

2013 Emergency Solutions Grants Program (ESG)

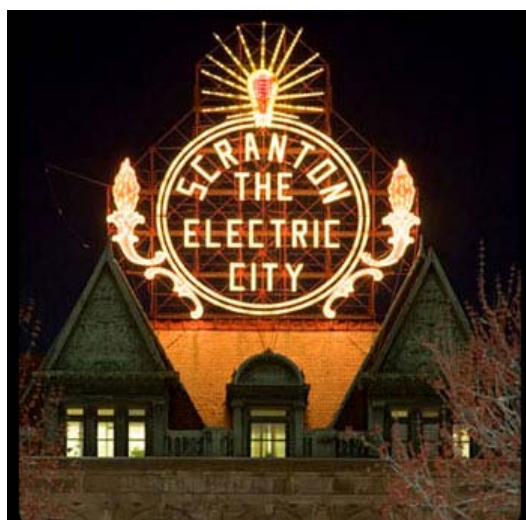
APPLICATION GUIDELINES

Application Due Date

August 10, 2012

4:30 p.m.

Application will not be accepted after the deadline.



Christopher A. Doherty

Mayor

Linda B. Aebli

Executive Director

Office of Economic and Community Development

City Hall

340 North Washington Avenue

Scranton, Pennsylvania 18505

Guidelines - General Information

The United States Department of Housing and Urban Development HUD administers the Emergency Solutions Grant (ESG) Program. The City of Scranton Office of Economic and Community Development (OECD) anticipates receiving approximately \$250,000.00 in ESG funding from HUD for 2013 for use beginning January 1, 2013. All applicants and proposed activities must meet HUD ESG eligibility guidelines to be considered for funding. This program was previously known as the Emergency Shelter Grants Program, but its scope, eligible activities, and requirements changed significantly under the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009, whose regulations were released for effect in early 2012.

Final allocation of ESG funds is contingent upon the City of Scranton OECD recommendations, Scranton City Council approval, HUD award of funds, submittal of all required insurance documentation, and full execution of grantee written agreement. Completion and submission of this application does not obligate the City of Scranton to allocate ESG funds to your activity.

ESG funded projects must comply with strict eligibility criteria. Prior to submission, please carefully review this information package to determine if your request for funds will qualify under the ESG regulations. While the City of Scranton's OECD is available to provide technical assistance, it is the responsibility of the applicant to become educated on the federal regulations that govern the ESG Program. For more detailed information on HUD guidelines, go to www.hud.gov.

You may download the application from the City of Scranton website, www.scrantonpa.gov. Under "City Departments", select OECD then select Applications.

The application for ESG funding must be completed in full and submitted to the City of Scranton's OECD office **no later than 4:30 PM on Friday, August 10, 2012.** Applications sent by FAX or email will not be accepted. **Late or incomplete applications will not be considered.**

Please complete the application in its entirety, completing financial forms, meeting minimum threshold requirements, and conforming to federal regulations for use of funds.

One original application, with required Exhibits as outlined in the application, and two copies of the application only (no copies of the Exhibits or the Finance spreadsheets are required) must be returned in a sealed envelope marked on the outside with the agency name. To facilitate photocopying, please do not bind the application in any way. All technical assistance regarding the application should be directed to Gerard Auriemma, Public Service/ESG Specialist, OECD at 570/348-4216, Ext. 124 or gauriemma@scrantonpa.gov.

The federal government requires agencies to provide a **DUNS number** as part of their grant applications and proposals. You may call 1-800-234-3867 or register for a DUNS number via Dun and Bradstreet's Web site at <http://www.dnb.com/us/>.

Minimum Threshold Requirements

Your agency must meet the minimum threshold requirements below. If your agency cannot provide documentation to demonstrate that it meets all of the criteria below, your application will not be considered for funding.

