



**PINAL COUNTY**

WIDE OPEN OPPORTUNITY

## EMERGENCY SOLUTIONS GRANT (ESG) PROGRAM GUIDELINES

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## I. PURPOSE AND OVERVIEW

Under the Emergency Solutions Grants (ESG) program, the U.S. Department of Housing and Urban Development (HUD) grants funding to states, units of general purpose local government, and territories for the rehabilitation or conversions of building for use as emergency shelter for the homeless, for the payment of certain expenses related to operating emergency shelters, for essential services related to emergency shelters, street outreach for the homeless, and for homelessness prevention and rapid re-housing assistance.

As an urban county, Pinal County (County) is allocated ESG funding directly from HUD on a yearly basis. These guidelines describe the eligible activities and expenditures, and program requirements of the ESG grant.

HUD definitions of homeless and at risk of homelessness can be found at [24 CFR 576.2](#).

<b>ESG Program Overview</b>		
<b>Activity</b>	<b>Eligible Participants</b>	<b>Eligible Activities</b>
Street outreach	Unsheltered Homeless	Engagement Case management Emergency Health Services Emergency Mental Health Services Transportation Services for special populations
Emergency shelter	Homeless	Essential services for individuals living in an emergency shelter Rehabilitation and renovation of emergency shelters Shelter operations
Homeless prevention	At risk of homelessness	Housing relocation and stabilization services Short and/or medium term rental assistance
Rapid re-housing	Homeless	Housing relocation and stabilization services Short and/or medium term rental assistance
Homeless Management Information System	All ESG applicants and participants	Activities to support the contribution of data to the Homeless Management Information System
<b>Expenditure Limits</b>		
Emergency shelter and street outreach		Cannot exceed 60% of the fiscal year ESG grant
Administrative activities		Cannot exceed 7.5% of the fiscal year ESG grant. See VI.

<b>Program Timelines</b>	
Rental assistance	A participant may receive up to 24 months of assistance during any 3 year period. See IV.
Housing stability case management	A participant may receive up to 24 months of assistance while in permanent housing or 30 days while obtaining housing. See III.2.b.
Obligation of funds	ESG funds must be obligated within 180 days after the date that HUD signs the grant agreement. See VIII.1.
Expenditure of funds	<p>ESG funds must be expended within 24 months after the date HUD signs the grant agreement. The County shall make efforts to expend annual allocations within a 12 month period.</p> <p>The County must draw down and expend funds from each years grant once per quarter of the program year.</p> <p>The County must pay each sub-recipient within 30 days of receiving a payment request.</p> <p>Subrecipient will submit reports and payment requests to the County based on their subrecipeint agreement.</p>
<b>Program Requirements</b>	
Rent limits	See IV.7
Rental agreement / lease requirements	See IV.10 and IV.11
Area-wide systems coordination	See VII.1.
Evaluation of participant eligibility, needs, income limits	See VII.2.
Process for terminating assistance	See VII.3.
Shelter and housing standards	See VII.4.
Conflicts of interest	See VII.5
Homeless participation	See VII.6.
Participation of faith based organizations	See VII.7.

Other federal requirements	See VII.8.
Displacement, relocation, and acquisition	See VII.9.
Match requirement	County must make matching contributions to supplement its ESG program on a dollar for dollar basis. See IX.
Recordkeeping and reporting requirements	See X.
Confidentiality Requirements	See XI.

## II. ESG ELIGIBLE PROGRAM ACTIVITIES

1. Street Outreach ([24 CFR 576.101](#)) - Providing essential services necessary to reach out to unsheltered homeless people, connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

Street outreach activities are provided on the street or in parks, abandoned buildings, bus stations, campgrounds, and in other such settings where unsheltered persons are staying.

Eligible program participants: an individual or family that meets the definition of **homeless** per section (1)(i) of [24 CFR 576.2](#)

Eligible activities consist of:

- a. Engagement – Activities to locate, identify and build relationships with unsheltered homeless people for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or main stream social services and housing programs.
- b. Case Management – Assessing housing and service needs, and arranging, coordinating, and monitoring the delivery of individualized services.
- c. Emergency Health Services – Outpatient treatment of urgent medical conditions by licensed medical professionals in community based settings (streets, parks, and campgrounds) to those eligible participants unwilling or unable to access emergency shelter or an appropriate healthcare facility.
- d. Emergency Mental Health Services – Outpatient treatment of urgent mental health conditions by licensed professionals in community based settings

(streets, parks, and campgrounds) to those eligible participants unable or unwilling to access emergency shelter or an appropriate healthcare facility.

