

Mid Florida Homeless Coalition, Inc.

**Mid Florida Homeless Coalition, Inc.
Continuum of Care FL 520 – Citrus,
Hernando, Lake, Sumter Counties**

Written Standards

*Developed for Housing and Services
funded through McKinney-Vento
Homeless Assistance Programs and
any other Federal, State or County
homeless funding through the CoC*

INTRODUCTION

The Mid Florida Homeless Coalition Continuum of Care (MFHC-COC) has developed the following standards for providing assistance using McKinney-Vento Homeless Assistance funds, and any other Federal, State or County homeless dollars that are funded through the MFHC-COC. Included is the HUD Continuum of Care, the Emergency Solutions Grant (ESG) program, Florida State Challenge Grant, and other grants that may become available. These standards were created in coordination with the MFHC-COC Performance Committee and ESG sub-recipients. They are in accordance with the interim rule for the Emergency Solutions Grant Program released by the U.S. Department of Housing and Urban Development (HUD) on December 4, 2011, and the final rule for the definition of homelessness also released by the HUD on December 4, 2011; the Continuum of Care Program Interim Rule released by HUD on July 31, 2012, and the **HUD Notice CPD-16-11** issued on July 25, 2016.

The MFHC-COC expects that the standards will adjust as programs evolve, members gain more experience, and HMIS data from programs and services is analyzed. The Standards may serve as the guiding principles for above referenced funding sources.

Each recipient or subrecipient shall comply with the minimum written standards for providing assistance established by MFHC-COC. All funds used to provide services to clients served by these programs, including any match and program income funding, shall comply with these same requirements.

Each recipient and subrecipient will at the very least comply with the following guidelines, but may decide to set standards on their provision of assistance that exceeds these minimum standards with the approval of the Continuum of Care.

PROGRAM REQUIREMENTS FOR ALL PROGRAMS

1. HOUSING FIRST AND LOW BARRIERS

The Housing First approach has several key features: few programmatic prerequisites, admission policies that support low barriers to access, rapid and streamlined entry into permanent housing, voluntary and engaging supportive services, and a focus on housing stability. As such, CoC funded projects should allow entry to program participants regardless of their income, current or past substance use, criminal records, or history of domestic violence. Projects also should not terminate clients regardless of whether or not they participate in supportive services, make progress on a service plan, lose their income or based on other activities not covered in a lease agreement typically found for an unassisted person in the project's geographic area. All CoC funded programs must adopt the Housing First and Low Barriers approach. The CoC will authorize limited exceptions for projects in the adoption of a housing first model where it conflicts with funder requirements or local/state law (e.g., restrictions on serving people who are listed on sex offender registries).

2. EQUAL ACCESS & NON-DISCRIMINATION

Providers must have non-discrimination policies in place and assertively outreach to people least likely to engage in the homeless system. Providers must comply with all federal statutes and rules including the Fair Housing Act and Equal Access to Housing Final Rule. A determination of eligibility for housing that is assisted by HUD or subject to a mortgage insured by HUD shall be made in accordance with the eligibility requirements provided for such program by HUD, and such housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status. The people who present together for assistance, regardless of age or relationship, are considered a household and are eligible for assistance as a household. Projects that serve families with children must serve all types of families with children; if a project targets a specific population (e.g., women with children), these projects must serve all families with children that are otherwise eligible for assistance, including families with children that are headed by a single adult or consist of multiple adults that reside together. The age and gender of a child under 18 must not be used as a basis for denying any family's admission to a project.

3. COORDINATED ASSESSMENT SYSTEM PARTICIPATION

All HUD CoC, ESG, State Challenge Grant and other homeless funding through the Continuum of Care are required to participate in the Mid Florida Homeless Coalition CoC (MFHC-COC) Coordinated Assessment System (CAS), except for victim service providers, who may decide whether or not they will participate in the MFHC-COC CAS. A victim service provider may choose not to use the MFHC-COC CAS entry process, if victim service providers in the area use a coordinated access process that meets HUD requirements and the victim service provider uses that system instead. All HUD CoC, ESG, State Challenge Grant and other homeless funding through the Continuum of Care must only take referrals from the CAS lead. Participating requires following all established Policies and Procedures and the use of approved CAS tools; e.g., VI- SPDAT, SPDAT, etc.

Organization participation in the local assessment effort ensures homeless persons, including chronically homeless individuals and families, families with children, veterans and their families, and any unaccompanied youth, are referred to available resources.

All homeless persons and persons at-risk of homelessness whose assessments reflect a score that is not high enough to receive services via above referenced grants will be referred to local agencies with programs and services that best meet the needs of the household. MFHC-COC is the Coordinated Assessment System Lead Agency.

4. MID FLORIDA INFORMATION NETWORK (MFIN) (the MFHC HMIS)

All HUD CoC, ESG, State Challenge Grant and other homeless funding through the Continuum of Care are required to utilize the Mid Florida Information Network (MFIN) database designated by the Continuum of Care, with the exception of victim service provider projects (defined by Violence Against Women Reauthorization Act of 2013). Instead, victim service providers must actively utilize the MFIN comparable database system designated by the State of Florida, and shall comply with the data quality standards set forth by HUD and MFHC-COC.

Funded organizations utilizing the MFIN database are required to comply with data quality standards. Information shall be entered into the database in a timely manner based on the established Policies, and shall be updated to provide exit information, income data, and shall have a limited number of fields with “Don’t Know”, “Refused” or “Missing”. **Note:** Rapid re-housing client employment data may be entered annually at recertification, however non-cash and other cash income sources should be updated as received.

The CoC actively encourages non-funded providers to utilize MFIN. All MFIN participating agencies should meet the minimum data quality standards and must follow the MFIN Policies and Procedures.

This database is designated to record and store client-level data, including the characteristic and service needs of homeless persons and those persons at-risk of homelessness. Utilization of the MFIN database will help provide a consistent and accurate snapshot of populations served through various programs.

5. ACCESS TO MAINSTREAM RESOURCES

The CoC expects that every agency that is funded through the HUD CoC, ESG, State Challenge Grant and other homeless funding through the Continuum of Care programs will coordinate with and access mainstream and other targeted homeless resources. Providers should assess and assist participants with obtaining any mainstream resource for which they may be eligible for including: TANF, Public Assistance, Veterans Health Care, Supplemental Nutrition Assistance Program (SNAP), Medicaid, Medicare, SSI/SSDI, or Access-VR. Where possible, providers should streamline processes that include applying for mainstream benefits such as the use of a singular form to apply for benefits or collecting all necessary information in one step. The SSI/SSDI Outreach Access and Recovery (SOAR) process is encouraged to speed up the SSI/SSDI process.

6. EDUCATIONAL LIAISON & EARLY CHILDHOOD SERVICES

For programs that serve households with children, a staff person must be designated as the educational liaison that will ensure children are: 1. Enrolled in school; 2. Connected to appropriate services in the community, including early childhood projects such as Head Start. The educational liaison will also be responsible for ensuring that the parent(s) are educated of eligibility for education services, and that the parent(s) are given the phone number of the school staff who can assist homeless families often known as Families In Transition (F.I.T.).

7. TERMINATION OF ASSISTANCE AND GRIEVANCE PROCEDURES

Providers must have a written termination policy outlining program rules and termination processes including a formal grievance process, and must follow them at all times. This process must consist of, at a minimum:

- a. Providing the program participant with a written copy of the program rules and the termination process before the participant begins to receive assistance;

If a program violation occurs and the provider terminates assistance as a result, the termination shall follow an established process that recognizes the rights of the individuals affected. *Termination shall only occur in the most severe cases.*

Program participants receiving rental assistance or housing relocation or stabilization services, the required formal process shall minimally consist of:

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

Ability to provide further assistance:

Termination will not bar the provider from providing later additional assistance to the same family or individual.

8. RECORDS & RECORDKEEPING FOR ALL PROGRAMS

Participant Recordkeeping Requirements include:

- All records containing personally identifying information must be kept secure and confidential;
- Programs must have a written confidentiality/privacy notice, provided to the participant if requested;
- Documentation of homelessness (following HUD guidelines);
- A record of services and assistance provided to each participant;
- Documentation of any applicable requirements for providing services/assistance;
- Documentation of use of the coordinated assessment system;
- Documentation of use of MFIN (HMIS);
- Records must be retained for the appropriate amount of time as prescribed by HUD or the State of Florida depending on the original source of the funds.

Financial Recordkeeping Requirements include:

- Documentation for all costs charged to the grant;
- Documentation that funds were spent on allowable costs;
- Documentation of the receipt and use of program income;
- Documentation of compliance with expenditure limits and deadlines;
- Retain copies of all procurement contracts as applicable;
- Documentation of amount, source and use of resources for each match contribution.

6. PROGRAM MINIMUM STANDARDS

a. Permanent Supportive Housing (PSH)

Permanent Supportive Housing (PSH) for persons with disabilities is permanent housing with

indefinite leasing or rental assistance paired with supportive services to assist persons experiencing homelessness with a disability or families with an adult or child member with a disability achieve housing stability. Eligibility Criteria:

- Households must meet the HUD definition of homelessness – Category 1;
- One adult or child member of the household must have a disability;
- CoC funded programs must follow any additional eligibility criteria set forth in the Notice of Funding Availability (NOFA) through which a project was funded and the grant agreement;
- Programs may not establish additional eligibility requirements beyond those specified here and those required by funders.

Minimum Standards of Assistance

- There can be no predetermined length of stay for a PSH project
- Supportive services designed to meet the needs of the project participants must be made available to the project participants throughout the duration of stay in PSH
- Project participants in PSH must enter into a lease agreement for an initial term of at least one year that is renewable and is terminable only for cause. Leases must be renewable for a minimum term of one month.
- PSH programs must utilize housing first approaches HUD performance benchmark
- 80% of Participants remained or exited to permanent housing in non-CH dedicated programs

Performance Goals

- 95% annual occupancy/utilization rate;
- 90% of Participants remained or exited to permanent housing in non-CH dedicated programs, 85% for CH dedicated programs;
- 20% adult participants that maintained, gained or increased earned income at the end of the report year;
- 80% adult participants have income other than employment at the end of the report year;
- House participant within 30 days from referral;
- At least 85% of households that exit a rapid rehousing program to permanent housing should not become homeless again within a year.

b. Rapid Re-housing (RRH)

Rapid Re-Housing is an intervention designed to help individuals and families exit homelessness quickly by returning to permanent housing without preconditions (including, but not limited to, sobriety, employment, absence of a criminal record, or income). Additionally, the resources and services provided are tailored to the unique needs of the household receiving assistance.

There are three core components that constitute a rapid re-housing program, all of which must be available in order to qualify as a rapid re-housing program. Although RRH programs must have each of the three components available, it is not required that a single entity provides all three services. Similarly, it is also not required that any one household utilize all three in order to be considered a recipient of rapid rehousing. Rapid Re-housing core components include the

following: Housing Identification, Rent/Move-In Assistance (Financial) and Rapid Re-housing Case Management and Services.

Housing Identification:

Recruit landlords to provide housing opportunities for individuals and families experiencing homelessness. Address potential barriers to landlord participation such as concern about the short term nature of rental assistance and tenant qualifications. Assist households to find and secure appropriate rental housing.

Rent/Move-In Assistance:

Provide assistance to cover move-in costs, deposits, and the rental and/or utility assistance (typically six months or less) necessary to allow individuals and families to move immediately out of homelessness and to stabilize in permanent housing.

Rapid Re-housing Case Management and Services:

Help individuals and families experiencing homelessness identify and select among various permanent housing options based on their unique needs, preferences, and financial resources. Help individuals and families experiencing homelessness address issues that may impede access to housing (such as credit history, arrears, and legal issues). Help individuals and families negotiate manageable and appropriate lease agreements with landlords. Make appropriate and time-limited services and supports available to families and individuals to allow them to stabilize quickly in permanent housing. Monitor participants' housing stability and be available to resolve crises, at a minimum during the time rapid rehousing assistance is provided. Provide or assist the household with connections to resources that help them improve their safety and wellbeing and achieve their long-term goals. This includes providing or ensuring that the household has access to resources related to benefits, employment and community-based services (if needed/appropriate) so that they can sustain rent payments independently when rental assistance ends. Ensure that services provided are client-directed, respectful of individuals' right to self-determination, and voluntary. Unless basic, program-related case management is required by statute or regulation, participation in services should not be required to receive rapid re-housing assistance.

RRH Eligibility Criteria:

- Households must meet the HUD definition of homelessness Category 1. Only programs approved by the CoC can serve Category 4.
- CoC funded programs must follow any additional eligibility criteria set forth in the NOFA through which a project was funded and a grant agreement executed.
- Programs may not establish additional eligibility requirements beyond those specified here and those required by funders.
- For ESG & Challenge Grant funded programs, program participants receiving ESG "Rapid Re-Housing" assistance, an income assessment is not required at initial evaluation. At re-evaluation - which must take place not less than once annually for rapid re-housing - the participant's household must have an annual income that does

not exceed 30 percent of median family income for the area, as determined by HUD.

- **Homelessness Prevention Income Requirements.** The ESG Program interim rule limits eligibility for homelessness prevention assistance to individuals and families with incomes below 30 percent of AMI at intake and incomes that do not exceed 30 percent of AMI at re-evaluation, which must take place not less than once every 3 months.

Prioritization:

- Eligible participants are referred to the rapid rehousing program based on the prioritization established by the Continuum of Care.
- All Rapid rehousing programs will strictly take referrals from a single priority list communicated by the Coordinated Access Lead Agency, and will follow the FL520 Coordinated Access Policy and Procedures.

Rent Limits for Rapid Rehousing Program:

- Financial assistance is available for a maximum 24 months. Each individual case should be evaluated monthly to determine the length and percentage of financial assistance.
- Typically, at the beginning of assistance, the RRH program will be paying 100% of the rent or utility. Participants' responsibility of rent/utility should be reviewed, determined, and explained to the participants by the RRH program and will gradually be increased to 100% within the determined timeframe.
- A household can only be eligible for RRH programs within the CoC geographic area no more than 2 times in the past 3 years and total rental assistance must not exceed 24 months. Total amount of assistance must not exceed \$10,000.

Standards of Assistance:

- Maximum participation in a rapid rehousing program cannot exceed 24 months.
- Support services must be provided throughout the duration of stay in housing. Program participants are required to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability.
- CoC funded program participants must enter into a lease agreement, which is terminable for cause.
- For CoC funded RRH programs, supportive services may be provided until six (6) months after rental assistance stops. For ESG funded RRH programs, housing stability case management assistance may not exceed 30 days during the period in which the program participant is seeking permanent housing and may not exceed 24 months during the period in which the program participant is living in permanent housing.
- To continue to receive ESG and CoC RRH assistance, a program participant's re-evaluation must demonstrate eligibility based on: 1) Lack of sufficient resources and support networks to retain housing without the program assistance. 2) The ESG or CoC funded program must determine the amount and type of assistance that the individual or family will need to (re)gain stability in permanent housing at a minimum of every 3 months, preferably monthly.
- RRH programs must utilize housing first approaches.

