



Emergency Solutions Grant (ESG) Standards

Pierce County Community Connections

July 2012 (Revised 05/01/2014)

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Program Overview

The Emergency Solutions Grant (ESG) is a federal program that provides funding to states and local governments for emergency services and housing supports for homeless and at-risk households. Under the 2009 HEARTH Act, eligible activities under ESG were expanded from traditional shelter and outreach services to also include rapid re-housing and targeted homeless prevention. The purpose of this expansion was to help people **quickly regain stability** in permanent housing after experiencing a housing crisis and/or homelessness.

In order to align ESG with other HUD homeless Sub-recipients, new regulations (*24 CFR 576.400*) require ESG Recipients to consult with the Continuum of Care entity in their region to determine how to allocate ESG funds, develop performance standards and evaluate the outcomes of projects and activities funded with ESG. They also must develop written policies and procedures for determining which households will receive assistance and for determining the type, amount, and length of assistance to be offered to eligible households.

The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families and individuals from becoming homeless.

Section 1: Eligible Program Components

Each sub-recipient will be directed to read and follow the ESG guidelines as set forth issued by the U.S. Department of Housing and Urban Development, and may be amended from time to time. The procedures contained herein serve to simplify the implementation of the regulations and identify the activities selected for funding by Pierce County.

There are six eligible activities under the ESG program: 1) Street Outreach; 2) Emergency Shelter; 3) Prevention; 4) Rapid Re-housing; 5) Data Collection; and 6) Administration. The following section will identify and explain each eligible activity. Although all are possible eligible activities, Pierce County may choose which will be eligible for Sub-recipients to apply for based on the local need.

Section 2: Eligible Costs and Activities

A. Street Outreach

- 1) **Engagement:** Activities to locate, identify, and build relationships with unsheltered homeless people for the purposes of providing immediate support, intervention, and

connections with homeless assistance Sub-recipients and/or mainstream social services and housing Sub-recipients (for information, please reference *24 CFR 576.101*).

Eligible costs include:

- Initial assessment of needs and eligibility
- Crisis counseling
- Addressing urgent physical needs
- Actively connecting and providing info and referral to Sub-recipients and services
- Cell phone costs of outreach workers

- 2) **Case Management:** Assessing housing and service needs and arranging/coordinating/monitoring the delivery of individualized services.

Eligible costs include:

- Using centralized or coordinated assessment system
- Initial evaluation; verifying and documenting eligibility
- Counseling
- Developing/securing/coordinating services
- Helping to obtain federal, state, and local benefits
- Monitoring/evaluating participants' progress
- Providing info and referral to other providers
- Developing an individualized housing/service plan

- 3) **Emergency Health Services:** Outpatient treatment of urgent medical conditions by licensed medical professionals in community-based settings (including streets, parks, and campgrounds) to eligible participants unwilling or unable to access emergency shelter or an appropriate healthcare facility.

Eligible costs include:

- Assessing participants' health problems and developing treatment plans
- Assisting participants to understand their health needs
- Providing or helping participants obtain appropriate emergency medical treatment
- Providing medication and follow-up services

- 4) **Emergency Mental Health Services:** Outpatient treatment of urgent mental health conditions by licensed professionals in a community-based setting (including streets, parks, and campgrounds) to those eligible participants unwilling or unable to access emergency shelter or an appropriate healthcare facility.

Eligible costs include:

- Crisis interventions
- Prescription of psychotropic medications
- Explanation of the use and management of medications
- Combinations of therapeutic approaches to address multiple problems

- 5) **Transportation:** Travel by outreach workers, social workers, medical professionals, or other service providers during the provision of street outreach services.

Eligible costs include:

- Transporting unsheltered people to emergency shelters or other service facilities
- Cost of a participant's travel on public transportation
- Mileage allowance for outreach workers to visit participants
- Purchasing or leasing a vehicle for use in conducting outreach activities, including the cost of gas, insurance, taxes, and maintenance for the vehicle

- 6) **Services to Special Populations:** Otherwise eligible essential services that have been tailored to address the special needs of *homeless youth; victims of domestic violence and related crimes/threats; and/or people living with HIV/AIDS* who are literally homeless.

Eligible costs include:

- Engagement
- Case management
- Emergency Health Services
- Emergency Mental Health Services
- Transportation

B. Emergency Shelter

Essential Services:

- 1) **Case Management:** Assessing housing and service needs and arranging, coordinating, or monitoring the delivery of individualized services.

Eligible costs include:

- Using centralized or coordinated assessment system
- Initial evaluation; verifying and documenting eligibility
- Counseling
- Developing/securing/coordinating services
- Helping to obtain federal, state, and local benefits
- Monitoring/evaluating participants' progress
- Providing info and referral to other providers
- ☑ Developing an individualized housing/service plan

- 2) **Child care:** Licensed child care for program participants with children under the age of 13, or disabled children under the age of 18.

