantee's and subrecipient's service to the program participant:

- Verification of use of coordinated entry;
- Evidence of provision of a Privacy Notification and/or Signed Release of Information;
- Intake form and assessment of household needs;
- homeless or at risk of homelessness verification;
- Evidence applicant has no subsequent housing options and lacks sufficient resources to retain housing, but is not homeless;
- Rent Reasonableness documentation;
- Habitability Standards verification;
- Lead-based Paint visual assessment;
- Signed Lease Agreement;
- Signed Rental Assistance Agreement;
- Verification of client income and assets;
- Amount and type of essential emergency shelter services provided;
- Re-evaluations of eligibility;
- Housing Plan and housing assistance provided;
- Verification of outstanding rent arrears;
- Evidence of client receipt of Grievance/Appeals Procedures;
- VAWA Addendum, Notice of Occupancy Rights, and Emergency Transfer Plan;
- Notice on Equal Access;
- Case notes;
- Evidence of referrals, if provided;
- Documentation of payments made on client's behalf; **and**
- Written notice of program termination.

B. Electronic Files

Records can be stored electronically; however, electronic records must be maintained securely and confidentially and be available in paper format if requested by OHCS for monitoring, audit, or other purposes. HMIS can be used as a method of document collection and maintenance when it represents all required records and is appropriate.

C. Records Access

Subgrantees, their subrecipient organizations and subrecipient organization's subrecipients are required to permit OHCS, the Oregon Secretary of State's Office, the federal government, and the duly authorized representatives of such entities access to, and the right to copy, all program records, applicant/participant records and fiscal records for such purposes as research, data collection, evaluations, monitoring, and auditing. At the sole discretion of OHCS, access to records shall include the removal of records as necessitated by OHCS or their duly authorized representative.

D. Records Retention

Subgrantees, subrecipient organizations and subrecipient organization's subrecipients shall retain all program records pertinent to applicant/participant services and expenditures incurred under ESG in a manner consistent with the requirements of state and federal law. This includes, but is not limited to, those requirements listed in Administrative Rule, Operations Manual and Special Schedules. Find the OHCS Special Schedule at the Oregon State Archives:

(<http://arcweb.sos.state.or.us/pages/recmgmt/sched/state.html>);

Find the State Agency General Records Retention Schedules at the Oregon State Archives:

(http://arcweb.sos.state.or.us/pages/rules/oars_100/oar_166/166_300.html).

Subgrantees, subrecipient organizations and subrecipient organization's subrecipients shall retain and keep accessible all such **fiscal and program records**, applicant/participant records, digital and electronic records, books, documents, papers, plans, and writings for a minimum of **(6) six years**, or such longer period as may be required by applicable law, whichever date is later. Destruction of records must occur timely and in compliance with applicable law and retention schedules. Retention begins from the later of the date that final payment is made or from the termination of ESG funding, or until the conclusion of any audit, controversy or litigation arising out of, or relating to, ESG.

E. Available Forms

Sample program forms and reference documents are available for download from the OHCS HSS Dashboard. Subgrantee and subrecipient can use these sample standard forms or acceptable equivalents when administering its ESG-funded program. Any alternate form must collect all data requested on the standard form. Required forms must be used in the form and format required by OHCS. OHCS encourages the use of the standard forms for consistency and ease of monitoring and compliance.

11. Financial Management

A. Administration

Subgrantees are allowed to use up to two and one-half percent (2.5%) of their total ESG allocation for administrative costs, including administrative costs for subrecipient organization with whom the subgrantee contracts. There is an expectation that administrative funds will be shared with subrecipients (partners and culturally specific organizations) commensurate to the services provided through the program by subrecipients.

Allowable administrative costs benefit the organization as a whole and cannot be attributed specifically to a particular program. All amounts billed to administration must be supported by actual costs.