PROGRAM COORDINATION

Minimum standards for program coordination consist of on-going system and program coordination and integration of ESG-funded activities to the maximum extent practicable with the following:

- a. Emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers;
- b. Other homeless assistance providers, including:
 - HUD CoC Permanent Supportive Housing Care Program,
 - Section 8 Moderate Rehab program for Single Room Occupancy Program (SRO) for Homeless Individuals,
 - HUD-Veterans Affairs Supportive Housing (VASH),
 - Education for Homeless Children and Youth Grants for State and Local Activities (McKinney-Vento Homeless Assistance Act),
 - Housing Opportunities for Persons With AIDS(HOPWA),
 - Programs for Runaway and Homeless Youth,
 - Projects for the Assistance in the Transition from Homelessness (PATH),
 - Emergency Food and Shelter Program,
 - Challenge Grant projects,
- c. Mainstream service and housing providers,
 - Housing programs receiving Section 8 tenant-based or project-based assistance,
 - Temporary Assistance for Needy Families,
 - State Children’s Health Insurance Program,
 - Head Start,
 - Healthy Start,
 - Early Learning Coalition,
 - Mental Health and Substance Abuse,
 - Services funded under Workforce Investment Act; and
 - Other state programs that are or may become available
- d. Continuum of Care (CoC) Networks
 - MFHC-COC meetings
 - CoC Membership Committee meetings,
 - Coordinated Assessment Committee meetings,
 - Performance Committee meetings,
 - Various other committees, task forces and workgroup

Minimum standards shall ensure sufficient written records are established and maintained to allow MFHC and HUD to determine whether ESG requirements are being met, and if they comply with 24 CFR 576.500. **Mid Florida Homeless Coalition CoC (MFHC-COC) has chosen to operate all non-HUD CoC funded Rapid Re-housing and Homeless Prevention programs according to ESG standards; thus all ESG requirements for Rapid Rehousing must also be met by Challenge Grant Rapid Re-housing with the exception of ESG allowable costs. Challenge Grant expenses are based on the MFHC-COC application.**

Program participant records shall include written:

- b. Determination and verification/certification that the program participant met the criteria for being Homeless or At-Risk of Homelessness, and that an effort was made to obtain written third-party verifications, when possible and applicable. See Exhibit D;
- c. Determination and verification/certification that the program participant was eligible or ineligible for the particular services and/or financial assistance;
- d. Determination and verification/certification that the program participant lacked sufficient resources and support networks to provide the assistance;
- e. Determination and verification/certification that the program participant met income requirements and that an effort was made to obtain written third-party verifications, when possible and applicable;
- f. Identification of the specific services and financial assistance amounts that were provided to the program participant;
- g. When applicable, verification that the services were terminated in compliance with 24 CFR 576 402;
- h. When adopted by the Continuum of Care, a copy of the CoC-approved centralized or coordinated assessment of the program participant;
- i. Copies of executed leases, VAWA Lease Addendum, and ESG Rental Agreements, documentation of payments made, including dates of occupancy, and compliance with the fair market rent, rent reasonableness, and utility allowance requirements;
- j. Determination and verification that at a minimum, the housing unit met HUD’s habitability and lead-based paint standards;
- k. Copy of individualized housing stability plan;
- l. Notes verifying case management services were provided in-home **at least monthly**;
- m. Notes verifying program participants’ **eligibility was re-evaluated at least every 3 months for homeless prevention services or at least annually for rapid re-housing services.**
- n. Notes verifying program participants were assisted to obtain mainstream and other resources.

Program policies and procedures shall indicate:

- a. Services are coordinated with the Continuum of Care, other homeless assistance/prevention programs and mainstream service and assistance programs.
- b. Compliance with HUD’s ESG (24 CFR 576) requirements for:

- Shelter and housing standards;
 - Conflict of interest;
 - Homeless participation;
 - Faith-based activity;
 - Nondiscrimination, equal opportunity, affirmative outreach, and compliance with HUD's transgender policies;
 - Uniform administrative rules (24 CFR part 84);
 - Lobbying and disclosure (24 CFR part 87);
 - Displacement, relocation and acquisition;
 - Procurement (24 CFR 84.40-84-48).
- c. Program participant records are kept secure and confidential.
- d. Participation in MFIN or Victim service comparable database selected by the Continuum of Care or MFHC, including timeliness of data entry and data quality expectations.

Financial records shall include:

- a. Supporting documentation for all costs charged to ESG grant, including evidence that rent checks are paid to the property owner;
- b. Documentation showing ESG funds were spent on allowable costs in accordance with the requirements for eligible activities and costs principles;
- c. Documentation of appropriate and sufficient match including evidence of all match sources obtained, and documentation of expenditures of cash match for eligible grant expenses;
- d. Evidence that expenditures did not occur outside of the grant term;
- e. Documentation regarding salary expenditures for grant-related activities;
- f. Documentation of the receipt and use of program income;
- g. Copies of procurement contracts.

PARTICIPANT ELIGIBILITY:

Minimum standards for evaluating individual and family eligibility for assistance under the ESG program are:

a. Street Outreach:

People who qualify as “literally homeless” based on Category (1)(i)* of the “homeless” definition found at 24 CFR 576.2 are eligible for the following activities, in compliance with federal ESG rules (24 CFR 576.101): *engagement, case management, emergency health and mental health services, transportation*. Program participant files must include documentation that verifies homeless status. * See Exhibit A, Exhibit C and Exhibit D

b. Emergency Shelter: Note: *Only those shelters funded under FY 2010 Emergency Shelter Grant Program as an emergency shelter may continue to be funded under the Emergency Solutions Grant Program.*

People who qualify as “homeless” based on Category 1,2,3, or 4* of the homeless definition found at 24 CFR 576.2 are eligible for the following: *shelter, case management, child care,*

education, employment and life skills services, legal services, health and mental health services, substance abuse services, transportation. Program participant files must include documentation that verifies homeless status. **NOT ALLOWABLE: Mortgage and mortgage arrearage payments.** * See Exhibit A, Exhibit C and Exhibit D

- c. **Transitional Housing for the Homeless: Note:** *Only transitional housing for homeless programs funded under FY 2010 Emergency Shelter Grant Program and met the criteria under the former emergency shelter definition (“any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless”) may continue to be funded under the Emergency Solutions Grant Program.*

People who qualify as “homeless” based on Category 1 or 4* of the “homeless” definition found at 24 CFR 576.2 are eligible for the following: *housing, case management, child care, education, employment and life skills services, legal services, health and mental health services, substance abuse services, transportation.* Program participant files must include documentation that verifies homeless status. * See Exhibit A and Exhibit D

d. **Rapid Re-Housing:**

People who qualify as “homeless” based on Category 1 or 4* of the “homeless” definition found at 24 CFR 576.2 and who are moving into a housing unit that meets HUD’s habitability and lead-based paint standards are eligible for the following activities, in compliance with federal ESG rules (24 CFR 576.104, 576.105, 576.106). Program participant files must include documentation that verifies homeless status. * See Exhibit A, Exhibit C, and Exhibit D.

- Housing Relocation and Stabilization Services: moving costs, rent application fees, security deposits, last month’s rent, utility deposits, utility payments, housing search/placement housing , stability housing, stability case management for a maximum of 24 months, mediation and legal services, credit repair/budgeting/money management.
- Rental assistance: short-term (up to 3 months) and medium-term (4-24 months) rental assistance, up to 24 months total during a 3-year period in tenant-based or project-based housing. The 24 months may include a one-time payment for up to 6 months of rent arrears on the tenant’s portion of the rent. Rent amount must meet the federal requirements for Fair Market Rent (24 CFR 888) and the HUD standard for rent reasonableness (24 CFR 982.507). There must be a rental agreement between the landlord and agency and a written lease between tenant and landlord.

NOT ALLOWABLE: Mortgage and mortgage arrearage payments

e. **Homelessness Prevention:**

People who qualify for “at risk of homelessness” based on Category 2,3,or 4* of the “homeless” definition or based on the “At risk of homelessness” definition found at 24 CFR 576.2 and who resides in a housing unit that meets HUD’s habitability and lead-based paint standards and have an annual income below 30% of Area Median Income (AMI), are eligible for the following services, in compliance with federal ESG rules (24 CFR 576.103, 576.105, 576.106) * See Exhibit A, Exhibit B, Exhibit C, and Exhibit D.

- Housing Relocation and Stabilization Services: moving costs, rent application fees, security deposits, last month's rent, utility deposits, utility payments, housing search/placement, housing stability case management, mediation and legal services, credit repair/budgeting/money management.
- Rental Assistance: short-term (up to 3 months) and medium-term (4-24 months) rental assistance, up to 24 months total during a 3-year period in tenant-based or project-based housing. The 24 months may include a one-time payment for up to 6 months of rent arrears on the tenant's portion of the rent. Rent amount must meet the federal requirements for Fair Market Rent (24 CFR 888) and the HUD standard for rent reasonableness (24 CFR 982.507). There must be a rental agreement between the landlord and agency and a written lease between tenant and landlord.
NOT ALLOWABLE: Mortgage and mortgage arrearage payments.

A household can only be eligible for RRH programs within the CoC geographic area no more than 2 times in the past 3 years and total rental assistance must not exceed 24 months. Total amount of assistance must not exceed \$10,000.

INCOME DETERMINATION

Minimum standards for determination of an individual or family's annual income consist of calculating income in compliance with 24 CFR 5.609. Annual income is defined as:

- a. *Annual income* means all amounts, monetary or not, which:
 - Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
 - Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 - Which are not specifically excluded as defined under paragraph (C) of 24 CFR 5.60.
 - Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

ESG Program providers should refer to the HUD 24 CFR 5.609 or Mid Florida Homeless Coalition for more details.

CONNECTION WITH OTHER RESOURCES

Minimum standards for connection with other resources consist of assisting each participant to obtain, if applicable:

- a. Appropriate support services including:
 - Permanent housing
 - Medical health treatment
 - Mental health treatment
 - Counseling
 - Supervision; and
 - Other services needed for independent living.

- b. Other governmental and private assistance available to help with housing stability including:
- Medicaid
 - Supplemental Nutrition Assistance Program
 - Women, Infants and Children (WIC)
 - Federal-State Unemployment Insurance Program
 - Social Security Disability Insurance (SSDI)
 - Child and Adult Care Food Program; and
 - Other available assistance.

LEAD-BASED PAINT

Minimum standards for all shelters and program participant-occupied housing consist of compliance with the lead-based remediation and disclosure requirements identified in 24 CFR 576.403, including the Lead- Based Paint Poisoning Prevention Act (42 USC 4821-4846), the Residential Lead Based Paint Hazard Reduction Act of 1992 (42 USC 4851-4856) and implementing regulations in 24 CFR part 35, subparts A, B, H, J, K, M, and R. Refer to ESG Program Policies and Procedures Manual and ESG Program Guidelines for further guidance.

SAFETY, SANITATION & PRIVACY

Minimum standards for all shelters and program participant-occupied housing consist of compliance with safety, sanitation and privacy requirements identified in 24 CFR 576.403. Refer to the ESG Program's Policies and Procedures Manual, and ESG Program Guidelines for detail instructions.

- a. **Additional requirements for permanent housing:** Providers shall not use ESG funding to help someone remain or move into housing if the housing does not meet minimum habitability standards. For new move-ins, inspections must occur prior to execution of a landlord/provider agreement and landlord/tenant lease. If a program participant is expected to eventually access subsidized housing, such as the Section 8 Housing Voucher Program, the provider should make certain the housing unit meets any additional health and safety requirements of that program.

CONFLICTS OF INTEREST

Minimum standards for conflicts of interest are:

- a. **Organizational conflict of interest:**
- ESG assistance will not be contingent on the individual's or family's acceptance or occupancy of emergency shelter or housing owned by the provider or a provider's subsidiary or parent.
 - No provider, with respect to individuals or families occupying housing owned by the provider or a provider's subsidiary or parent, will carry out the initial evaluation under 24 CFR 576.401 or administer homelessness prevention assistance under 24 CFR 576.103.
- b. **Individual conflicts of interest:**

- When procuring goods and services, the provider will comply with codes of conduct and conflict of interest requirements under 24 CFR 84.42 (private non-profit) or 24 CFR 85.36 (government). All transactions/activities:
- Conflicts prohibited – No persons involved with the ESG program or who is in a position to participate in a decision-making process or gain inside information regarding the program activities, shall obtain a financial interest or benefit from an assisted activity; or have a financial interest in any related contract, subcontract, or assisted activity; or have a financial interest in the activity’s proceeds (either himself or herself or those with whom he or she has family or business ties) during his or her tenure or for one year following tenure.
- Persons covered – These conflict of interest provisions apply to any employee, agent, consultant, officer or elected or appointed official of the provider’s agency.
- Exceptions – A provider may request an exception to these provisions from HUD, only if he or she meets the threshold requirements identified in 24 CFR 576.404.

HOMELESS PARTICIPATION

Minimum standards for homeless participation are:

- a. To the maximum extent possible, the provider shall involve homeless individuals and families in paid or volunteer work on the ESG-funded facilities, in providing services under ESG and in providing services for occupants of the ESG-funded facilities (24 CFR 576.405)

FAITH-BASED ACTIVITIES

Minimum standards for faith-based activities (24 CFR 576.406) are:

- a. Providers receiving ESG funding shall not engage in inherently religious activities as part of the ESG-funded programs or services. Such activities must be offered separately from ESG-funded programs and services and participation must be voluntary.
- b. A religious organization receiving ESG funding retains independence from government and may continue with its mission provided that ESG funds are not used to support inherently religious activities. An ESG-funded organization retains its authority over its internal governance.
- c. An organization receiving ESG funding shall not discriminate against a participant or prospective participant based on religion or religious beliefs.
- d. ESG funding shall not be used for rehabilitation of structures used specifically for religious activities, but may be used for rehabilitating structures that are used for ESG-eligible activities.

NONDISCRIMINATION/EQUAL OPPORTUNITY/AFFIRMATIVE ACTION

Minimum standards shall comply with the requirements for nondiscrimination, equal opportunity and affirmative outreach identified in 576.407 (a-b). In addition, providers receiving ESG funding shall follow HUD’s *“Equal Access to Housing in HUD Programs, Regardless of Sexual Orientation or Gender Identity”* final rule, published on February 3, 2015. Provider’s shall train program staff and contractors so as to ensure that employees and contractors who interact

directly with potential clients and current clients are aware of this rule and take prompt corrective action to address any noncompliance. Refer to CPD Notice 15-02 for further guidance.

PROGRAM INCOME

Minimum standards for program income earned during the project period are that program income shall be retained and used to finance the non-Federal share of the project or program. Records of the receipt and use of program income shall be retained.

RECOVERED MATERIALS

Minimum standards for the procurement of recovered materials shall comply with the requirements identified in 57 CFR part 576.407(f), including that the recipient and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resources recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

DISPLACEMENT

Minimum standards for minimizing the displacement of persons (families, individuals, business, nonprofit organizations, and farms) as a result of a project assisted under ESG shall comply with 24 CFR part 576.408 and consist of:

a. **Minimizing displacement:**

Consistent with ESG goals and objectives, the providers shall minimize displacing people as a result of ESG-funded projects.

b. **Temporary relocation not permitted:**

No temporary relocation shall be required for an ESG-funded project. When a tenant has to move for an ESG-funded project, the tenant shall be treated as permanently displaced and offered relocation assistance and payments.

c. **Relocation assistance for displaced persons:**

In general, a displaced person shall be provided relocation assistance and advised of his or her Fair Housing Rights. A *Displaced Person* is defined as any person that moves from a permanent home as a result of ESG-funded acquisition, rehabilitation, or demolition of a project.

d. **A person does not qualify as a “displaced persons” if the person:**

Was evicted based on a violation of the lease or occupancy agreement; violation of the law; and the recipient determines that the eviction was not undertaken to evade the obligation to provide relocation assistance.

- Moved into the property after the application was submitted but was provided with written notice that he or she would not qualify as a “displaced persons”.
- The person is ineligible under 49 CFR 24.2
- HUD determines that the person was not displaced as a result of the project.

RECORDS & RECORDKEEPING

Minimum standards shall ensure sufficient written records are established and maintained to allow MFHC and HUD to determine whether ESG requirements are being met, and if they comply with 24 CFR 576.500.

Program participant records shall include written:

- Determination and verification/certification that the program participant met the criteria for being Homeless or At-Risk of Homelessness, and that an effort was made to obtain written third-party verifications, when possible and applicable. See Exhibit D;
- Determination and verification/certification that the program participant was eligible or ineligible for the particular services and/or financial assistance;
- Determination and verification/certification that the program participant lacked sufficient resources and support networks to provide the assistance;
- Determination and verification/certification that the program participant met income requirements and that an effort was made to obtain written third-party verifications, when possible and applicable;
- Identification of the specific services and financial assistance amounts that were provided to the program participant;
- When applicable, verification that the services were terminated in compliance with 24 CFR 576.402;
- When adopted by the Continuum of Care, a copy of the CoC-approved centralized or coordinated assessment of the program participant;
- Copies of executed leases and ESG Rental Agreements, documentation of payments made, including dates of occupancy, and compliance with the fair market rent, rent reasonableness, and utility allowance requirements;
- Determination and verification that at a minimum, the housing unit met HUD’s habitability and lead-based paint standards;
- Copy of individualized housing stability plan;
- Notes verifying case management services were provided at least monthly;
- Notes verifying program participants’ eligibility was re-evaluated at least every 3 months for homeless prevention services or at least annually for rapid re-housing services;
- Notes verifying program participants were assisted to obtain mainstream and other resources.