- e. Transportation – Travel by outreach workers, social workers, medical professionals or other service providers during the provision of street outreach activities. Includes transporting unsheltered people to emergency shelters or other service facilities, and cost of a participant's travel on public transit.
- f. Services for Special Populations – Includes all previous eligible activities, allows recipient to target specific populations such as homeless youth, victims of domestic violence, and/or people living with HIV/AIDS who are literally homeless.

The key consideration when deciding if eligible cost is considered street outreach is where the essential service is provided. If an unsheltered individual seeks these services in a day shelter or overnight shelter then the service is categorized as emergency shelter.

- 2. Emergency Shelter ([24 CFR 576.102](#)) – Providing essential services to homeless families and individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters.

Eligible program participants: an individual or family that meets the definition of **homeless** per section (1)(ii) of [24 CFR 576.2](#).

Eligible activities consist of:

- a. Essential services to individuals and families who are in an emergency shelter, as follows:
  - i. Case management – assessing, arranging, coordinating, and monitoring individualized services with a focus on longer term needs and support to move into permanent housing;
  - ii. Child care – licensed child care for program participants with children under the age of 13, or disabled children under the age of 18;
  - iii. Education services – instruction or training to enhance participant's ability to obtain and maintain housing including literacy, English literacy, GED, consumer education, health education, and substance abuse prevention;
  - iv. Employment assistance and job training – services assisting participants to secure employment and job training programs;
  - v. Outpatient health services – direct outpatient treatment of medical conditions in the event other appropriate health services are unavailable within the community;
  - vi. Legal services – necessary legal services regarding matters that interfere with the program participant's ability to obtain and retain housing;
  - vii. Life skills training – teaching critical life management skills necessary to assist the program participant to function independently in the community;

- viii. Mental health services – direct outpatient treatment of mental health conditions by licensed professionals to the extent other appropriate services are unavailable or inaccessible within the community;
  - ix. Substance abuse treatment services – provided by licensed or certified professionals, designed to prevent, reduce, eliminate or deter relapse of substance abuse or addictive behaviors, to the extent other appropriate substance abuse treatment services are unavailable or inaccessible within the community;
  - x. Transportation – costs of travel by program participants to and from medical care, employment, child care or other facilities that provide eligible essential services; and cost of staff travel to support provision of essential services;
  - xi. Services for special populations - Includes all previous eligible activities, allows recipient to tailor services to address the special needs of homeless youth, victims of domestic violence, and/or people living with HIV/AIDS in emergency shelters.
- b. Rehabilitation and renovation – renovating buildings to be used as emergency shelter for homeless families and individuals.
- i. Any building for which ESG funds are used for conversion, rehabilitation, or renovation must meet the minimum safety, sanitation, and privacy standards listed in [24 CFR 576.403](#);
  - ii. Property acquisition and new construction are ineligible costs under the ESG Program;
  - iii. All buildings must be owned by a government entity or private non-profit organization;
  - iv. Renovated buildings must be used as emergency shelter for a minimum period of time following renovation as follows:

	Use Requirement	Building Valuation
Major Rehabilitation	10 year	If rehab costs exceed 75% of the value of the building <b>before</b> rehab
Conversion	10 year	If rehab costs exceed 75% of the value of the building <b>after</b> rehab
Other Renovation	3 years	If rehab costs are 75% or less of the value of the building <b>before</b> rehab

- c. Shelter operations – Costs to operate and maintain emergency shelters and also provide other emergency lodging when appropriate. Includes maintenance, rent,

security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter.

- i. Any emergency shelter that receives ESG assistance for shelter operations must meet the minimum safety, sanitation, and privacy standards listed in [24 CFR 576.403](#).
- ii. Where no appropriate emergency shelter is available, a hotel or motel voucher can be provided.

3. Homelessness Prevention ([24 CFR 576.103](#)) – Providing housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place not meant for habitation, and help them regain stability in their current housing or other permanent housing.

Eligible program recipients: individuals and families at risk of homelessness, per HUD's definition at [24 CFR 576.2](#), or who meet the criteria in paragraph (2), (3), or (4) of the homeless definition in [24 CFR 576.2](#) and have an annual income below 30% of Area Median Income (AMI), which can be found at [HUD Income Limits](#).

