



City of Somerville

Written Standards for the Organizations Operating under the Emergency Solutions Grants Program

Updated xx/xx/2021

Annotated throughout with references to the CARES Act and its adaptations to this program, known as Emergency Solutions Grants-Coronavirus (ESG-CV).

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Preface

The purpose of this handbook is to provide guidance to subrecipients of the City of Somerville's Emergency Solutions Grants (ESG) Program. Every effort has been made to ensure the accuracy of the material in this handbook. If any discrepancy exists between the language in this handbook and in any applicable statute, regulation, or policy issuance, please contact the Administration and Finance division of the Office of Strategic Planning and Community Development ("the City") for clarification. This handbook establishes general and uniform standards for grant compliance. This handbook, in conjunction with each grant application, grant agreement, budget and/or all relevant federal and state statutes and regulations will apply to the ESG Program. Where applicable, these standards have been annotated for ESG-CV implementation, with an Appendix A outlining other ESG-CV changes.

All subrecipients are required to adhere to the guidance set forth in this handbook in conjunction with all federal, state, and local regulations as they relate to the ESG Program and executed grant agreements. Subrecipients shall also refer to the Uniform Administrative Requirements, Cost and Audit Requirements for Federal Awards, which is codified at 2 CFR Part 200. This handbook becomes effective **XXXX, 2020**.

Federal and community-specific rules as set out here reflect policy in effect as of this date. Each subrecipient is responsible to ensure that staff working on this program are fully trained and informed about its requirements. HUD periodically releases new rules and guidance, through Waivers and other Notices. It is the responsibility of each subrecipient to remain up to date with federal rules as they relate to the ESG components for which their organization is funded.

These Written Standards are in accordance with the interim rule for the ESG Program and the final rule for the definition of homelessness, both released by the U.S. Department of Housing and Urban Development (HUD) on December 4, 2011.

The written standards have been formulated for the following purposes:

- Establish community-wide expectations on the operations of projects within the community,
- Ensure that the system is transparent to users and operators,
- Provide equal access, and
- Establish a minimum set of standards and expectations in terms of the quality expected of projects.

The City of Somerville will use its ESG and ESG-CV funds to support emergency shelter, homelessness prevention, rapid re-housing assistance, street outreach and HMIS activities.

Emergency Solutions Grant Program Description

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) amended the McKinney-Vento Homeless Assistance Act. This included major revisions to the Emergency Shelter Grants program, renamed as the Emergency Solutions Grants (ESG) program. The HEARTH Act retained funding for shelter and street outreach, while placing a stronger emphasis on homelessness prevention and rapid re-housing assistance.

The program authorizes the Department of Housing and Urban Development (HUD) to make grants to States, units of general purpose local government, and territories for the rehabilitation or conversion of buildings 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 and street outreach for the homeless, for homelessness prevention and rapid re-housing assistance, and for Homeless Management Information Systems (HMIS) and administration (24 CFR 576.1).

In accordance with 24 CFR 91.220(l)(4)(i) and 567.400(e)(1), the City of Somerville has developed the following written standards for the provision and prioritization of Emergency Solutions Grant (ESG) funding within the community.

Continuum of Care Coordination

The role of the City as the ESG recipient is to consult with the Continuum of Care (CoC) on specific aspects of its programs in order to foster a comprehensive, communitywide planning process that ensures the seamless coordination of services and funding streams. Consultation is intended to ensure that the recipients of HUD homeless grants are investing in the homeless assistance system in coordinated ways, thereby supporting the same goals and leveraging results. (See [24 CFR 576.400\(a\)](#)).

Obligation, Expenditure, and Payment Requirements

All projects must begin within two (2) months of the date the City makes the funds available to the selected subrecipient. If the program has not started within two (2) months of the award date, without written and justifiable cause, the City reserves the right to rescind the grant award. In addition, subrecipients must provide the City with written notification of closure within fifteen (15) days prior to actual closure. The City reserves the right to recapture ESG funds under the following circumstances:

1. Those who do not meet the performance requirements outlined in the approved project;
2. Those who are unable to comply with the regulatory deadlines on obligation and disbursement as outlined at 24 CFR Part 576.55(a) (2); and
3. Those who otherwise, without appropriate justification, have failed to implement the project as set forth in their approved ESG Grant Application.

Applicants are required to submit a budget (Appendix H) for expenditures for eligible ESG activities and a Scope of Work detailing a plan for eligible expenditures (Appendix G).

The grant period for ESG projects can be up to 18 months, but is typically 12 months, effective on the date the City makes funds available to the subrecipient. ESG funds **MUST** be expended within 18 months of the date the City makes the funds available. All subrecipients are required to submit a request for reimbursement at least quarterly or as often as monthly. All the subrecipient's grant funds must be expended for eligible activity costs by the end of the grant agreement (refer to the grant agreement for the specific date). For the purposes of this paragraph, expenditure means either an actual cash disbursement, the accrual of a direct charge for a good or service, or an indirect cost.

Disbursement of funds will follow a cost reimbursement procedure via invoice and will be for actual funds expended. The invoice must include the following:

- Correctly completed invoice addressed to the City of Somerville with the required information: invoice number, date, and amount, purchase order number (PO#), contract number (C#), organization name, and mailing address
- Invoice must be submitted with two forms of backup documentation, (a) receipts for the expense(s) and (b) evidence of payment
 - Evidence of payment can include cancelled check copies, bank statements, and/or credit card statements
 - When bank and/or credit card statement(s) are submitted as evidence of payment, there should be sufficient notation of what items are relevant to the request.
 - When invoicing for staffing costs, payroll backup is required.
- When rental and/or financial assistance is provided, the subrecipient must provide the City with access to applicable documents from the participant files to support the eligible expenditures.

Subrecipients are required to submit the final invoice and support documentation to the City by the close of the business day 45 days after the contract end date. The expenditures must not exceed the contract period.

The City reserves the right to reallocate ESG program funds as provided for in the federal regulations governing the program in order to ensure that the funds provide the maximum benefit to the city's homeless population. Funding (grant award) reallocations will be made based on the City's determination of the best use of available funds. The City will consider the amount of available funds, subrecipient programmatic performance, subrecipient expenditure levels, and strategic programmatic needs in reallocating available funds.

ESG-CV:

All funds (first and second allocation) must be expended costs by September 30, 2022.

HUD may recapture up to 20 percent of the total award if at least 20 percent of that award has not been expended by September 30, 2021. HUD may recapture up to 80 percent of a total if it is not expended at least 80 percent by March 31, 2022.

Definitions

HUD and the City of Somerville employ specific language to refer to aspects of the ESG program. Definitions related to eligibility appear in Appendix B. Additional relevant definitions include:

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

NOTE: Consultation with Continuums of Care. The Subrecipient must consult with each Continuum of Care that serves residents of the subrecipient’s operating community determining how to allocate ESG funds each program year; developing the performance standards for, and evaluating the outcomes of, projects and activities assisted by ESG funds; and developing funding, policies, and procedures for the administration and operation of the HMIS.

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.

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

Invoice is the document a subrecipient submits to the City for payment. An invoice must include: invoice number, date, and amount, purchase order number (PO#), contract number (C#), organization name and mailing address, as well as two forms of backup documentation (receipts and evidence of payment). Incomplete Invoices will result in a delay of payment. Only complete and approved Invoices will be paid.

Private nonprofit organization means a private nonprofit organization that is a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1986 and which is exempt from taxation under subtitle A of the Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance. A private nonprofit organization does not include a governmental organization, such as a public housing agency or housing finance agency.

Program participant means an individual or family who is assisted under the ESG program.

Program year means the consolidated program year established by the City under 24 CFR part 91.

Subrecipient means a unit of general purpose local government or private nonprofit organization to which the City makes available ESG funds.

Victim service provider means a private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking. This term includes rape crisis centers, battered women’s shelters, domestic violence transitional housing programs, and other programs.

Emergency Solutions Grants Program Eligibility

Client Eligibility and Assessment

All applicants must be assessed to determine eligibility for receipt of ESG-funded services. Client assessment and determination of ESG eligibility includes the cost of staff time to complete an intake

and/or assessment even if it is determined from the evaluation the applicant is not eligible for ESG program assistance. The individual or family must reside within the City's limits, in a Somerville homeless shelter, or be relocated from an outside shelter to the City of Somerville.

The ESG subrecipient is responsible for determining and documenting client eligibility. It is expected that within two weeks the agency will close out the client file by serving the client, referring them, or notifying the client that the client is not eligible for ESG assistance.

Eligible applicants for ESG funded program services must meet one of the categorical definitions of homeless or at risk of homelessness in Appendix B.

The City of Somerville will not reimburse an agency for funds expended on clients that are found to be ineligible for ESG.

All forms of direct financial ESG assistance will be limited to 18 months. Should an organization receive grants in two fiscal years for the same service type, clients are eligible for extended service not to exceed a total of 24 months. For clients receiving direct financial assistance for a specific unit, the case file must include a copy of their lease or rental agreement to be kept on file. Rent Reasonableness (Appendix F) and Housing Habitability Standard (Appendix E) screenings must be conducted prior to providing direct financial assistance, must be documented in the case file, and are the responsibility of the subrecipient.

ESG funds used to pay direct assistance must be issued to a third party. In order to qualify for street outreach, homelessness prevention, or rapid re-housing assistance, the client cannot already be receiving assistance of the same cost-type from an alternative source for the same period of assistance. Whenever possible, ESG direct financial assistance should be provided to cover only a portion of the total cost-type; clients should be encouraged to come up with sustainable ways to supplement this financial assistance. As a best practice, organizations receiving ESG funds for direct financial assistance should budget their awards to achieve a balance between distributing funds to as many clients as possible while ensuring that the assistance provided to each individual will be sufficient to obtain or maintain stable housing. Additional limitations for specific types of assistance apply and are outlined in the subsequent sections.

Household Composition

Homeless or at-risk of homelessness households who meet one or more of HUD determined categorical homeless definitions or criteria are eligible to receive program assistance. Household composition includes an individual living alone, family with or without children, or a group of individuals who are living together as one economic unit. Service providers receiving funds under the ESG Program cannot discriminate against a group of people presenting as a family based on the composition of the family (e.g., adults and children or just adults), the age of any member's family, the disability status of any members of the family, marital status, actual or perceived sexual orientation, or gender identity. In all cases, a household must lack sufficient resources and support networks necessary to obtain or retain housing without the provision of ESG assistance in order to be program eligible.

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

Emergency Solutions Grants Program Components

The Emergency Solutions Grant (ESG) provides federal funds to assist individuals and families to quickly regain stability in permanent housing after experiencing a housing crisis or homelessness. ESG funds are available for five program components: street outreach, emergency shelter, homeless prevention, rapid re-housing, and data collection through the Homeless Management Information System (HMIS), as well administrative activities. The ESG program is authorized by subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378). Read HUD's [Updated ESG Program Interim Rule - Published April 2017](#).

The following table provides an overview of HUD Homeless and At-Risk definitions and eligibility to ESG program components. Please see full definitions in Appendix B.