Program policies and procedures shall indicate:

- Services are coordinated with the Continuum of Care, other homeless assistance/prevention programs and mainstream service and assistance programs;

- b. Compliance with HUD's ESG (24 CFR 576) requirements for:
 - Shelter and housing standards
 - Conflict of interest
 - Homeless participation
 - Faith-based activity
 - Nondiscrimination, equal opportunity, affirmative outreach, and compliance with HUD's transgender policies
 - Uniform administrative rules (24 CFR part 84)
 - Lobbying and disclosure (24 CFR part 87)
 - Displacement, relocation and acquisition
 - Procurement (24 CFR 84.40-84-48)
- c. Program participant records are kept secure and confidential
- d. Participation in MFIN or Victim service comparable database verified by the Continuum of Care, including timeliness of data entry and data quality expectations.

Financial records shall include:

- a. Supporting documentation for all costs charged to ESG grant, including evidence that rent checks are paid to the property owner
- b. Documentation showing ESG funds were spent on allowable costs in accordance with the requirements for eligible activities and costs principles
- c. Documentation of appropriate and sufficient match including evidence of all match sources obtained, and documentation of expenditures of cash match for eligible grant expenses.
- d. Evidence that expenditures did not occur outside of the grant term
- e. Documentation regarding salary expenditures for grant-related activities
- f. Documentation of the receipt and use of program income
- g. Copies of procurement contracts

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STREET OUTREACH MINIMUM STANDARDS

- **Outreach - Targeting/Engagement**

Providers of Street Outreach services shall target unsheltered homeless individuals and families, meaning those with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground. The purpose is to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid re-housing programs.

- **Case Management - Assessment/Service Provision/Referral/Prioritization**

- Individuals and families shall be offered an initial need assessment. The arranging, coordinating, and monitoring of the delivery of individualized services to meet the needs of program participants will be provided especially to those interested in obtaining permanent housing.
- Individuals and families interested in obtaining permanent housing shall be offered the initial evaluation required under § 576.401(a), and if the participant desires, the initial housing assessment shall be conducted. The verification and documentation of eligibility; providing counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability are all encouraged.

Outreach Performance goals:

- 50% or more of all referrals for case management become document ready;
- 40% or more of adult participants exit with income;
- 50% or more of all participants have mainstream (non-cash) benefits at exit from the program.

EMERGENCY SHELTER MINIMUM STANDARDS

An emergency shelter means any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless, and which does not require occupants to sign leases or occupancy agreements. ***Only projects funded as an emergency shelter under the Fiscal Year 2010 Emergency Shelter***

Grant program may continue to be funded under the Emergency Solutions Grant program. The following minimum standards shall be required of any emergency shelter funded through the Emergency Solutions Grant program.

- **Admission:**

Providers of Emergency Shelter services shall admit individuals and families who meet the HUD definition of “homeless” as specified in 24 CFR 573.2 (1, 2, 3, & 4) and agency’s eligibility criteria.
- **Assessment:**

Individuals and families shall be offered an initial need and eligibility assessment and qualifying program participants, including those meeting special population criteria, will be offered emergency shelter services, as needed, available, and appropriate.
- **Prioritization/Diversion/Referral:**

When appropriate based on the individual’s needs and wishes, the provision of or referral to Homeless Prevention or Rapid Re-Housing services, or other available housing programs offered through the Continuum of Care that can quickly assist individuals to maintain or obtain safe, permanent housing, shall be prioritized over the provision of Emergency Shelter services.
- **Reassessment:**

Program participants will be reassessed as case management progresses, based on the individual service provider’s policies.
- **Discharge/Length of Stay:**

Sub-recipients shall make every effort to ensure program participants are discharged from Emergency Shelter services **only** when they choose to leave or when they have successfully obtained safe, permanent housing. Any Length of Stay limitations shall be determined by the individual service provider’s policies and clearly communicated to program participants.
- **Safety and Shelter Safeguards for Special Populations:**

Safety and Shelter Safeguards shall be determined by the individual Special Population service provider’s policies and clearly communicated to program participants.

ELIGIBILITY/PRIORITIZATION

Minimum standards for determining and prioritizing which eligible families and individuals shall receive homelessness prevention assistance and which eligible families and individuals shall receive rapid re- housing assistance are:

- **Rapid Re-housing (RRH):**

To be eligible for RRH Housing Relocation and Stabilization Services and short-term and medium- term rental assistance, people must:

- Meet the federal criteria under paragraph (1) of the “homeless” definition in 24 CFR 576.2; **OR**
- Meet the criteria under paragraph (4) of the “homeless” definition in 24 CFR 576.2, and live in an emergency shelter or other place described in paragraph 91) of the “homeless” definition.

- **Homelessness Prevention (HP):**

To be eligible for HP Housing Relocation and Stabilization Services and short-term and medium-term rental assistance, people **must require** HP services to prevent moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in 24 CFR 576.2, have an annual income **below** 30% of the median income for the area, and:

- Meet the federal criteria under the “at risk of homelessness” definition in 24 CFR 576.2;
OR
- Meet the criteria in paragraph (2), (3), or (4) of the “homeless” definition in 24 CFR 576.2

PARTICIPANT CONTRIBUTION

Minimum standards for determining what percentage or amount of rent and utilities costs each program participant shall pay while receiving homelessness prevention or rapid re-housing assistance are:

- Participant’s income shall be verified prior to approval for initial and additional financial assistance. Documentation of the participant’s income and expenses, including how the participant is contributing to housing costs, if at all, shall be maintained in the participant’s file. This file shall also contain a plan to sustain housing following the assistance, including either a plan to increase income or decrease expenses or both.
- Any additional requirements regarding the percentage or amount of rent and utilities costs each program participant shall pay shall be determined by the individual service provider’s policies and clearly communicated to program participants.

RENTAL ASSISTANCE DURATION AND ADJUSTMENT

Minimum standards for determining how long a particular program participant shall be provided

with rental assistance and whether and how the amount of that assistance shall be adjusted over time are:

- Participants received approval for the minimum amount of financial assistance necessary to prevent homelessness. Documentation of financial need shall be kept in the participant's file for each month of financial assistance received. Participants shall not be approved for more rental assistance than can be justified given their income and expenses at a given time.
- Any additional requirements regarding how long a program participant shall be provided with rental assistance and whether and how the amount of that assistance shall be adjusted over time shall be determined by the individual service provider's policies and clearly communicated to program participants.

SERVICE TYPE, AMOUNT & DURATION

Minimum standards for determining the type, amount, and duration of housing stabilization and/or relocation services provided to a program participant, including maximum amount of assistance, maximum number of months the program participant may receive assistance, or the maximum number of times the program participant may receive assistance, are:

- **Financial Assistance:**
 - Use with other subsidies: Payment for Financial Assistance costs shall not be provided to a participant who is receiving the same type of financial assistance through other public sources or to a participant who has been provided with replacement housing payments under the Uniform Relocation Act (URA), during the period of time covered by the URA payments.
 - Child Care: Payment for child care may be made only when child care is required for parent or legal guardian to attend school or go to work.
 - Renters' Insurance: Payment for renters' insurance may be provided when it is required to obtain housing. Payment must be made to the insurance provider.
 - Rental application fees: Payments shall only be made for fees charged by the owner to all applicants.
 - Security deposits: Payments shall not exceed two (2) months' rent.
 - Last month's rent: Payment shall not exceed one (1) month's rent and shall be included in calculating the participant's total rental assistance.
 - Utility deposits: Payments shall only be made for gas, electric, water and sewage deposits.
 - Utility payments:
 - Payments shall not exceed 24 months per participant, including no more than 6 months of utility payments in arrears, per service;
 - A partial payment counts as 1 month;
 - Payment shall only be made if the utility account is in the name of the participant or a member of the same household;
 - Payment shall only be made for gas, electric, water and sewage costs;

- Participants shall not receive more than 24 months of utility assistance within any 3-year period.
- ***Moving costs:*** Payments shall only be made for temporary storage fees accrued after the date the participant begins receiving housing relocation and stabilization
 - services and prior to the date that the participant moves into permanent housing
 - Payment shall not be made for storage fees in arrears.
- **Housing Relocation and Stabilization Services:**
 - ***Housing search and placement services:*** Payment shall only be made for assisting participants to locate, obtain and retain suitable permanent housing through provision of the following services:
 - Assessment of housing barriers, needs and preferences;
 - Development of an action plan for locating housing;
 - Housing search;
 - Outreach to and negotiation with owners;
 - Assistance with submitting rental applications and understanding leases;
 - Assessment of housing for compliance with ESG requirements for habitability, lead-based paint and rent reasonableness;
 - Assistance with obtaining utilities and making moving arrangements;
 - Tenant counseling.

Payment for housing search and placement services shall not exceed 24 months during any 3-year period.
 - ***Housing stability case management:*** Payment shall only be made for assessing, arranging, coordinating and monitoring the delivery of individualized services to facilitate housing stability for a participant who resides in permanent housing or to assist a participant in overcoming immediate barriers to obtaining housing through provision of the following services:
 - Using centralized or coordinated assessment system;
 - Conducting the initial evaluation, including verifying and documenting participant eligibility;
 - Counseling;
 - Developing, securing and coordinating services and obtaining Federal, State and local benefits;
 - Monitoring and evaluating participant progress;

- Providing information and referral to other providers;
- Developing an individualized housing and service plan;
- Conducting re-evaluations.

Payment for housing stability case management services provided while the participant is seeking permanent housing shall not exceed 30 days.

Payment for housing stability case management services provided while the participant is living in permanent housing shall not exceed 24 months.

- *Mediation*: Payment shall only be made for the cost of mediation between the participant and the owner or person with whom the participant is living, if it is necessary to prevent the participant from losing the permanent housing where he/she resides. Payment for mediation services shall not exceed 24 months during any 3-year period.

- ***Legal services:*** Payment shall only be made for the cost of legal services, if they are necessary, to resolve a legal problem that prohibits the participant from obtaining permanent housing or will likely result in the participant losing the permanent housing where he/she resides. Payment for legal services shall not exceed 24 months during any 3-year period.
- ***Child Care:*** Payment shall only be made for the cost of child care when the care is necessary for attendance of parent or legal guardian at work or school
- ***Credit repair:*** Payment shall only be made for the cost of assisting the participant in obtaining skills related to household budgeting, managing money, accessing a free personal credit report and resolving personal credit problems. Payment will not be made for a debt or modification of a debt. Payment for credit repair services shall not exceed 24 months during any 3-year period.
- **Rental Assistance**
 - Payment shall not exceed 24 months total during a 3-year period in tenant-based or project-based housing.
 - Payment for short-term rental assistance shall not exceed 3 months
 - Payment for medium-term rental assistance shall be for more than 3 months, but shall not exceed 24 months.
 - Payment for rent arrears shall not exceed 6 months and shall be a one-time payment, including any late fees.
 - Except for a one-time payment of rental arrears on the participant's portion, payment shall not be provided to a participant who is receiving tenant-based rental assistance or living in a unit receiving project-based assistance or to a participant who has been provided with replacement housing payments under the Uniform Relocation Act (URA), during the period of time covered by the URA payments.
 - Payment shall not exceed the Fair Market Rent established by HUD (24 CFR 888) and shall comply with HUD's standards of rent reasonableness (24 CFR) 982.507).
 - Calculation of the rental payment amount shall only include monthly rent for the unit, any occupancy fees under the lease (except for pet or late fees) and if the participant pays separately for utilities, the monthly utility allowance established by the public housing authority for the area in which the housing is located.
 - Payment for rent shall only be made when there is a rental assistance agreement between the agency and the owner, which sets forth the terms under which rental assistance will be provided, including the prior requirements; a requirement that the owner provide the provider with a copy of any notice to vacate given to the participant or any complaint used to commence an eviction action; and the same payment due date, grace period, and late payment penalty requirement as the participant's lease.
 - Payment of any late payment penalties incurred by the provider shall not be claimed for reimbursement by ESG.
 - Payment shall only be made when there is a legally binding, written lease for the rental unit between the participant and the owner, except for payment of rental arrears.
 - Payment shall only be made once the participant has been deemed eligible for

assistance.

- Payments shall not be made until required re-certifications have been completed and all documentation of continued eligibility is received. For HP clients, the 4th, 7th, 10th, etc. month of payment cannot be processed until re-certification of client eligibility is confirmed. For RRH clients, the 13th month of payment cannot be processed until recertification of client eligibility is confirmed.

- **Tenant-Based Rental Assistance**

The rental assistance agreement with the unit owner shall be terminated without further payment if:

- The participant moves out of the unit;
- The lease terminates and is not renewed;
- The participant becomes ineligible to receive ESG rental assistance.

- **Project-Based Rental Assistance**

Payment shall only be made under the following conditions:

- The lease has an initial term of one year;
- The rental assistance agreement covers one or more permanent housing units in the same building;
- Each unit covered by the agreement is only occupied by participants;
- Payment will only be made for up to 100% of the first month's rent, if the participant signs a lease and moves into the unit before the end of the month.

Any additional requirements regarding the type, amount, and duration of housing stabilization and/or relocation services that will be provided to a program participant, including any limitations, shall be determined by the individual service provider's policies and clearly communicated to program participants.

RE-EVALUATIONS

Minimum standards for completing eligibility re-evaluations of individuals and families are:

- **Timing:**

- Homelessness Prevention: Participants shall be re-evaluated not less than once every three months. The next month's rental payment shall not be paid until completion of the re-certification process.
- Rapid Re-housing: Participants shall be re-evaluated not less than once annually. The next month's rental payment shall not be paid until completion of the re-certification process.

- **Eligibility**

- The participant shall have an annual income that is 30 percent of median family income for the area or less, as determined by HUD; and
- The participant shall continue to lack sufficient resources and support networks necessary to retain housing without ESG assistance.

PERFORMANCE GOALS

- 95% annual occupancy/utilization rate;
- 30% adult participants that maintained, gained, or increased earned income at the end of the report year;
- 80% adult participants have income other than employment at the end of the report year.

BENCHMARKS

- Households served by a rapid rehousing programs move into permanent housing in an average of 30 days or fewer from program entry
- At least 80 % of households that exit a rapid rehousing program exit to permanent housing
- At least 85 % of households that exit a rapid rehousing program to permanent housing should not become homeless again within a year.

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DEFINITIONS

At-risk of Homelessness – An individual or family who has income below 30% of area median family income for the area, as defined by HUD, and who does not have sufficient resources or support networks immediately available to prevent them from moving into an emergency shelter or other place described in the “homeless” definition (See Exhibit A and Exhibit B), and meets one of the following definitions defined under 24 CFR 578.3 (CoC program) or 24 CFR 576.2 (ESG program). May also include a child or youth who qualifies as homeless under other Federal programs.

MFIN/HMIS – Mid Florida Information Network (formerly the Homeless Management Information System) means the information system designated by the Continuum of Care to comply with the HMIS requirements prescribed by HUD.

MFHC/HMIS Lead Agency – The entity designated by the Continuum of Care to operate the MFIN/HMIS on its behalf.