Eligible activities:

- a. Housing relocation and stabilization services (see Section III. below)
- b. Short and/or medium term rental assistance (see Section IV. Below)

4. Rapid Re-Housing assistance ([24 CFR 576.104, 105 and 106](#)) – Provide housing relocation and stabilization services and short and/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.

Eligible program participants: an individual or family that meets the definition of homeless per section (1) of [24 CFR 576.2](#), or who meet the criteria under paragraph (4) of the homeless definition and lives in an emergency shelter or other place described in paragraph (1) of the homeless definition.

Eligible activities:

- a. Housing relocation and stabilization services (see Section III. below)
- b. Short and/or medium term rental assistance (see Section IV. Below)

5. Homeless Management Information System (HMIS) ([24 CFR 576.107](#)) - ESG funds may be used to pay the following costs of contributing data to the HMIS:

- a. Purchasing or leasing computer hardware;
- b. Purchasing software or software licenses;



- c. Purchasing or leasing equipment, including telephones, fax machines, and furniture;
- d. Obtaining technical support;
- e. Leasing office space;
- f. Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS;
- g. Paying salaries for operating HMIS;
- h. Paying costs of staff to travel to and attend HUD sponsored and HUD approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act;
- i. Paying staff travel costs to conduct intake;
- j. Paying HMIS participation fees charged by the Arizona Balance of State Continuum of Care, if applicable.

### III. **Housing Relocation and Stabilization Services** ([24 CFR 576.105](#))

Both homeless prevention and rapid re-housing activities include housing relocation and stabilization services. The difference between the two activities is the eligible population. Homeless prevention serves individuals and families at risk of homelessness, rapid re-housing serves individuals and families who are homeless.

1. Financial assistance – Financial assistance cannot be provided to a participant who is receiving the same type of assistance through other public sources, including Uniform Relocation Assistance.

Financial assistance may not be paid directly to participant households. Payments shall be made directly to housing owners, utility companies, and other third parties for the following costs:

- a. Rental application fees charged by the owner to all applicants;
- b. Security deposits equal to no more than 2 months' rent. When the participant leaves the housing unit, the participant may keep any remaining security deposit returned from the landlord and use it to secure new housing;
- c. Last month's rent if necessary to obtain housing, paid to owner at the time the security deposit and first month's rent is paid. This assistance is included in

calculating the total rental assistance, which cannot exceed 24 months during any 3 year period;

- d. Standard utility deposits required by the utility company for all customers for gas, electric, water, and sewage;
- e. Utility payments for up to 24 months per service, including up to 6 months of arrearages per service. A partial payment of a utility bill counts as one month. The utility account must be in the name of the program participant or a member of the same household. Eligible utility services are gas, electric, water, and sewage. No program participant may receive more than 24 months of utility assistance, including arrearages, within any 3 year period.

Utility arrears will only be paid for prevention participants if failure to pay utilities will result in the loss of utilities and under the term of the participant's lease this would be grounds for eviction.

Utility arrears will only be paid for rapid rehousing participants if utility arrears prevent the household from establishing utility service in their new housing.

- f. Moving costs such as truck rental or hiring a moving company, including payment of temporary storage fees for up to 3 months, provided the fees are accrued after the date the program participant begins receiving program services and before moving into permanent housing;
- g. The amount owed for breaking a lease to effect an emergency transfer if the program participant meets the conditions for an emergency transfer under Violence Against Women Act (VAWA) protections (24 CFR 5.2005(e)). These costs are not subject to the 24 month limit on rental assistance.

2. Services – ESG funds may be used to pay the costs of providing the following services:

- a. Housing search and placement – services or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, including the following:
  - i. Assessment of housing barriers, needs and preferences;
  - ii. Development of an action plan for locating housing;
  - iii. Housing search;
  - iv. Outreach to and negotiation with owners;
  - v. Assistance with submitting rental applications and understanding leases;
  - vi. Assessment of housing for compliance with ESG requirements for habitability, lead based paint, and rent reasonableness;
  - vii. Assistance with obtaining utilities and making moving arrangements;
  - viii. Tenant counseling.

- b. Housing stability case management – individualized services to facilitate housing stability for a participant residing in permanent housing for up to 24 months, or up to 30 days of assistance when the participant is overcoming immediate barriers to obtaining housing.

Participants must meet with a housing stability case manager at least once a month for the duration of assistance, except where funding under VAWA prohibits the recipient or sub recipient from making shelter or housing conditional upon the receipt of services.