Eligible costs include:

- Meals and snacks
- Comprehensive and coordinated sets of appropriate developmental activity

- 3) **Education Services:** Instruction or training to enhance participants' ability to obtain and maintain housing, including literacy, English as a second language, GED, consumer education, health education, and substance abuse prevention.

Eligible costs include:

- Screening, assessment and testing
- Individual or group instruction
- Tutoring
- Provision of books, supplies, and instructional material
- Counseling
- Referral to community resources

- 4) **Employment Assistance and Job Training:** Job training Sub-recipients and services assisting participants to secure employment.

Eligible costs include:

- Classroom, online and/or computer instruction
- On-the-job instruction
- Job-finding, skill-building
- Reasonable stipends for participants in employment assistance and job training Sub-recipients
- Books and instructional material
- Employment screening, assessment, or testing
- Structured job seeking support
- Special training and tutoring, including literacy training and pre-vocational training
- Counseling or job coaching
- Referral to community resources

- 5) **Outpatient Health Services:** Direct outpatient treatment of medical conditions provided by licensed medical professionals.

Eligible costs include:

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

- 6) **Legal Services:** Necessary legal services regarding matters that interfere with the program participant's ability to obtain and retain housing.

Eligible costs include:

- Hourly fees for legal advice and representation by licensed attorneys (or persons under the supervision of the licensed attorney) and fees-for-service if the cost would be less than the hourly fees
- Client intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling
- Representation and advice to resolve legal problems that prevent participants from obtaining or retaining permanent housing.
- Eligible subject matters include child support; guardianship; paternity; emancipation; legal separation; resolution of outstanding criminal warrants; appeal of veterans and public benefit claim denials; and orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking.

7) **Life Skills Training:** Critical life skills necessary to assist the program participant to function independently in the community.

Eligible costs include:

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

8) **Mental Health Services:** Direct outpatient treatment of mental health conditions by licensed professionals, provided that other appropriate mental health services are unavailable or inaccessible within the community.

Eligible costs include:

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

9) **Substance Abuse Treatment Services:** Treatment services provided by licensed or certified professionals that are designed to prevent, reduce, eliminate or deter relapse of substance abuse or addictive behaviors. Services are eligible only if other appropriate substance abuse treatment is unavailable or inaccessible within the community.

Eligible costs include:

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

- Drug testing

10) **Transportation:** Costs of travel by program participants to and from medical care, employment, child care, or other facilities that provide eligible essential services, and the cost of staff travel to support provision of essential services.

Eligible costs include:

- Cost of a program participant's travel on public transportation
- Mileage allowance for service workers to visit participants
- 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 the vehicle
- Travel costs of staff to accompany or assist program participants to use public transportation

11) **Services for Special Populations:** Otherwise eligible essential services that have been tailored to address the special needs of *homeless youth; victims of domestic violence and related crimes/threats; and/or people living with HIV/AIDS* who are in emergency shelters.

Eligible costs include all ten categories of essential services described above.

Shelter Operations (for information, please reference *24 CFR 576.102*):

Costs to operate and maintain emergency shelters (or provide hotel/motel vouchers if no appropriate emergency shelter is available).

Eligible costs include:

- Maintenance (including minor or routine repairs)
- Rent
- Security
- Fuel
- Insurance
- Utilities
- Food
- Furnishings
- Equipment
- Supplies necessary for the operation of the emergency shelter
- Hotel/motel voucher for an individual or family

C. Homelessness Prevention (24 CFR 576.103) & Rapid Re-Housing (24 CFR 576.104).

Housing Relocation and Stabilization Services:

- 1) **Financial Assistance:** Funds which are paid to housing owners, utility companies, or other third parties. *Does not include rental assistance.*

Eligible costs include:

- Moving Costs: such as truck rental or hiring a moving company, including certain temporary storage fees
- Rent Application Fees: application fee that is charged by the owner to all applicants
- Security Deposit: equal to no more than 2 months' rent
- Last month's rent: paid to the owner of housing at the time security deposit and first month's rent are paid
- Utility deposit: standard utility deposit required by the utility company for all customers (i.e. gas, electric, water/sewage)
- Utility payment: up to 24 months of utility payments per participant per service (i.e. gas, electric, water/sewage), including up to 6 months of arrearages, per service.

- 2) **Services:**

Housing Search & Placement:

Eligible costs include:

- Assessment of housing barriers, needs and preferences
- Development of an action plan for locating housing
- Housing search and outreach to and negotiation with owner
- Assistance with submitting rental applications and understanding leases
- Assessment of housing for compliance with ESG requirements for habitability, lead based paint, and rent reasonableness
- Assistance with obtaining utilities and making moving arrangements
- Tenant counseling

Housing Stability Case Management (24 CFR 576.105(b)(2)).: Assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability.