Chronically Homeless - A “chronically homeless” individual is defined to mean a homeless individual with a disability who lives either in a place not meant for human habitation, a Safe Haven, or in an emergency shelter, or in an institutional care facility if the individual has been living in the facility for fewer than 90 days and had been living in a place not meant for human habitation, a Safe Haven, or in an emergency shelter immediately before entering the institutional care facility. In order to meet the “chronically homeless” definition, the individual also must have been living as described above continuously for at least 12 months, or on at least four separate occasions in the last 3 years, where the combined occasions total a length of time of at least 12 months. Each period separating the occasions must include at least 7 nights of living in a situation other than a place not meant for human habitation, in an emergency shelter, or in a Safe Haven. Chronically homeless families are families with adult heads of household who meet the definition of a chronically homeless individual. If there is no adult in the family, the family would still be considered chronically homeless if a minor head of household meets all the criteria of a chronically homeless individual. A chronically homeless family includes those whose composition has fluctuated while the head of household has been homeless.

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

ESG – Emergency Solutions Grant Program (24 CFR part 576)

Developmental Disability – Defined in Section 102 of the Developmental Disability Assistance and Bill of Rights Act of 2000, and means a severe, chronic disability that is attributable to a mental or physical impairment or combination, **and** is manifested before age 22, **and** is likely to continue indefinitely. It must result in substantial limitations in 3 or more major life activities (self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, or economic self-sufficiency) **AND** reflects need for special services or individualized support, or other form of assistance this is lifelong or extended duration.

Disabling Condition – A physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post-traumatic stress disorder, or brain injury, which is expected to be of long-continued and indefinite duration, substantially impedes the person's ability to live independently, and is of such a nature that such ability could be improved with more suitable housing conditions; a developmental disability as defined in Section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000; or Acquired immunodeficiency Syndrome (AIDS) or any conditions arising from the etiologic agent for Acquired Immunodeficiency Syndrome, including infection with the Human Immunodeficiency Virus (HIV).

Emergency Shelter – Any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements.

Fair Market Rent – Means the rents published in the Federal Register annually by HUD.

Families – Family includes, but is not limited to, regardless of marital status, actual or perceived sexual orientation, or gender identity, the followings: (1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or (2) A group of persons residing together, and such group includes, but is not limited to (a) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); (b) An elderly family; (c) A near-elderly family; (d) A disabled family; (e) A displaced family; and (f) The remaining member of a tenant family.

Homeless – There are four (4) categories within the definition of homelessness, as defined under the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act); the most common definition being an individual or family who lacks a fixed, regular, and adequate nighttime residence under Category 1. See Exhibit A

Homeless Prevention – A program targeted to individuals and families at risk of homelessness. Specifically, this includes those that meet the criteria under the "at risk of homelessness" definition at 576.2, as well as those who meet the criteria in Category 2, 3, and 4 of the "homeless definition and have an annual income **below 30%** of family median income for the area.

Housing First – An approach to quickly and successfully connect individuals and families experiencing homelessness to permanent housing without preconditions and barriers to entry, such as sobriety, treatment or service participation requirements. Supportive services are offered to maximize housing stability and prevent returns to homelessness as opposed to addressing predetermined treatment goals prior to permanent housing entry.

Permanent Housing – Community-based housing without a designated length of stay, and includes both Permanent Supportive Housing and Rapid Re-housing.

Permanent Supportive Housing – Permanent housing in which supportive services are provided to assist homeless persons with a disability to live independently.

Physical, Mental or Emotional Impairment – Expected to be long-continuing or of indefinite duration; substantially impedes the person’s ability to live independently, and could be improved by more suitable housing.

Rapid Re-housing – Housing relocation and stabilization services and short- or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. Assistance may be provided for up to 24 months during any (three) 3-year period, and may include rental arrear for up to six months, to eligible persons who qualify as homeless under Category 1 and 4 of the “homeless” definition. See Exhibit A and Exhibit C.

Recipient – An applicant that signs a grant agreement with HUD.

Rent Reasonableness – A process conducted by the recipient or sub-recipient to determine if the rent charge for the unit receiving rental assistance is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, and management and maintenance of each unit. Reasonable rent must not exceed rents currently being charged for comparable unassisted units.

Safe Haven – For the purpose of defining chronically homeless, supportive housing that means the following: (1) serves hard to reach homeless persons with severe mental illness who came from the streets and have been unwilling or unable to participate in supportive services; (2) provides 24-hour residence for eligible persons for an unspecified period; (3) has an overnight capacity limited to 25 or fewer persons; and (4) provides low-demand services and referrals for the residents.

SPDAT – The Service Prioritization Decision Assistance Tool (SPDAT) was developed as an assessment tool for front-line workers at agencies that work with homeless clients to prioritize which of those clients should receive assistance first. The SPDAT tools are also designed to help guide case management and improve housing stability outcomes. They provide an in-depth assessment that relies on the assessor’s ability to interpret responses and corroborate those with evidence. As a result, this tool may only be used by those who have received proper, up-to-date training provided by OrgCode Consulting, Inc. or an OrgCode certified trainer.

Street Outreach – The act of reaching out to unsheltered homeless people; connecting them with emergency shelter, housing or critical services; and provide urgent, **non-facility-based** care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility with the goal of permanent housing.

Sub-recipient – A private nonprofit organization, State, local government, or instrumentality of State or local government that receives a sub-grant from the recipient to carry out a project.

Transitional Housing – Facilitates the movement of homeless individuals and families to permanent housing within 24 months

Unsheltered Homeless – Individuals and families who qualify as homeless under Category 1(i) of the “homeless” definition. See Exhibit A

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

VI-SPDAT –Vulnerability Index - Service Prioritization Decision Assessment Tool. The (Vulnerability Index - Service Prioritization Decision Assistance Tool) is a survey administered both to single adults, families, and transition aged youth to determine risk and prioritization when providing assistance to homeless and at-risk of homelessness persons.

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ESG-CV MINIMUM STANDARDS

Special Attention of:

All CPD Directors
HUD Field Offices
HUD Regional Offices
All Continuums of Care (CoC)
All ESG Program Recipients
and Subrecipients
Tribes
Tribally Designated Housing Entities

Notice: CPD-21-08

Issued & Effective Date: July 19, 2021
Expires: This Notice is effective until it is amended, superseded, or rescinded. This notice supersedes Notice CPD-20-08.

Authority: Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136 (2020).

Minimum standards shall ensure sufficient written records are established and maintained to allow MFHC and HUD to determine whether ESG-CV requirements are being met, and if they comply with 24 CFR 576. Under Notice CPD-21-08, “These ESG-CV funds must be used to ***prevent, prepare for, and respond to coronavirus among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus.***”

Program participant records shall include written:

- b. Determination and verification/certification that the program participant met the criteria for being Homeless or At-Risk of Homelessness, and that an effort was made to obtain written third-party verifications, when possible and applicable. See Exhibit D;
- c. Determination and verification/certification that the program participant was eligible or ineligible for the particular services and/or financial assistance;
- d. Determination and verification/certification that the program participant lacked sufficient resources and support networks to provide the assistance;
- e. Determination and verification/certification that the program participant met income requirements and that an effort was made to obtain written third-party verifications, when possible and applicable;
- f. Identification of the specific services and financial assistance amounts that were provided to the program participant;
- g. When applicable, verification that the services were terminated in compliance with 24 CFR 576 402;
- h. When adopted by the Continuum of Care, a copy of the CoC-approved centralized or coordinated assessment of the program participant;
- i. Copies of executed leases, VAWA Lease Addendum, and ESG Rental Agreements, documentation of payments made, including dates of occupancy, and compliance with rent reasonableness and utility allowance requirements;
- j. When applicable, Duplication of Benefits Form;
- k. Determination and verification that at a minimum, the housing unit met HUD’s habitability and lead-based paint standards;
- l. Copy of individualized housing stability plan;
- m. Notes verifying case management services were provided in-home **at least monthly**;
- n. Notes verifying program participants’ **eligibility was re-evaluated at least every 3 months for homeless prevention services or at least annually for rapid re-housing services.**

- o. Notes verifying program participants were assisted to obtain mainstream and other resources.

Program policies and procedures shall indicate:

- a. Services are coordinated with the Continuum of Care, other homeless assistance/prevention programs and mainstream service and assistance programs.
- b. Compliance with HUD's ESG (24 CFR 576) requirements for:
 - Shelter and housing standards;
 - Conflict of interest;
 - Homeless participation;
 - Faith-based activity;
 - Nondiscrimination, equal opportunity, affirmative outreach, and compliance with HUD's transgender policies;
 - Uniform administrative rules (24 CFR part 84);
 - Lobbying and disclosure (24 CFR part 87);
 - Displacement, relocation and acquisition;
 - Procurement (24 CFR 84.40-84-48).
- c. Program participant records are kept secure and confidential.
- d. Participation in MFIN or Victim service comparable database selected by the Continuum of Care or MFHC, including timeliness of data entry and data quality expectations.

Financial records shall include:

- a. Supporting documentation for all costs charged to ESG CV grant, including evidence that rent checks are paid to the property owner;
- b. Documentation showing ESG-CV funds were spent on allowable costs in accordance with the requirements for eligible activities and costs principles;
- c. Evidence that expenditures did not occur outside of the grant term;
- d. Documentation regarding salary expenditures for grant-related activities;
- e. Documentation of the receipt and use of program income;
- f. Copies of procurement contracts.

PARTICIPANT ELIGIBILITY:

Minimum standards for evaluating individual and family eligibility for assistance under the ESG program are:

a. Street Outreach:

Under Notice CPD-21-08, "These ESG-CV funds must be used to prevent, prepare for, and respond to coronavirus among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus.

People who qualify as "literally homeless" based on Category (1)(i)* of the "homeless" definition found at 24 CFR 576.2 are eligible for the following activities, in compliance with federal ESG rules (24 CFR 576.101): *engagement, case management, emergency health*

and mental health services, transportation, vaccine incentives, PPEs, toiletries, hand sanitizer, masks, disposable gloves for staff, handwashing stations, and portable bathrooms. Program participant files must include documentation that verifies homeless status. * See Exhibit A, Exhibit C and Exhibit D

i. CoC Related Activities: Coordinated Entry Assessment

- b. Emergency Shelter: Note:** *Only those shelters funded under FY 2010 Emergency Shelter Grant Program as an emergency shelter may continue to be funded under the Emergency Solutions Grant Program. This does not pertain to those operating non-congregate shelter.*

Under Notice CPD-21-08, “These ESG-CV funds must be used to prevent, prepare for, and respond to coronavirus among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus.

The limitation in Notice CPD-20-8 that ESG-CV funds may only be used for the costs of providing emergency shelter until January 31, 2022 has been lifted. ESG-CV funds may be used to pay for emergency shelter costs, as needed, consistent with this Notice to prevent, prepare for, and respond to coronavirus.

People who qualify as “homeless” based on Category 1,2,3, or 4* of the homeless definition found at 24 CFR 576.2 are eligible for the following: *shelter, case management, child care, education, employment and life skills services, legal services, health and mental health services, substance abuse services, transportation, vaccine incentives, PPEs, washers, dryers, portable hand washing stations, cleaning supplies such as bleach, disinfectant wipes, scrubbers, mops, bed linens, towels, hand sanitizer, soap, tissue packets, cots, room dividers, rehabilitation, labor.* Program participant files must include documentation that verifies homeless status. **NOT ALLOWABLE: Mortgage and mortgage arrearage payments.** * See Exhibit A, Exhibit C and Exhibit D.

Section III.E.3.a

Temporary Emergency Shelters. As permitted by the CARES Act, ESG-CV funds may be used to pay for temporary emergency shelters for individuals and families experiencing homelessness in order to prevent, prepare for, and respond to coronavirus.

(i) Eligible costs include:

(a) Leasing existing real property or temporary structures to be used as temporary emergency shelters;

(b) Acquisition of real property (e.g. hotels, ancillary structures, parking lots). The total amount of ESG-CV funds used for acquisition must not exceed \$2.5 million per real property;

(c) Renovation (including major rehabilitation and conversion) of real property (e.g., hotels) into temporary emergency shelters. Eligible costs include labor, tools, and other costs for renovation;

(d) Shelter operations costs including the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the temporary emergency shelter;

(e) Services, including essential services under 24 CFR 576.102(a)(1), housing search and placement services under 24 CFR 576.105(b)(1), and housing search and counseling services as

Hotel/Motel Costs—Funds may be used to pay for the following hotel/motel costs for 1) individuals and families experiencing homelessness; 2) households receiving rapid rehousing assistance under the CoC or ESG programs; 3) households receiving homelessness prevention assistance under the ESG program; or 4) persons residing in PSH:

- Hotel or motel rooms, directly or through a voucher.
- Cleaning of hotel and motel rooms used by program participants.
- Repair damages caused by program participants above normal wear and tear of the room.

c. Rapid Re-Housing:

Under Notice CPD-21-08, “These ESG-CV funds must be used to prevent, prepare for, and respond to coronavirus among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus.

People who qualify as “homeless” based on Category 1 or 4* of the “homeless” definition found at 24 CFR 576.2 and who are moving into a housing unit that meets HUD’s habitability and lead-based paint standards are eligible for the following activities, in compliance with federal ESG- CV rules (24 CFR 576.104, 576.105, 576.106). Program participant files must include documentation that verifies homeless status. * See Exhibit A, Exhibit C, and Exhibit D.

- Housing Relocation and Stabilization Services: moving costs, rent application fees, security deposits, last month’s rent, landlord incentives, utility deposits, utility payments, housing search/placement, housing stability case management, mediation and legal services, credit repair/budgeting/money management, child care, renters’ insurance, mental health services, outpatient health services, transportation, substance abuse services.
- Rental assistance: short-term (up to 3 months) and medium-term (4-24 months) rental assistance, up to 24 months total during a 3-year period in tenant-based or project-based housing. The 24 months may include a one-time payment for up to 6 months of rent arrears on the tenant’s portion of the rent. Rent amount must meet the federal requirements for the HUD standard for rent reasonableness (24 CFR 982.507). There must be a rental agreement between the landlord and agency and a written lease between tenant and landlord.

Extension of RRH and HP Assistance—Waived the maximum amount of rental assistance and services costs (24 months within 3 years) while receiving ESG-CV assistance.

Housing Stability Case Management -Extends the 30-day limit to 60 days to provide housing stability case management while the program participant is seeking housing.

NOT ALLOWABLE: Mortgage and mortgage arrearage payments

d. Homelessness Prevention:

Under Notice CPD-21-08, “These ESG-CV funds must be used to prevent, prepare for, and respond to coronavirus among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus.

People who qualify for “at risk of homelessness” based on Category 2, 3, or 4* of the “homeless” definition or based on the “At risk of homelessness” definition found at 24 CFR 576.2 and who:

- Do not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition; *AND*
- Has an annual income at the Very Low Income Limit (50% of AMI) for the area, are eligible for the following services, in compliance with federal ESG rules (24 CFR 576.103, 576.105, 576.106) * See Exhibit A, Exhibit B, Exhibit C, and Exhibit D; *AND*
- Resides in a housing unit that meets HUD’s habitability and lead-based paint standards; or
- Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention 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 of the hotel or motel stay is not paid by charitable organizations or by Federal, State or local government programs for low-income individuals; or
- Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the US Census Bureau; 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 the recipient’s approved consolidated plan.
- Housing Relocation and Stabilization Services: moving costs, rent application fees, security deposits, last month’s rent, landlord incentives, utility deposits, utility payments, housing search/placement, housing stability case management, mediation and legal services, child care, credit repair/budgeting/money management, renters’ insurance, mental health services, outpatient health services, transportation, substance abuse services.
- Rental Assistance: short-term (up to 3 months) and medium-term (4-24 months) rental assistance, up to 24 months total during a 3-year period in tenant-based or project-based housing. The 24 months may include a one-time payment for up to 6 months of rent arrears on the tenant’s portion of the rent. Rent amount must meet the federal requirements for the HUD standard for rent reasonableness (24 CFR 982.507). There must be a rental agreement between the landlord and agency and a written lease between tenant and landlord.

Extension of RRH and HP Assistance—Waived the maximum amount of rental assistance and services costs (24 months within 3 years) while receiving ESG-CV assistance.

Housing Stability Case Management -Extends the 30-day limit to 60 days to provide housing stability case management while the program participant is seeking housing.

NOT ALLOWABLE: Mortgage and mortgage arrearage payments.