Allowable costs include, but are not limited to:

- Senior executive management personnel salaries and benefits (unless they are directly involved in program operations), administrative staff travel costs;

- General services such as accounting, budget development, personnel, contracting, marketing, agency audit, agency insurance;
- Board and commission member expenses(excluding meals), limited to \$30 per day in which they are engaged in the performance of official duties. Members can also receive travel reimbursement. Payment of these expenses cannot be made through cash, gift cards, gas cards or other cash-equivalent means (ORS 292.495, DAS OSPA Reference Manual);
- Organization-wide membership fees and dues specific to homeless systems and programs;
- General agency facilities costs (including those associated with executive positions), such as rent, depreciation expenses, and operation and maintenance (as part of the organization’s direct or indirect cost allocation plan); and
- Equipment rental/purchase, insurance, utilities, and IT costs that are not program specific but relate to agency-wide administration.

Administrative costs must be charged to grant cost centers based on either a cost allocation plan or through use of an approved indirect cost rate in accordance with 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (also known as the “Super Circular”).

B. Advance Requests for Funds

Subgrantee can request and be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement, and financial management systems that meet the standards for fund control and accountability. See subgrantee’s grant agreement/contract for all identified requirements and allowability.

Advance payments to a subgrantee must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the subgrantee in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the subgrantee for direct program or project costs and the proportionate share of any allowable indirect costs.

An advance can be requested using the field labeled “Projected” in OPUS on the AGR screen.

The need for an advance must be justified by a short comment in the AGR “Comment” field, or your comment can advise to “see attached”. The comment and/or the attachment needs to provide enough detail to justify your request and demonstrate the impact to subgrantee’s operations and cash flow. Below are some acceptable methods that can be used to justify an advance request:

1. Wait list total, or expected demand, plus additional funds to serve participants over a specified period. Analysis must be provided on how any additional funds were calculated, expected number of households and amount per household.

2. Amount needed to provide to one or more subrecipients, with an analysis of the calculated amount (projected volume or demand for subrecipient, number of households, etc.), while factoring in timelines for invoicing and processing
3. Funds to meet subgrantee's upcoming payroll
4. Participant intake completed in another system, or applications in process of approval

OHCS is mindful of subgrantee's operational needs and cash flow as they work to deliver critical programs. If there are additional questions or if a subgrantee would like to talk through the operational and cash flow needs they are experiencing, they can contact Carol Wagner, Carol.Wagner@hcs.oregon.gov or by phone at 971-273-9235.

C. Program Match

Except as provided in the next paragraph, OHCS requires subgrantees to make matching contributions in an amount that equals (100%) the amount of ESG funds allocated by OHCS, including administration funds.

The first \$100,000 of OHCS's ESG award from HUD is excluded and does not require match. OHCS may transfer, through an exception process, the benefit of HUD's exception to its subgrantee agencies that are least capable of providing matching contributions. Subgrantees not able to provide 100% match must contact the OHCS Homeless Program Analyst to discuss receiving an exception to the requirement.

Subgrantee can obtain matching contributions from any source (other than ESG), including any federal, state, local, and private sources. Subgrantee must ensure the laws governing any funds used as matching contributions do not prohibit the use of those funds as ESG match. Subgrantee must keep records of the source and use of contributions made to satisfy the match requirement in 24 CFR part 576.201

All sources listed as match must meet these criteria:

- The matching contribution must be made after the date that HUD and OHCS sign the ESG Grant Agreement;
- Cash contributions must be expended within the expenditure deadline in 576.203;
- Non-cash contributions must be made within the expenditure deadline in 576.203;
- Contributions used to match a previous ESG grant cannot not be used to match a subsequent ESG grant;
- Contributions that have been or will be counted as satisfying a match requirement of other federal funds cannot not be used as match for ESG funding;
- The matching funds must be used for ESG eligible clients and activities; **and**
- If ESG funds are used to satisfy matching requirements of another federal program, funding from that program cannot be used to satisfy the matching requirements of ESG.

Possible sources of match, other than federal, state, or local grants include:

- Cash;

- The value or fair rental 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.

Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work by subgrantee. If subgrantee does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market.

The value of any real property, equipment, goods, or services can be used as match provided the costs would be allowable if subgrantee had purchased them. Some non-cash contributions would be considered indirect costs if purchased by subgrantee; match for these contributions may be given only if subgrantee has established a special indirect cost rate for allocating the value of those contributions to individual projects or programs.

Costs paid by program income shall count as match if the costs are eligible ESG costs that supplement subgrantee's ESG program.