THRESHOLD REQUIREMENTS	DOCUMENTATION TO BE PROVIDED WITH APPLICATION (follow instructions in application as to how to submit this documentation)
1. Agency must have had non-profit status for at least two full years or be a governmental entity proposing to serve City of Scranton residents.	Copy of non-profit designation from the IRS. Not applicable for government agencies.
2. Agency must be registered and licensed to do business in the State of Pennsylvania at the time of application.	Current registration of charitable organization status from the Commonwealth of Pennsylvania.
3. The agency must have an annual independent audit every other year if it receives \$25,000 or more in ESG funds.	One copy of your 2011 annual independent audit, including management letter, if applicable based upon the criteria to the left.
4. Agency must provide two most recent years of financial statements (income & expense statement, balance sheet and cash flow statement).	Two most recent years of financial statements (income & expense statement, balance sheet and cash flow statement).
5. Agency must submit a copy of your IRS Form 990.	2011 IRS Form 990.
6. Agency must demonstrate that the agency has an active, independent Board of Directors that meets at least 4 times per year.	Provide dated copies of the last 4 Board of Directors' Meeting Minutes.

Components and Target Populations for Emergency Solutions Grant

Component	Eligible Activities	Serving Those Who are Homeless	Serving Those Who are At Risk of Homelessness	Additional Part (I-V) of Application to Complete
Street Outreach	Engagement, case management, emergency health and mental health services, transportation, services to special populations	X		Part I
Emergency Shelter	Essential services (case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills, mental health services, substance abuse treatment services, transportation, services for special populations); and shelter operations (maintenance, rent, security, fuel, insurance, utilities, food, furnishings, equipment, supplies, hotel or motel vouchers [when no appropriate emergency shelter is available])	X		Part II
Homelessness Prevention	Housing Relocation and Stabilization Services (Financial Assistance: rent application fees, security deposit, last month's rent, utility deposit, utility payments; Services: housing search and placement, housing stability case management, mediation, legal services, credit repair). Short-term Rental Assistance (short term rental assistance up to 3 months; one-time payment of rent in arrears).		X	Part III
Rapid Re-Housing	Housing Relocation and Stabilization Services (Financial Assistance: rent application fees, security deposit, last month's rent, utility deposit, utility payments; Services: housing search and placement, housing stability case management, mediation, legal services, credit repair). Short-term Rental Assistance (short term rental assistance up to 3 months; one-time payment of rent in arrears).	X		Part IV
HMIS	Hardware, equipment, and software costs; staffing; training and overhead (HMIS provider only)		Data collection, not direct client service	Part V (HMIS provider only)

Please note that the Regulations section of this document provides more details about these eligible activities. It is the responsibility of the applicant to ensure that the agency has the capacity to fulfill HUD's very complicated requirements for this grant.

Application Review Criteria for New Agencies

Applications will be evaluated by the City of Scranton's Office of Economic and Community Development staff on the following six categories:

A. Project Description

- ✓ Design of program
- ✓ Uniqueness
- ✓ Track record for achieving goals and objectives of existing programs

B. Previous Experience Providing ESGP Service Activities

- ✓ Shelter (services and/or operations)
- ✓ Street Outreach
- ✓ Homelessness Prevention
- ✓ Rapid Re-Housing
- ✓ HMIS

C. Collaboration

- ✓ Participation in DeKalb County Homelessness Collaborative, including regular attendance at meetings
- ✓ Collaboration efforts with other stakeholders
- ✓ Strategic partners

D. Organizational Management/Administrative Capacity

- ✓ Ability to meet grant requirements for documentation (as described in guidelines)

E. Consistency with the Consolidated Plan and/or Continuum of Care

Which HUD **Objective** best describes the activity:

- ✓ Suitable Living Environment
- ✓ Decent Housing

Which HUD **Outcome** does the activity achieve and how is it achieved?

- ✓ Availability/Accessibility
- ✓ Affordability
- ✓ Sustainability

F. Fiscal Management / Feasibility

- ✓ Financial statements (income & expense statement, balance sheet and cash flow statement)
- ✓ Audits and management letter (if applicable)

Application Review Criteria for Currently Funded Agencies

Applications will be evaluated by the City of Scranton's Office of Economic and Community Development staff on the following seven categories:

A. Project Description

- ✓ Design of program
- ✓ Uniqueness
- ✓ Track record for achieving goals and objectives of existing programs

B. Previous Experience Providing ESGP Service Activities

- ✓ Shelter (services and/or operations)
- ✓ Street Outreach
- ✓ Homelessness Prevention
- ✓ Rapid Re-Housing
- ✓ HMIS

C. Collaboration

- ✓ Participation in DeKalb County Homelessness Collaborative, including regular attendance at meetings
- ✓ Collaboration efforts with other stakeholders
- ✓ Strategic partners

D. Organizational Management/Administrative Capacity

- ✓ Ability to meet grant requirement for documentation (as described in guidelines)

E. Consistency with the Consolidated Plan and/or Continuum of Care

Which HUD **Objective** best describes the activity:

- ✓ Suitable Living Environment
- ✓ Decent Housing

Which HUD **Outcome** does the activity achieve and how is it achieved?