A household can only be eligible for RRH programs within the CoC geographic area no more than 2 times in the past 3 years and total rental assistance must not exceed 24 months. Total amount of assistance must not exceed \$10,000.

Helping Current ESG Program Participants Maintain Housing. The limitation that a program participant may only receive services or rental assistance for up to 24 months in a 3-year period is waived for all program participants while receiving ESG-CV assistance. Further, if a program participant moves into a unit in the middle of the month, the Notice provides that the initial payment of a half month's rent does not count towards the program participant's total rental assistance.

INCOME DETERMINATION

Minimum standards for determination of an individual or family's annual income consist of calculating income in compliance with 24 CFR 5.609. Annual income is defined as:

- a. *Annual income* means all amounts, monetary or not, which:
 - Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
 - Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 - Which are not specifically excluded as defined under paragraph (C) of 24 CFR5.60.
 - Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

CONNECTION WITH OTHER RESOURCES

Minimum standards for connection with other resources consist of assisting each participant to obtain, if applicable:

- a. Appropriate support services including:
 - Permanent housing
 - Medical health treatment
 - Mental health treatment
 - Counseling
 - Supervision; and
 - Other services needed for independent living.
- b. Other governmental and private assistance available to help with housing stability including:
 - Medicaid
 - Supplemental Nutrition Assistance Program
 - Women, Infants and Children (WIC)
 - Federal-State Unemployment Insurance Program

- Social Security Disability Insurance (SSDI)
- Child and Adult Care Food Program; and
- Other available assistance.

LEAD-BASED PAINT

Minimum standards for all shelters and program participant-occupied housing consist of compliance with the lead-based remediation and disclosure requirements identified in 24 CFR 576.403, including the Lead- Based Paint Poisoning Prevention Act (42 USC 4821-4846), the Residential Lead Based Paint Hazard Reduction Act of 1992 (42 USC 4851-4856) and implementing regulations in 24 CFR part 35, subparts A, B, H, J, K, M, and R. Refer to ESG Program Policies and Procedures Manual and ESG Program Guidelines for further guidance.

SAFETY, SANITATION & PRIVACY

Minimum standards for all shelters and program participant-occupied housing consist of compliance with safety, sanitation and privacy requirements identified in 24 CFR 576.403. Refer to the ESG Program's Policies and Procedures Manual, and ESG Program Guidelines for detailed instructions.

- a. **Additional requirements for permanent housing:** Providers shall not use ESG-CV funding to help someone move into housing if the housing does not meet minimum habitability standards. For new move-ins, inspections must occur prior to execution of a landlord/provider agreement and landlord/tenant lease. If a program participant is expected to eventually access subsidized housing, such as the Section 8 Housing Voucher Program, the provider should make certain the housing unit meets any additional health and safety requirements of that program.
- b. The requirement at 24 CFR 576.403(c) that recipients and subrecipients may not use ESG-CV funds to help a program participant remain in housing that does not meet minimum habitability standards outlined in that section is waived to the extent necessary to allow the recipient or subrecipient to provide housing relocation and stabilization services under 24 CFR 576.105(b) to help individuals and families remain in their existing housing or move into new housing.

CONFLICTS OF INTEREST

Minimum standards for conflicts of interest are:

- a. **Organizational conflict of interest:**
 - ESG CV assistance will not be contingent on the individual's or family's acceptance or occupancy of emergency shelter or housing owned by the provider or a provider's subsidiary or parent.
 - No provider, with respect to individuals or families occupying housing owned by the provider or a provider's subsidiary or parent, will carry out the initial evaluation under 24 CFR 576.401 or administer homelessness prevention assistance under 24 CFR 576.103.
- b. **Individual conflicts of interest:**
 - When procuring goods and services, the provider will comply with codes of conduct and conflict of interest requirements under 24 CFR 84.42 (private non-profit) or 24 CFR 85.36 (government). All transactions/activities:
 - Conflicts prohibited – No persons involved with the ESG program or who is in a position to participate in a decision-making process or gain inside information regarding the program activities, shall obtain a financial interest or benefit from an assisted activity; or have a financial interest in any related contract, subcontract, or assisted activity; or have a financial interest in the activity's proceeds (either himself or herself or those with whom he or she has family or business ties) during his or her tenure or for one year following tenure.
 - Persons covered – These conflict of interest provisions apply to any employee, agent, consultant, officer or elected or appointed official of the provider's agency.
 - Exceptions – A provider may request an exception to these provisions from HUD, only if he or she meets the threshold requirements identified in 24 CFR 576.404.

HOMELESS PARTICIPATION

Minimum standards for homeless participation are:

- a. To the maximum extent possible, the provider shall involve homeless individuals and families in paid or volunteer work on the ESG-funded facilities, in providing services under ESG and in providing services for occupants of the ESG-funded facilities (24 CFR 576.405)

FAITH-BASED ACTIVITIES

Minimum standards for faith-based activities (24 CFR 576.406) are:

- a. Providers receiving ESG funding shall not engage in inherently religious activities as part of the ESG-funded programs or services. Such activities must be offered separately from ESG-funded programs and services and participation must be voluntary.
- b. A religious organization receiving ESG funding retains independence from government and may continue with its mission provided that ESG funds are not used to support inherently religious activities. An ESG-funded organization retains its authority over its internal governance.
- c. An organization receiving ESG funding shall not discriminate against a participant or prospective participant based on religion or religious beliefs.
- d. ESG funding shall not be used for rehabilitation of structures used specifically for religious activities, but may be used for rehabilitating structures that are used for ESG-eligible activities.

NONDISCRIMINATION/EQUAL OPPORTUNITY/AFFIRMATIVE ACTION

Minimum standards shall comply with the requirements for nondiscrimination, equal opportunity and affirmative outreach identified in 576.407 (a-b). In addition, providers receiving ESG funding shall follow HUD's *"Equal Access to Housing in HUD Programs, Regardless of Sexual Orientation or Gender Identity"* final rule, published on February 3, 2015. Provider's shall train program staff and contractors so as to ensure that employees and contractors who interact directly with potential clients and current clients are aware of this rule and take prompt corrective action to address any noncompliance. Refer to CPD Notice 15-02 for further guidance.

PROGRAM INCOME

Minimum standards for program income earned during the project period are that program income shall be retained and used to finance the non-Federal share of the project or program. Records of the receipt and use of program income shall be retained.

RECOVERED MATERIALS

Minimum standards for the procurement of recovered materials shall comply with the requirements identified in 57 CFR part 576.407(f), including that the recipient and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds

\$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resources recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

DISPLACEMENT

Minimum standards for minimizing the displacement of persons (families, individuals, business, nonprofit organizations, and farms) as a result of a project assisted under ESG shall comply with 24 CFR part 576.408 and consist of:

a. **Minimizing displacement:**

Consistent with ESG goals and objectives, the providers shall minimize displacing people as a result of ESG-funded projects.

b. **Temporary relocation not permitted:**

No temporary relocation shall be required for an ESG-funded project. When a tenant has to move for an ESG-funded project, the tenant shall be treated as permanently displaced and offered relocation assistance and payments.

c. **Relocation assistance for displaced persons:**

In general, a displaced person shall be provided relocation assistance and advised of his or her Fair Housing Rights. A *Displaced Person* is defined as any person that moves from a permanent home as a result of ESG-funded acquisition, rehabilitation, or demolition of a project.

d. **A person does not qualify as a “displaced persons” if the person:**

- Was evicted based on a violation of the lease or occupancy agreement; violation of the law; and the recipient determines that the eviction was not undertaken to evade the obligation to provide relocation assistance.
- Moved into the property after the application was submitted but was provided with written notice that he or she would not qualify as a “displaced persons”.
- The person is ineligible under 49 CFR 24.2
- HUD determines that the person was not displaced as a result of the project.

RECORDS & RECORDKEEPING

Minimum standards shall ensure sufficient written records are established and maintained to allow MFHC and HUD to determine whether ESG requirements are being met, and if they comply with 24 CFR 576.500.

Program participant records shall include written:

- a. Determination and verification/certification that the program participant met the criteria for being Homeless or At-Risk of Homelessness, and that an effort was made to obtain written third- party verifications, when possible and applicable. See Exhibit D;
- b. Determination and verification/certification that the program participant was eligible or ineligible for the particular services and/or financial assistance;
- c. Determination and verification/certification that the program participant lacked sufficient resources and support networks to provide the assistance;
- d. Determination and verification/certification that the program participant met income

requirements and that an effort was made to obtain written third-party verifications, when possible and applicable;

- e. Identification of the specific services and financial assistance amounts that were provided to the program participant;
- f. When applicable, verification that the services were terminated in compliance with 24 CFR 576.402;
- g. When adopted by the Continuum of Care, a copy of the CoC-approved centralized or coordinated assessment of the program participant;
- h. Copies of leases and rental agreements, documentation of payments made, including dates of occupancy, and compliance with the fair market rent, rent reasonableness, and utility allowance requirements;
- i. Determination and verification that at a minimum, the housing unit met HUD's habitability and lead-based paint standards;
- j. Copy of individualized housing stability plan;
- k. Notes verifying case management services were provided at least monthly;
- l. Notes verifying program participants' eligibility was re-evaluated at least every 3 months for homeless prevention services or at least annually for rapid re-housing services;
- m. Notes verifying program participants were assisted to obtain mainstream and other resources.
- n. Documentation for Eligible Costs to Support Infectious Disease Preparedness

Program policies and procedures shall indicate:

- a. Services are coordinated with the Continuum of Care, other homeless assistance/prevention programs and mainstream service and assistance programs;
- b. Compliance with HUD's ESG (24 CFR 576) requirements for:
 - Shelter and housing standards
 - Conflict of interest
 - Homeless participation
 - Faith-based activity
 - Nondiscrimination, equal opportunity, affirmative outreach, and compliance with HUD's transgender policies
 - Uniform administrative rules (24 CFR part 84)
 - Lobbying and disclosure (24 CFR part 87)
 - Displacement, relocation and acquisition
 - Procurement (24 CFR 84.40-84-48)
- c. Program participant records are kept secure and confidential
- d. Participation in MFIN or Victim service comparable database verified by the Continuum of Care, including timeliness of data entry and data quality expectations.

Financial records shall include:

- a. Supporting documentation for all costs charged to ESG grant, including evidence that rent checks are paid to the property owner
- b. Documentation showing ESG funds were spent on allowable costs in accordance with the requirements for eligible activities and costs principles
- c. Documentation of appropriate and sufficient match including evidence of all match

sources obtained, and documentation of expenditures of cash match for eligible grant expenses.

- d.** Evidence that expenditures did not occur outside of the grant term
- e.** Documentation regarding salary expenditures for grant-related activities
- f.** Documentation of the receipt and use of program income
- g.** Copies of procurement contracts

STREET OUTREACH MINIMUM STANDARDS

- **Outreach - Targeting/Engagement**

Providers of Street Outreach services shall target unsheltered homeless individuals and families, meaning those with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground. The purpose is to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid re-housing programs.

- **Case Management - Assessment/Service Provision/Referral/Prioritization**

- Individuals and families shall be offered an initial need assessment. The arranging, coordinating, and monitoring of the delivery of individualized services to meet the needs of program participants will be provided especially to those interested in obtaining permanent housing.
- Individuals and families interested in obtaining permanent housing shall be offered the initial evaluation required under § 576.401(a), and if the participant desires, the initial housing assessment shall be conducted. The verification and documentation of eligibility; providing counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability are all encouraged.

Outreach Performance goals:

- 50% or more of all referrals for case management become document ready;
- 40% or more of adult participants exit with income;
- 50% or more of all participants have mainstream (non-cash) benefits at exit from the program.

EMERGENCY SHELTER MINIMUM STANDARDS

An emergency shelter means any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless, and which does not require occupants to sign e leases or occupancy agreements. ***Only projects funded as an emergency shelter under the Fiscal Year 2010 Emergency Shelter***

Grant program may continue to be funded under the Emergency Solutions Grant program. The following minimum standards shall be required of any emergency shelter funded through the Emergency Solutions Grant program:

- **Admission:**

Providers of Emergency Shelter services shall admit individuals and families who meet the HUD definition of “homeless” as specified in 24 CFR 573.2 (1, 2, 3, & 4) and agency’s eligibility criteria.

- **Assessment:**

Individuals and families shall be offered an initial need and eligibility assessment and qualifying program participants, including those meeting special population criteria, will be offered emergency shelter services, as needed, available, and appropriate.

- **Prioritization/Diversion/Referral:**

When appropriate based on the individual’s needs and wishes, the provision of or referral to Homeless Prevention or Rapid Re-Housing services, or other available housing programs offered through the Continuum of Care that can quickly assist individuals to maintain or obtain safe, permanent housing, shall be prioritized over the provision of Emergency Shelter services.

- **Reassessment:**

Program participants will be reassessed as case management progresses, based on the individual service provider’s policies.

- **Discharge/Length of Stay:**

Sub-recipients shall make every effort to ensure program participants are discharged from Emergency Shelter services **only** when they choose to leave or when they have successfully obtained safe, permanent housing. Any Length of Stay limitations shall be determined by the individual service provider’s policies and clearly communicated to program participants.

- **Safety and Shelter Safeguards for Special Populations:**

Safety and Shelter Safeguards shall be determined by the individual Special Population service provider’s policies and clearly communicated to program participants.

HOMELESS PREVENTION AND RAPID RE-HOUSING MINIMUM STANDARDS

ELIGIBILITY/PRIORITIZATION

Minimum standards for determining and prioritizing which eligible families and individuals shall receive homelessness prevention assistance and which eligible families and individuals shall receive rapid re-housing assistance are:

- **Rapid Re-housing (RRH):**

To be eligible for RRH Housing Relocation and Stabilization Services and short-term and medium-term rental assistance, people must:

- Meet the federal criteria under paragraph (1) of the “homeless” definition in 24 CFR 576.2; **OR**
- Meet the criteria under paragraph (4) of the “homeless” definition in 24 CFR 576.2, and live in an emergency shelter or other place described in paragraph 91) of the “homeless” definition.

- **Homelessness Prevention (HP):**

To be eligible for HP Housing Relocation and Stabilization Services and short-term and medium-term rental assistance, people **must require** HP services to prevent moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in 24 CFR 576.2, have an annual income **below** 50% of the median income for the area, and:

- Meet the federal criteria under the “at risk of homelessness” definition in 24 CFR 576.2;
OR
- Meet the criteria in paragraph (2), (3), or (4) of the “homeless” definition in 24 CFR 576.2

PARTICIPANT CONTRIBUTION

Minimum standards for determining what percentage or amount of rent and utilities costs each program participant shall pay while receiving homelessness prevention or rapid re-housing assistance are:

- Participant’s income shall be verified prior to approval for initial and additional financial assistance. Documentation of the participant’s income and expenses, including how the participant is contributing to housing costs, if at all, shall be maintained in participant’s file. This file shall also contain a plan to sustain housing following the assistance, including either a plan to increase income or decrease expenses or both.
- Any additional requirements regarding the percentage or amount of rent and utilities costs each program participant shall pay shall be determined by the individual service provider’s policies and clearly communicated to program participants.

RENTAL ASSISTANCE DURATION AND ADJUSTMENT

Minimum standards for determining how long a particular program participant shall be provided

with rental assistance and whether and how the amount of that assistance shall be adjusted over time are:

- Participants received approval for the minimum amount of financial assistance necessary to prevent homelessness. Documentation of financial need shall be kept in the participant's file for each month of financial assistance received. Participants shall not be approved for more rental assistance than can be justified given their income and expenses at a given time.
- Any additional requirements regarding how long a program participant shall be provided with rental assistance and whether and how the amount of that assistance shall be adjusted over time shall be determined by the individual service provider's policies and clearly communicated to program participants.