Services and activities consist of:

- i. Using the Homeless Management Information System (HMIS) and Pinal County Coalition to End Homelessness's (PCCEH) Coordinated Entry and By Name List Case Conferencing Procedures, screen, assess, and make referrals for program participants applying for or receiving homeless prevention or rapid re-housing assistance;
- ii. Conducting the initial evaluation to verify and document program eligibility;
- iii. Housing counseling - housing counseling that is funded with or provided in connection with ESG funds, as defined in [24 CFR 5.111](#), must be provided only by organizations and counselors certified by the Secretary under [24 CFR Part 214](#) to provide housing counseling, consistent with 12 U.S.C. 1701x;
- iv. Developing, securing and coordinating services and obtaining include federal, state and local benefits;
- v. Monitoring and evaluating program participant progress;
- vi. Providing information and referrals to other providers;
- vii. Developing and individualized housing and service plan, including planning a path to permanent housing stability;
- viii. Conducting required ESG re-evaluations.
- ix. Mediation between the participant and the owner or person(s) with whom the participant is living, provided the mediation is necessary to prevent the participant from losing permanent housing in which the participant currently resides.
- x. Legal services necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the participant losing the permanent housing in which the participant currently resides.
- xi. Credit counseling and other services necessary to assist participants with critical skills related to household budgeting, managing money, assessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.

#### **IV. Short and Medium Term Rental Assistance ([24 CFR 576.106](#))**

Both homeless prevention and rapid re-housing activities include short and medium term rental assistance. The difference between the two activities is the eligible population. Homeless prevention serves individuals and families at risk of homelessness, rapid re-housing serves individuals and families who are homeless.

A participant may receive up to 24 months of rental assistance during any 3 year period, including any payment for last month's rent. The assistance may be short term rental assistance, medium term rental assistance, payment of rental arrears, or any combination of this assistance.

1. Short term rental assistance is assistance for up to up to 3 months of rent.
2. Medium term rental assistance is assistance for more than 3 months but not more than 24 months.
3. Payment of rental arrears if required for a household to retain their housing. A one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears.
4. All rental assistance must have in place:
  - a. A rental assistance agreement between the County and owner; and
  - b. A lease between the participant and owner.
5. Rental assistance may be tenant-based or project-based.
  - a. Tenant based rental assistance – a participant may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the participant continues to meet the program requirements. The rental assistance agreement between the County and owner must terminate if:
    - i. The program participant moves out of the housing unit;
    - ii. The lease between the participant and owner terminates and is not renewed;
    - iii. The participant becomes ineligible to receive ESG rental assistance.
  - b. Project based rental assistance – if the County identifies a permanent housing unit that meets ESG requirements, the County may enter into a rental assistance agreement with a housing owner to reserve the unit and subsidize its rent in accordance with the following requirements:

- i. The rental assistance agreement may cover one or more housing units. Each unit may only be occupied by program participants, except as provided under paragraph iv. below;
  - ii. The County may pay up to 100% of the first month's rent, provided a participant signs a lease and moves into the assisted unit by the end of the month for which the first month's rent is paid;
  - iii. The County may make monthly rental assistance payments only for each whole or partial month an assisted unit is leased to a participant. When a participant moves out of an assisted unit, the County may pay the next month's rent for a new participant;
  - iv. The term of the participant's lease must not be conditioned to receiving rental assistance payments. If the participant reaches the maximum number of months over which rental assistance can be provided, or becomes ineligible, the County shall suspend or terminate the rental assistance payments for the unit. If the payments are suspended, the individual or family may remain in the assisted unit as permitted under the lease, and the County may resume payments if the individual or family again becomes eligible and needs further rental assistance. If the payments are terminated, the rental assistance may be transferred to another available unit in the same building, provided that the other unit meets all ESG requirements;
  - v. The rental assistance agreement must have an initial term of one year. The term of the rental assistance agreement may be extended to cover the term of the participant's lease, and renewed or extended, as needed, up to the maximum number of months for which the participant remains eligible.
6. Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a participant who is receiving tenant based rental assistance, or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a participant receiving Uniform Relocation Assistance.
7. Rental assistance can be provided when the rent is below or above the Fair Market Rent established by HUD as long as the contract rent is reasonable. HUD Fair Market Rent can be found at [HUD Fair Market Rent](#).
8. Rental assistance cannot be provided until the County determines the rent to owner is reasonable in accordance with [24 CFR 982.507](#). To determine if rent is reasonable, the County must consider the location, quality, size, unit type, age of unit, amenities, housing services, and maintenance and utilities to be provided by the owner in comparison with similar unassisted units. Rent charged by the owner must be comparable to unassisted units on the premises or owned elsewhere.
9. Rent equals the sum of monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees), and, if the tenant pays separately for

utilities, the monthly allowance for utilities (excluding telephone) established by the County.