Eligible costs include:

- Using the centralized or coordinated assessment system to conduct the initial evaluation and re-evaluation [Access Point 4 Housing]

- Counseling
- Developing, securing and coordinating services including Federal, state, and local benefits
- Monitoring and evaluating program participant progress
- Providing information and referrals to other providers
- Developing an individualized housing and stability plan [Housing Stability Plan]

Mediation: Mediation between the program participant and the owner or person(s) with whom the program participant is living, to prevent the program participant from losing permanent housing in which they currently reside.

Eligible costs include:

- Time and/or services associated with mediation services

Legal Services: Legal services necessary to resolve a legal problem that prohibits the program participant from obtaining or maintaining permanent housing.

Eligible costs include:

- Hourly fees for legal advice and representation
- Fees based on the actual service performed (i.e. fee for service), but only if the cost would be less than the cost of hourly fees
- Client intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling
- Filing fees and other necessary court costs
- Program employees' salaries and other costs necessary to perform the services, if the program is a legal services provider and performs the services itself
- Legal representation and advice pertaining to the following subjects: landlord/tenant matters, child support, guardianship, paternity, emancipation, legal separation, resolution of outstanding criminal warrants, 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 disputes

Credit Repair: Services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems (assistance cannot include the payment or modification of debt).

Eligible costs include:

- Credit counseling
- Other related services

Short- and Medium-Term Rental Assistance:

Types of Rental Assistance:

Tenant Based Rental Assistance: Program participants select a housing unit in which to live (may be within a specified service area) and receive rental assistance

Project Based Rental Assistance: Program identifies permanent housing units that meet ESG requirements and enters into a rental assistance agreement with the owner to reserve the unit and subsidize its rent so that eligible program participants have access to the units

Eligible Costs:

- Short-term rental assistance: up to 3 months
- Medium-term rental assistance: 4 to 24 months
- Payment of rental arrears: one-time payment of up to 6 months, including any late fees on those arrears
- Any combination of the 3 types of rental assistance: total not to exceed 24 months during any 3 year period, including any payment for last month's rent

Eligible Activities: Rapid Re-Housing AND Homeless Prevention Components		
Rental Assistance		<ul style="list-style-type: none"> • Short-term rental assistance (0-3 months)
		<ul style="list-style-type: none"> • Medium-term rental assistance (4-24 months)
		<ul style="list-style-type: none"> • Rental arrears (One-time payment for up to 6 months of rent in arrears)
		<i>An combination of the above types so long as the total amount of assistance does not exceed 24 months</i>
		* Rental assistance can be project-based or tenant-based
Housing Relocation and Stabilization Services	Financial Services	<ul style="list-style-type: none"> • Rental Application Fees (when charged by owner to all applicants)
		<ul style="list-style-type: none"> • Security Deposits (no more than 2 month's rent)
		<ul style="list-style-type: none"> • Last Month's Rent (applies to 24-month cap)
		<ul style="list-style-type: none"> • Utility Deposits (when required by utility company for all customers)
		<ul style="list-style-type: none"> • Utility Payments (up to 24 months of payments per service, including up to 6 months of arrears per service)
		<ul style="list-style-type: none"> • Moving Costs (e.g. truck rental, moving company, up to 3 months of storage)
	Service Costs	<ul style="list-style-type: none"> • Housing Search and Placement
		<ul style="list-style-type: none"> • Housing Stability Case Management
		<ul style="list-style-type: none"> • Mediation
		<ul style="list-style-type: none"> • Legal Services
		<ul style="list-style-type: none"> • Credit Repair (e.g. budgeting/money management)

D. Data Collection (HMIS)

Grant funds may be used for the costs of participating in an existing HMIS of the Continuum of Care where the project is located (for information, please reference *24 CFR 576.107*).

E. Administration

Up to 7.5 percent of a recipient's allocation can be used for general management, oversight, coordination, and reporting on the program. State recipients must share administrative funds with their Sub-recipients who are local governments and may share with their Sub-recipients who are nonprofit organizations. The availability of these funds may vary from year to year (for information, please reference *24 CFR 576.108*).

Section 3: Participant Eligibility

ESG funding can be used to serve people at risk of homelessness. ESG Sub-recipients can serve homeless people and people at risk of homelessness, including

1. People who are losing their housing in 14 days and lack support networks or resources to obtain housing;
2. People who have moved from place to place and are likely to continue to do so because of disability or other barriers; and
3. Unaccompanied youth and families with children and youth who are defined as homeless under other Federal statutes, who do not otherwise qualify as homeless under this definition.