Street Outreach (SO)	<p>Individuals and families defined as Homeless under the following categories are eligible for assistance in Outreach projects:</p> <ul style="list-style-type: none"> • Category 1: Literally Homeless; AND • The household meets the definition of unsheltered
Emergency Shelter (ES)	<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 3: Homeless Under Other Federal Statutes • Category 4: Fleeing/Attempting to Flee DV
Rapid Re-Housing (RRH)	<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)
Homelessness Prevention (HP)	<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) • Meets requirements of At-Risk of Homelessness <p>Additionally, HP projects must only serve individuals and families that have an annual income BELOW 30% AMI AND have no other support networks and resources to prevent them from going to the street or a shelter. Finally, the assistance must be necessary to help the program participant regain stability in his/her current permanent housing or move into other permanent housing and achieve stability in that housing.</p> <p>ESG-CV: Annual income for households receiving HP assistance through ESG-CV must be at or below 50% AMI</p>

Employee compensation, occupancy expenses and other overhead costs directly related to carrying out emergency shelter, homelessness prevention, rapid re-housing, and HMIS are eligible costs of these program components. These costs are not administrative costs.

Administrative costs, detailed in [576.108](#), are capped at 7.5% for programs funded by ESG.

ESG-CV:

Administrative costs are capped at 10%.

Ineligible Activities

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

- Replacement of existing mainstream resources;
- Payments made directly to program participants;
- Payments on a mortgage or land contract;
- Payment of rent for eligible individuals or families for the same period of time and for the same cost types being assisted through any other federal, state, or local housing subsidy program;
- Payments on credit card bills or other consumer debt, including child support or garnishments;
- Provision of cash assistance;
- Payment of costs of discharge planning programs in mainstream institutions such as hospitals, nursing homes, jails, or prisons; and
- Payment for religious activities. (Note: While organizations that are religious or faith-based are eligible to receive ESG funds, religious activities must be conducted separately, in time and location, from ESG-funded activities and participation must be voluntary for program participants.)

Emergency Shelter Component (24 CFR 576.102)

HUD prohibits involuntary family separation. The age of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses ESG funding or services and provides shelter to families with children under age 18. Where the subrecipient uses ESG funds solely for essential services or shelter operations, it must provide services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided.

As detailed in 24 CFR 576.100(b), the total amount of the recipient's fiscal year grant that may be used for street outreach and emergency shelter activities cannot exceed 60 percent of the recipient's fiscal year grant. ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters and operating emergency shelters. ESG funds may be used to provide essential services to individuals and families who are in an emergency shelter, as follows:

Case management.

The cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible. Component services and activities consist of:

- Using the centralized or coordinated assessment system as required under 24 CFR 576.400(d);
- Conducting the initial evaluation required under 24 CFR 576.401(a), including verifying and documenting eligibility;
- Counseling;
- Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
- Monitoring and evaluating program participant progress;
- Providing information and referrals to other providers;
- Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
- Developing an individualized housing and service plan, including planning a path to permanent housing stability.

Childcare.

The costs of childcare for program participants, including providing meals and snacks, and comprehensive and coordinated sets of appropriate developmental activities, are eligible. The children must be under the age of 13, unless they are disabled. Disabled children must be under the age of 18. The child-care center must be licensed by the State in which it operates in order for its costs to be eligible.

Education services.

When necessary for the program participant to obtain and maintain housing, the costs of improving knowledge and basic educational skills are eligible. Services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED). Component services or activities are screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources.

Employment assistance and job training.

The costs of employment assistance and job training programs are eligible, including classroom, online, and/or computer instruction; on-the-job instruction; and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is an eligible cost. Learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates. Services that assist individuals in securing employment consist of employment screening, assessment, or testing; structured job skills and job-seeking skills; special training and tutoring, including literacy training and prevocational training; books and instructional material; counseling or job coaching; and referral to community resources.

Outpatient health services.

Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals. ESG funds may be used only for these services to the extent that other appropriate health services are unavailable within the community. Eligible treatment consists of assessing a program participant's health problems and developing a treatment plan; assisting program participants to understand their health needs; providing directly or assisting program participants to obtain appropriate medical treatment, preventive medical care, and health maintenance services, including emergency medical services; providing medication and follow-up services; and providing preventive and non-cosmetic dental care.

Legal services.

Eligible costs are the hourly fees for legal advice and representation by attorneys licensed and in good standing with the bar association of the State in which the services are provided, and by person(s) under the supervision of the licensed attorney, regarding matters that interfere with the program participant's ability to obtain and retain housing. Additionally:

- ESG funds may be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community.
- Eligible subject matters are child support, guardianship, paternity, emancipation, and legal separation, orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking, appeal of veterans and public benefit claim denials, and the resolution of outstanding criminal warrants.
- Component services or activities may include participant intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling.
- Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient's employees' salaries and other costs necessary to perform the services.
- Legal services for immigration and citizenship matters and issues relating to mortgages are ineligible costs. Retainer fee arrangements and contingency fee arrangements are ineligible costs.

Life skills training.

The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance use, and homelessness are eligible costs. These services must be necessary to assist the program participant to function independently in the community.

Component life skills training are budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.

Mental health services.

Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions. Additionally:

- ESG funds may only be used for these services to the extent that other appropriate mental health services are unavailable or inaccessible within the community.
- Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances. Problem areas may include family and marital relationships, parent-child problems, or symptom management.
- Eligible treatment consists of crisis interventions; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.

Substance abuse treatment services.

- Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals.
- ESG funds may only be used for these services to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community.

- Eligible treatment consists of participant intake and assessment, and outpatient treatment for up to 30 days. Group and individual counseling and drug testing are eligible costs. Inpatient detoxification and other inpatient drug or alcohol treatment are not eligible costs.

Transportation.

Eligible costs consist of the transportation costs of a program participant's travel to and from medical care, employment, childcare, or other eligible essential services facilities. These costs include the following:

- The cost of a program participant's travel on public transportation;
- If service workers use their own vehicles, mileage allowance for service workers to visit program participants;
- The cost of leasing a vehicle for the subrecipient in which staff transports program participants and/or staff serving program participants, and the cost of gas, insurance, taxes, and maintenance for the vehicle; and
- The travel costs of subrecipient staff to accompany or assist program participants to use public transportation.

Services for special populations.

ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under paragraphs (a)(1)(i) through (a)(1)(x) of this section. The term victim services means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, human trafficking, or stalking, including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, human trafficking, or stalking.

Shelter operations.

Eligible costs are the costs of general maintenance (including minor or routine repairs, to fix and maintain machines, mechanical equipment, and buildings; paint, minor repairs to flooring, and work on plumbing, electrical, and air-conditioning and heating systems.), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter. Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual.

Assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA).

Eligible costs are the costs of providing URA assistance under 24 CFR 576.408, including relocation payments and other assistance to persons displaced by a project assisted with ESG funds. Persons that receive URA assistance are not considered "program participants" for the purposes of this part, and relocation payments and other URA assistance are not considered "rental assistance" or "housing relocation and stabilization services" for the purposes of this part.

Each building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years, depending on the type of renovation and the value of the building. The "value of the building" is the reasonable monetary value assigned to the building, such as the value assigned by an independent real estate appraiser. The minimum use period must begin on the date the building is first occupied by a homeless individual or family after the completed renovation. A minimum period of use of 10 years, required for major rehabilitation and conversion, must be enforced by a recorded deed or use restriction.

- *Major rehabilitation.* If the rehabilitation cost of an emergency shelter exceeds 75 percent of the value of the building before rehabilitation, the minimum period of use is 10 years.
- *Conversion.* If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the minimum period of use is 10 years.
- *Renovation other than major rehabilitation or conversion.* In all other cases where ESG-CV funds are used for renovation, the minimum period of use is 3 years.

Essential services and shelter operations.

Where the subrecipient uses ESG funds solely for essential services or shelter operations, the subrecipient must provide services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided. The subrecipient does not need to limit these services or shelter to a particular site or structure, so long as the site or structure serves the same type of persons originally served with the assistance (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or serves homeless persons in the same area where the subrecipient originally provided the services or shelter.

The maintenance of effort requirements under 24 CFR 576.101(c), which apply to the use of ESG-CV funds for essential services related to street outreach, also apply for the use of such funds for essential services related to emergency shelter.

ESG-CV:

The purpose of ESG-CV funds is to prevent, prepare for, and respond to COVID-19 in order to prevent and mitigate the spread of COVID-19 among people experiencing homelessness and the staff that provide services to these individuals.

This requires that existing shelters implement public health protocols such as enforcing social distancing, establishing an isolation space (especially for residents suspected of having COVID-19, those with confirmed cases, and high-risk residents such as elderly people and people with pre-existing health conditions), using personal protective equipment (PPE), and cleaning/disinfecting shared and living spaces.

In communities where existing shelter is not available or where current shelters are not able to implement these safety protocols, additional space may need to be identified to allow people to have shelter while staying as healthy as possible. This may be space within an existing shelter (e.g., an office not being used) that could be temporarily converted into a quarantine space for someone who has tested positive or is awaiting test results, or it could be an entirely separate building. Eligible shelter spaces may include public spaces, pop up or modular structures in compliance with U.S. Department of Housing and Urban Development (HUD) guidance.

Homelessness Prevention and Rapid Re-Housing Components

Complete information related to the HUD definition of Homeless and At Risk of Homelessness and applicability of these definitions to each program component, see Appendix B.

ESG funding for homelessness prevention and rapid rehousing must be used as a last resort, be the least amount of assistance needed to stabilize the client, and be for the least amount of time possible. ESG funds are not to supplant other available resources to the client. ESG funds cannot be used to duplicate a resource provided in the same time period for the same cost.

Homeless Prevention (24 CFR 576.103)

Individuals/families who meet the HUD criteria for the following definitions are eligible for Homelessness Prevention assistance:

- At Risk of Homelessness
- Homeless Category 2: Imminently at-risk of homelessness
- Homeless Category 3: Homeless under other federal statute and
- Homeless Category 4: Fleeing/attempting to flee DV (as long as the individuals/families fleeing or attempting to flee DV are not also literally homeless. If the individuals/families are also literally homeless they would qualify for Rapid Re-Housing instead. See below.)

Additional eligibility requirements related to Homelessness Prevention include:

- Proof of residence within the boundaries of the City of Somerville.
- Total household income and assets below 30 percent of Area Median Income (AMI) at initial assessment. Clients must provide documentation of household income, including documentation of unemployment and zero income affidavit for clients without income.

ESG-CV:

Household income and assets must be at or below 50% of Area Median Income (AMI) to receive Homelessness Prevention assistance

- No other support networks and resources to prevent them from going to the street or a shelter.
- The assistance must be necessary to help the program participant regain stability in their current permanent housing or move into other permanent housing and achieve stability in that housing

ESG-CV:

Eligible populations to be served appear in Appendix B

Rapid Re-Housing (24 CFR 576.104)

Individuals/families who meet the HUD criteria for the following definitions are eligible for Rapid Re-Housing assistance:

- Homeless Category 1: Literally homeless
- Homeless Category 4: Fleeing/attempting to flee DV (as long as the individuals/families fleeing or attempting to flee DV are **also** literally homeless).

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

Intake and Assessment

Any client assessed for potential assistance with ESG funds must meet the criteria to be determined eligible for homeless prevention or rapid re-housing assistance.