10. The County may make rental assistance payments only to an owner with whom the County has entered into a rental assistance agreement. The rental assistance agreement must:
  - a. Set forth the terms under which rental assistance will be provided;
  - b. State the owner will give the County a copy of any notice to participant to vacate the housing unit or any complaint used under State or local law to commence an eviction action against the participant;
  - c. Include all protections that apply to tenants and applicants under [24 CFR Part 5 Subpart L](#) (Protections for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), as supplemented by [24 CFR 576.409](#), except for the emergency transfer plan requirements under [24 CFR 5.2005\(e\)](#) and [24 CFR 576.409\(d\)](#);
  - d. Contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. ESG funds may not be used to make late payment penalties; and
  - e. State the owner will adhere to the provisions, obligations, policies, and remedies cited in the Arizona Residential Landlord and Tenant Act.
11. Each participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must:
  - a. Be between the owner and the participant; and
  - b. Include a lease provision or incorporate a lease addendum that includes all requirements that apply to tenants or owner under [24 CFR Part 5 Subpart L](#) (Protections for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), as supplemented by [24 CFR 576.409](#), including the prohibited bases for eviction and restrictions on construing lease terms under [24 CFR 5.2005\(b\)](#) and [\(c\)](#).

## V. Expenditure Limits ([24 CFR 576.100](#))

1. Emergency Shelter and Street Outreach activities cannot exceed 60% of the fiscal year ESG grant.

## **VI. Administrative Activities ([24 CFR 576.108](#))**

1. The total amount of ESG funds that may be used for administrative activities related to the planning and execution of ESG activities cannot exceed 7.5% of the fiscal year grant. Eligible administrative costs include:
  - a. Overall program management, coordination, monitoring and evaluation;
  - b. Training on ESG requirements;
  - c. Consolidated plan work related to the ESG and homelessness sections;
  - d. Environmental review activities.

## **VII. General Program Requirements**

1. Area-wide systems coordination ([24 CFR 576.400](#))
  - a. Consultation with Continuums of Care (CoC) – The County must consult with the Pinal County Coalition to End Homelessness (PCCEH) to:
    - i. Determine how to allocate ESG funds, to which component and which activity;
    - ii. Develop performance standards, including outcome measures for projects and activities, to be included in each sub-recipient agreement covered in sub-recipient agreement.
    - iii. Develop policies and procedures for HMIS administration and operation to ensure data consistency.
  - b. Coordination with other targeted homeless services – Through participation in the PCCEH, using HMIS, and the Coordinated Entry system, the County shall coordinate and integrate ESG funded activities with other programs targeted to homeless people to provide a strategic, community wide system to prevent and end homelessness for that area.
  - c. Coordination with mainstream resources – The County must assist ESG participants to identify and access resources not specifically targeted for homeless persons for which they may be eligible;
  - d. ESG funded programs must participate in a centralized or coordinated assessment system to evaluate eligibility. The County must work with the PCCEH to ensure screening, assessment and referral of program participants are consistent with the County’s written standards for providing ESG assistance. A victim service provider may choose not to use the PCCEH’s coordinated entry system.

- e. The County must have written standards for providing ESG assistance and must consistently apply those standards for all program participants. These standards must be described in the County's consolidated plan. The written standards are described in the Pinal County ESG Policy and Procedure, and include:
    - i. Policies and procedures for evaluating individuals' and families' eligibility for ESG assistance;
    - ii. Standards for targeting and providing services related to street outreach;
    - iii. Policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG;
    - iv. Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for services related to emergency shelter;
    - v. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homeless prevention and which will receive rapid re-housing assistance;
    - vi. Policies and procedures for coordination among emergency shelter providers, service providers, homelessness prevention, and rapid re-housing assistance providers; other homeless assistance providers; and mainstream service and housing providers;
    - vii. Standards for determining what percentage or amount of rent and utilities costs each participant must pay while receiving homelessness prevention or rapid re-housing assistance;
    - viii. Standards for determining how long a particular participant will be provided with rental assistance and whether or how the amount of assistance will be adjusted over time;
    - ix. Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to a participant, including any limits, if any, on the homelessness prevention or rapid re-housing assistance that each participant may receive.
  - f. Participation in HMIS – The County must ensure that data on all persons served and all activities assisted under ESG are entered into HMIS. A victim service provider or legal services provider may use a comparable database that collects client level data over time and generates unduplicated aggregate reports based on the data.
2. Evaluation of program participant eligibility and needs ([24 CFR 576.401](#)). Please refer to the Pinal County ESG Policy and Procedure.
    - a. Initial evaluation – The County must conduct an initial evaluation to determine program eligibility as well as type and amount of ESG assistance necessary for household to regain stability in permanent housing.