SERVICE TYPE, AMOUNT & DURATION

Minimum standards for determining the type, amount, and duration of housing stabilization and/or relocation services provided to a program participant, including maximum amount of assistance, maximum number of months the program participant may receive assistance, or the maximum number of times the program participant may receive assistance, are:

- **Financial Assistance:**
 - Use with other subsidies: Payment for Financial Assistance costs shall not be provided to a participant who is receiving the same type of financial assistance through other public sources or to a participant who has been provided with replacement housing payments under the Uniform Relocation Act (URA), during the period of time covered by the URA payments.
 - Child Care: Payment for child care may be made only when child care is required for parent or legal guardian to attend school or go to work.
 - Renters' Insurance: Payment for renters' insurance may be provided when it is required to obtain housing. Payment must be made to the insurance provider.
 - Rental application fees: Payments shall only be made for fees charged by the owner to all applicants.
 - Security deposits: Payments shall not exceed three (3) month's rent.
 - Landlord Incentives: Landlord Incentives are allowed, but are limited to 3 times the monthly rent, and may include signing bonuses up to 2 times monthly rent, security deposits up to 3 times the monthly rent, paying costs to repair damages not covered by security deposit or incurred while tenant still in unit, or paying costs of extra cleaning or maintenance of the unit or appliances.
 - Last month's rent: Payment shall not exceed one (1) month's rent and shall be included in calculating the participant's total rental assistance.
 - Utility deposits: Payments shall only be made for gas, electric, water and sewage deposits.
 - Utility payments:
 - Payments shall not exceed 24 months per participant, including no more than 6 months of utility payments in arrears, per service;

- ☐ A partial payment counts as 1 month;
 - ☐ Payment shall only be made if the utility account is in the name of the participant or a member of the same household;
 - ☐ Payment shall only be made for gas, electric, water and sewage costs;
 - ☐ Participants shall not receive more than 24 months of utility assistance within any 3-year period.
- **Moving costs:** Payments shall only be made for temporary storage fees accrued after the date the participant begins receiving housing relocation and stabilization services and prior to the date that the participant moves into permanent housing. Payment shall not be made for storage fees in arrears.
- **Housing Relocation and Stabilization Services**
 - **Housing search and placement services:** Payment shall only be made for assisting participants to locate, obtain and retain suitable permanent housing through provision of the following services:
 - ☐ Assessment of housing barriers, needs and preferences;
 - ☐ Development of an action plan for locating housing;
 - ☐ Housing search;
 - ☐ Outreach to and negotiation with owners;
 - ☐ Assistance with submitting rental applications and understanding leases;
 - ☐ Assessment of housing for compliance with ESG requirements for habitability, lead-based paint and rent reasonableness;
 - ☐ Assistance with obtaining utilities and making moving arrangements;
 - ☐ Tenant counseling.

Payment for housing search and placement services shall not exceed 24 months during any 3-year period.
 - **Housing stability case management:** Payment shall only be made for assessing, arranging, coordinating and monitoring the delivery of individualized services to facilitate housing stability for a participant who resides in permanent housing or to assist a participant in overcoming immediate barriers to obtaining housing through provision of the following services:
 - ☐ Using centralized assessment system;
 - ☐ Conducting the initial evaluation, including verifying and documenting participant eligibility;

- Counseling;
- Developing, securing and coordinating services and obtaining Federal, State and local benefits;
- Monitoring and evaluating participant progress;
- Providing information and referral to other providers;
- Developing an individualized housing and service plan;
- Conducting re-evaluations.

Payment for housing stability case management services provided while the participant is seeking permanent housing shall not exceed 60 days.

Payment for housing stability case management services provided while the participant is living in permanent housing shall not exceed 24 months.

- ***Mediation:*** Payment shall only be made for the cost of mediation between the participant and the owner or person with whom the participant is living, if it is necessary to prevent the participant from losing the permanent housing where he/she resides. Payment for mediation services shall not exceed 24 months during any 3-year period.
- ***Legal services:*** Payment shall only be made for the cost of legal services, if they are necessary to resolve a legal problem that prohibits the participant for obtaining permanent housing or will likely result in the participant losing the permanent housing where he/she resides. Payment for legal services shall not exceed 24 months during any 3-year period.
- ***Credit repair:*** Payment shall only be made for the cost of assisting the participant in obtaining skills related to household budgeting, managing money, accessing a free personal credit report and resolving personal credit problems. Payment will not be made for a debt or modification of a debt. Payment for credit repair services shall not exceed 24 months during any 3-year period.
- **Rental Assistance**
 - Payment shall not exceed 24 months total during a 3-year period in tenant-based or project-based housing.
 - Payment for short-term rental assistance shall not exceed 3 months
 - Payment for medium-term rental assistance shall be for more than 3 months but shall not exceed 24 months.
 - Payment for rent arrears shall not exceed 6 months and shall be a one-time payment, including any late fees.
 - Except for a one-time payment of rental arrears on the participant's portion, payment shall not be provided to a participant who is receiving tenant-based rental assistance or living in a unit receiving project-based assistance or to a participant who has been provided with replacement housing payments under

the Uniform Relocation Act (URA), during the period of time covered by the URA payments.

- Payment shall comply with HUD's standards of rent reasonableness (24 CFR 982.507).
- Calculation of the rental payment amount shall only include monthly rent for the unit, any occupancy fees under the lease (except for pet or late fees) and if the participant pays separately for utilities, the monthly utility allowance established by the public housing authority for the area in which the housing is located.
- Payment for rent shall only be made when there is a rental assistance agreement between the agency and the owner, which sets forth the terms under which rental assistance will be provided, including the prior requirements; a requirement that the owner provide the provider with a copy of any notice to vacate given to the participant or any complaint used to commence an eviction action; and the same payment due date, grace period, and late payment penalty requirement as the participant's lease.
- Payment of any late payment penalties incurred by the provider shall not be claimed for reimbursement by ESG CV.
- Payment shall only be made when there is a legally binding, written lease for the rental unit between the participant and the owner, except for payment of rental arrears.
- Payment shall only be made once the participant has been deemed eligible for assistance.
- Payments shall not be made until required re-certifications has been completed and all documentation of continued eligibility is received. For HP clients, the 4th, 7th, 10th, etc. month of payment cannot be processed until re-certification of client eligibility is confirmed. For RRH clients, the 13th month of payment cannot be processed until recertification of client eligibility is confirmed.

- **Tenant-Based Rental Assistance**

The rental assistance agreement with the unit owner shall be terminated without further payment if:

- The participant moves out of the unit;
- The lease terminates and is not renewed;
- The participant becomes ineligible to receive ESG rental assistance.

- **Project-Based Rental Assistance**

Payment shall only be made under the following conditions:

- The lease has an initial term of one year;
- The rental assistance agreement covers one or more permanent housing units in the same building;
- Each unit covered by the agreement is only occupied by participants;
- Payment will only be made for up to 100% of the first month's rent, if the participant signs a lease and moves into the unit before the end of the month.

Any additional requirements regarding the type, amount, and duration of housing stabilization and/or relocation services that will be provided to a program participant,

including any limitations, shall be determined by the individual service provider's policies and clearly communicated to program participants.

RE-EVALUATIONS

Minimum standards for completing eligibility re-evaluations of individuals and families are:

- **Timing:**
 - *Homelessness Prevention*: Participants shall be re-evaluated not less than once every three months. The next month's rental payment shall not be paid until completion of the re-certification process.
 - *Rapid Re-housing*: Participants shall be re-evaluated not less than once annually. The next month's rental payment shall not be paid until completion of the re-certification process.
- **Eligibility**
 - The participant shall have an annual income that is 50 percent of median family income for the area or less, as determined by HUD; and
 - The participant shall continue to lack sufficient resources and support networks necessary to retain housing without ESG assistance.

PERFORMANCE GOALS

- 95% annual occupancy/utilization rate;
- 30% adult participants that maintained, gained, or increased earned income at the end of the report year;
- 80% adult participants have income other than employment at the end of the report year.

BENCHMARKS

- Households served by a rapid rehousing programs move into permanent housing in an average of 30 days or fewer from program entry
- At least 80 % of households that exit a rapid rehousing program exit to permanent housing
- At least 85 % of households that exit a rapid rehousing program to permanent housing should not become homeless again within a year.

ESG CV Definitions :

Definitions from 24 CFR 576.2. For purposes of ESG-CV funds, the definitions at 24 CFR 576.2 apply, except that:

At Risk of Homelessness. The CARES Act raised the income limit in paragraph (1)(i) of the “at risk of homelessness” definition at 24 CFR 576.2 from 30 percent of area median income to the Very Low-Income limit of the area, as determined by the Secretary. The entire definition of “at risk of homelessness,” incorporating the higher income limit for ESG-CV activities, is included below for reference.

At Risk of Homelessness means

(i) An individual or family who:

(a) Has an annual income that does not exceed the Very Low-Income Limit of the area, as established for HUD’s Section 8 and Public Housing programs at www.huduser.gov/portal/datasets/il.html;

(b) Does not have sufficient resources or support networks, *e.g.*, family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition in 24 CFR 576.2; and

(c) Meets one of the following conditions:

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

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

(III) 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;

(IV) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;

(V) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;

(VI) 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

VII) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.

(ii) A child or youth who does not qualify as “homeless” under 24 CFR 576.2, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(iii) A child or youth who does not qualify as “homeless” under 24 CFR 576.2, but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

Homeless has the meaning established at 24 CFR 576.2 except that the limitation in paragraph (1)(iii) that an individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering

that institution has been waived and the following alternative requirement established: An individual may qualify as homeless under paragraph (1)(iii) of the homeless definition in 24 CFR 576.2 so long as the individual is exiting an institution where the individual resided for 120 days or less and the individual resided in an emergency shelter or place not meant for human habitation immediately before entering that institution. This waiver and alternative requirement is necessary because recipients are reporting that program participants are residing in institutions for longer periods of time as a result of coronavirus (e.g., longer time in jail due to postponed court dates due to court closings or courts operating at reduced capacity and longer hospital stays when infected with coronavirus). Allowing someone who was residing in an emergency shelter or place not meant for human habitation prior to entering the institution to maintain their homeless status while residing in an institution for longer than 90 days is necessary to prevent the spread of coronavirus by expanding housing options for people who were experiencing homelessness and institutionalized longer than traditionally required due to coronavirus.

Local government and unit of general purpose local government mean a “unit of general purpose local government,” as defined in 24 CFR 576.2 (i.e., any city, county, town, township, parish, village, or other general purpose political subdivision of a State) and, as established by section 100261(1) of the Moving Ahead for Progress in the 21st Century Act (MAP-21 Act), Public Law 112–141, includes:

- (i) an instrumentality of a unit of general purpose local government, provided that the instrumentality is not a public housing agency, is established pursuant to legislation, and is designated by the chief executive of the general purpose local government to act on that government’s behalf with regard to activities funded under title IV of the McKinney-Vento Homeless Assistance Act; and
- (ii) a combination of general purpose local governments, such as an association of governments that is recognized by HUD.

State means a “State” as defined in 24 CFR 576.2 (i.e., each of the several States and the Commonwealth of Puerto Rico); and, as provided by section 100261(2) of the MAP-21 Act, includes any instrumentality of any of the several States designated by the Governor to act on behalf of the State and does not include the District of Columbia. In addition, as provided in section III.A of this Notice, “State” also includes an instrumentality of the Commonwealth of Puerto Rico as authorized by the following:

- (i) The governor’s written designation of the instrumentality to act on behalf of the state with respect to the Emergency Solutions Grants program; and
- (ii) Certification by the governor that the instrumentality meets each of the following criteria or evidence that otherwise shows the entity qualifies as an instrumentality of the state under its state law:

The entity is used for a governmental purpose and performs a governmental function;

- (b) The entity performs its function on behalf of the state;
- (c) The state has the authority to appoint members of the governing body of the entity OR the control and supervision of the entity is vested in the state government;
- (d) State statutory authority is needed to create and/or use the entity; and
- (e) No part of the net earnings inures to the benefit of any private shareholder, member or individual.

Sub-recipient means a local government, private nonprofit organization, public housing agency, local redevelopment authority, Indian tribe or tribally designated housing entity (as such terms are defined

in the Native American Housing Assistance and Self-Determination Act of 1996, as amended) that receives a subaward of ESG funds as permitted under this Notice.

2. Definitions not in 24 CFR 576.2.

a. *The McKinney-Vento Act* means the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371 *et seq.*).

b. *Coronavirus* means SARS-CoV-2 or another coronavirus with pandemic potential, as defined by section 23005 of the CARES Act

ESG means, unless otherwise specified, the Emergency Solutions Grants Program whether funded through annual fiscal year (FY) appropriations or CARES Act funding. For example, a program participant assisted using only FY2020 ESG funding and a program participant assisted using only ESG-CV funding are both ESG program participants.

ESG-CV means the Emergency Solutions Grants Program as funded by the CARES Act and governed by requirements HUD established in accordance with that Act. ESG-CV funds do not include annual ESG funds (e.g., FY 2020 ESG grant funds), although annual ESG funds for FY2020 and earlier fiscal years may be used in accordance with the requirements established for purposes of ESG-CV funds as further described in Section IV of this Notice.

Indian Area means has the same meaning as that term is defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996, as amended (25 U.S.C. 4103).

Indian Tribe and Tribally Designated Housing Entity have the same meaning as those terms are defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996, as amended (25 U.S.C. 4103).

g. *Sponsor-based Rental Assistance* means rental assistance that is provided pursuant to a contract that (1) is between the recipient or subrecipient and a separate government agency, instrumentality, or nonprofit organization (“sponsor”) that owns or leases dwelling units; and (2) provides that rental assistance payments shall be made to sponsor and that program participants shall occupy such assisted units.

h. *Temporary Emergency Shelter* means any structure or portion of a structure, which is used during a Federal, state, or local emergency declaration, such as for a natural disaster or public health emergency, and for up to 12 months after that declaration expires, to provide shelter for individuals and families displaced from their normal place of residence or sheltered or unsheltered locations. Examples of temporary emergency shelters include:

(i) an overnight, daytime, or 24-hour shelter in which program participants are only provided a safe place to sleep, rest, bathe, and eat;

(ii) a shelter where one or more services are made available on-site, whether by shelter staff or contractors or through a memorandum of understanding with another subrecipient or service provider; and

(iii) a shelter designed to facilitate the movement of homeless individuals and families into permanent housing within a fixed period of time (e.g., within 12 months) and which employs or contracts with one or more case managers or service providers to provide services as specified under Sections III.E.3.a.(i)(e) and III.E.3.a.(ii)(d) through (g).

Prevent, Prepare for, and Respond to Coronavirus. To assist recipients in ensuring that an activity being paid for with ESG-CV funds is eligible, or determining whether annual ESG funding may follow the waivers and alternative requirements established in this Notice, recipients and subrecipients should consider the following:

Prevent...coronavirus means an activity designed to prevent the initial or further spread of the virus to people experiencing homelessness, people at risk of homelessness, recipient or subrecipient staff, or other shelter or housing residents. This includes, for example, providing Personal Protective Equipment to emergency shelter staff and program participants, paying for non-congregate shelter options such as hotels and motels, paying for handwashing stations and portable toilets for use by people living in unsheltered situations, and providing rapid re-housing or homelessness prevention assistance to individuals and families who are homeless or at risk of homelessness (as applicable) to reduce their risk of contracting or further spreading the virus.

Prepare for...coronavirus means an activity carried out by a recipient or subrecipient prior to or during a coronavirus outbreak in their jurisdiction to plan to keep people healthy and reduce the risk of exposure to coronavirus and avoid or slow the spread of disease. This includes, for example, updating written standards to prioritize people at severe risk of contracting coronavirus for shelter and housing consistent with fair housing and nondiscrimination requirements, adapting coordinated entry policies and procedures to account for social distancing measures or increased demand, developing a strategy and recruiting landlords to provide housing to people experiencing homelessness or at risk of homelessness, training homeless providers on infectious disease prevention and mitigation, and implementing a non-congregate shelter strategy to reduce the spread of coronavirus.