The table below reviews the eligible activities for the two populations, 1) Those who are homeless and 2) Those who are at risk of homelessness.

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 On...	
5. Homeless Management Information System (HMIS)	✓	✓
6. Administration		

Section 4: Service Standards

1. Written Standards for Provision of ESG Assistance

a. Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG

Pierce County utilizes a centralized intake system called "Access Point 4 Housing" for individuals and families seeking housing assistance. The following process will be used to determine eligibility for rapid re-housing assistance funds:

- Households must willingly engage with centralized intake for a screening and in person assessment to determine eligibility and appropriate referrals if ineligible. Eligible households must be 'literally homeless' (must meet the first category of the Homeless Definition) in Pierce County and have a combined household income that is at or below 30% Area Median Income, as established by HUD.
- Within 7 days of screening and in-person assessment will be conducted with eligible households (documentation of homeless status and income verification will be collected at this time).
- Assessments will be prioritized, based on Category 1 of the Homeless Definition:
 1. Individuals and families who are literally homeless and unsheltered (i.e. living in a place not meant for human habitation); assessment should occur within 48 hours of initial phone screening
 2. Individuals and families who are literally homeless and staying in an emergency shelter
 3. All other individuals and families who are literally homeless (households residing in transitional housing, hotels and motels paid for by charitable organizations or by federal, state and local government Sub-recipients, exiting from an institution where resided for 90 days or less and who came from shelter or place not meant for human habitation).
- Individuals and families who qualify for services under ESG regulations will be referred to ESG-funded providers for relevant services.

Eligibility for homelessness prevention assistance will be evaluated by the ESG homeless prevention assistance sub-recipients. The following process will be used to determine eligibility for homelessness prevention assistance funds:

- Initial screening will typically be conducted by phone. Households must be at risk of homelessness in Pierce County and have a

combined household income that is at or below 30% Area Median Income, as established by HUD and does 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 Meets one of the following conditions: (A) Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance; OR (B) Is living in the home of another because of economic hardship; OR (C) Has been notified 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 (D) Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government Sub-recipients for low-income individuals; OR (E) Lives in an SRO or efficiency apartment unit in which there reside more than 2 persons or lives in a larger housing unit in which there reside more than one and a half persons per room; OR (F) Is exiting a publicly funded institution or system of care; OR (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient’s approved Con Plan

- For those that pass the initial screening, an in-person assessment will be conducted within 7 days (must collect documentation of at risk status and income verification).
- Individuals and families who qualify for services under ESG regulations will be referred to ESG-funded providers for relevant services.

b. Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

Within Pierce County, coordination among homeless service providers occurs primarily through the centralized intake system for housing assistance. Individuals and families experiencing a housing crisis in Pierce County are directed to use Access Point 4 Housing. Exceptions are made for those who show up at emergency shelters on their own; these individuals or families may be screened and served without first going through centralized intake.

Given this context, Sub-recipients that receive funding through ESG will be subject to the following coordination requirements:

- Street Outreach: Street outreach providers must coordinate their services with emergency shelters and utilize the centralized intake system whenever possible (i.e. contact centralized intake to see if the client has already used services within the system, work with emergency shelters to meet the immediate need for shelter, etc.)
- Emergency Shelter: Shelter providers must partner with Rapid Re-housing providers to ensure that shelter clients have access to services that can quickly re-stabilize their housing situation (i.e. link with permanent housing).
- Homelessness Prevention: Sub-recipients receiving Homelessness Prevention funding will be expected to participate in a coordinated service system. Required elements include:
 - Participation in the development of a common assessment form to use in determining eligibility for assistance
 - Use of an electronic “Drop Box” to compile information about program vacancies and available resources; this will serve as the shared database for all providers to access.
 - Participation on the Homelessness Prevention committee of the Pierce County Continuum of Care
- Rapid Re-housing: Sub-recipients receiving ESG funding for rapid-re-housing services will be expected to use the centralized intake system to get referrals. In addition, the following requirements apply:
 - Coordination with emergency shelters for unsheltered clients who need shelter while looking for permanent housing
 - Coordination with the County-funded Landlord Liaison Project (a program that builds relationships with landlords and keeps an inventory/database of affordable rental units) to assist in finding housing for clients
 - Participation on the Rapid Re-housing Collaborative of the Pierce County Continuum of Care

c. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.

Homelessness Prevention Assistance: For households that meet the minimum eligibility requirements, priority will be given to subpopulations that are at high risk of losing their housing without rental assistance.