- b. Re-evaluation – The County must conduct re-evaluations to determine program participant's continued eligibility for assistance, and the amount and type of assistance is still needed by the household to maintain stability in permanent housing.
- c. Re-evaluations must be conducted as follows:
  - i. Homeless Prevention (HP) participants – not less than once every three months;
  - ii. Rapid Rehousing (RRH) participants – not less than once a year;
  - iii. Any time a participant reports a change in income or household composition.
- d. To continue to be eligible for RRH or HP assistance, a household must:
  - i. Have an annual income at or below 30% of AMI [HUD Income Limits](#); and
  - ii. Lack sufficient resources and support networks to retain housing without ESG assistance.
- e. The County shall use the [CPD Income Eligibility Calculator](#) to determine annual income of an individual or family.
- f. The County must connect participants to mainstream and other resources and assist each participant, as needed, to obtain:
  - i. Appropriate supportive services, including assistance in obtaining permanent housing, medical health treatment, mental health treatment, counseling, supervision, and other services essential for achieving independent living; and
  - ii. Other federal, state, local and private assistance available to assist the participant in obtaining housing stability, including:
    - Medicaid
    - Supplemental Nutrition Assistance Program
    - Women, Infants, and Children
    - Federal-state unemployment insurance program
    - Social security disability insurance
    - Supplemental security income
    - Child and adult care food program
    - Other assistance available through mainstream resources
- g. The County must provide housing stability case management services to HP and RRH program participants as follows:

- i. Participants must meet with a case manager at least once a month to assist the participant in ensuring long term housing stability; and
- ii. The case manager must develop an individualized plan to assist the participant in retaining permanent housing after the ESG assistance ends;
- iii. Victim service providers may be exempt from the case management requirement if the Violence Against Women Act of 1994 or the Family Violence Prevention and Services Act prohibits making its shelter or housing conditional on the participants acceptance of services.

3. Terminating assistance ([24 CFR 576.402](#))

- a. The County may terminate ESG assistance if a participant violates program requirements. The County shall exercise judgement and examine all circumstances in determining when violations warrant termination.
- b. To terminate rental assistance or housing relocation and stabilization services, the County must follow this process:
  - i. The County shall provide written notice to the program participant with clear statement of reasons for termination;
  - ii. The participant is allowed 30 days (from the date of the notice to terminate) to present written or oral objections before a third party individual, to be arranged by the County, who did not make or approve the termination decision;
  - iii. The County shall notify the participant in writing of the final decision to terminate services within 15 days of reviewing the participant's objection.
- c. Terminated participants may receive ESG assistance at a later date.

4. Shelter and housing standards ([24 CFR 576.403](#))

- a. To ensure that ESG funds are used in housing that meets minimum habitability standards, every ESG assisted housing unit, whether for homeless prevention or rapid rehousing, must meet HUD's Housing Quality Standards.
- b. Lead based paint remediation and disclosure applies to all ESG funded shelters and all housing occupied by ESG participants.
- c. Any emergency shelter that receives ESG assistance for shelter operations, and any building for which ESG funds are used for conversion, rehabilitation, renovation must meet the minimum safety, sanitation, and privacy standards listed in [24 CFR 576.403](#).

5. Conflicts of interest ([24 CFR 576.404](#))

- a. The County and its sub-recipients shall not condition the participant's ESG assistance on whether or not the participant accepts housing or shelter that the County or an organization acting on behalf of the County owns.
- b. The County and its sub-recipients, including any person who is an employee, agent, consultant, officer, or elected or appointed official of the County and its sub-recipients, shall not:
  - i. Obtain a financial benefit from an ESG assisted activity;
  - ii. Have a financial interest in any contract, subcontract, or agreement with respect to an ESG assisted activity; or
  - iii. Have a financial interest in the proceeds derived from an assisted activity, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or during the one year period following his or her tenure.
- c. For the procurement of goods and services related to ESG activities, the County and its sub-recipients shall comply with HUD's Administrative Requirements (24 CFR part 85.36 for governments or part 84.42 for private nonprofits).