The caseworker must follow ESG policies and best practices when doing the required intake assessment to evaluate a program participant's specific situation, and document that they 1) are going to have to leave the unit, in cases of homelessness prevention assistance, unless assistance is provided; and 2) meet applicable eligibility criteria, such as lacking other resources or support networks.

When assessing a program participant's needs during the initial evaluation, a case worker must determine the amount and types of assistance the individual or family needs to achieve stability in permanent housing. As part of this assessment, it is important to determine which households will be able to avoid homelessness with limited assistance and which will need deeper levels of support. For effective outcomes, a strong program design will strive to find a balance between providing an appropriate level of financial assistance to achieve successful outcomes while avoiding excessive funding of individual households, which limits the overall number of households that can be served by the program. An effective assessment of each household's history, circumstances, and needs is critical when estimating the amount of assistance a household will need. As part of this assessment, a case worker must develop a plan to assist the program participant to retain permanent housing after the ESG assistance ends. See 24 CFR § 576.401(e)(1)(ii).

Calculating Gross Annual Income

Annual income is the gross amount of income anticipated to be received by a household during the coming year based on the household's circumstances at the time of program intake and assessment. Annual Income determination is consistent with the Housing Choice Voucher definition of annual income found at [24 CFR 5.609](#). HUD's list of income inclusions/exclusions and asset inclusions/exclusions can be found [here](#).

HUD provides an Income Eligibility Calculator at <https://www.hudexchange.info/incomecalculator/>. Please note that the income eligibility calculator is designed to help subrecipients calculate income in accordance with the allowable definition, but it does not verify income.

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

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

Eligibility Documentation and Recordkeeping

Subrecipients must establish written intake procedures that include requirement of written documentation verifying eligibility for program services in accordance with the following preferred order of documentation. Documentation verifying eligibility must be available in client files or if kept electronically, available upon request. Recordkeeping and Documentation Requirements are provided in these standards on page 31 and in Appendix B.

Third Party Documentation

Third Party documentation (source documents provide by an outside source) is the preferable form of verification and includes but is not exclusive to pay stubs, written statement or documents from employer, landlord, public benefit worker, or agency service provider. Bank statements may not be used as proof of any earned or unearned income.

Intake/Case Manager Worker Observation Documented by ESG Staff

Staff documentation may include oral statements made by social worker, case manager, or other appropriate official at an institution, shelter, or other facility and documented by the program intake worker/case manager. Use of oral statements is allowable when third party documentation is not available. Oral statements must be signed and dated by Intake staff, and “due diligence” efforts to obtain third party documentation should be described.

Participant Self-Certification

Self-Certification requires a written and signed document by the individual or head of household seeking assistance attesting to the eligibility facts for which they are certifying. A third party may be designated by a participant to sign documents on their behalf when they are unable to do so. If needed, the subrecipient must provide access to language interpretation services and assistive devices necessary for participants to understand the documents they are certifying. “Due diligence” efforts to obtain third party documentation should be described.

Self-certification documentation is only used when documented staff efforts verify that third-party or worker observation documentation is not available. However, lack of third-party documentation must not prevent an individual or household from being immediately admitted to emergency shelter, receiving street outreach services, or immediately accessing domestic violence/victim service shelter and assistance.

Documentation Requirements for Homelessness Prevention

In order to receive Homelessness Prevention assistance, following items must be clearly noted and documented in the household’s case file:

- See Appendix B for Category 2 (Imminent Risk of Homelessness) and At-Risk of Homelessness
- For individuals and families leaving a hotel or motel – evidence that they lack the financial resources to stay
- A verified written or oral statement that housing loss is imminent
- Certification that no subsequent residence has been identified
- Self-certification or other written documentation that the household lacks the financial resources and support necessary to obtain permanent housing

- Housing stability plan.

Documentation Requirements for Rapid Re-Housing

In order to receive Rapid Re-Housing assistance, households must have the following clearly noted and documented in the household's case file:

- A verified written or oral statement that the household is homeless
- For individuals exiting an institution, discharge paperwork or written/oral referral or written record of intake worker's due diligence to obtain above evidence and certification by individual that they exited institution
- Housing stability plan.

Periodic Re-Evaluation

All case managers are required to re-evaluate clients based on the following schedule. At that time, a case manager may decide to extend, decrease, or discontinue providing assistance.

ESG Program Component	Re-Evaluation Schedule	Re-evaluation Criteria
Homelessness Prevention	Every 3 months	For both HP and RRH, to continue to receive assistance, clients must <ul style="list-style-type: none"> • Be at or below 30% AMI; <i>and</i> • Lack sufficient resources and support networks necessary to retain housing without ESG assistance.
Rapid Re-Housing	Annually	

ESG-CV Program Component	Re-Evaluation Schedule	Re-evaluation Criteria
Homelessness Prevention	Every 6 months	Income remains at or below 50% of AMI
Rapid Re-Housing	Annually	Income remains at or below 30% of AMI
Household must lack sufficient resources and support networks necessary to retain housing without ESG assistance.		

Notification of a program participant's changes in income or other circumstances that affect his/her need for assistance is required at re-evaluation only.

Housing Relocation and Stabilization Case Management

Program participants receiving homelessness prevention or rapid re-housing assistance must participate in housing stability case management that assists the program participant in ensuring long-term housing stability. Case managers are required to complete a Housing Stabilization Plan for each ESG program participant. This requirement applies to all ESG program participants regardless of whether they are receiving one-time financial assistance or ongoing assistance and includes the following:

- Meeting with a case manager and developing a plan to assist the program participant to retain permanent housing after the ESG assistance ends (24 CFR 576.401(e)).
- Connecting the program participant to mainstream and other resources.

Connecting program participants to other resources would include assisting them in obtaining appropriate supportive services, as well as connecting them to other federal, state, local, and private benefits and services for which they may be eligible. This includes, but is not limited to, Medicaid, SNAP, WIC, unemployment insurance, SSI/SSDI, services for veterans, and TANF (see 24 CFR § 576.401(d)).

If a subrecipient is providing a one-time payment of utility or rental assistance or arrears assistance, a single case management session may meet the program's requirements so long as the housing plan can be established and the referrals to mainstream resources can be completed during the initial intake meeting. In developing a plan to assist the program participant to retain permanent housing after the ESG assistance ends, the case manager should take into account all relevant considerations, such as the program participant's current or expected income and expenses, other public or private assistance for which the program participant will be eligible and likely to receive, and the relative affordability of available housing in the area.

Program participants receiving ongoing assistance are required to meet not less than once per month with case managers while they are receiving homelessness prevention or rapid re-housing assistance. Once that assistance ends, they are no longer required to meet with a case manager on a monthly basis. Subrecipients may choose to have program participants continue to meet for up to 6 months after assistance ends to ensure that they have achieved housing stability.

For monthly meetings between re-evaluations, meetings should take place in the format most likely to ensure long-term housing stability, including home visits.

Re-evaluations must take place not less than once every 3 months for program participants receiving homeless prevention assistance, and not less than once annually for program participants receiving rapid re-housing assistance (24 CFR § 576.401(b)). At these re-evaluations, in-person meetings are required because program participants must provide documentation regarding eligibility.

As part of the requirement for comprehensive case management for housing stability, all case managers are expected to complete, at a minimum, an in-person or by phone follow up with clients 30 days after exiting the program.

ESG-CV:

Case management meetings cannot be made mandatory in order for households to receive ESG-CV assistance, although re-evaluation meetings can be required in order to continue assistance

Eligible costs

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

- Using coordinated entry (HMIS);
- Conducting initial evaluations including, verifying and documenting eligibility;
- Counseling;
- Developing, securing and coordinating services and obtaining Federal, State, and local benefits;
- Monitoring and evaluating program participant progress;
- Providing information and referrals to other providers;
- Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; AND
- Developing an individualized housing and service plan, including planning a path to permanent housing.

Financial Assistance

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

Rent Arrears

A one-time payment for up to 6 months of rent in arrears during any 3-year period, plus any late fees on those arrears.

An arrears payment is only an eligible cost if a tenant would actually be evicted for non-payment of their portion of the rent (Homelessness Prevention) or the arrears are preventing the household from obtaining permanent housing and achieving stability in that housing (Rapid Re-Housing).

Rental Application Fee

ESG can be used to pay applicant fees charged by the landlord to all applicants. Application fees can only be provided for one application at a time; but note that this only limits the number of applications that require application fees. Case managers and housing specialists can and should work with clients and landlords to process as many free applications as possible.

Utility Arrears, Payments and Deposits

ESG funds may pay for up to 24 months utility payments per program participant, per service, during any three year period including up to six (6) months in utility payments in arrears per service (for a total of 24 months). A partial payment of the utility bill counts as one month. This assistance may only be provided if the program participant or member of the same household has an account in their name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period (24 CFR 576.105(a)(5)).

Cable TV or other similar utilities may not be paid with ESG funds unless a cable fee is charged to all tenants and is required under the lease for occupancy in the unit. The cost would be eligible as rental assistance (24 CFR 576.106(d)(2)).

Utility Deposits. ESG funds may pay for a standard utility deposit required by the utility company for all customers for gas, electric, water, and sewage utility services.

ESG-CV:
Prospective utility payments are limited to 12 months.

Security Deposits

Security deposits are not to exceed an amount equal to 2 months' rent. Deposits may remain with the client if they are stably housed once the subrecipient has completed providing assistance.

Last Month's Rent

If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed the limits set above.

ESG-CV:
HUD offers a range of "Landlord Incentives" to accelerate housing stability for COVID-19-affected households. Landlord incentives can total no more than 3 months' rent.

These incentives are in effect for the duration of ESG-CV funded operations.

The City of Somerville has structured Landlord Incentives as follows:

- ▶ **Total Incentives not to exceed 3 times monthly rent**
 - ▶ **Signing bonus up to 2 months' rent**
 - ▶ **Security deposit up to 3 months' rent**
 - ▶ **Paying costs to repair damage beyond security deposit and/or while participant still in the unit**
 - ▶ **Extra cleaning /maintenance for unit or appliances**

Short- and Medium-Term Rental Assistance

Duration of Rental Assistance

Rental Assistance under Homelessness Prevention and Rapid Rehousing is limited by HUD to 24 months within a 3 year period.

ESG-CV:
Rental assistance is limited to a maximum of 6 months of arrears and 12 months of prospective rent. A household may receive assistance both to eliminate arrears and for prospective rent.

Rental Agreement and Lease

No ESG funds may be disbursed until the case manager receives a legally binding, written lease showing the names of the tenants, the move-in-date, occupancy terms, expiration date and the costs payable by the tenant. All payments must be paid to verified third parties. Under no circumstances may ESG payments be made directly to the client.

The City of Somerville requires all landlords receiving ESG or ESG-CV rental assistance payments to submit a W9.

The landlord must sign a three-way Rental Agreement, reflecting the information included in the Lease and agreeing that they will not evict the tenant in return for receiving ESG funds (the landlord may have legal right to evict the tenant based on other reasons.)

Rent Reasonableness Determination

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

The subrecipient must determine the review method(s) they will use to establish the rent reasonableness standards for their area (e.g.; a list of comparable rents can be completed by using a market study of rents charged for units of different sizes or by reviewing advertisements for comparable rental units). Comparable rents vary over time with market modifications. Rent Reasonableness standards must be reviewed periodically and adjusted to align with these rent market changes. The Rent Reasonableness review completed for each unit must be documented in the client case file. A sample rent reasonableness checklist can be found in Appendix F.