- ✓ Availability/Accessibility
- ✓ Affordability
- ✓ Sustainability

F. Fiscal Management / Feasibility

- ✓ Financial statements (income & expense statement, balance sheet and cash flow statement)
- ✓ Audits and management letter
- ✓ Procurement policy

G. Prior Agency Performance as a DeKalb County Grantee

- ✓ Service delivery
- ✓ Agency capacity
 - i. Financial
 - ii. Board of Directors Involvement
- ✓ Contract compliance (monitoring, audits, etc.)
- ✓ HUD regulation compliance

HEARTH Act Regulations Referred to in Application

Use of HMIS, 24 CFR Part 576.400

...data on all persons served and all activities assisted under ESG are entered into the applicable community-wide HMIS in the area in which those persons and activities are located, or a comparable database, in accordance with HUD's standards on participation, data collection, and reporting under a local HMIS. If the subrecipient is a victim services provider or a legal services provider, it may use a comparable database that collects client-level data over time (i.e., longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS.

Record Retention, 24 CFR Part 576.500

All records pertaining to each fiscal year of ESG funds must be retained for the greater of 5 years or the period specified below. Copies made by microfilming, photocopying, or similar methods may be substituted for the original records. (1) Documentation of each program participant's qualification as a family or individual at risk of homelessness or as a homeless family or individual and other program participant records must be retained for 5 years after the expenditure of all funds from the grant under which the program participant was served;

Part I: Street Outreach

Activities, 24 CFR part 576.101

(a) Eligible costs. Subject to the expenditure limit in § 576.100(b), ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. For the purposes of this section, the term "unsheltered homeless people" means individuals and families who qualify as homeless under paragraph (1)(i) of the "homeless" definition under § 576.2. The eligible costs and requirements for essential services consist of: (1) Engagement. The costs of activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid re-housing programs. Eligible costs include the cell phone costs of outreach workers during the performance of these activities. (2) Case management. The cost of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant. Eligible services and activities are as follows: using the centralized or coordinated assessment system as required under § 576.400(d); conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility; counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability. (3) Emergency health services. (i) Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals operating in community-based settings, including streets, parks, and other places where unsheltered homeless people are living. (ii) ESG funds may be used only for these services to the extent that other appropriate health services are inaccessible or unavailable within the area. (iii) 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 emergency medical treatment; and providing medication and follow-up services. (4) Emergency mental health services. (i) Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions operating in community-based settings, including streets, parks, and other places where unsheltered people are living. (ii) ESG funds may be used only for these services to the extent that other appropriate mental health services are inaccessible or unavailable within the community. (iii) 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. (iv) Eligible treatment consists of crisis interventions, the prescription of psychotropic medications, explanation about the use and management of medications, and combinations of therapeutic approaches to address multiple problems. (5) Transportation. The transportation costs of travel by outreach workers, social workers, medical professionals, or other service providers are eligible, provided that this travel takes place during the provision of services eligible under this section. The costs of transporting unsheltered people to emergency shelters or other service facilities are also eligible. These costs include the following: (i) The cost of a program participant's travel on public transportation; (ii) If service workers use their own vehicles, mileage allowance for service workers to visit program participants; (iii) The cost of purchasing or leasing a vehicle for the recipient or 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 (iv) The travel costs of recipient or subrecipient staff to accompany or assist program participants to use public transportation.