Subgrantee must keep records of the source and use of contributions made to satisfy the matching requirement. Records must indicate the fiscal year grant for which each matching contribution is counted, as well as how the value of non-cash contributions was derived. To the extent feasible, volunteer services must be supported by the same methods that subgrantee uses to support the allocation of regular personnel costs.

D. Funds Disbursement

1) Use of OPUS

The OPUS System is a web-based centralized data system designed to meet business-processing needs. Subgrantee staff must complete training before being authorized to use the fiscal operations program of OPUS. Training is provided by the Fiscal Grant Specialist at OHCS. A Zoom Replay of OPUS Fiscal Training can be found on the HSS Dashboard.

OHCS maintains an OPUS Manual and OPUS Help Desk. View the OPUS User Manual from the landing page, under the Help tab, after logging into OPUS. OPUS Help Desk staff can be reached at:

Email: opushelp@hcs.oregon.gov

Ph: (503) 986-2099

Toll Free: (800) 453-5511 Option 6

2) Request for Funding Documentation

Subgrantee and subrecipients must retain supporting documentation of all costs charged to the ESG grant and be able to provide evidence that grant funds were spent on allowable costs. When subgrantee submits a(n) Agency Grant Request

(AGR)/Request for Funds (RFF) in OPUS, they are required to upload documentation of the costs for which they are requesting payment. Any AGR/RFF submitted without accompanying documentation or with insufficient documentation will be returned to the subgrantee with instructions to provide additional information. Subgrantee are required to **frequently and regularly** submit AGR/RFFs to appropriately expend their funds within their identified spending targets. An AGR/RFF can be denied/voided if documentation is insufficient, if unallowable costs are included or if submitted after the grant period has closed.

3) Budget Change Requests and Implementation Report Amendments

Changes in a subgrantee's scope of work can necessitate the submission of a budget change request. All budget changes require OHCS approval by submitting a Budget Change Request form electronically to: mga.fiscal@oregon.gov.

At the discretion of OHCS, additional information can be required for a budget change request, in form or and format required by OHCS.

Implementation Report Amendments can be required as needed for specific funding categories. All Implementation Report Amendments require OHCS approval by submitting an Implementation Report Amendment Request through the appropriate Smartsheet form.

Subgrantees must identify, and receive OHCS approval, of all subrecipients through the funding application. For any additional subrecipients, changes to subrecipients or deletion of subrecipients, identified outside of the funding application, subgrantees must notify OHCS within 30 days of such amendment for OHCS' approval. by submitting an Implementation Report Amendment Request through the appropriate Smartsheet form.

4) Funds Spend Down

Subgrantees are expected to fully obligate or expend grant funds during each funding cycle in accordance with OHCS policy and Subgrantees must meet spending targets identified in their Implementation Report spenddown plan (Standard or Time Bound Expenditure Plan (TBEP), if applicable OHCS will review subgrantee's grant spending in accordance with subgrantee's grant agreement/contract and OHCS policy.

Subgrantee must fully expend funds or have filed a final Agency Grant Status (AGS)/Financial Status Report (FSR) for a previous fiscal period prior to roll funds, if allowable, and prior to OHCS approving funds in a current fiscal period.

Any spending below the minimum standard spending target or the time-bound expenditure plan is subject to rescission of grant funds. Any amount of funding greater than 10% of a funding source's total allocation or a combined total of \$100,000 that is subject to rescission will trigger Subgrantee Board notification. See Standard Terms and Condition of subgrantee's grant agreement/contract for more information.

Any funds left unexpended by 60 days following the end of the funding period, are subject to recapture/deallocation by OHCS.

5) Funds Rollover

ESG funds can be rolled mid-biennium; and when allowable by OHCS can be rolled between biennia and must be drawn from OPUS for allowable expenditures in the spending period within 60 days following the end of the fiscal period when the final AGS/FSR is due, according to subgrantee's grant agreement/contract requirements. The AGS/FSR is the mechanism for which a subgrantee will request an allowable rollover. Subgrantees are required to submit AGS/FSRs within 60 days following the end of each fiscal year.