Fair Market Rent (FMR) Requirement

HUD establishes FMR to determine rent ceilings for HUD-funded rental assistance programs. HUD publishes the FMR schedule annually for 530 metropolitan areas and 2,045 non-metropolitan county areas. The HUD FMR Index can be found [here](#).

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

ESG-CV:

The Fair Market Rent Requirement is waived for ESG-CV assistance. Units must still meet rent reasonableness.

Housing Search and Placement

Clients who meet the definition of "at-risk" for homelessness as outlined in Appendix B qualify for housing search and placement services. Funds may be used for services or activities designed to assist individuals or families in locating, obtaining, and retaining suitable housing. Component services or activities may include: tenant counseling; assisting individuals and families to understand leases; securing utilities; making moving arrangements; representative payee services concerning rent and utilities; mediation and outreach to property owners related to locating or retaining housing.

Street Outreach Component

Street outreach is service delivery for the specific purpose of reaching out to unsheltered homeless people and connecting them with emergency shelter, housing, or critical services. It also covers costs for providing urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

ESG-CV:

HUD has approved the following as eligible costs under ESG-CV street outreach:

- **Engagement:** Hand sanitizer, soap, tissue packets, masks, disposable gloves, handwashing stations, other PPE.
- **Case Management:** Coordinating medical care.
- **Transportation:** Train or bus tokens, taxi or rideshare for program participants' travel to and from medical care.
- **Expanded Staffing:** Hiring additional staff to support infectious disease preparedness, providing hazard pay to staff with direct participant contact.

Eligibility: Status as Homeless

As required in 24 CFR §576.101 (Paragraph (1)(i) of §576.2), Street Outreach providers must target people who meet the following definition of homeless:

- An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.

Assessment and Essential Services

Engagement activities must include an initial assessment of needs and eligibility in order to prioritize the type and source of assistance required with safety and urgent health needs being the highest priority. Based on need and assessment, qualifying individuals and/or families will be offered essential services beyond emergency health and other crisis intervention assistance that include case management, transportation, and housing stabilization. Whenever feasible, rapid re-housing will be a priority over the provision or referral to emergency shelter or transitional housing.

Engagement Services

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

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

Case Management

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

- Assessment and intake evaluations including verifying and documenting eligibility;

- Counseling;
- Developing/securing/coordinating services;
- Helping obtain federal, state, and local benefits;
- Monitoring and evaluating program participant progress;
- Providing information and referrals to other providers; and
- Developing an individualized housing stabilization plan that leads to the attainment of stable permanent housing.

Emergency Health Services

Emergency health services can be funded with ESG only to the extent that other non-ESG funded appropriate health services are inaccessible or unavailable within the service area. Eligible costs include:

- Assessing health problems and developing treatment plans;
- Assistance in understanding health needs;
- Directly providing or helping obtain appropriate emergency medical treatment; and
- Providing medication and follow-up services.

Emergency Mental Health Services

Emergency mental health services can be funded with ESG only to the extent that other non-ESG funded appropriate health services are inaccessible or unavailable within the service area. Eligible costs include:

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

Transportation

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

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

Services For Special Populations

Services for special populations are essential services tailored to address the particular needs of homeless youth, victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers, domestic violence shelters, and other organizations that serve homeless persons with special needs. Eligible costs include all those listed under the following engagement services:

- Engagement;
- Case management;
- Emergency health services;
- Emergency mental health services; and
- Transportation.

Homeless Management Information System (HMIS)

HMIS Funding, Administration, and Operation

The City has identified funding and developed policies and procedures for operating and administering the HMIS, particularly in regard to the required participation of all ESG-funded subrecipients and in determining the cost of HMIS participation for ESG recipients and subrecipients. The City, in collaboration with the MA Department of Housing and Community Development, which serves as HMIS lead agency, will continue to take an active role in this process given that HMIS is a key source of data to assess performance of ESG Program-funded activities and the homeless assistance system.

Reporting Requirements

For non-domestic violence service providers, ESG funded client and activity data must be entered into the HMIS or comparable database. Data entry and reporting expectations include:

- Timely and accurate data entry into the HMIS;
- Acquiring and documenting informed written consent from program participants; subrecipients must have a Client Information Disclosure and Release Authorization;
- Protecting program participants' confidentiality; and
- Using the HMIS as a tool to analyze data to inform and improve the delivery of services.

Victim Services Data Collection

Victim service providers (VSP) are prohibited from entering data in HMIS; however, they are required to maintain comparable databases of their own design which provide aggregate information and data consistent with HMIS data collection requirements. Projects serving survivors of domestic violence, dating violence, sexual assault, stalking, or human trafficking, where the recipient is not a victim services provider, are required to enter data in their HMIS. For more information on VSP comparable database, ESG, and ESG-CV reporting requirements, [see this HUD resource](#).

Eligible Costs

ESG funds can be used for the following HMIS costs:

- The costs of using the coordinated entry process, but not the costs of developing or operating the system;
- Staff costs related to the operation and usage of the HMIS;
- Computer hardware and software costs including purchase of HMIS software licenses;
- Costs related to monitoring and reviewing data quality, data analysis and reporting.
- Purchasing or leasing equipment, including telephones, fax machines, and furniture; obtaining technical support;
- Leasing office space; paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS;
- Paying salaries for operating HMIS, including:
 - Completing data entry;
 - Monitoring and reviewing data quality;
 - completing data analysis;
 - Reporting to the HMIS Lead;
 - Training staff on using the HMIS or comparable database;
 - Implementing and complying with HMIS requirements;

- Paying costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS;
- Paying staff travel costs to conduct intake.

ESG CAPER (Consolidated Annual Performance Report)

ESG subrecipients are required to submit an ESG CAPER at least quarterly during the contract period and at the end of the program year. The reports must be generated by the subrecipient agency from HMIS.

ESG-CV:

The ESG-CV CAPER must be submitted quarterly, reported both by grant totals and program component.

Performance Standards and Outcome Evaluation

The City's goal is to increase the focus on data and performance. The City and the CoC will use HMIS and other pertinent data collected by providers to assist with evaluating ESG activities within the context of broader system performance and inform subsequent ESG and CoC program allocations. In alignment with the federal and state strategic plans to end homelessness, the City has established performance measures that encourage the collection of housing status data for all ESG activities (except HMIS) at the time of program exit. While performance measures are subject to further expansion and refinement, all subrecipients are currently encouraged to report on the following measures of stability and income:

- Housing Stability – measures the number of persons who maintained housing within the project or obtained other permanent housing upon exit. Both stability measurements – housing obtained and maintained - should be entered into the HMIS.
- Preliminary performance target:
 - 80% of program participants maintain housing
 - 35% of program participants exit to permanent housing
 - Total Income – measures the cash income from all sources that clients age 18 and over received as of the end of the operating year.
- Preliminary performance target: 50% of program participants with total income increases since initial assessment.
 - Earned Income – measures the cash income recorded as “earned income” (i.e., income from employment) for clients age 18 through age 61 as of the end of the operating year.
 - Preliminary performance target: 20% of program participants who increase their income since initial assessment.

In addition to the housing stability and income measures, subrecipients carrying out emergency shelter and street outreach activities are required to report the following measures:

Emergency Shelter

- Engagement – Measures the number of clients in case management.
- Preliminary performance benchmark: 85% of clients in shelter receive case management.

Street Outreach

- Contact –the total number of interactions between a worker and homeless individuals on the street or some other inhabitable space. This will be used as a level-of-effort indicator.

Benchmarks for contact rates will be set once the CoC establishes a methodology for determining one based on census data, Point-in-Time counts, and staff capacity.

- Shelter Referral – measures the number of people referred to a shelter from the street.
- Preliminary performance benchmark: 70% of contacts go from the streets to any type of housing or shelter.

These outcome and levels of effort measurements will be collected in addition to the required universal data elements that track client characteristics and service data. Performance will be reported in the City's Consolidated Annual Performance Evaluation Report (CAPER), which is presented to the CoC board for review during the public comment period. Going forward, the City and the CoC must continue to develop performance standards for evaluating the effectiveness of ESG-funded activities within the CoC geographic area. The City will use these performance standards for evaluating the activities carried out with ESG funds, including how well subrecipients succeed in:

- Targeting those who most need assistance;
- Reducing the number of people living on the streets or in emergency shelters; and
- Reducing the time people spend homeless.

HMIS Data Entry Requirements for Shelters

Emergency, day or mass shelters, or hotel/motel vouchers are required to collect data and report outcomes using the Entry/Exit method of data collection. Subrecipients must be able to determine who and how many people were served by a shelter or shelter type for any given night, based on HMIS data. For additional, detailed information about the reporting requirements, refer to the HMIS Operation Manual found at: <https://www.hudexchange.info/programs/hmis/>.

Program Administration and Requirements

Coordinated Entry

In compliance with section 576.400(b) of the ESG Interim Rule, all ESG subrecipients within the service area must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to people experiencing homelessness in the service area to provide a strategic, community-wide system to prevent and end homelessness. The goal is to increase the capacity of coordinated entry systems to **prioritize people who most need assistance across the service area**.

The CoC operates a Coordinated Entry System to allocate housing and service resources as effectively as possible in a manner that is easily accessible and limits duplication of services. Assistance is prioritized based on vulnerability and severity of service needs to ensure that people who need assistance the most can receive it in a timely manner.

In compliance with 576.400(d), the City requires that all subrecipient service providers will:

- Participate in the coordinated assessment system. Currently, the CoC operates a Coordinated Entry System for clients who meet the definition of literally homeless.
 - Client entry begins with the subrecipient service provider.
 - Survey data entered into HMIS and vulnerability score is generated.
 - A team of service providers meet weekly for case conferencing if a housing resource is available.

- Client lists pulled from HMIS based upon available housing resources (Different vulnerability scores are tied to different levels of housing resources. Housing resources are submitted by providers with the resource along with the eligibility for the specific resource.)
- Clients are matched with appropriate available resource.
- Clients are located and further eligibility for available resource is verified by the subrecipient agency.
- If clients remain eligible for resource, then they are referred to housing resource.
- DHCD manages Coordinated Entry for the Balance of State CoC; however, at the time of adoption of these Written Standards, Somerville Homeless Coalition received funding from DHCD to establish a staff member as Coordinated Entry point of contact. The contact should be a position that sees little turnover and is familiar with organizational resources and up to date on current organizational capacity to accept and serve clients, such as a supervisor or manager. This contact should be able to provide information for other housing case managers on what current programs and resources are available to clients entering into the provider system through their organization. This contact will reduce or eliminate the need for clients to seek out additional assistance based on referrals from any ESG recipient agency.
- Attend all coordinated training for case managers within the homeless provider system. Each subrecipient is expected to send at least one staff member to training sessions provided or hosted by the CoC. The members of the CoC will also host regular meetings of program staff to share best practices and engage in collective problem solving as the community works toward an integrated system for clients.