Documentation of Homelessness: 24 CFR Part 576.500 (for Outreach, Shelter, and Rapid Re-Housing)

(b) Homeless status. The recipient must maintain and follow written intake procedures to ensure compliance with the homeless definition in § 576.2. The procedures must require documentation at intake of the evidence relied upon to establish and verify homeless status. The procedures must establish the order of priority for obtaining evidence as third-party documentation first, intake worker observations second, and certification from the person seeking assistance third. However, lack of third-party documentation must not prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider. Records contained in an HMIS or comparable database used by victim service or legal service providers are acceptable evidence of third-party documentation and intake worker observations if the HMIS retains an auditable history of all entries, including the person who entered the data, the date of entry, and the change made; and if the HMIS prevents overrides or changes of the dates on which entries are made. (1) If the individual or family qualifies as homeless under paragraph (1)(i) or (ii) of the homeless definition in § 576.2, acceptable evidence includes a written observation by an outreach worker of the conditions where the individual or family was living, a written referral by another housing or service provider, or a certification by the individual or head of household seeking assistance. (2) If the individual qualifies as homeless under paragraph (1)(iii) of the homeless definition in § 576.2, because he or she resided in an emergency shelter or place not meant for human habitation and is exiting an institution where he or she resided for 90 days or less, acceptable evidence includes the evidence described in paragraph (b)(1) of this section and one of the following: (i) Discharge paperwork or a written or oral referral from a social worker, case manager, or other appropriate official of the institution, stating the beginning and end dates of the time residing in the institution. All oral statements must be recorded by the intake worker; or (ii) Where the evidence in paragraph (b)(2)(i) of this section is not obtainable, a written record of the intake worker's due diligence in attempting to obtain the evidence described in paragraph (b)(2)(i) and a certification by the individual seeking assistance that states he or she is exiting or has just exited an institution where he or she resided for 90 days or less. (3) If the individual or family qualifies as homeless under paragraph (2) of the homeless definition in § 576.2, because the individual or family will imminently lose their housing, the evidence must include: (i)(A) A court order resulting from an eviction action that requires the individual or family to leave their residence within 14 days after the date of their application for homeless assistance; or the equivalent notice under applicable state law, a Notice to Quit, or a Notice to Terminate issued under state law; (B) For individuals and families whose primary nighttime residence is a hotel or motel room not paid for by charitable organizations or federal, state, or local government programs for low-income individuals, evidence that the individual or family lacks the resources necessary to reside there for more than 14 days after the date of application for homeless assistance; or (C) An oral statement by the individual or head of household that the owner or renter of the housing in which they currently reside will not allow them to stay for more than 14 days after the date of application for homeless assistance. The intake worker must record the statement and certify that it was found credible. To be found credible, the oral statement must either: (I) be verified by the owner or renter of the housing in which the individual or family resides at the time of application for homeless assistance and documented by a written certification by the owner or renter or by the intake worker's recording of the owner or renter's oral statement; or (II) if the intake worker is unable to contact the owner or renter, be documented by a written certification by the intake worker of his or her due diligence in attempting to obtain the owner or renter's verification and the written certification by the individual or head of household seeking assistance that his or her statement was true and complete; (ii) Certification by the individual or head of household that no subsequent residence has been identified; and (iii) Certification or other written documentation that the individual or family lacks the resources and support networks needed to obtain other permanent housing. (4) If the individual or family qualifies as homeless under paragraph (3) of the homeless definition in § 576.2, because the individual or family