Respond to coronavirus means an activity carried out once coronavirus has spread to people experiencing homelessness or provider staff, or once individuals and families lose or are at risk of losing their housing as a result of the economic downturn caused by coronavirus. This includes, for example, transporting individuals and families experiencing homelessness to medical appointments, paying for shelter to isolate individuals who have contracted coronavirus from other program participants and people experiencing homelessness, providing rental assistance to those who are at risk of losing their housing, have already become homeless, or continue to experience homelessness due to the economic downturn caused by coronavirus, and providing hazard pay to recipient or subrecipient staff who put their own health at risk to continue to provide necessary services to individuals and families experiencing and at risk of homelessness.

EXHIBIT A: HUD DEFINITION FOR HOMELESS

<p>Category 1</p>	<p>Literally Homeless</p>	<p>Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:</p> <ul style="list-style-type: none"> i. Has a primary nighttime residence that is a public or private place not meant for human habitation; ii. Is living in a publicly or privately operating shelter designated to provide temporary living arrangements (including congregate shelters; transitional housing; and hotels and motels paid for by charitable organization or by federal, state, and local government programs); <u>or</u> iii. Is exiting an institution where (s)he has resided for 90 days or less <u>and</u> who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution
<p>Category 2</p>	<p>Imminent Risk of Homelessness</p>	<p>Individual or family who will imminently lose their primary nighttime residence, provide that:</p> <ul style="list-style-type: none"> i. Residence will be lost within 14 days of the date of application for homeless assistance; ii. No subsequent residence has been identified; <u>and</u> iii. The individual or family lacks the resources or support networks needed to obtain other permanent housing
<p>Category 3</p>	<p>Homeless under other Federal Statutes</p>	<p>Unaccompanied youth under 24 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:</p> <ul style="list-style-type: none"> i. Are defined as homeless under the other listed federal statutes; ii. Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application; iii. Have experienced persistent instability as measured by two moves or more during the preceding 60 days; <u>and</u>; iv. Can be expected to continue in such status for an extended period of time due to special needs or barriers <p>Note: CoC projects may serve unaccompanied youth and families with children under this category only if the CoC applies to HUD Field Office to serve such populations, and HUD approves the request. If approved, no more</p>

		<i>than 10% of the total amount of funds awarded to all recipients within the CoC may be used to serve Category 3 population.</i>
Category 4	Fleeing/ Attempting to Flee DV	<p>Any individual or family who:</p> <ul style="list-style-type: none"> i. Is fleeing, or is attempting to flee, domestic violence; ii. Has no other residence; <u>and</u> <p>Lacks the resources or support networks to obtain other permanent housing</p>

EXHIBIT B: HUD DEFINITION FOR AT RISK OF HOMELESSNESS

<p>Category 1</p>	<p>Individuals and Families</p>	<p>An individual or family who:</p> <ul style="list-style-type: none"> i. Has an annual income below <u>30%</u> of median family income for the area; <u>AND</u> ii. 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; <u>AND</u> iii. Meets one of the following conditions: <ul style="list-style-type: none"> A. Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance; <u>OR</u> B. Is living in the home of another because of economic hardship; <u>OR</u> 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; <u>OR</u> D. 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; <u>OR</u> E. Lives in an SR 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; <u>OR</u> F. Is exiting a publicly funded institution or system of care; <u>OR</u> 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
<p>Category 2</p>	<p>Unaccompanied Children and Youth</p>	<p>A child or youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under another Federal statute</p>
<p>Category 3</p>	<p>Families with Children and Youth</p>	<p>An unaccompanied youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under section 725(2) of the McKinney-Vento Homeless Assistance Act, and the parent(s) or guardian(s) or that child or youth if living with him or her.</p>

EXHIBIT C: CROSSWALK OF HUD HOMELESS AND AT RISK DEFINITIONS AND ELIGIBILITY TO ESG PROGRAM COMPONENTS

<p>Emergency Shelter</p>	<p>Individuals and families defined as “homeless” under the following categories are eligible for assistance in ES projects:</p> <ul style="list-style-type: none"> ● Category 1: Literally Homeless ● Category 2: Imminent Risk of Homelessness ● Category 3: Homeless Under Other Federal Statutes ● Category 4: Fleeing/Attempting to Flee DV
<p>Rapid Re-Housing</p>	<p>Individuals and families defined as “homeless” under the following categories are eligible for assistance in RRH projects:</p> <ul style="list-style-type: none"> ● Category 1: Literally Homeless ● Category 4: Fleeing/Attempting to Flee DV (if the individual or family is also literally homeless) <p><i>Note: Clients assisted through CoC-RRH programs, which are <u>funded through the CoC</u>, are eligible to receive assistance if the individual or family meet the definition of homeless under all four Categories. <u>(Not currently available through the MFHC-COC)</u></i></p>
<p>Homelessness Prevention</p>	<p>Individuals and families defined as “homeless” under the following categories are eligible for assistance in HP projects:</p> <ul style="list-style-type: none"> ● Category 2: Imminent Risk of Homelessness ● Category 3: Homeless Under Other Federal Statutes ● Category 4: Fleeing/Attempting to Flee DV (if the individual or family is NOT also literally homeless)

EXHIBIT D: RECORDKEEPING REQUIREMENTS

<p>Category 1</p>	<p>Literally Homeless</p>	<p>v. Written observation by the outreach worker; <u>or</u> v. Written referral by another housing or service provider; <u>or</u> i. Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter; i. For individuals exiting an institution-one of the forms of evidence above <u>and</u>:</p> <ul style="list-style-type: none"> ○ Discharge paperwork <u>or</u> written/oral referral, <u>or</u> ○ Written record of intake worker’s due diligence to obtain above evidence <u>and</u> certification by individual that they exited institution
<p>Category 2</p>	<p>Imminent Risk of Homelessness</p>	<p>iv. A court order resulting from an eviction action notifying the individual or family that they must leave: <u>or</u> v. For individual and families leaving a hotel or motel-evidence that they lack the financial resources to stay; <u>or</u> vi. A documented and verified oral statement; <u>and</u> vii. Certification that no subsequent residence has been identified;<u>and</u> viii. Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing</p>
<p>Category 3</p>	<p>Homeless under other Federal Statutes</p>	<p>v. Certification by the nonprofit or state or local government that the individual or head of household seeking assistance met the criteria of homelessness under another federal statute; <u>and</u> vi. Certification of no PH in last 60 days; <u>and</u> vii. Certification by the individual or head of household, and any available supporting documentation, that (s)he has movedtwo or more times in the past 60 days; <u>and</u> viii. Documentation of special needs <u>or</u> 2 or more barriers.</p>
<p>Category 4</p>	<p>Fleeing/ Attempting to Flee DV</p>	<p>iv. <i>For victim service providers:</i></p> <ul style="list-style-type: none"> ○ An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker. <p>● <i>For non-victim service providers:</i></p> <ul style="list-style-type: none"> ○ Oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the caseworker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; <u>and</u> ○ Certification by the individual or head of household that no subsequent residence has been identified; <u>and</u> ○ Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

HUD CoC PROGRAM MINIMUM STANDARDS

These written standards are in compliance with **HUD Notice CPD-16-11** issued on July 25, 2016. This Order of Priority in CoC Program-funded Permanent Supportive Housing is listed as Section III.B.1 on page 9 of the attached HUD Notice and is attached as Attachment C-24 immediately following this priority listing.

The Continuum of Care Board has adopted written standards which establish eligibility and prioritization of clients for assistance. These standards are specific and detailed, define HUD levels of homelessness definitions and eligibility requirements for assistance to reflect local and national targeting priorities.

HUD Notice CPD-16-11 - Notice on Prioritizing Persons Experiencing Chronic Homelessness and Other Vulnerable Homeless Persons in Permanent Supportive Housing.

First Priority—Homeless Individuals and Families with a Disability with Long Periods of Episodic Homelessness and Severe Service Needs.

An individual or family that is eligible for CoC Program-funded PSH is one who lives either in a place not meant for human habitation, a safe haven, or in an emergency shelter, or in an institutional care facility if the individual has been living in the facility for fewer than 90 days and had been living in a place not meant for human habitation, a safe haven, or in an emergency shelter immediately before entering the institutional care facility. The individual or family also must have been living as described above continuously for at least 12 months, or on at least four separate occasions in the last 3 years, where the combined occasions total a length of time of at least 12 months. Each period separating the occasions must include at least 7 nights of living in a situation other than a place not meant for human habitation, in an emergency shelter, or in a safe haven.

Chronically homeless families are families with adult heads of household who meet the definition of a chronically homeless individual. If there is no adult in the family, the family would still be considered chronically homeless if a minor head of household meets all the criteria of a chronically homeless individual. A chronically homeless family includes those whose composition has fluctuated while the head of household has been homeless.

The individual or adult family member must have a disability that is expected to be long continuing or of indefinite duration and substantially impedes the individual's ability to live independently. The individuals or adult family members must have one of these six conditions: physical, developmental, chronic health condition, HIV/AIDS, mental health problem, or substance abuse problem. The individual or adult family member would only be eligible for the Permanent Supportive Housing from a HUD CoC PSH program that is able to address their particular disability.

Second Priority—Homeless Individuals and Families with a Disability with Severe Service Needs. An individual or family that is eligible for CoC Program-funded PSH is one who is residing in a place not meant for human habitation, a safe haven, or in an emergency shelter and has been identified as having severe service needs. The length of time in which households have been homeless should also be considered when prioritizing households that meet this order of priority, but there is not a minimum length of time required.

Third Priority—Homeless Individuals and Families with a Disability Coming from Places Not Meant for Human Habitation, Safe Haven, or Emergency Shelter Without Severe Service Needs. An individual or family that is eligible for CoC Program-funded PSH who is residing in a place not meant for human habitation, a safe haven, or an emergency shelter where the individual or family has not been identified as having severe service needs. The length of time in which households have been homeless should be considered when prioritizing households that meet this order of priority, but there is not a minimum length of time required.

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U.S. Department of Housing and Urban
Development Office of Community Planning
and Development

Subject: Notice on Prioritizing Persons Experiencing Chronic Homelessness and Other Vulnerable Homeless Persons in Permanent Supportive Housing

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I. Purpose

This Notice supersedes Notice CPD-14-012 and provides guidance to Continuums of Care (CoC) and recipients of Continuum of Care (CoC) Program (24 CFR part 578) funding for permanent supportive housing (PSH) regarding the order in which eligible households should be served in **all** CoC Program-funded PSH. This Notice reflects the new definition of chronically homeless as defined in CoC Program interim rule as amended by the Final Rule on Defining “Chronically Homeless” (herein referred to as the Definition of Chronically Homeless final rule) and updates the orders of priority that were established under the prior Notice. CoCs that previously adopted the orders of priority established in Notice CPD-14-012, which this Notice supersedes, and who received points for having done so in the FY2015 CoC Program Competition are encouraged to update their written standards to reflect the updates to the orders of priority as established in this Notice. CoCs that have not previously adopted the orders of priority established in Notice CPD- 14-012 are also encouraged to incorporate the orders of priority included in this Notice into their written standards

A. Background

In June 2010, the Obama Administration released *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness (Opening Doors)*, in which HUD and its federal partners set goals to end Veteran and chronic homelessness by 2015, and end family and youth homelessness by 2020. Although progress has been made there is still a long way to go. In 2015, the United States Interagency Council on Homelessness extended the goal timeline for achieving the goal of ending chronic homelessness nationally from 2015 to 2017. In 2015, there were still 83,170 individuals and 13,105 persons in families with children that were identified as chronically homeless in the United States. To end chronic homelessness, it is critical that CoCs ensure that limited resources awarded through the CoC Program Competition are being used in the most effective manner and that households that are most in need of assistance are being prioritized.

Since 2005, HUD has encouraged CoCs to create new PSH dedicated for use by persons

experiencing chronic homelessness (herein referred to as dedicated PSH). As a result, the number of dedicated PSH beds funded through the CoC Program for persons experiencing chronic homelessness has increased from 24,760 in 2007 to 59,329 in 2015. This increase has contributed to a 30.6 percent decrease in the number of chronically homeless persons reported in the Point-in-Time Count between 2007 and 2015. Despite the overall increase in the number of dedicated PSH beds, this only represents 31.6 percent of all CoC Program- funded PSH beds.

To ensure that all PSH beds funded through the CoC Program are used as strategically and effectively as possible, PSH needs to be targeted to serve persons with the highest needs and greatest barriers towards obtaining and maintaining housing on their own—persons experiencing chronic homelessness. HUD’s experience has shown that many communities and recipients of CoC Program-funded PSH continue to serve persons on a “first-come, first-serve” basis or based on tenant selection processes that screen-in those who are most likely to succeed while screening out those with the highest level of need. These approaches to tenant

selection have not been effective in reducing chronic homelessness, despite the increase in the number of PSH beds nationally.

B. Goals of this Notice

The overarching goal of this Notice is to ensure that those individuals and families who have spent the longest time in places not meant for human habitation, in emergency shelters, or in safe havens and who have the most severe service needs within a community are prioritized for PSH. By ensuring that persons with the longest histories of homelessness and most severe service needs are prioritized for PSH, progress towards the Obama Administration’s goal of ending chronic homelessness will increase. In order to guide CoCs in ensuring that all CoC Program- funded PSH beds are used most effectively, this Notice revises the orders of priority related to how persons should be selected for PSH as previously established in Notice CPD-14-012 to reflect the changes to the definition of chronically homeless as defined in the Definition of Chronically Homeless final rule. CoCs are strongly encouraged to adopt and incorporate them into the CoC’s written standards and coordinated entry process.

HUD seeks to achieve two goals through this Notice:

1. Establish a recommended order of priority for dedicated and prioritized PSH which CoCs are encouraged to adopt in order to ensure that those persons with the longest histories residing in places not meant for human habitation, in emergency shelters, and in safe havens and with the most severe service needs are given first priority.
2. Establish a recommended order of priority for PSH that is not dedicated or prioritized for chronic homelessness in order to ensure that those persons who do not yet meet the definition of chronic homelessness but have the longest histories of homelessness and the most severe service needs, and are therefore the most at risk of becoming chronically homeless, are prioritized.

C. Applicability

The guidance in this Notice is provided to all CoCs and all recipients and subrecipients of CoC Program funds—the latter two groups referred to collectively as recipients of CoC Program- funded PSH. CoCs are strongly encouraged to incorporate the order of priority described in this Notice into their written standards, which CoCs are required to develop per 24 CFR 578.7(a)(9), for their CoC Program-funded PSH. Recipients of CoC Program funds are required to follow the written standards for prioritizing assistance established by the CoC (see 24 CFR 578.23(c)(10)); therefore, if the CoC adopts these recommended orders of priority for their PSH, all recipients of CoC Program-funded PSH will be required to follow them as required by their grant agreement. CoCs that adopted the orders of priority established in Notice CPD-14-012, which this Notice supersedes, and who received points for having done so in the most recent CoC Program Competition are strongly encouraged to update their written standards to reflect the updates to the orders of priority as established in this Notice. Lastly, where a CoC has chosen to not adopt HUD’s recommended orders of priority into their written standards, recipients of CoC Program- funded PSH are encouraged to follow these standards for selecting participants into their programs as long as it is not inconsistent with the CoC’s written standards.

D. Key Terms

1. **Housing First.** A model of housing assistance that prioritizes rapid placement and stabilization in permanent housing that does not have service participation requirements or preconditions for entry (such as sobriety or a minimum income threshold). HUD encourages all recipients of CoC Program-funded PSH to follow a Housing First approach to the maximum extent practicable.
2. **Chronically Homeless.** The definition of “chronically homeless”, as stated in Definition of Chronically Homeless final rule is:
 - (a) 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 not meant for human habitation, a safe haven, or in an emergency shelter; and
 - ii. Has been homeless and living as described in paragraph (a)(i) continuously for at least 12 months or on at least four 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 in paragraph (a)(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 an institutional care facility;

- (b) 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 of the criteria in paragraph (a) of this definition, before entering the facility;
- (c) 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 of the criteria in paragraph (a) or (b) of this definition (as described in Section I.D.2.(a) of this Notice), including a family whose composition has fluctuated while the head of household has been homeless.

3. Severity of Service Needs. This Notice refers to persons who have been identified as having the most severe service needs.