- Families who are about to enter shelter
- Families who show evidence they will be literally homeless in three business days or less (and have no other options)

- Single mothers under the age of 30 without a high school diploma or GED, with two or more children, currently on public assistance and
- Families where the head of household was in foster care as a youth

Rapid Re-housing Assistance: For households that meet the minimum eligibility requirements, priority will be given to clients in the following order:

- Unsheltered individuals and families (currently staying in a place not meant for human habitation)
- Individuals and families in emergency shelters
- All other individuals and families who meet the definition of “literally homeless”

d. Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance.

For both homelessness prevention and rapid re-housing services, the following standards apply to determining the client’s share of rent and utilities:

- Each household is required to contribute at least 30% of their current income toward their rent each month and cover 100% of their utilities. This amount needs to be clearly documented and includes a utility allowance if they pay for utilities directly. The actual contribution will be determined monthly, based on each household’s specific situation and financial resources. Program staff will help households obtain outside utility assistance if they are unable to pay for the utilities themselves (i.e. no income). In rare cases where the household is unable to locate other utility assistance, ESG funds can be used if the household demonstrates a clear need for assistance (i.e. utility shut-off notice, monthly budget indicating the inability to pay utilities). If ESG funds are used, the payment should take into consideration the previous utility allowance given to the household in the client contribution calculation for rent.
- Up to six months of payment towards rent/utility arrears may be provided. If a household is more than two (2) months in arrears, program staff should attempt to negotiate a payment plan and/or identify other community resources to assist the household.

e. Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

The duration of rental assistance provided to program participants will be determined by the following policies:

- The standard duration of rental assistance will be 12 months
- Reassessment of eligibility will occur every 3 months for Homelessness Prevention, and every 6 months for Rapid Re-housing
- On a case-by-case basis, service providers may request an extension in assistance, up to a maximum of 24 months. Requests will be made in writing to the Pierce County Community Connections.
- For households that are extended beyond 12 months, a reassessment of eligibility will occur every 3 months

f. Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participants receive assistance; or the maximum number of times the program participants may receive assistance.

The following policies apply when determining the type, amount, and duration of housing stabilization and/or relocation services to program participants:

- The standard duration of stabilization services will be 12 months
- Reassessment of eligibility and need for services will occur every 3 months for Homelessness Prevention, and every 6 months for Rapid Re-housing
- On a case-by-case basis, service providers may request an extension in services, up to a maximum of 24 months. Requests will be made in writing to Pierce County Community Connections.
- For households that are extended beyond 12 months, a reassessment of eligibility and need for services will occur every 3 months

g. Standards for targeting and providing essential services related to street outreach

Pierce County will not be funding any street outreach projects with the second allocation of FY 2011 funds; therefore, no standards are being submitted for this component.

h. Policies and procedures for admission, diversion, referral, and discharge by emergency shelters.

Pierce County intends to work with shelter providers and the local Continuum of Care during 2013-14 to develop system-wide policies and procedures where appropriate.

i. Policies and procedures for assessing, prioritizing, and reassessing individuals and families' needs for essential services related to emergency shelter.

Pierce County intends to work with shelter providers and the local Continuum of Care during 2013-14 to develop system-wide policies and procedures where appropriate.

TERMINATION OF PARTICIPATION, DENIAL AND GRIEVANCE PROCEDURES

Sub-recipients must have written termination, denial, and grievance policies and/or procedures. The policies and/or procedures should be readily available to households either in written information or by posting the policy in a public place. It is important to effectively communicate these policies and/or procedures to households and ensure that they are fully understood.

Termination of Participation and Grievance

Causes for termination may include, but are not limited to, failure to abide by any agreed upon requirements and client fraud. A grievance procedure must include:

1. Written notice to the household containing a clear statement of the reasons for termination;
2. A review of the decision, in which the household is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision. This may include the household's right to question or confront staff involved; and
3. Prompt written notice of the final decision.

Denial and Grievance

Causes of denial of assistance include, but are not limited to, the household's ineligibility or failure to provide verifiable evidence of eligibility, etc. Established procedures should describe:

1. Circumstances in which a household may not qualify or would be denied;
2. Notification of denial; and
3. A household's right to review a Lead/Sub Grantee's decision.

CONFIDENTIALITY OF CLIENT RECORDS

Sub-recipients must have policies and/or procedures to ensure that client records are maintained in a confidential manner and keep written records or files pertaining to households under lock and key with designated personnel granted access to those files.

Section 5: Documentation

Households must have the following*:

*All of this information must be clearly noted and documented in the client's case file.

1. *Initial Consultation & Eligibility Determination:*

The household must receive an initial consultation and eligibility assessment to determine income and housing status eligibility and the appropriate type of assistance needed to regain stability in permanent housing.

2. *Assistance in obtaining mainstream and other resources:*

The household must receive appropriate supportive services and referrals essential to achieving independent living through other federal, state, local, and private assistance.