does not otherwise qualify as homeless under the homeless definition but is an unaccompanied youth under 25 years of age, or homeless family with one or more children or youth, and is defined as homeless under another Federal statute or section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), the evidence must include: (i) For paragraph (3)(i) of the homeless definition in § 576.2, certification of homeless status by the local private nonprofit organization or state or local governmental entity responsible for administering assistance under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.), the Head Start Act (42 U.S.C. 9831 et seq.), subtitle N of the Violence Against Women Act of 1994 (42 U.S.C. 14043e et seq.), section 330 of the Public Health Service Act (42 U.S.C. 254b), the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), or subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.), as applicable; (ii) For paragraph (3)(ii) of the homeless definition in § 576.2, referral by a housing or service provider, written observation by an outreach worker, or certification by the homeless individual or head of household seeking assistance; (iii) For paragraph (3)(iii) of the homeless definition in § 576.2, certification by the individual or head of household and any available supporting documentation that the individual or family moved two or more times during the 60-day period immediately preceding the date of application for homeless assistance, including: recorded statements or records obtained from each owner or renter of housing, provider of shelter or housing, or social worker, case worker, or other appropriate official of a hospital or institution in which the individual or family resided; or, where these statements or records are unobtainable, a written record of the intake worker's due diligence in attempting to obtain these statements or records. Where a move was due to the individual or family fleeing domestic violence, dating violence, sexual assault, or stalking, then the intake worker may alternatively obtain a written certification from the individual or head of household seeking assistance that they were fleeing that situation and that they resided at that address; and (iv) For paragraph (3)(iv) of the homeless definition in § 576.2, written diagnosis from a professional who is licensed by the state to diagnose and treat that condition (or intake staff-recorded observation of disability that within 45 days of date of the application for assistance is confirmed by a professional who is licensed by the state to diagnose and treat that condition); employment records; department of corrections records; literacy, English proficiency tests; or other reasonable documentation of the conditions required under paragraph (3)(iv) of the homeless definition. (5) If the individual or family qualifies under paragraph (4) of the homeless definition in § 576.2, because the individual or family is fleeing domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions related to violence, then acceptable evidence includes an oral statement by the individual or head of household seeking assistance that they are fleeing that situation, that no subsequent residence has been identified and that they lack the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other housing. If the individual or family is receiving shelter or services provided by a victim service provider, the oral statement must be documented by either a certification by the individual or head of household; or a certification by the intake worker. Otherwise, the oral statement that the individual or head of household seeking assistance has not identified a subsequent residence and lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain housing must be documented by a certification by the individual or head of household that the oral statement is true and complete, and, where the safety of the individual or family would not be jeopardized, the domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening condition must be verified by a written observation by the intake worker or a written referral by a housing or service provider, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or any other organization from whom the individual or head of household has sought assistance for domestic violence, dating violence, sexual assault, or stalking. The written referral or observation need only include the minimum amount of information necessary to document that the individual or family is fleeing, or attempting to flee domestic violence, dating violence, sexual assault, and stalking.

Part II: Emergency Shelter

Definition of Shelter, 24 CFR Part 91.5 and 576.2

...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.

Documentation of Homelessness, 24 CFR Part 576.500 (see previous section)

Eligible Shelter Operations Costs, 24 CFR Part 576.102

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

Eligible Shelter Services Costs, 24 CFR Part 576.102

(1) Essential services. ESG funds may be used to provide essential services to individuals and families who are in an emergency shelter, as follows: (i) 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: (A) Using the centralized or coordinated assessment system as required under § 576.400(d); (B) Conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility; (C) Counseling; (D) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits; (E) Monitoring and evaluating program participant progress; (F) Providing information and referrals to other providers; (G) Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and (H) Developing an individualized housing and service plan, including planning a path to permanent housing stability. (ii) Child care. The costs of child care 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 jurisdiction in which it operates in order for its costs to be eligible. (iii) 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. (iv) 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. (v) Outpatient health services. Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals. Emergency Solutions Grant (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. (vi) Legal services. (A) 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. (B) Emergency Solutions Grant (ESG) funds may be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community. (C) 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. (D) Component services or

activities may include client intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling. (E) 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. (F) 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. (vii) 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. (viii) Mental health services. (A) Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions. (B) 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. (C) 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. (D) 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. (ix) Substance abuse treatment services. (A) 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. (B) 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. (C) Eligible treatment consists of client 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. (x) Transportation. Eligible costs consist of the transportation costs of a program participant's travel to and from medical care, employment, child care, or other eligible essential services facilities. These costs include the following: (A) The cost of a program participant's travel on public transportation; (B) If service workers use their own vehicles, mileage allowance for service workers to visit program participants; (C) The cost of purchasing or leasing a vehicle for the recipient or 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 (D) The travel costs of recipient or subrecipient staff to accompany or assist program participants to use public transportation. (xi) 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, 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, or stalking.

Minimum Safety, Sanitation, and Privacy Standards, 24 CFR Part 576.403

(a) Lead-based paint remediation and disclosure. 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 under ESG program and all housing occupied by program participants. (b) Minimum standards for emergency shelters. Any building for which Emergency Solutions Grant (ESG) funds are used for conversion, major rehabilitation, or other renovation, must meet state or local government safety and sanitation standards, as applicable, and the following minimum safety, sanitation, and privacy standards. Any emergency shelter that receives assistance for shelter operations must also meet the following minimum safety, sanitation, and privacy standards. The recipient may also establish standards that exceed or add to these minimum standards. (1) Structure and Materials. The shelter building must be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents. Any renovation (including major rehabilitation and conversion) carried out with ESG assistance must use Energy Star and WaterSense products and appliances. (2) Access. The housing must be accessible in accordance with Section 504 of the Rehabilitation Act (29U U.S.C.794) and implementing regulations at 24 CFR part 8; the Fair Housing Act (42 U.S.C. 3601 *et. seq.*) and implementing regulations at 24 CFR part 100; and Title II of the Americans with Disabilities Act (42 U.S.C. 12131 *et. seq.*) and 28 CFR part 35; where applicable. (3) Space and Security. Except where the shelter is intended for day use only, the shelter must provide each program participant in