ESG-CV:

Coordinated entry systems (CES) may consider modifying and expediting the assessment, scoring, and eligibility determinations to prioritize those at high risk for severe illness from COVID-19 for shelter and housing. Coordinated entry modifications must be consistent with fair housing and nondiscrimination requirements.

Discharge Policies

As part of its annual submission to HUD, the City is required to certify that it will establish discharge policies and protocols in its Consolidated Plan that prevent people from being discharged from publicly-funded systems of care into homelessness. The City will facilitate the collaboration between those persons responsible for discharge planning at the State and local government levels and those with experience and knowledge in homelessness (including the incidences of discharges from public institutions into homelessness) to ensure that established policies are informed by what works—and does not work—in practice.

Match Requirements

The City requires subrecipients to make matching contributions in an amount that equals (100%) the amount of ESG funds allocated by the City.

ESG-CV:

Match is not required for ESG-CV.

Matching contributions can be obtained from any source, including any Federal (non-ESG) source, as well as state, local, and private sources. Use of any Federal source must not prohibit those funds from being used as

ESG match and not already be matched with ESG funds. Subrecipient must ensure the laws governing any funds used as matching contributions do not prohibit the use of those funds as match.

All sources listed as match must meet these criteria:

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

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

- Cash;
- The value or fair rental value of any donated material or building;
- The value of any lease on a building;
- Any salary paid to staff to carry out the program of the recipient; and
- The value of the time and services contributed by volunteers.

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

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

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

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

The City requires that subrecipients document their matching funds and submit this match documentation annual for ESG CAPER. The source of match must be identified in ESG RFP Proposal. (For the specific match requirements, see 24 CFR 576.201.)

Recordkeeping Requirements

Subrecipients must establish and maintain sufficient records to enable the recipient and HUD to determine whether ESG requirements are being met. Recipients and subrecipients must keep documentation showing that ESG grant funds were spent on allowable costs in accordance with the requirements for eligible activities under § 576.101- § 576.108 and the cost principles for state, local, and Indian tribal governments and non-profits found at 2 CFR Part 225 and 2 CFR Part 230, respectively. (24 CFR 576.500(u)). The City, as the recipient, will meet these documentation requirements by obtaining the information through reports from subrecipients or other appropriate methods as designated by the City.

Subrecipients must maintain all case file records. Subrecipients must maintain records for ALL persons seeking assistance (including those persons that are determined to be ineligible). For those determined ineligible, the record must include documentation of the reason for that determination. This requirement allows for the City and its subrecipients to have clear and consistent documentation of all persons who seek and those that receive ESG assistance. At a minimum, records must include the client application for assistance, all documentation collected on the client's homeless or at-risk of homelessness status, and their income (when applicable).

Prior to determining a potential client's eligibility, recipients and subrecipients cannot incur ESG costs (including case management costs) beyond the costs involved in intake and initial evaluation.

For detailed guidance regarding recordkeeping and reporting requirements under the ESG program, subrecipients should review section 576.500 of the ESG Interim Rule.

Failure to keep adequate records of both persons seeking assistance and those that receive assistance could jeopardize future ESG funding to the subrecipients.

Termination, Grievance and Conflict of Interest Policies

The ESG subrecipient must have written denial, termination, and grievance policies and procedures. The policies and procedures should be readily available to program participants either in writing or by posting them in a public space. Copies and explanation of the policies and procedures should be provided directly to any client when denial, termination, or other action affects the client's ability to receive assistance. The notice must provide the specific reason(s) for the action and provide a process the applicant can follow to request a review of the decision.

Termination or Denial of Assistance

Causes for termination may include, but are not limited to, failure to abide by any agreed upon requirements and client fraud. Causes of denial of assistance include, but are not limited to, the household's ineligibility or failure to provide verifiable evidence of eligibility, etc. Termination from assistance does not prevent subrecipient from providing further assistance, later, to the same household or individual if they are determined eligible for such assistance. If the subrecipient is terminating rental assistance to the program participant, it must immediately notify the landlord of the date rental assistance for their tenant will end.

Established procedures should describe:

- Circumstances in which a household may not qualify or would be denied;
- Notification of denial; and
- A household's right to review a grantee's decision.

Grievance and Appeals Process

The ESG subrecipient is required to have an established process for addressing client grievances for decisions, including termination or reduction of benefit, denial of benefit or other grievance. At a minimum, the process must include the following components:

- Informs the participant/applicant of the policy and/or policy must be posted in an area specific by the policy and in general locations in which a client/applicant is expected to be;
- Informs the participant/applicant that they must contest any subrecipient's decision that denies (for any reason) or limits eligibility of participant/applicant and/or terminates or modifies any benefits;
- Allows any aggrieved person a minimum of thirty days within which to request an administrative review;
- Informs the applicant/participant of their right to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the decision;
- Informs the City of the request for administrative review within 10 days of receiving the request;
- Informs the applicant/participant and the City in writing of the final determination and basis for the decision within ten days of the determination.

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

The City retains the right to require modification of any review or appeal process that the City determines does not meet basic principles for notification, instruction, time allowance, impartiality or other necessary component.

Subrecipients must make accommodations for clients who have language or disability barriers that would prevent them from participating in the appeals process.

The City retains the right to require modification of any review or appeals process that in its determination does not meet basic principles for notification, instruction, time allowance, impartiality, and access.

Conflict of Interest

Organizational

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

Individual

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

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

Fair Housing Requirements

Affirmative Outreach

The ESG subrecipient must communicate and make known that use of ESG funded facilities, assistance and services are available on a nondiscriminatory basis. The subrecipient must develop and implement affirmative outreach written procedures and communication tools and materials to inform persons without regard to race, color, ethnicity, religion, sex, sexual orientation, age, national origin, familial status, gender identity or disability, how to obtain access to facilities and services. If it appears the procedures used will not reach persons of any particular race, color, religion, sex, age, national origin, familial status, gender identity or disability who may qualify for those activities and services, the subrecipient must establish additional procedures to ensure those persons are made aware of assistance opportunities.

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

Nondiscrimination

The ESG subrecipient is required to comply with all state and federal statutes relating to nondiscrimination. Any of the following actions based on race, color, national origin, religion, sex, familial status, gender identity or handicap are not permitted:

- Refuse to rent housing or provide services;
- Make housing or services unavailable;
- Deny a dwelling or service;
- Set different terms, conditions, or privileges for rental of a dwelling or obtaining services;
- Provide different housing services or facilities or different services;
- Falsely deny that housing is available for inspection or rental or that services are available; and
- Deny anyone access to a facility or service.

Family Composition

Any group of people that present together for assistance and identify themselves as a family, regardless of age or relationship or other factors, are considered to be a family and must be served together as such. Further, a recipient

or subrecipient receiving funds under the ESG Program cannot discriminate against a group of people presenting as a family based on the composition of the family.

Reasonable Accommodations

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

Single Sex Shelters

Finally, a single-sex shelter is only acceptable under certain limited conditions:

- The shelter must be for individuals only. A shelter that accepts families with children cannot be single sex. An example of this might be a shelter that serves single women only (women not in families, without children under 18); AND
- The shelter must not be considered a "dwelling unit" or it must have a shared bathing facility. This policy, which applies to ESG, is stated most clearly in the CoC interim rule, at section 578.93: "The housing may be limited to one sex where such housing consists of a single structure with shared bedrooms or bathing facilities such that the considerations of personal privacy and the physical limitations of the configuration of the housing make it appropriate for the housing to be limited to one sex."

For detailed guidance on the definition of family and how it applies to recipients and subrecipients of ESG and CoC Program funds please review FAQ #1529 available online here: <https://www.hudexchange.info/faqs/1529/how-is-the-definition-of-family-that-was-included/>

Equal Access Requirements

On September 21, 2016, HUD published a final rule entitled "Equal Access in Accordance with an Individual's Gender Identity in Community Planning and Development Programs." Through this final rule, HUD ensures equal access to individuals in accordance with their gender identity in programs and shelter funded under programs administered by HUD's Office of Community Planning and Development (CPD). This rule builds upon HUD's February 2012 final rule entitled "[Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity](#)" (2012 Equal Access Rule), which aimed to ensure that HUD's housing programs would be open to all eligible individuals and families regardless of sexual orientation, gender identity, or marital status. The final rule requires that recipients and subrecipients of CPD funding, as well as owners, operators, and managers of shelters, and other buildings and facilities and providers of services funded in whole or in part by any CPD program to grant equal access to such facilities, and other buildings and facilities, benefits, accommodations and services to individuals in accordance with the individual's gender identity, and in a manner that affords equal access to the individual's family.

Equal Access and Gender Identity

In accordance with updated HUD requirements, providers must ensure that their policies do not isolate or segregate clients based upon gender identity. The intent of the Equal Access Rule is to affirm that discrimination based on gender identity is sex discrimination and to prevent the biases of individual clients from creating situations where transgender individuals are isolated or segregated.

HUD requirements also state that:

- Providers must place, serve, and accommodate in accordance with the stated gender identity of the individual;
- Providers cannot subject individuals to intrusive questioning, ask for anatomical information or documentary, physical, or medical evidence of the individual's gender identity; and
- Providers must take reasonable and nondiscriminatory steps to address privacy and safety concerns raised by residents and occupants, (not just transgender and gender non-conforming individuals).

This means that any special accommodations are to be provided *for* the person who requests privacy and must not be targeted *at* another person, i.e., the person who requests privacy for themselves can be moved or separated, but a person cannot request that someone else be moved or separated on the basis of gender identity. Providers can no longer make case-by-case determinations that transgender clients receive alternative accommodations for health and safety reasons, unless the client has requested it.

Clients with special health concerns, trauma histories or other needs may also make reasonable requests for accommodations. Some options for staff are:

- Establish a single use bathroom for client use at specific intervals during the day. Often an existing staff member bathroom may be made available for this purpose without compromising the requirements of staff members.
- Provide certain times during the day that a bathroom can be scheduled by any client with a request to use a congregate facility privately.
- Ensure that toilet and shower stalls have locking doors or, at a minimum, curtains to allow for modesty and dignity.
- For shower use, consider implementing a schedule for all clients if communal showers are the only available type of shower.

The requirements of the Equal Access Rule apply to grant recipients and subrecipients, as well as to owners, operators, and managers of shelters and other buildings and facilities and providers of services funded in whole or in part by any HUD Community Planning and Development program.

More information about the Equal Access Rule can be found here:

<https://www.hudexchange.info/resource/1991/equal-access-to-housing-final-rule/>

Habitability Standards

All housing units supported with program funds must meet HUD Habitability Standards as addressed in §576.403. Housing also needs to be compliant with local housing codes relating to occupancy, health, and safety standards and the program must comply with the more stringent of the two.

Subrecipients providing rental assistance are responsible for conducting and documenting their habitability inspection of all units to ensure compliance with HUD Habitability Standards. A sample Housing Habitability Standards Checklist can be found in Appendix E.

Shelters

Emergency shelters that receive ESG funds for renovation or shelter operations must meet the minimum standards for safety, sanitation, and privacy provided in §576.403(b).

In addition, emergency shelters that receive ESG funds for renovation (conversion, major rehabilitation, or

other renovation) also must meet local government safety and sanitation standards, as applicable.