6. Homeless participation ([24 CFR 576.405](#))

- a. When considering and making policies and decisions regarding any facilities, services, or other assistance that receive funding under ESG, the County shall consult with homeless or formerly homeless individuals through coordination with PCCEH and PCCEH partner agencies.
- b. To the maximum extent practicable, the County shall involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.

7. Equal participation of faith based organizations ([24 CFR 576.406](#))

Faith based organizations:

- a. Are eligible to receive ESG funds on the same basis as other organizations;
- b. Retain their autonomy, right of expression, religious character, authority over its governance, and independence, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs;

- c. Explicitly religious activities must be offered separately, in time or location, from the programs or activities supported by ESG funding, and participation must be voluntary for the beneficiaries ESG funding;
  - d. Must not discriminate based on religion or religious belief;
  - e. Must not use ESG funds to rehabilitate structures used for inherently religious activities (chapels or sanctuaries);
  - f. For rehabilitation of structures used for both ESG activities and religious activities, ESG funding is limited to a percentage equal to the percentage of ESG activities that take place in the structure. This also applies to federal requirements for disposition of real property;
8. Other federal requirements ([24 CFR 576.407](#))

The County and its sub-recipients shall comply with the following federal regulations:

- a. [24 CFR Part 5 Subpart A](#), including nondiscrimination and equal opportunity requirements at [24 CFR 5.105\(a\)](#) and the housing counseling requirements at [24 CFR 5.111](#).
- b. [24 CFR Part 75](#), except homeless individuals have priority over other Section 3 residents.
- c. The requirements of [2 CFR Part 200](#) and:
  - i. Program income may be used as matching contributions, subject to the requirements in [576.201](#);
  - ii. The disposition of real property for which ESG funds are used for major rehabilitation, conversion, or other renovation under [576.102](#) is governed by the minimum period of use requirements under [576.102\(c\)](#)
- d. Environmental review under [24 CFR Part 50](#) –
  - i. The County shall supply all available, relevant information necessary for HUD to perform for each property any environmental review required by [24 CFR Part 50](#). The County shall also carry out mitigating measures required by HUD or select alternate eligible property. HUD may eliminate from consideration any application that would require an Environmental Impact Statement (EIS).
  - ii. The County may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property or commit or expend HUD funds for ESG eligible projects until HUD has performed an environment review and the County has received HUD approval of the property.

- e. Affirmative outreach – The County must make known that use of facilities, assistance and services are available to all on a non-discriminatory basis.
  - f. The provisions of the Davis-Bacon Act do not apply to the ESG program.
  - g. Procurement of recovered materials – The County and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.
9. Displacement, relocation and acquisition (24 CFR 576.408)
- a. The County and its contractors must take reasonable steps to minimize displacement as a result of ESG funded projects.
  - b. Uniform Relocation Act applies, but is extremely rare for ESG.
  - c. Temporary relocation is not permitted under ESG.

**VIII. Obligation, Expenditure and Payment Requirements ([24 CFR 576.203](#))**

1. All ESG funds, except the administrative cost portion, must be obligated within 180 days after the date that HUD signs the grant agreement. This requirement is met by an agreement with, or a letter of award requiring payment to, a sub-recipient; a procurement contract; or a written designation of a department within the County to directly carry out an eligible activity.
2. All ESG grant funds must be expended for eligible activity costs within 24 months after the date HUD signs the grant agreement with the County.
3. The County must draw down and expend funds from each year’s grant not less than once during each quarter of the program year.
4. The County must pay each sub-recipient for allowable costs within 30 days after receiving the sub-recipient’s complete payment request.

**IX. Matching Requirement ([24 CFR 576.201](#))**

1. The County must make matching contributions to supplement its ESG program in an amount that equals the ESG fiscal year grant. These matching requirements are met through sub-recipient agreements.
2. Match may be provided in cash or non-cash contributions, federal, state, local or private sources.

3. Match contributions must be on ESG eligible activities and in compliance with ESG program rules.
4. If ESG funds are used as a match for another federal program, that federal program cannot be used as a match for ESG.
5. Costs paid by program income shall count toward meeting the County's matching requirements, provided the costs are eligible ESG costs that supplement the recipient's ESG program.