6) Internal Controls for Fraud

As stated in the subgrantee's OHCS agreement/contract, subgrantees are responsible for maintaining an internal controls framework, satisfactory to OHCS, which assures compliance with program requirements. Written policy and procedures must be established and outlined in local documentation (e.g. staff policy/procedure manuals). Subgrantees must establish and maintain clear procedures for management of program applicants and participants who may have committed fraud and for dealing with public complaints regarding potential fraud, including preventing, detecting, investigating and dealing with fraud. Subgrantees must establish and maintain clear procedures for preventing, detecting and dealing with employee fraud. All incidents of fraud must be reported to OHCS. Subgrantees are responsible for repayment of funds which were provided to applicants and participants that do not meet program eligibility.

E. Procurement

Purchases of equipment or property are subject to additional provisions and requirements as stated in subgrantee's grant agreement/contract Standard Terms and Conditions and Special Provisions exhibits.

Fixed assets with a value greater than \$5,000, includes computer equipment, electronic equipment, photography equipment, hand tools and other items and are subject to pre-approval by OHCS. Title to all equipment, as defined in 2 CFR Part 200, purchased in whole or part with OHCS funds shall rest with the subgrantee. Disposal of any item having an original cost of more than \$5,000, or those purchases which have a current per-unit fair market value of \$5,000 or more, requires prior OHCS consent before disposal. Property and equipment purchased with OHCS grants shall not be used for collateral or to secure financing. See subgrantee's grant agreement/contract for more information.

Subgrantee can contract for services purchased in whole or in part with the program funds. Contractor must be of recognized professional expertise, certification, license, registration, or stature in the relevant field where required. Contractor shall further be registered to do business in the State of Oregon, as required by Oregon Law.

When OHCS approval is required, subgrantee is expected to obtain multiple bids or pricing, and if required, provide sufficient information on cost allocation principals in accordance with 2 CFR 200. Subgrantee must provide sufficient information, in OHCS' determination, to

justify reasonableness and cost allocation of the purchase. If using a sole source contract, subgrantee must have written justification documentation to explain why they were not able to obtain more options. All purchasing must comply with subgrantee's policies and procedures and the subgrantee's grant agreement/contract.

12. Monitoring

A. Process

OHCS will conduct a program monitoring of subgrantees once every two fiscal years or more frequently at OHCS' discretion. OHCS program monitoring may include desk audit, site visit and/or site visit with subrecipients (or subrecipient organization's subrecipient). Fiscal monitoring will be conducted once every two fiscal years unless circumstances and/or risk assessment require less or more frequent monitoring at OHCS' discretion. Subgrantee will be notified thirty days in advance of the monitoring visit and informed of what documents and records will be reviewed and any required staff or Board interviews. After the monitoring visit, OHCS will provide subgrantee with a written monitoring report inclusive of any findings, concerns, or comments. Subgrantees required to submit timely corrective action to findings and failure to do so can result in the withholding of funds or a requirement to return ESG funds to OHCS or other remedies as described in the subgrantee's grant agreement/contract.

Subgrantees must notify and receive approval from OHCS when adding subrecipients and/or renewing subrecipients. Notification and approval normally occur during the subgrantee's grant agreement/contract funding application process. However, if changes are made outside of the funding application, subgrantees must submit an Implementation Report Amendment Request form for approval of subrecipient additions, deletions, or modifications within 30 days of such change.

B. Subrecipient Monitoring

For the purposes of this operations manual the term "subrecipient" shall mean any subgrantee's subcontractors, contractors, vendor, subrecipients and any subcontractors, contractors, vendors or subrecipients of a subcontractor, contractor, vendor or subrecipient. Subrecipients must follow program intent, rules and guidelines for the expenditure of funds.

All subrecipients must comply with all applicable program rules and regulations as noted in this manual, the subgrantee's grant agreement/contract and Program Element: Scope of Work. Records of subrecipient monitoring performed by the subgrantee or subrecipient will be reviewed during OHCS monitoring. Subrecipient monitoring reports must be retained by the subgrantee and available for review by OHCS or other authorized entity, in compliance with program rules.

At least once during each biennium, Subgrantee must monitor the activities and expenditures of its subrecipients to ensure:

- (1) compliance with subgrantee's grant agreement/contract and program rules and requirements; and
- (2) achievement of performance goals.