These standards include the following:

- Structure and materials;
- Access to and within the shelter;
- Personal space and security;
- Interior air quality;
- Water supply;
- Sanitary facilities;
- Heating and cooling operating equipment;
- Natural and electrically produced light;
- Area for food preparation;
- Safe and sanitary facility maintenance; and
- Fire safety/smoke detectors

Permanent Housing

The subrecipient cannot use ESG funds to help a program participant remain in or move into housing that does not meet the minimum habitability standards under §576.403(c). This restriction applies to all activities under the Homelessness Prevention and Rapid Re-housing components.

Minimum habitability standards for permanent housing include requirements for:

- Structure and materials;
- Personal space and security;
- Interior air quality
- Water supply
- Sanitary facilities;
- Heating and cooling operating equipment;
- Natural and electrically produced light;
- Area for food preparation;
- Safe and sanitary facility maintenance; and
- Fire safety/smoke detectors

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

Lead-Based Paint Requirements

Federal lead-based paint requirements apply anytime federal funds are used for housing assistance and the living space or unit was built prior to 1978. The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851- 4856), and implementing regulations in 24 CFR part 35, subparts A, B, H, J, K, M, and R apply to all shelters assisted with ESG funding and all housing occupied by program participants.

Environmental Review

Recipients and subrecipients and their contractors shall not rehabilitate, convert, or renovate a shelter or prospective shelter until the City has performed an environmental review under 24 CFR part 50 and subrecipient has received HUD approval to continue. Environmental reviews must also be completed for any project-based housing assistance paid with ESG funding.

Indirect Costs (24 CFR 576.109)

The City requires that all applicants of ESG- funds state in the application whether it will charge indirect costs for the program year. ESG funds may be used to pay indirect costs in accordance with 2 CFR part 200, subpart E. Indirect costs may be allocated to each eligible activity under 24 CFR 576.101 through 576.108, so long as that allocation is consistent with 2 CFR part 200, subpart E. The indirect costs charged to an activity subject to an expenditure limit under 24 CFR 576.100 must be added to the direct costs charged for that activity when determining the total costs subject to the expenditure limit.

The entity's approved federally negotiated indirect cost rate agreement must be submitted to the City. If an entity does not have an approved federally negotiated indirect cost rate agreement, the entity may elect to charge a de minimis rate of ten percent (10%) of modified total direct costs. The entity also has the option of negotiating an indirect cost rate, refer to 2 CFR 200, Appendix IV.

Homeless Participation (24 CFR 576.405)

The subrecipient must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policymaking entity of the subrecipient, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receive funding under ESG.

If the subrecipient is unable to meet this requirement , it must instead develop and implement a plan to consult with homeless or formerly homeless individuals in considering and making policies and decisions regarding any facilities, services, or other assistance that receive funding under ESG. The plan must be included in the request for applications.

To the maximum extent practicable, the subrecipient must 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.

Enforcement (24 CFR 576.501)

The City will perform monitoring activities as follows:

- All shelters will be monitored annually.
- All homeless prevention and rapid re-housing programs will be monitored every other year.
- All subrecipients will be fiscally monitored throughout the program year.
- All new subrecipients to the ESG (and/or ESG-CV) program will be monitored during the program year.

In conducting performance reviews, the City will rely primarily on information obtained from the records and reports from the subrecipient and as well as information from onsite monitoring, audit reports, and information from IDIS and HMIS. Where applicable, the City may also consider reliant information pertaining to the subrecipient's performance gained from other sources, including citizen comments, complaint determinations, and litigation. Reviews to determine compliance with specific requirements of this part will be conducted as necessary, with or without prior notice to the subrecipient.

If the City determines preliminarily that one of its subrecipients has not complied with an ESG program requirement, the City will give notice of this determination and an opportunity to demonstrate, within the time prescribed by the City and on the basis of substantial facts and data, that the subrecipient has complied with ESG requirements. If the subrecipient fails to demonstrate to the City's satisfaction that the activities were carried out in compliance with ESG program requirements, the City will take one or more of the remedial actions or sanctions specified in this section:

- Remedial actions and sanctions: Remedial actions and sanctions for a failure to meet an ESG program requirement will be designed to prevent a continuation of the deficiency; mitigate, to the extent possible, its adverse effects or consequences; and prevent its recurrence.
- HUD may instruct the subrecipient to submit and comply with proposals for action to correct, mitigate, and prevent noncompliance with ESG requirements, including:
 - Preparing and following a schedule of actions for carrying out activities affected by the noncompliance, including schedules, timetables, and milestones necessary to implement the affected activities;
 - Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions;
 - Canceling or revising activities likely to be affected by the noncompliance, before expending ESG funds for the activities;
 - Reprogramming ESG funds that have not yet been expended from affected activities to other eligible activities;
 - Suspending disbursement of ESG funds for some or all activities;
 - Reducing or terminating the remaining grant of a subrecipient and reallocating those funds to other subrecipients; and
 - Making matching contributions before or as draws are made from the subrecipient's ESG grant.
- HUD may change the method of payment to a reimbursement basis.
- HUD may suspend payments to the extent HUD deems it necessary to preclude the further expenditure of funds for affected activities.
- HUD may remove the subrecipient from participation in reallocations of funds under subpart D of this part.
- HUD may deny matching credit for all or part of the cost of the affected activities and require the subrecipient to make further matching contributions to make up for the contribution determined to be ineligible.
- HUD may require the subrecipient to reimburse its line of credit in an amount equal to the funds used for the affected activities.
- HUD may reduce or terminate the remaining grant of a subrecipient and reallocate those funds to other subrecipients in accordance with subpart D of this part.
- HUD may condition a future grant.
- HUD may take other remedies that are legally available.

Subrecipient sanctions:

If the City determines that a subrecipient is not complying with an ESG program requirement or its subrecipient agreement, the City will take appropriate actions, as prescribed for HUD in paragraphs (a) and (b) of this section. If funds become available as a result of an action under this section, the City must reallocate those funds to other

subrecipients as soon as practicable. If the subrecipient is a unit of general purpose local government of territory, it must either reallocate those funds to other subrecipients or reprogram the funds for other activities to be carried out by the subrecipient as soon as practicable. The City will amend its Consolidated Plan in accordance with its citizenship participation plan if funds become available and are reallocated or reprogrammed under this section. The reallocated or reprogrammed funds must be used by the expenditure deadline in 24 CFR 576.203.

Appendices

Appendix A – CARES Act and HUD Waiver Dated September 1, 2020

CARES Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law on March 27th, 2020. The CARES Act made available an additional \$4 billion in Emergency Solutions Grant-CV funds (“ESG-CV”) to supplement the Fiscal Year (FY) 2020 ESG-CV funding provided under the Further Consolidated Appropriations Act, 2020 (Public Law 116-94). Of this amount, the Department of Housing and Urban Development (“HUD”) immediately allocated \$1 billion for ESG-CV grants based on the FY 2020 ESG-CV formula. The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19. The ESG-CV program is authorized by subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371–11378) as amended by the CARES Act.

Requirements at 24 CFR Part 576 will apply to the use of these funds, unless otherwise provided by the alternative requirements and flexibilities established under the CARES Act, a Notice dated August 31, 2020 entitled: Waivers and Alternative Requirements for the Emergency Solutions Grants (ESG) Program Under the CARES Act, or subsequent waivers, amendments or replacements to this Notice.

CARES Act ESG-CV Eligible Services

The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19:

- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- Up to 10 percent of funds may be used for administrative costs, as opposed to 7.5 percent as provided by 24 CFR 576.108(a);
- The funds are exempt from the ESG-CV match requirements, including 24 CFR 576.201;
- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD’s Very Low-Income Limit for the area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the “at risk of homelessness” definition in 24 CFR 576.3;
- That subrecipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to coronavirus, notwithstanding 24 CFR 576.407(f) and 2 CFR 200.317-200.326;
- While HUD encourages communities to offer treatment and supportive services when necessary to assist vulnerable homeless populations, individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, notwithstanding 24 CFR 576.401(e).

CARES ACT Waivers

In addition, the Act authorizes the Secretary to grant waivers of and specify alternative requirements for statutes and regulations the Secretary administers in connection with the use of ESG-CV funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). These waivers and alternative requirements can be issued when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus. In accordance with 24 CFR 5.110, HUD made a determination of good cause and subject to statutory limitations, waive regulatory provisions. Additional regulatory waiver authority is provided in 24 CFR 91.600. These regulatory provisions provide HUD the authority to make waiver determinations for the ESG-CV, COC, and HOPWA Programs and consolidated planning requirements for all CPD formula programs.

A memorandum was later submitted by John Gibbs, Assistant Secretary, Acting, D providing additional flexibility to communities to prevent the spread of COVID-19 and better assist individuals and families, including those experiencing homelessness infected with COVID-19 or economically impacted by the virus.

Coordination with Public Health

If shelters utilize symptom screening as a part of intake procedures, it must be reviewed and approved by a local public health partner such as the county's or state's department of public health or the Healthcare for the Homeless partner.

Shelters funded by ESG-CV must establish referral pathways to isolation and quarantine if a client is in need of such services.

Shelters funded through ESG-CV will maintain social distancing requirements established in partnership with the county's or state's department of public health.

Priorities for Assessing Eligibility and Processing Assistance

Program assistance under ESG-CV shall be prioritized as follows:

- (1) First priority for assessment of eligibility and, if determined eligible, receipt of assistance shall be accorded to households that have received a Summons and Complaint from Somerville District Court or Eastern District Housing Court.
- (2) Second priority for assessment of eligibility and, if determined eligible, receipt of assistance shall be accorded to households (a) that have received a written Notice to Quit from the owner of the residential rental unit in which they reside, or the landlord or management company thereof; or (b) whose lease will expire within twenty-one (21) days and will not be renewed.