(a) For the purposes of this Notice, this means an individual for whom at least one of the following is true:

- i. History of high utilization of crisis services, which include but are not limited to, emergency rooms, jails, and psychiatric facilities; and/or
- ii. Significant health or behavioral health challenges, substance use disorders, or functional impairments which require a significant level of support in order to maintain permanent housing.
- iii. For youth and victims of domestic violence, high risk of continued trauma or high risk of harm or exposure to very dangerous living situations.
- iv. When applicable CoCs and recipients of CoC Program-funded PSH may use an alternate criteria used by Medicaid departments to identify high- need, high cost beneficiaries.

(b) Severe service needs as defined in paragraphs i.-iv. above should be identified and verified through data-driven methods such as an administrative data match or through the use of a standardized assessment tool and process and should be documented in a program participant's case file. The determination must not be based on a specific diagnosis or disability type, but only on the severity of needs of the individual. The determination cannot be made based on any factors that would result in a violation of any nondiscrimination and equal opportunity requirements, see 24 C.F.R. § 5.105(a).

II. Dedication and Prioritization of Permanent Supportive Housing Strategies to

Increase Number of PSH Beds Available for Chronically Homeless Persons

A. Increase the number of CoC Program-funded PSH beds that are dedicated to persons experiencing chronic homelessness.

Dedicated PSH beds are those which are required through the project's grant agreement to only be used to house persons experiencing chronic homelessness unless there are no persons within the CoC that meet that criteria. If there are no persons within the CoC's geographic area that meet the definition of chronically homeless at a point in which a dedicated PSH bed is vacant, the recipient may then follow the order of priority for non-dedicated PSH established in this Notice, if it has been adopted into the CoC's written standards. The bed will continue to be a dedicated bed, however, so when that bed becomes vacant again it must be used to house a chronically homeless person unless there are still no persons who meet that criterion within the CoC's geographic area at that time. These PSH beds are also reported as "CH Beds" on a CoC's Housing Inventory Count (HIC).

B. Prioritize non-dedicated PSH beds for use by persons experiencing chronic homelessness.

Prioritization means implementing an admissions preference for chronically homeless persons for CoC Program-funded PSH beds. During the CoC Program competition project applicants for CoC Program-funded PSH indicate the number of non-dedicated beds that will be prioritized for use by persons experiencing chronic homelessness during the operating year of that grant, when awarded. These projects are then required to prioritize chronically homeless persons in their non-dedicated CoC Program-funded PSH beds for the applicable operating year as the project application is incorporated into the grant agreement. All recipients of non-dedicated CoC Program-funded PSH are encouraged to change the designation of their PSH to dedicated, however, at a minimum are encouraged to prioritize the chronically homeless as beds become vacant to the maximum extent practicable, until there are no persons within the CoC's geographic area who meet that criteria. Projects located in CoCs where a sub-CoC approach to housing and service delivery has been implemented, which may also be reflected in a sub-CoC coordinated entry process, need only to prioritize assistance within their specified area.

For example, if a Balance of State CoC has chosen to divide the CoC into six distinct regions for purposes of planning and housing and service delivery, each region would only be expected to prioritize assistance within its specified geographic area.¹

The number of non-dedicated beds designated as being prioritized for the chronically homeless may be increased at any time during the operating year and may occur without an amendment to the grant agreement.

III. Order of Priority in CoC Program-funded Permanent Supportive Housing

The definition of chronically homeless included in the final rule on "Defining Chronically Homeless", which was published on December 4, 2015 and went into effect on January

15, 2016, requires an individual or head of household to have a disability and to have been living in a place not meant for human habitation, in an emergency shelter, or in a safe haven for at least 12 months either continuously or cumulatively over a period of at least 4 occasions in the last 3 years. HUD encourages all CoCs adopt into their written standards the following orders of priority for all CoC Program-funded PSH. CoCs that adopted the orders of priority established in Notice CPD-14-012, which this Notice supersedes, and who received points for having done so in the most recent CoC Program Competition are strongly encouraged to update their written standards to reflect the updates to the orders of priority as established in this Notice. Where a CoC has chosen to not incorporate HUD's recommended orders of priority into their written standards, recipients of CoC Program-funded PSH are encouraged to follow these standards for selecting participants into their programs as long as it is not inconsistent with the CoC's written standards.

As a reminder, recipients of CoC Program-funded PSH are required to prioritize otherwise eligible households in a nondiscriminatory manner. Program implementation, including any prioritization policies, must be implemented consistent with the nondiscrimination provisions of the Federal civil rights laws, including, but not limited to the Fair Housing Act, Section 504 of the Rehabilitation Act, Title VI of the Civil Rights Act, and Title II or III of the Americans with Disabilities Act, as applicable. For example, while it is acceptable to prioritize based on level of need for the type of assistance being offered, prioritizing based on specific disabilities would not be consistent with fair housing requirements or program regulations.

A. Prioritizing Chronically Homeless Persons in CoC Program-funded Permanent Supportive Housing Beds Dedicated or Prioritized for Occupancy by Persons Experiencing Chronic Homelessness

1. CoCs are strongly encouraged to revise their written standards to include an order of priority, determined by the CoC, for CoC Program-funded PSH that is dedicated or prioritized for persons experiencing chronic homelessness that is based on the length of time in which an individual or family has resided in a place not meant for human habitation, a safe haven, or an emergency shelter and the severity of the individual's or family's service needs. Recipients of CoC Program-funded PSH that is dedicated or prioritized for persons experiencing chronic homelessness would be required to follow that order of priority when selecting participants for housing, in a manner consistent with their current grant agreement.
2. Where there are no chronically homeless individuals and families within the CoC's geographic area, CoCs and recipients of CoC Program-funded PSH are encouraged to follow the order of priority in Section III.B. of this Notice. For projects located in CoC's where a sub-CoC approach to housing and service delivery has been implemented, which may also be reflected in a sub-CoC coordinated entry process, need only to prioritize assistance within their specified sub-CoC area. ²
3. Recipients of CoC Program-funded PSH should follow the order of priority above

while also considering the goals and any identified target populations served by the project. For example, a CoC Program-funded PSH project that is permitted to target homeless persons with a serious mental illness should follow the order of priority under Section

III.A.1. of this Notice to the extent in which persons with serious mental illness meet the criteria. In this example, if there were no persons with a serious mental illness that also met the criteria of chronically homeless within the CoC's geographic area, the recipient should follow the order of priority under Section III.B for persons with a serious mental illness.

4. Recipients must exercise due diligence when conducting outreach and assessment to ensure that chronically homeless individuals and families are prioritized for assistance based on their total length of time homeless and/or the severity of their needs. HUD recognizes that some persons—particularly those living on the streets or in places not meant for human habitation—might require significant engagement and contacts prior to their entering housing and recipients of CoC Program-funded PSH are not required to allow units to remain vacant indefinitely while waiting for an identified chronically homeless person to accept an offer of PSH. CoC Program-funded PSH providers are encouraged to follow a Housing First approach to the maximum extent practicable. Therefore, a person experiencing chronic homelessness should not be forced to refuse an offer of PSH if they do not want to participate in the project's services, nor should a PSH project have eligibility criteria or preconditions to entry that systematically exclude those with severe service needs. Street outreach providers should continue to make attempts to engage those persons that have been resistant to accepting an offer of PSH and where the CoC has adopted these orders of priority into their written standards, these chronically homeless persons must continue to be prioritized for PSH until they are housed.

B. Prioritizing Chronically Homeless Persons in CoC Program-funded Permanent Supportive Housing Beds Not Dedicated or Not Prioritized for Occupancy by Persons Experiencing Chronic Homelessness

1. CoCs are strongly encouraged to revise their written standards to include the following order of priority for non-dedicated and non-prioritized PSH beds. If adopted into the CoCs written standards, recipients of CoC Program-funded PSH that is not dedicated or prioritized for the chronically homeless would be required to follow this order of priority when selecting participants for housing, in a manner consistent with their current grant agreement.

(a) First Priority—Homeless Individuals and Families with a Disability with Long Periods of Episodic Homelessness and Severe Service Needs

An individual or family that is eligible for CoC Program-funded PSH who has experienced fewer than four occasions where they have been living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter but where the cumulative time homeless is at least 12 months **and** has been identified as having severe service needs.

(b) Second Priority—Homeless Individuals and Families with a Disability with Severe Service Needs.

An individual or family that is eligible for CoC Program-funded PSH who is residing in a place not meant for human habitation, a safe haven, or in an emergency shelter and has been identified as having severe service needs. The length of time in which households have been homeless should also be considered when prioritizing households that meet this order of priority, but there is not a minimum length of time required.

(c) Third Priority—Homeless Individuals and Families with a Disability Coming from Places Not Meant for Human Habitation, Safe Haven, or Emergency Shelter Without Severe Service Needs.

An individual or family that is eligible for CoC Program-funded PSH who is residing in a place not meant for human habitation, a safe haven, or an emergency shelter where the individual or family has not been identified as having severe service needs. The length of time in which households have been homeless should be considered when prioritizing households that meet this order of priority, but there is not a minimum length of time required.

(d) Fourth Priority—Homeless Individuals and Families with a Disability Coming from Transitional Housing.

An individual or family that is eligible for CoC Program-funded PSH who is currently residing in a transitional housing project, where prior to residing in the transitional housing had lived in a place not meant for human habitation, in an emergency shelter, or safe haven. This priority also includes individuals and families residing in transitional housing who were fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking and prior to residing in that transitional housing project even if they did not live in a place not meant for human habitation, an emergency shelter, or a safe haven prior to entry in the transitional housing.

2. Recipients of CoC Program-funded PSH should follow the order of priority above, as adopted by the CoC, while also considering the goals and any identified target populations served by the project. For example, non-dedicated or non-prioritized CoC Program-funded PSH that is permitted to target youth experiencing homelessness should follow the order of priority under Section III.B.1. of this Notice, as adopted by the CoC, to the extent in which youth meet the stated criteria.
3. Recipients must exercise due diligence when conducting outreach and assessment to ensure that persons are prioritized for assistance based on their length of time homeless and the severity of their needs following the order of priority described in this Notice, and as adopted by the CoC. HUD recognizes that some persons—particularly those living on the streets or in places not meant for human habitation—might require significant engagement and contacts prior to their entering housing and recipients are not required to keep units vacant indefinitely while waiting

for an identified eligible individual or family to accept an offer of PSH (see [FAQ 1895](#)). Recipients of CoC Program-funded PSH are encouraged to follow a Housing First approach to the maximum extent practicable. Street outreach providers should continue to make attempts to engage those persons that have been resistant to accepting an offer of PSH and where the CoC has adopted these orders of priority into their written standards, these individuals and families must continue to be prioritized until they are housed.

IV. Using Coordinated Entry and a Standardized Assessment Process to Determine Eligibility and Establish a Prioritized Waiting List

A. Coordinated Entry Requirement

Provisions at 24 CFR 578.7(a)(8) requires that each CoC, in consultation with recipients of Emergency Solutions Grants (ESG) program funds within the CoC's geographic area, establish and operate either a centralized or coordinated assessment system (referred to in this Notice as coordinated entry or coordinated entry process) that provides an initial, comprehensive assessment of the needs of individuals and families for housing and services. CoCs that adopt the order of priority in Section III of this Notice into the CoC's written standards are strongly encouraged to use a coordinated entry process to ensure that there is a single prioritized list for all CoC Program-funded PSH within the CoC. The [Coordinated Entry Policy Brief](#), provides recommended criteria for a quality coordinated entry process and standardized assessment tool and process. Under no circumstances shall the order of priority be based upon diagnosis or disability type, but instead on the length of time an individual or family has been experiencing homelessness and the severity of needs of an individual or family.

B. Written Standards for Creation of a Single Prioritized List for PSH

CoCs are also encouraged to include in their policies and procedures governing their coordinated entry system a requirement that all CoC Program-funded PSH accept referrals only through a single prioritized list that is created through the CoCs coordinated entry process, which should also be informed by the CoCs street outreach. Adopting this into the CoC's policies and procedures for coordinated entry would further ensure that CoC Program-funded PSH is being used most effectively, which is one of the goals in this Notice. The single prioritized list should be updated frequently to reflect the most up-to-date and real-time data as possible.

C. Standardized Assessment Tool Requirement

CoCs must utilize a standardized assessment tool, in accordance with 24 CFR 578.3, or process. The [Coordinated Entry Policy Brief](#), provides recommended criteria for a quality coordinated entry process and standardized assessment tool.

D. Nondiscrimination Requirements

CoCs and recipients of CoC Program-funded PSH must continue to comply with the nondiscrimination provisions of Federal civil rights laws, including, but not limited

to, the Fair Housing Act, Section 504 of the Rehabilitation Act, Title VI of the Civil Rights Act, and Titles II or III of the Americans with Disabilities Act, as applicable.
See 24
C.F.R. § 5.105(a).

V. Recordkeeping Recommendations for CoCs that have Adopted the Orders of Priority in this Notice

24 CFR 578.103(a)(4) outlines documentation requirements for all recipients of dedicated and non-dedicated CoC Program-funded PSH associated with determining whether or not an individual or family is chronically homeless for the purposes of eligibility. In addition to those requirements, HUD expects that where CoCs have adopted the orders of priority in Section III. of this Notice into their written standards. The CoC, as well as recipients of CoC Program-funded PSH, will maintain evidence of implementing these priorities.

Evidence of following these orders of priority may be demonstrated by:

- A. Evidence of Severe Service Needs.** Evidence of severe service needs is that by which the recipient is able to determine the severity of needs as defined in Section I.D.3. of this Notice using data-driven methods such as an administrative data match or through the use of a standardized assessment. The documentation should include any information pertinent to how the determination was made, such as notes associated with case- conferencing decisions.
- B. Evidence that the Recipient is Following the CoC's Written Standards for Prioritizing Assistance.** Recipients must follow the CoC's written standards for prioritizing assistance, as adopted by the CoC. In accordance with the CoC's adoption of written standards for prioritizing assistance, recipients must in turn document that the CoC's revised written standards have been incorporated into the recipient's intake procedures and that the recipient is following its intake procedures when accepting new program participants into the project.
- C. Evidence that there are no Households Meeting Higher Order of Priority within CoC's Geographic Area.**
 - (a)** When dedicated and prioritized PSH is used to serve non-chronically homeless households, the recipient of CoC Program-funded PSH should document how it was determined that there were no chronically homeless households identified for assistance within the CoC's geographic area – or for those CoCs that implement a sub-CoC³ planning and housing and service delivery approach, the smaller defined geographic area within the CoC's geographic area – at the point in which a vacancy became available. This documentation should include evidence of the outreach efforts that had been undertaken to locate eligible chronically homeless households within the defined geographic area and, where chronically homeless households have been identified but have not yet accepted assistance, the documentation should specify the number of persons that

are chronically homeless that meet this condition and the attempts that have been made to engage the individual or family. Where a CoC is using a single prioritized list, the recipient of PSH may refer to that list as evidence.

- (b) When non-dedicated and non-prioritized PSH is used to serve an eligible individual or family that meets a lower order of priority, the recipient of CoC Program-funded PSH should document how the determination was made that there were no eligible individuals or families within the CoC's geographic area - or for those CoCs that implement a sub-CoC planning and housing and service delivery approach, the smaller defined geographic area within the CoC's geographic area - that met a higher priority. Where a CoC is using a single prioritized list, the recipient of PSH may refer to that list as evidence that there were no households identified within the CoC's geographic area that meet a higher order of priority.

VI. Questions Regarding this Notice

Questions regarding this notice should be submitted to HUD Exchange Ask A Question (AAQ) Portal at: <https://www.hudexchange.info/get-assistance/my-question/>.

³ For the State of Louisiana grant originally awarded pursuant to “Department of Housing and Urban Development— Permanent Supportive Housing” in chapter 6 of title III of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 122 Stat. 2351), projects located within the geographic area of a CoC that is not the CoC through which the State is awarded the grant may prioritize assistance within that geographic area instead of within the geographic area of the CoC through which the State is awarded the grant.