3. *Housing stability plan to include:*

- i. Needs assessment to include specific housing and self-sufficiency goals;
- ii. Action steps to retain permanent housing after ESG assistance ends; and
- iii. Households receiving assistance from a victim service provider may be exempted from the case management requirement.

Re-Evaluation

Household eligibility and the types and amounts of assistance the household needs must be re-evaluated and documented not less than once every 3 months for households receiving homelessness prevention assistance, and every six months for households receiving rapid re-housing assistance. At a minimum, each re-evaluation of eligibility must establish that:

1. The household does not have an annual income that exceeds 30 percent of median family income for the area, as determined by HUD; **AND**
2. The household lacks sufficient resources and support networks necessary to retain housing without ESG assistance.

Documenting Income

Definition

Income is money that is paid to, or on behalf of, the head of household or spouse (even if temporarily absent) or to any other household member 18 years or older. (Victims fleeing domestic violence do not have to report the abuser's income.) Income includes the current (not projected) gross income (annualized) of all adult (18 years and older) household members and unearned income paid to an adult attributable to a minor.

Inclusions

The following types of income "inclusions" must be counted when calculating current **gross** income:

- Earned income
- Self-Employment/Business Income
- Interest & Dividend income
- Pension/Retirement income
- Unemployment & Disability income
- TANF/Public Assistance
- Alimony and child support income
- Armed Forces income

Exclusions

- Income of children (under 18)
- Inheritance and insurance income
- Medical expense reimbursement
- Income of live-in aides
- Certain state payments regarding disability
- Student financial aid
- Armed Forces Hostile Fire pay

Annualizing Wages and Periodic Payments

When calculating income based on hourly, weekly, or monthly payment information, add the gross amount earned in each payment period that is documented and divide by the number of payment periods. This provides an average wage per payment period. Depending on pay periods used by the employer or the schedule of periodic payments, the following calculations convert the average wage into annual income:

- Hourly Wage multiplied by Hours Worked per Week multiplied by 52 weeks
- Weekly Wage multiplied by 52 weeks
- Bi-Weekly (every other week) Wage multiplied by 26 bi-weekly periods

- Semi-Monthly Wage (twice a month) multiplied by 24 semi-monthly periods
- Monthly Wage multiplied by 12 months

The definition of income reflects a household’s income at the time they are seeking assistance. Accordingly, documents and information collected to verify income should be recent. Documentation dated within 30 days is acceptable. However, for public assistance benefits, (e.g., SSI, food stamps), a benefits statement received any time within the twelve months prior to the time of application and reflecting current benefits received by a household is allowed. A copy of a recent bank statement indicating direct deposit is also acceptable.

Range of Documentation Types in Order of Preference

- Third Party – Source
- Third Party – Written
- Third Party – Oral
- Self Certification

Section 6: Housing Unit Requirements for Rental Assistance

In addition to the household being eligible, the unit to be assisted must also meet certain requirements. These include size requirements based on household size and composition, documentation that the rent is both reasonable and at or below the Fair Market Rent market rent, and a determination that the unit meets habitability standards.

A. Determining the Unit Size Requirements

The County will require each sub-recipient to determine the appropriate number of bedrooms needed by an individual or family when it determines family eligibility for financial assistance, based on the Occupancy Standards guidelines outlined below.

NOTE: Pierce County will need to adopt occupancy standards for the ESG program. The information below is intended for illustration purposes.

Occupancy standards refer to the guidelines set by a housing program governing the number of bedrooms allowed for households of different sizes and composition. ESG rental Sub-recipients have some flexibility in developing these standards as long as the standards do not violate fair housing requirements and comply with Federal, state, and local fair housing and civil rights laws.

The primary intent when developing occupancy standards for the rental program is to provide for the smallest number of bedrooms needed by a household without overcrowding. It is acceptable to make allowances for special needs or circumstances,

but the standards developed by the program must be applied equally and fairly to all program participants. The following is a basic example of occupancy guidelines that can be adapted as needed.

Example: Occupancy Standards for ESG Rental Assistance

Sample Requirements

- The head (and spouse/partner, if applicable) of household will be eligible for a separate bedroom
- Single persons are eligible for a studio or one-bedroom unit only.
- Except as provided below, all other family members will use the standard of two persons per bedroom.
- Persons of the opposite sex will not be required to occupy the same bedroom except in the case of infants or children up to age 12. (Note that the age limit is strictly an example and is not tied to Federal regulation.)
- In some cases, relationship, age, sex, health, or handicap of a family member may warrant assignment of a larger unit size or bedroom configuration. Approval of such exceptions will be based on individual case review.