APPENDIX B: Criteria for Defining Homelessness

Category 1	Category 2	Category 3	Category 4	At-Risk
Literally Homeless	Imminent Risk of Homelessness	Homeless under other Federal Statutes	Fleeing/Attempting to Flee DV	At Risk of Homelessness
<p>Individual or family who lacks, regular and adequate nighttime residence, meaning:</p> <ul style="list-style-type: none"> • Primary nighttime residence is public or private and not meant for human habitation. • Is living in a public or privately- operated shelter (congregate shelters, transitional housing and hotels and motels are paid for by charitable organizations or federal, state and local government. • Is exiting an institution where(s) he has 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. 	<p>Individual or family who will imminently lose their primary nighttime residence, provided that:</p> <ul style="list-style-type: none"> • Residence will be lost within 14 days of the date of application for homeless assistance • No subsequent residence has been identified; and • The individual or family lacks the resources or support networks needed to obtain other permanent housing. 	<p>Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:</p> <ul style="list-style-type: none"> • Are defined homeless under the listed federal statutes; • Have no lease, ownership interest or occupancy agreement in permanent housing for 60 days prior to the homeless assistance application; • Have experience persistent instability as measured by two (2) moves or more during in the preceding 60 days; and • Can be expected to continue such status for an extended period due to special needs and barriers. 	<p>Any individual or family who meets Category 1 criteria AND:</p> <ul style="list-style-type: none"> • Is fleeing, or is attempting to flee domestic violence; • Has no other residence; and • Lacks the resources or support networks to obtain other permanent housing. 	<p>Individual or family with annual income below 50%AMI and:</p> <ul style="list-style-type: none"> • The individual or family lacks the resources or support networks needed to obtain other permanent housing; and meets one of the following: • Has moved because of economic reasons 2 or more times during the past 60 days • Is living in the home of another because of economic hardship • Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after date of application for assistance • Lives in a hotel or motel, cost NOT paid for by charity or other assistance • 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 • Is exiting a publicly funded institution • Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the consolidated plan

ESG-CV RECORDKEEPING REQUIREMENTS

Category 1	Category 2	Category 3	Category 4	At-Risk
Literally Homeless	Imminent Risk of Homelessness	Homeless under other Federal Statutes	Fleeing/Attempting to Flee DV	At Risk of Homelessness
<ul style="list-style-type: none"> ● Written observation by outreach worker; or ● Written referral by another housing or service provider; or ● Self-Certification by individual or head of household stating that (s) he was living on the street or in shelter; (complete required form included below) ● Individuals exiting an institution — one of the forms of evidence above and: <ol style="list-style-type: none"> 1. Discharge paperwork or written/oral referral, or 2. Written record of intake worker's due diligence to obtain above evidence and certification by individual that they exited institution. 	<ul style="list-style-type: none"> ● Court order from an eviction; or ● Hotel and motel exit-evidence that they lack the financial resources; or ● Documented and verified oral statement; and ● Certification that no subsequent residence has been identified; and ● Self-certification or other written documentation that household lack the financial resources and support necessary to obtain permanent housing (PH). (complete required form included below) (Use as a last resort) 	<ul style="list-style-type: none"> ● Certification by non-profit, local and state government that the household seeking assistance met the homelessness criteria under another federal statute; and ● Certification of no PH in last 60 days; and ● Self-Certification by the head of household and any available supporting documentation, that (s)he has moved two (2) or more times in the past 60 days; (complete required form included below) and ● Documentation of special needs or 2 or more barriers. 	<p>For victim service providers:</p> <ul style="list-style-type: none"> ● Oral statement by individual or head of household which states; they are fleeing; they have no other subsequent residence and lack resources. (Statement must be documented by self-certification or intake worker). <p>For non-victim service providers:</p> <ul style="list-style-type: none"> ● Oral statement by individual or head of household seeking assistance (documented by self-certification (complete required form included below) or intake worker). The family safety must not be jeopardized. ● Certification by head of household that no subsequent residence has been identified; and ● Self-Certification or other written documentation, the household lacks financial resources and support networks to obtain other permanent housing. (Use as a last resort) (complete required form included below) 	<ul style="list-style-type: none"> ● Evidence that they lack financial resources ● Documentation of #/dates of moves ● 21-day notice ● Documentation of housing (hotel/motel, institution, SRO, etc.) ● Documentation of characteristics associated with housing instability and increased risk of homelessness

Appendix C: Key Components of the City of Somerville ESG-CV Program, as Included in Executed Contracts with Subrecipient Organizations

The Agency is authorized to make payments on behalf of eligible clients to assist with the costs of eligible relocation and rental start-up costs, including rental application fees, subject to the provisions of 24 CFR §576.105(a)(1); first month's rent; last month's rent, subject to the provisions of 24 CFR §576.105(a)(3); a security deposit, subject to the provisions of 24 CFR §576.105(a)(2); and/or moving expenses for relocation anywhere within the state of Massachusetts, subject to the provisions of 24 CFR §576.105(a)(6),

Subject to the provisions of §576.106, the Agency is also authorized to provide short- and medium-term rental assistance to eligible households, that is, to make payments on behalf of eligible clients to assist with the cost of up to twelve months of ongoing (prospective) rent for eligible housing.

The Agency shall:

- (1) Ensure full program accessibility for those with limited English proficiency and those with lack of access to computer-based technology; make diligent efforts to hire project staff who speak at least one of the major languages in Somerville (Haitian Creole; Spanish; Portuguese) in addition to English; use Language Line or another comparable source of telephone interpretation; and to the maximum extent practicable, provide materials in relevant languages
- (2) Conduct outreach to potentially eligible renter households in multiple languages, with particular attention to renter households at heightened risk of eviction.
- (3) Certify income and other programmatic eligibility of applicants for assistance pursuant to the provisions of this contract, and consistent with ESG and ESG-CV requirements, and re-certify such eligibility before the six month mark, if benefits are to extend beyond six months;
- (4) Ensure that assessment of eligibility and provision of assistance are prioritized pursuant to the provisions of Section B of this contract;
- (5) Work with eligible applicants to apply for other sources of financial assistance, including State, Federal and other local sources of assistance as necessary, to stabilize housing where necessary;
- (6) Assist applicants with obtaining documents necessary for completion and approval of their application, and consistent with the requirements of Sections (D), (E), and (F) of this contract; provided, however, that if an applicant household is unable to adequately document their income or their COVID-related loss of income or increase in expenses, the Agency shall provide assistance in obtaining third party verification of the same. If the Agency cannot obtain such third-party verification within 5-10 business days, depending on the priority of the case, the Agency shall accept from the household a self-certification of the COVID-related income loss/increased expenses;
- (7) Work with property owners/landlords/property management staff to obtain necessary documents for payment under this program.
- (8) Ensure that payments of prospective rental assistance, and payments of start-up rental costs are made directly to the appropriate property owners/landlords/property management companies.
- (9) Upon determination of an applicant household's eligibility for assistance, the Agency shall encumber sufficient funds to cover the full amount of anticipated assistance, taking into account the amount of the client's contribution to rent, if any. Upon later determination that any portion of that potential assistance will not be paid, the Agency

shall unencumber the portion that will not be paid, so that it can be allocated to another eligible household.

- (10) Develop a housing stability plan for each participant granted short-or-medium term rental assistance; provided that said plan, shall, depending on the circumstances of the household, identify goals and strategies for achieving housing stability, and the steps which should be taken to increase or achieve such stability at the end of the period of assistance, including job search, looking for a roommate to share expenses, maximizing public benefits, or other strategy. If one or more adult members of the household are unemployed or underemployed and need assistance to conduct a more effective job search, the Agency will refer them to the Somerville Community Corporation's First Source program or another appropriate jobs program.
- (11) Except as defined in paragraph(12) below, payment of short- and medium-term Rental Assistance shall be as follows:
 - (a) During the first three months of prospective rental assistance, and during any subsequent months of prospective rental assistance, an eligible household whose gross income does not exceed 30% of AMI, as calculated in accordance with 24 CFR §5.609, shall not be required to contribute toward the monthly payment of rent; that is, the Agency shall pay the full amount of the monthly rent.
 - (b) During the first three months of prospective rental assistance, and during any subsequent months of prospective rental assistance, an eligible household whose gross income exceeds 30% of AMI, but is less than or equal to 50% AMI as calculated in accordance with 24 CFR §5.609, shall be required to contribute 25% of the household's income toward the monthly payment of rent; and the Agency shall pay the difference between the full cost of rent and the household's payment.
- (12) The award and continued payment of rental subsidies for up to a maximum of twelve-months shall be governed by the following eligibility guidelines, priorities, and program participation guidelines:
 - (a) Subsidies shall be administered on a first come first serve basis within a designated priority category as set forth in Section (B) above, to eligible applicants who have provided all necessary information and documentation to the Agency and who have been approved by the Agency as meeting all substantive criteria for receipt of a rental subsidy.
 - (b) Once an applicant has been approved as a program participant the Agency shall set aside a full twelve months of rental subsidy for such applicant.
 - (c) All applicants who receive a subsidy hereunder shall be awarded a subsidy for a minimum three-month prospective period.
 - (d) At the start of the third month of the program, participants must meet with Agency staff to review housing stability plans. In order to have their subsidy extended a participant must demonstrate a good faith effort toward meeting the self-sufficiency goals set out in their housing stability plan. A subsidy may be extended if the participant has demonstrated such good faith effort to work toward housing stability and that but for the rental subsidy, they would still be paying unaffordable rent as set forth in (A)(5) above. In the event that the participant household's income is above 30% of AMI, they will be required to pay 25% of their income toward rent. This process of assessment shall continue in three month increments for up to a total of twelve months at which time the subsidy shall cease unless previously terminated.
 - (e) In the event that the rental subsidy is terminated prior to the full twelve program months, the participant shall be provided with a minimum thirty days' notice

of such termination and notified of their right to appeal the termination decision. A termination decision may be appealed to the Program Director provided that that person was not involved in the initial decision to terminate the subsidy. In the event that the Program Director participated in that initial decision, the appeal may be made to the Executive Director. Appeals must be filed by the participant within fourteen days of the notice of program termination. The Agency shall have fourteen days to render a decision on the appeal. The decision will be mailed to the participant and maintained by the Agency.

- (13) Obtain all data about program recipients and the assistance provided as is necessary to comply with HUD ESG and ESG-CV data collection and reporting requirements, and enter such data into the HMIS data management system, and ensure compliance with all HMIS data and technical standards and client confidentiality standards in 24 CFR §576.500 (x);
- (14) Maintain all documents necessary to confirm that program requirements have been met -- including documents pertaining to household eligibility, eligibility of the housing, and eligibility of any payee to receive assistance funded under this contract -- for a period of five years and as required under 24 CFR §576.500 and any other applicable regulations;
- (15) Engage in due diligence to ensure that assistance paid on behalf of any program participant does not duplicate other assistance paid for the same purposes and for the same period of time through other federal, state and local programs. Towards that end:
 - (a) The Agency shall obtain a written release from program participants to share with the City and other providers of rental assistance information from the application which may be helpful in determining whether such duplicative assistance has been requested or approved; provided, however, that this requirement shall be suitably modified to ensure the privacy and confidentiality of persons whose safety would be jeopardized by the release of such information, including but not limited to persons protected by VAWA; and
 - (b) As part of the application for assistance, the Agency will require applicant households to self-certify: (i) that neither the household nor any of its individual members intend to request nor have requested or received or been promised assistance that would duplicate the requested assistance; and (ii) their understanding that should the household receive such duplicative assistance, the members of that household would be obligated to repay that assistance to the Agency.
 - (c) As part of the rental assistance contract, the property owner/landlord/management company shall be required to certify that they have not received and do not anticipate receiving payments that would duplicate the rental assistance payment (i.e., cover the cost of rent for the same months as covered by the rental assistance contract on behalf of the same household).
 - (d) Utilize duplication of benefit checklist in each file and ensure that all steps indicated on the checklist have been completed. Retain completed checklist in each file.
- (16) Establish and implement a grievance policy to allow those denied assistance to grieve any such decision;
- (17) Perform other tasks specified elsewhere in this contract and as required by HUD; and
- (18) Comply with the ESG Written Standards developed by the City of Somerville dated _____.

Appendix D: Non-Duplication of Assistance Checklist

Non-Duplication of Assistance Checklist

All boxes must be checked below prior to funds being administered or prior to invoicing the City of Somerville.

Prior to Administering Assistance

- ☐ Client has disclosed all other sources of funding applied for and signed the below statement
- ☐ Landlord has confirmed current rental arrears owed
- ☐ _____ staff has followed up on all pending funding applications to communicate with other funding agencies to determine who can administer assistance and when. _____ will only fund assistance when other agencies are unable to do so in a timely manner

Prior to Invoicing the City of Somerville

- ☐ _____ staff has notified all agencies for which the client has pending funding applications that _____ has administered assistance (months and amounts will be shared)

Client Statement

I, _____, have applied for rental arrears and/or prospective rental assistance from the following agencies.