**X. Recordkeeping and Reporting Requirements ([24 CFR 576.500](#))**

The County must maintain and follow written intake and program procedures to ensure compliance with the following recordkeeping and documentation requirements:

1. Homeless status – documentation at intake of the evidence relied upon to establish and verify homeless status per the definition in [24 CFR 576.2](#). The procedures must establish the order of priority for obtaining evidence as in the order below:
  - a. Third party documentation
  - b. Intake worker observation
  - c. Certification from the person seeking assistance

Lack of third party documentation shall not prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider.

See [24 CFR 576.500\(b\)](#) for detailed documentation instructions.

2. At risk of homelessness status – for each individual or family who receives ESG homeless prevention assistance, the records must include the evidence relied upon to establish and verify the “at risk of homelessness” status. This evidence must include an intake and certification form completed by the County that meets HUD specifications.

See [24 CFR 576.500\(c\)](#) for detailed documentation instructions.

3. Determinations of ineligibility – For each individual and family determined ineligible to receive ESG assistance, the record must include documentation of the reason for that determination.
4. Annual income – For each program participant who receives homelessness prevention assistance, or who receives rapid re-housing assistance longer than one year, the following documentation of annual income must be maintained:
  - a. Income evaluation form containing the minimum requirements specified by HUD and completed by the recipient or sub recipient.

- b. Source documents for the assets held by the program participant and income received over the most recent two month period before the date of the evaluation (wage statement, unemployment compensation statement, public benefits statement, bank statement).
  - c. If source documents are not obtainable, a written statement by the relevant third party (employer, government benefits administrator) or the written certification by the recipient's or sub-recipient's intake staff of the oral verification by the relevant third party of the income.
  - d. If source documents and third party verification are not available, the written certification by the program participant of the amount of income the program participant received for the past two months before the evaluation and the anticipated income to be received over the next two month period.
5. Program participant records – Records must be kept for each program participant that document:
- a. The services and assistance provided to that program participant, including, as applicable, the security deposit, rental assistance, and utility payments made on behalf of the program participant, essential services, and housing stabilization and relocation services and the amounts spent on these services and assistance.
  - b. Compliance with the applicable requirements for determining participant eligibility and type and amount of assistance provided.
  - c. Copies of rental agreements and leases for rental assistance, documentation of payments made to owners for rental assistance, and supporting documentation for payments including dates of occupancy by program participants.
  - d. The monthly allowance for utilities used to determine compliance with the rent restriction.
  - e. Compliance with the shelter and housing standards in 24 CFR 576.403, including inspection reports.
  - f. The amount and type of assistance provided to emergency shelter facilities, including documentation of the value of the building before the rehabilitation of an existing emergency shelter or after the conversion of a building into an emergency shelter and copies of the recorded deed or use restrictions.
6. Period of record retention - All records pertaining to each fiscal year of ESG funds must be retained for the greater of 5 years or the period specified below:

- a. Documentation of each program participant's qualification as at risk of homelessness or homeless must be retained for 5 years after the expenditure of all funds from the program year grant under which the program participant was served.
- b. Where ESG funds are used for the renovation of an emergency shelter involves costs charged to the ESG grant that exceed 75 percent of the value of the building before renovation, records must be retained until 10 years after the date that ESG funds are first obligated for the renovation.
- c. Where ESG funds are used to convert a building into an emergency shelter and the costs charged to the ESG grant for the conversion exceed 75 percent of the value of the building after conversion, records must be retained until 10 years after the date that ESG funds are first obligated for the conversion.

## **XI. Confidentiality Requirements**

1. The County and its sub-recipients shall develop, implement, and maintain written procedures to require that:
  - a. All records containing personally identifying information of any individual or family who applies for and/or receives ESG assistance will be kept secure and confidential.
  - b. The address or location of any Emergency Shelter (ES) or ESG rental housing exclusively for individuals fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking will not be made public, except as necessary where making the address or location public *does not identify occupancy* of the ES or ESG rental housing, when necessary to record use restrictions or restrictive covenants, or with written authorization of the person or entity responsible for the operation of the ES or ESG rental housing.
  - c. The address or location of any program participant that is fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking will not be made public, except as provided under the County or sub-recipients Privacy Policy consistent with state and local laws and any other grant conditions from other federal grant programs regarding privacy and obligations of confidentiality.