Subgrantee's monitoring of its subrecipients must include:

- (1) an evaluation of each subrecipient's risk of non-compliance with rules, regulations, and terms and conditions of any applicable subaward for purposes of determining the appropriate level and type of subrecipient monitoring;
- (2) a review of financial and performance reports;
- (3) a review of subrecipient policies and procedures, forms, documentation, client records including eligibility, notifications and documentation;
- (4) a review of participant records to ensure compliance with security, maintenance, retention and destruction of records; and
- (5) follow-up on all deficiencies pertaining to any OHCS funding in accordance with all program rules and regulations.

Subgrantees must have a stand-alone policy that identifies the following:

- (1) Frequency of subrecipient monitoring, which must be minimally once during a biennium or the term of the subgrantee's grant agreement/contract;
- (2) The number of relevant samplings of fiscal transactions per program;
- (3) The number of relevant samplings of participant files and that such review includes eligibility, notification and documentation;
- (4) The number of relevant samplings of HMIS entries to ensure appropriate entry and tracking of participant information and service transactions;
- (5) A review of participant records to ensure compliance with security, maintenance, retention, and destruction of records; and
- (6) A review of subrecipient's policies and procedures, forms, documents and notifications to ensure compliance with all program, state and federal rules, regulations and requirements.

OHCS retains the right to require modification of any policy that in its determination does not meet basic principles or requirements of such a policy

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13. Acronyms and Definitions

A. Acronym List

Acronyms commonly used are:

AGR	Agency Grant Request
AGS	Agency Grant Status
CAA	Community Action Agency
CFR	Code of Federal Regulations
COC	Continuum of Care
DHS	Department of Human Services, Oregon
ESG	Emergency Solutions Grant
ETP	Emergency Transfer Plan
FMR	Fair Market Rent
HH	Household
HMIS	Homeless Management Information System
HP/RRH	Homelessness Prevention and Rapid Re-Housing
HQS	Housing Quality Standards
HUD	United States Department of Housing and Urban Development
IDIS	Integrated Disbursement and Information System
OAR	Oregon Administrative Rules
OHCS	Oregon Housing and Community Services
ORS	Oregon Revised Statutes
RFF	Request for Funds
SRO	Single Room Occupancy
TTA/T &TA	Training and Technical Assistance
URA	Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
VA	Veteran’s Administration
VAWA	Violence Against Women Act

B. Definitions

Bifurcation means to divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable HUD-covered program and state or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same

lease requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.

Client means a household who has received an assessment of need, has been entered into an OHCS-funded program (intake) and who is receiving financial assistance. A client is someone who has developed a client services/housing plan and is not receiving one-time only assistance.

Code of Conduct Agreements may be required by any type of shelter facility. A Code of Conduct Agreement may be required that clients adhere to the shelter facility's rules and expectations of behavior and may be signed by the client. Code of Conduct Agreements are not the same as Occupancy/Lease/Rental Agreements.

Covered Housing Provider means the individual or entity under a covered housing program that has responsibility for the administration and/or oversight of VAWA protections and includes Public Housing Authorities, sponsors, owners, mortgagors, managers, state and local governments or agencies thereof, non-profit, or for-profit organizations or entities. The program-specific regulations for the covered housing programs identify the individual or entity that carries out the duties and responsibilities of the covered housing provider as set forth in 24 CFR Part 5, subpart L, for any of the covered housing programs. It is possible that there may be more than one covered housing provider; that is, depending upon the VAWA duty or responsibility to be performed by a covered housing provider, the covered housing provider may not always be the same individual or entity.

Domestic Violence This definition includes domestic violence, dating violence, sexual assault, stalking, attempting to cause, or intentionally, knowingly or recklessly causing or placing another in fear of imminent serious physical injury or emotional, mental or verbal abuse, and using coercive or controlling behavior. This does not include other criminal acts such as violence perpetrated by a stranger, neighbor, acquaintance or friend, unless those persons are family members, intimate partners or household members.