Agency	Amount Requested	Purpose	Date of Application
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

By signing below, I certify that to the best of my knowledge I have not received funding from any of the above applications and that all applications that have been submitted by me or on my behalf for rental assistance are listed.

_____	_____	_____
Client Name Printed	Client Signature	Date

Agency Approval

I hereby certify that due diligence has been completed to ensure that funding is not duplicated.

_____	_____
Staff Signature	Date

Appendix E: Housing Habitability Standards Checklist

Housing Habitability Standards

Instructions: Place a check mark in the correct column to indicate whether the property is approved or deficient with respect to each standard. The property must meet all standards in order to be approved. A copy of this checklist should be placed in the client file.

Approved	Deficient	Standard (24 CFR part 576.403(c))
		1. <i>Structure and materials:</i> The structure is structurally sound to protect the residents from the elements and not pose any threat to the health and safety of the residents.
		2. <i>Space and security:</i> Each occupant is provided adequate space and security for themselves and their belongings, and is provided an acceptable place to sleep.
		3. <i>Interior air quality:</i> Each room or space has a natural or mechanical means of ventilation. The interior air is free of pollutants at a level that might threaten or harm the health of residents.
		4. <i>Water Supply:</i> The water supply is free from contamination.
		5. <i>Sanitary Facilities:</i> Residents have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
		6. <i>Thermal environment:</i> The housing has any necessary heating/cooling facilities in proper operating condition.
		7. <i>Illumination and electricity:</i> The structure has adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There are sufficient electrical sources to permit the safe use of electrical appliances in the structure.
		8. <i>Food preparation:</i> All food preparation areas contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
		9. <i>Sanitary condition:</i> The housing is maintained in sanitary condition.
		10. <i>Fire safety:</i> <ol style="list-style-type: none"> There is a second means of exiting the building in the event of fire or other emergency. The unit includes at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors are located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing-impaired persons, smoke detectors have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person. The public areas are equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, day care centers, hallways, stairwells, and other common areas.
		11. Meets additional recipient/subrecipient standards (if any).

CERTIFICATION STATEMENT

I certify that I have evaluated the property located at the address below to the best of my ability and find the following:

- ☐ Property meets all of the above standards.
- ☐ Property does not meet all of the above standards.

COMMENTS:

Program Participant Name: _____

Street Address: _____

Apartment #: _____

City: _____ State: _____ Zip: _____

Evaluator Signature: _____ Date of review: _____

Evaluator Name: _____

Approving Official Signature (if applicable): _____ Date: _____

Approving Official Name (if applicable): _____

Appendix F: Rent Reasonableness Checklist

RENT REASONABLENESS CHECKLIST

The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units. 24 CFR 574.320 (a)(3).

	Proposed Unit	Comp. Unit #1	Comp. Unit #2	Comp. Unit #3
Client:				
Address				
Number of Bedrooms				
Location/Neighborhood/ Amenities				
Utilities (type)				
Handicap Accessible?				
Unit Rent (which utilities included)				
Comments:				

Rent Reasonableness

Based upon a comparison with rents for comparable units, I have determined that the proposed rent for the unit__IS____IS NOT reasonable.

Name: _____Signature: _____Date: _____

Appendix G: SAMPLE Contract Scope of Work

Scope of Work

Requirements for the Emergency Solutions Grant Grantee:

- Somerville-Arlington CoC has merged with the Balance of State CoC. Grantee must actively attend the approx. monthly Balance of State Planning Group meeting and participate in other Balance of State committees dedicated to one or more of the following topics: Youth, Veterans, Coordinated Entry, Domestic Violence, HMIS, Racial Disparities Task Force, or other newly formed Balance of State Committees. Grantee should attend quarterly Somerville-Arlington provider group meetings.
- Grantee must participate in Coordinated Entry as required by HUD and as coordinated by the Balance of State CoC.
- Grantee will attend any ESG related trainings, and any Balance of State CoC trainings regarding Coordinated Entry. Dates of meetings/trainings will be emailed to Grantees.
- 100% of clients served in the program must be homeless, or at risk of becoming homeless, as defined by HUD, depending on the Program.
- Data Collection and HMIS Participation:
 - Agency will follow the Balance of State CoC's HMIS Policies and Procedures.
 - Agency will allow Balance of State's HMIS Lead agency to access HMIS data to review information for data quality checks and research/reporting purposes. Victim Service Providers (VSPs) that currently hold a contract with a Vendor for a HMIS Comparable Database product that is certified for use by the HMIS Lead may continue to use said product. VSPs that do not currently hold a contract for a certified HMIS Comparable Database will be strongly encouraged to obtain one. All agencies will generate unduplicated aggregate reports from their data.
 - Agency shall write, adopt, and abide by written policies and procedures which assure that the privacy of all ESG eligible participants is protected, without impacting Agency's provision of Program Activities.
 - Agency shall obtain explicit consent from all ESG eligible program participants before collecting HMIS required Data Elements. In the event that the Agency is unable to obtain explicit consent from the ESG eligible program participant, the Agency shall de-identify data into an anonymous client record that fulfills the data collection requirements detailed throughout this section.
 - The Agency shall not refuse service to any ESG eligible individual or family solely because that individual or family refuses to participate in HMIS data collection.
 - ESG Program regulations require that each Agency/Organization receiving ESG funds must collect, record, and make available to OSPCD data that is necessary to determine: (1) the number of unduplicated homeless individuals and families and individuals and families at risk of homelessness accessing services; (2) demographic characteristics of homeless individuals and families and individuals and families at risk of homelessness; (3) patterns of service use within the community.

- Grantee will complete quarterly HUD reports, close-out form and additional reports as required by HUD. HUD reports should be pulled from HMIS, or comparable database for victim service providers.
- Will submit to OSPCD quarterly a report on a form entitled “Emergency Solutions Grant Progress Report,” attached hereto as Appendix D. In the narrative section of the Progress Report, report on the transition to independent living of the clients served through this contract.
- Agreements will identify programming in four (4) ESG eligible areas: Shelter Operations, Homelessness Prevention, Rapid Re-housing, and HMIS.
- Reports will be performance-based on four (4) performance objectives corresponding to ESG information tracked in HMIS. Performance objectives include: Percentage discharged to permanent destination, Percentage of clients with income increased or maintained at discharge, Percentage of clients with increased or maintained mainstream resources, and Average length of stay for clients exiting to permanent housing. Grantee will document the outcomes of each objective in the HUD reports submitted.
- Will guarantee confidentiality of program records and will maintain records for four years.
- Create opportunities for clients to participate in policy making functions of the organization.
- Listing of allowable activities for both Homelessness Prevention and Rapid Re-housing components – FINANCIAL ASSISTANCE can be moving costs, rent application fees, security deposit, last month’s rent, utility deposit, utility payments and SERVICES can be housing search/placement, housing stability case management, mediation and legal services, and credit repair/budgeting/money management.
- Listing of allowable Rental Assistance for both Homeless Prevention and Rapid Re-housing components – Short-Term is up to 3 months and Medium-term is 4 to 24 months. Rental assistance can be granted for up to 24 months during any 3 year period.
- Standards for both Homelessness Prevention and Rapid Re-housing components. Rental units must meet Fair Market Rent limits, rent reasonableness, minimum habitation standards, rental assistance agreement and lease. No rental assistance will be provided to a household who is receiving assistance from another source for the same time period.
- All clients receiving rental assistance must have a one-year lease.

A. Activity Description: The Grantee shall provide Shelter Operations, Rapid Re-housing, Homelessness Prevention, and HMIS host as outlined in HUD’s Homelessness Resource Exchange website in the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act and ESG Interim Rule.

B. National Objective: The activity is limited to serving homeless or at risk of homelessness and will exclusively benefit a set of clientele who are generally presumed by HUD to be principally L/M income persons. The sub-grantee will ensure that ESG funded services will be provided only to clients identified in this agreement. Services provided to other clients will not be eligible for reimbursement.

C. Project Outcomes: The sub-grantee shall provide the following through service:

Emergency Shelter Operations and Essential Service

1. Staff and provide upkeep and maintenance at the shelter (____units) located at _____. Over the contract year, the vendor expects to serve _____ clients annually, depending on the clients' length of stay.
2. Furnish shelter and provide food, clothing, support services and other essential services to promote independent living by clients.
3. Collaborate with area shelters in case management of clients as they move from shelter living to transitional housing and ultimately to secure permanent housing.

Rapid Re-housing (Financial Assistance and Services)

4. For ____ clients yearly who meet the criteria of the homeless definition as defined by HUD, who are literally homeless. Funds can be used to help homeless individuals and families move into permanent housing and achieve housing stability. (Serve approx. _____ households) (Approx. \$_____ per household)
5. Eligibility activities include housing relocation and stabilization services and short- and medium-term rental assistance.

Homelessness Prevention and Legal Services (Financial Assistance and Services)

6. For ____ clients per contract period who are homeless or at-risk of becoming homeless and at or below 30% area median income. Funds can be used to prevent individuals and families from becoming homeless or to help an individual or family regain stability in their current housing or secure other permanent housing. (Serve approx. _____ households) (Approx. \$_____ per household).
7. Eligibility activities include housing relocation and stabilization services and short- and medium-term rental assistance.

Homeless Management Information System (HMIS) Host

9. Hosting, maintaining, enhancing, and conducting training on using HMIS and reporting.
10. Eligible activities include salaries of HMIS operation, obtaining technical support, office space, utilities, and equipment.

Report

11. The sub-recipient is responsible to provide the city in a timely manner with the annual client data in the format that can be downloaded to HUD and comply with the HUD reporting format for the CAPER.
12. Submit to OSPCD quarterly a report on a form entitled Emergency Solutions Grant Progress Report attached hereto as Appendix D. In the narrative section of the Progress Report, report on the transition to independent living of clients served through this contract.

Appendix H: SAMPLE Contract Budget

Budget

Program Budget

\$_____

The City will reimburse the Vendor for eligible costs related to shelter operations, homeless prevention, rapid re-housing and HMIS reporting in the following amounts:

Shelter Operations and Essential Services (to include but not limited to rent, utilities, maintenance, food, furnishings, insurance, supplies, case management, life skills, education, employment assistance, etc.)

\$_____

Rapid Re-Housing (to include but not limited to Financial Assistance - rent/fees, security deposits/payments, last month's rent, utility deposit/payments, Short-Term Rent and Medium-Term Rent, and Housing Stabilization Services – housing search and placement salaries and fringe, equipment, furnishings, agency rent, etc.)

\$_____

Homelessness Prevention (to include but not limited to Financial Assistance rent/fees, security deposits/payments, last month's rent, utility deposit/payments, Short-Term Rent and Medium-Term Rent, and Housing Stabilization Services – housing search and placement salaries and fringe, equipment, furnishings, agency rent, etc.)

\$_____

HMIS Host (to include but not limited to data collection salary and fringe, consumables, consultant, consumables, equipment/furnishings, data training costs, etc.)

\$_____