Sample Unit Size Chart		
Unit Size	Minimum # of Persons in Household	Maximum # of Persons in Household
SRO	1	1
Studio	1	1-2
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	4	6

B. Rent Reasonableness and Compliance with Fair Market Rent

ESG Sub-recipients must perform both a rent reasonableness determination and document that the rent falls at or below the Fair Market Rent on every unit assisted, whether for prevention or re-housing. These determinations must be made before approving rental assistance for a unit and before entering into an agreement with a landlord.

“Rent reasonableness” means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable unassisted units.

To make this determination, the Recipient or Sub-recipients should consider

- a) The location, quality, size, type, and age of the unit; and
- b) Any amenities, housing services, maintenance and utilities to be provided by the owner.

Comparable rents can be checked by using a market study, by reviewing comparable units advertised for rent, or with a note from the property owner verifying the comparability of charged rents to other units owned (for example, the landlord would document the rents paid in other units). NOTE that not every element in the suggested list of nine things to check for must be known to establish a comparable unit. See more guidance at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_11753.pdf

The Fair Market Rent (FMR) is a rent standard, or benchmark, established by HUD for regions. For ESG, the FMR is the maximum rent permitted even if other similar units rent for more. It is also important to note that the FMR sets the limit for housing costs in units, including both rent *and* utilities. Utilities include electricity, fuel (e.g., natural gas, oil), water, sewer, and trash removal. Telephone, internet, and cable are NOT included.

Final FY 2013 FMRs By Unit Bedrooms Tacoma, WA HUD Metro FMR Area				
Efficiency	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
\$608	\$740	\$964	\$1,421	\$1,707

Source: <http://www.huduser.org/portal/datasets/fmr.html>

The above chart displays the Fair Market Rents applicable during FY2013. Fair Market Rents are updated and published by HUD every year. Sub-recipients must ensure that they are using the FMR’s in effect at the time of their determination.

Sub-recipients may use an alternative rent reasonableness determination form meets the requirements of the ESG regulations 24 CFR 576.106 and has been approved by the ESG Recipient.

C. Housing Inspections and Lead Based Inspections

Housing Inspections

If your program is providing Rapid Re-housing rental assistance you will be required to request a HUD Housing Quality Standards (HQS) inspection of housing units for clients.

If your program is providing Prevention Assistance rental assistance for a new housing unit in cases where affordability and/or safety of current unit is in question you will be required to request a HUD Housing Quality Standards (HQS) inspection of housing units for clients.

If your program is providing Prevention Assistance, including assistance that is limited to rental arrears in current housing, units are required to meet Habitability Standards as set forth below. [ESG Minimum Habitability Standards for Emergency Shelters and Permanent Housing - OneCPD](#)

Lead-based paint visual inspections may also be required (see below).

Units must pass inspection before the subsidy is paid. Inspections less than 12 months old performed by other housing providers can be used. Complete records of inspections and follow-up actions must be maintained in the household file.

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

community rooms, day care centers, hallways, stairwells, and other common areas.

Lead-based Paint Visual Assessments

The lead-based paint visual assessment requirement exists to protect vulnerable families from potential health hazards. To prevent lead poisoning in young children, Sub-recipients must comply with the Lead-based Paint Poisoning Prevention Act of 1973 and its applicable regulations found at 24 CFR 35, Parts A, B, M, and R.

A lead-based paint visual assessment must be completed for all units that meet the three following conditions:

1. The household moving into or remaining in their current unit is receiving ESG financial assistance. **AND**
2. The unit was constructed prior to 1978. **AND**
3. A child under the age of six or a pregnant woman is, or will be, living in the unit.

A visual assessment must be conducted prior to providing ESG financial assistance to the unit and on an annual basis thereafter (as long as assistance is provided). Visual assessments must be conducted by a HUD-Certified Visual Assessor and must be documented on the HQS or HSS and maintained in the client file.

Exceptions to the Lead-based Paint Visual Assessment Requirement

There are certain exceptions to the requirement. Visual assessments are not triggered under the following circumstances:

1. It is a zero-bedroom or SRO-sized unit;
2. X-ray or laboratory testing of all painted surfaces by certified personnel has been conducted in accordance with HUD regulations and the unit is officially certified to not contain lead-based paint;
3. The property has had all lead-based paint identified and removed in accordance with HUD regulations;
4. The unit has already undergone a visual assessment within the past 12 months –obtain documentation that a visual assessment has been conducted; or
5. It meets any of the other exemptions described in [24 CFR Part 35.115\(a\)](#).

If any of the conditions outlined above are met, Sub-recipients need to document the condition.

Section 7: Conflicts of Interest

Recipients must avoid any conflict of interest in carrying out activities funded by the Emergency Solutions Grant program.