Emergency Shelter means a facility whose primary purpose is to provide temporary shelter to homeless households or specific populations of the homeless and which do not require occupants to sign leases or occupancy agreements. Emergency shelters types may include, but are not limited to:

- **Low-Barrier Shelters:** Shelters with limited entry requirements that enable people, who otherwise may not be willing or able to access shelter services, to be off the streets. Low barrier shelters may not expect residents to abstain from using alcohol or other drugs, or from carrying on with street activities while living on-site, so long as they do not engage in these activities in common areas of the house and are respectful of other tenants and staff. Low barrier shelters may allow pets, allow couples to stay together, and may provide secure storage space for personal item. Low-barrier shelters are a state priority and should be implemented whenever feasible.
- **High Barrier Shelters:** Shelters where residents must meet specific entry requirements such as passing a sobriety/drug or alcohol test, criminal background check, allow

belongings to be searched, have a specific level of income, participate in program activities, etc.

- **No-Barrier Shelter:** Shelters where residents are not required to meet any specific entry requirements.
- **Abstinence-Based or Dry Shelter:** Shelters where residents are not allowed to drink alcohol or use other drugs while in tenancy. Residents are expected to be "clean" before moving in and actively working on their recovery while living there and may be discharged from the program if they refuse treatment for a relapse.
- **Wet Shelters:** Shelters where residents are not expected to abstain from using alcohol and other drugs, and where entering a rehabilitation program is not a requirement. Residents have access to recovery services and get to decide if and when they use these services.
- **Damp Shelters:** Shelters where residents do not need to be "clean" when entering the program but are expected to be actively working on recovery from substance use problems.
- **Day Shelters:** Temporary daytime accommodations and services for individuals and families who meet the definition of literally homeless as described under Client Eligibility and are sleeping on the streets, lack a fixed, regular and adequate nighttime shelter and/or are living in an emergency shelter.
- **Warming Shelters** are a short-term, emergency shelter that operates when temperatures or a combination of precipitation, wind chill, wind and temperature become dangerously inclement. Their paramount purpose is the prevention of death and injury from exposure to the elements.
- **Transitional Shelters:** Emergency shelter projects with a primary purpose to provide temporary or transitional shelter and essential services to all eligible clients in general and/or for specific populations of the homeless. Some transitional shelter programs have a comprehensive service focus and participants may stay for a period of time based on client need. Transitional shelters are different from transitional housing, as they do not require an occupancy/rental/lease agreement. Transitional shelters may require a code of conduct agreement.
- **Mass Shelters:** High volume, high turnover emergency shelters where multiple individuals and/or family households sleep.
- **Hotel/Motel Vouchers:** Used as emergency shelter in those areas and times when no emergency shelter is available.
- **Vehicular Shelters:** Vehicular shelters provide clients with a place to park their vehicle that is secure and free from ticketing, where they have access to garbage and sanitation services, onsite management that ensures the safety of participants, site cleanliness and adherence to site rules. Participants in vehicular shelters are provided access to client services.

HMIS means Homeless Management Information System. Victim Service Provide must use an HMIS comparable database.

Housing Counseling: Independent, expert advice customized to the need of the consumer to address the consumers' housing barriers and achieve their housing goals and must include the following process: intake; financial and housing affordability analysis; an action plan, except for reverse mortgage counseling; and a reasonable effort to have follow-up communication with the client when possible. The content and process of housing counseling must meet the standards outlined in the regulations that govern HUD's Housing Counseling Program including but not limited to 24 CFR Part 5, 24 CFR Part 214, and HUD Handbook 7610.1REV 5. Homeownership counseling and rental counseling are types of Housing Counseling.

Occupancy/Lease/Rental Agreements are used for temporary or permanent housing, which includes Transitional Housing. Occupancy/Lease/Rental Agreements are not the same as a Code of Conduct Agreement.

Participant means a household who may or may not be a client, but is receiving OHCS-funded services.

Priority Population means persons that the subgrantee/subrecipient has determined as having the greatest need and will receive services first (such as veterans and homeless families with children).

Recipient: The state entity receiving funds directly from HUD through an executed grant agreement for the Emergency Solutions Grant Program also referred to as Oregon Housing & Community Services (OHCS).

Special Population: Can include homeless youth, persons experiencing domestic violence or persons living with HIV/AIDS.

Stand-Alone Policy means a written policy that includes all the requirements for such a policy and is either its own separate document or it is included in a larger document, such as a policy and procedures handbook, that can easily be separated from the larger document for the purpose of approval and review by OHCS.

Subgrantee Agency: Community Action Agencies (or other qualified entities) that receive funding from the Grantee (OHCS) and provides client assistance payments/services. Subgrantee agencies may contract client assistance payments/services to subrecipients.

Subrecipient(s): Subrecipients are entities that, by contract with the subgrantee agency, provide assistance payments/services and may receive funding directly from the subgrantee agency. Through its agreements with subgrantee agency, subrecipients must comply with all requirements for the program. Subrecipients include a subgrantee's subcontractors, contractors, vendor, subrecipients and any subcontractors, contractors, vendors or subrecipients of a subcontractor, contractor, vendor or subrecipient.

Support Network: Examples include family, friends and faith-based or other social networks.

Target Population: Persons a subgrantee/subrecipient wishes to reach out to who are under-represented in their service population. Target populations may include a special population or other populations such as veterans, households with children, elderly households; persons leaving the correction system, households with frequent contact with the health care system, experiencing chronic homelessness, mental illness or chemical dependency or receiving Temporary Assistance to Needy Families (TANF), etc.

Temporary Living: Residing in a facility for fewer than 90 days

Unaccompanied Youth are less than 25 years of age and homeless under other Federal statutes **and:**

- (A) Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application;
- (B) Have experienced persistent instability as measured by two moves or more in the preceding 60 days; **and**
- (C) Can be expected to continue in such status for an extended period due to special needs or barriers.

VAWA: Violence Against Women Act. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation.

Appendix 1: Applicable Rules and Regulations

All the following as may be amended from time to time:

1. 24 CFR 5 subpart F: [Occupancy Requirements for Section 8 Project-Based Assistance](#)
2. 24 CFR part 91: [Consolidated Submissions for Community Planning and Development Programs](#)
3. 24 CFR part 576: [Emergency Solutions Grant Program](#)
4. 24 CFR part 121: [Homeless Management Information System \(HMIS\)](#)
5. 24 CFR part 982: [Fair Market Rent and Rent Reasonableness](#)
6. ORS 456.515 through 456.725: [Housing and Community Services Department](#)
7. ORS 458.505 through 458.545: [Community Services Programs](#)
8. OAR 166-300: [State Agency General Records Retention Schedules](#)
9. OAR 813-145: [Emergency Solutions Grant Program](#)
10. HMIS Data Standards Manual: <https://www.hudexchange.info/resource/3824/hmis-data-dictionary/>
11. **This manual** as a guideline for ESG program management.
12. Lead-Based Paint: <https://www.epa.gov/lead> and [24 CFR part 35](#)
13. Lead-Based Paint pamphlet:
http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_11875.pdf
14. Annual Median Income: <https://www.hudexchange.info/resource/5079/esg-income-limits/>
15. [https://www.hudexchange.info/resource/3679/hud-income-limits/HUD Resource Exchange:](https://www.hudexchange.info/resource/3679/hud-income-limits/HUD_Resource_Exchange/)
<https://www.hudexchange.info/esg/>
 - ESG program guidance
 - Federal regulations
 - Tools and technical assistance
 - Listserv opportunities
 - Frequently Asked Questions
16. FAQ Housing Counseling: <https://www.hudexchange.info/resource/5194/housing-counseling-new-certification-requirements-faqs/>
17. Personal Responsibility and Work Opportunity Reconciliation Act of 1996:
<http://www.gpo.gov/fdsys/pkg/PLAW-104publ193/content-detail.html>
18. Housing Choice Voucher Guidebook:
https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/guidebook
19. Limited English Proficiency federal interagency website can be found at: <http://www.lep.gov/> and FAQs can be found at:
https://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/promotingfh/lep-faq

20. CFRs cited are amended from time to time and can be found at:
<http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=%2Findex.tpl>
21. ORS cited are amended from time to time and can be found at:
https://www.oregonlegislature.gov/bills_laws
22. OARs cited are amended from time to time and can be found at:
<https://secure.sos.state.or.us/oard/ruleSearch.action>
23. OMBs cited are amended from time to time and can be found at:
<https://www.whitehouse.gov/omb/information-for-agencies/circulars>

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