Organizational Conflicts of Interest

The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the recipient, the sub-recipient, or a parent or subsidiary of the sub-recipient. Sub-recipients must not conduct initial evaluation or provide homelessness prevention assistance to persons living in property owned by sub-recipient or parent/subsidiary of sub-recipient.

Individual Conflicts of Interest

For procurement of goods and services, recipients and sub-recipients must comply with HUD's Administrative Requirements (*24 CFR part 85.36 for governments or part 84.42 for private nonprofits*). For all other transactions and activities:

- Restrictions on financial interests and benefits apply to employees, agents, consultants, officers, and elected or appointed officials of the recipient or sub-recipient if they have certain types of responsible positions.
- Restrictions pertain to financial gain for self, family, or those with business ties.

Exceptions

Upon the written request of the recipient, HUD may grant an exception to the provisions of this subsection on a case-by-case basis, taking into account the cumulative effects of the criteria in HUD's Factors to be Considered for Exceptions (*24 CFR 576.404(b)(3)(ii)*), provided that the recipient has satisfactorily met the threshold requirements, including providing the following documentation :

- If the recipient or sub-recipient is a government,
 - The disclosure of the nature of the conflict, and
 - An assurance that there has been a public disclosure of the conflict, and
 - A description of how the public disclosure was made; and
- An opinion of the recipient's attorney that the interest for which the exception is sought would not violate state or local law.

For more information, please reference *24 CFR 576.404*.

Section 8: Summary List of Required Policies and Procedures

- ✓ For coordination among homeless housing and assistance providers and mainstream service providers in their service area.
- ✓ For determining and prioritizing which households will receive Street Outreach, Emergency Shelter – Essential Services, Rapid Re-Housing and Prevention Assistance

- ✓ Standards for determining amount of rent assistance, length of assistance and if there will be any adjustments over time
- ✓ Standards for determining type, amount, and duration of housing relocation and stabilization services
- ✓ Termination of participation, denial, and grievance procedures
- ✓ Confidentiality of client records

Section 9: Reporting and Monitoring Requirements

The County will consider the following issues regarding reporting and monitoring its Sub-recipients:

- ✓ Frequency of Reports
- ✓ Site Visits
- ✓ Timeliness of HMIS Data
- ✓ Monthly Activity Reports from HMIS
- ✓ Required Meetings
- ✓ Continuum of Care Participation
- ✓ Centralized and Coordinated Assessment Participation
- ✓ Audits

A. Performance Standards

Pierce County recognizes that performance standards will evolve over the next few years as the ESG Interim Rule is implemented and as sub-recipients improve their program outcomes through the evaluation of HMIS data and integration of ESG services into the continuum of care.

In the interim, ESG activities will be measured through the following objectives adopted from the Continuum of Care performance outcomes:

Housing Measure
<i>Emergency Shelter - Persons exiting to permanent housing (subsidized or unsubsidized) during the operating year.</i>
<i>Permanent Housing. Persons who remained in the permanent housing program as of the end of the operating year or exited to permanent housing (subsidized or unsubsidized) during the operating year.</i>
Income Measure

<i>a. Persons age 18 and older who increased their total income (from all sources) as of the end of the operating year or program exit.</i>
<i>OR</i>
<i>b. Persons age 18 through 61 who increased their earned income as of the end of the operating year or program exit.</i>

In the meantime, general performance standards such as the unduplicated number of persons or households prevented from becoming homeless, the unduplicated number of persons or households assisted from emergency shelters/streets into permanent housing, race, ethnicity, age, will be reported through HMIS. Pierce County will continue to consult with the CoC regarding the performance measures of the HEARTH ACT and how best to utilize HMIS. This will also include how well the HEARTH ACT performance measures are met through the use of HMIS, including tracking the length of time persons are homeless, returns to homelessness, reducing numbers of homeless households and increasing the percent of exits to permanent housing, income, and prevention of homelessness.

B. Compliance with HUD HMIS Data Standards

The ESG Notice requires all grantees to collect Universal Data Elements on clients receiving ESG assistance via the Homeless Management Information System (HMIS) run by the Continuum of Care (CoC). Data collection must be compliant with HUD’s HMIS Data Standards. “Income and Source” is a Program-Specific data element listed in the Standards because this data is needed to complete APRs for both ESG and CoC Sub-recipients.

The HMIS standards require that grantees enter income sources and amounts and non-cash benefits received in the past 30 days during three points in time - at entry into program, at exit from the program and at least once annually if the household is in the program over a year. The amount documented through this calculation should NOT be used to determine eligibility, but rather can be used to show that the household does lack resources to maintain housing.

Section 10: Amendments to Program Rules

Pierce County Community Connections, may change ESG program requirements from time to time to meet program objectives. All changes will be required to meet ESG guidelines.