the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings. (4) Interior Air Quality. Each room or space within the shelter must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents. (5) Water Supply. The shelter's water supply must be free of contamination. (6) Sanitary Facilities. Each program participant in the shelter must have access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste. (7) Thermal Environment. The shelter must have any necessary heating/cooling facilities in proper operating condition. (8) Illumination and Electricity. The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the shelter. (9) Food preparation. Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner. (10) Sanitary Condition. The shelter must be maintained in a sanitary condition. (11) Fire Safety. There must be at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors must be located near sleeping areas. The fire alarm system must be designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector. There must also be a second means of exiting the building in the event of fire or other emergency.

Parts III and IV: Homelessness Prevention and Rapid Re-Housing

Eligible Activities, 24 CFR part 576.105 and 106

Housing Relocation and Stabilization Services

- Financial assistance costs: rental application fees, security deposits, last month's rent [not rent in arrears], utility deposits, utility payments.
- Services costs: housing search and placement, housing stability case management, mediation, legal services, and credit repair.

Short-Term Rental Assistance

- Short-term rental assistance up to three months
- One-time payment of rent in arrears

Required Activities for Assisting Clients, 24 CFR 576.105

1. Housing search and placement: Services or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, include the following:
 - i. assessment of housing barriers, needs, and preferences
 - ii. development of an action plan for locating housing
 - iii. housing search
 - iv. outreach to and negotiation with owners
 - v. assistance with submitting rental applications and understanding leases
 - vi. assessment of housing for compliance with Emergency Solutions Grant (ESG) requirements for habitability, lead-based paint, and rent reasonableness; and
 - vii. tenant counseling
2. Housing stability case management. Component services and activities consist of:
 - A. Using the centralized or coordinated assessment system as required under §576.400(d), to evaluate individuals and families applying for or receiving homelessness prevention or rapid re-housing assistance;
 - B. Conducting the initial evaluation required under §576.401(a), including verifying and documenting eligibility, for individuals and families applying for homelessness prevention or rapid re-housing assistance;
 - C. Counseling;
 - D. Developing, securing, and coordinating services and obtaining Federal, State, and local benefits; E. Monitoring and evaluation program participant progress
 - F. Providing information and referrals to other providers
 - G. Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
 - H. Conducting re-evaluations required under §576.401(b)

Fair Market Rent, 24 CFR Part 576.106 (d)

Rent restrictions. (1) Rental assistance cannot be provided unless the rent does not exceed the Fair Market Rent established by HUD, as provided under 24 CFR part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.(2) For purposes of calculating rent under this section, the rent shall equal the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.

Rental Assistance Agreements, 24 CFR Part 576.106(e)

(e) Rental assistance agreement. The subrecipient may make rental assistance payments only to an owner with whom the recipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the term under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the recipient or subrecipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant.

Documentation of Homelessness, 24 CFR part 576.500 (for Rapid Re-Housing; see first section)

Documentation of At Risk of Homelessness Status, 24 CFR part 576.500 (for Prevention)

(c) At risk of homelessness status. For each individual or family who receives Emergency Solutions Grant (ESG) homelessness prevention assistance, the records must include the evidence relied upon to establish and verify the individual or family's "at risk of homelessness" status. This evidence must include an intake and certification form that meets HUD specifications and is completed by the recipient or subrecipient. The evidence must also include:

(1) If the program participant meets the criteria under paragraph (1) of the "at risk of homelessness" definition in § 576.2: (i) The documentation specified under this section for determining annual income; (ii) The program participant's certification on a form specified by HUD that the program participant has insufficient financial resources and support networks; e.g., family, friends, faith-based or other social networks, immediately available to attain housing stability and meets one or more of the conditions under paragraph (1)(iii) of the definition of "at risk of homelessness" in § 576.2; (iii) The most reliable evidence available to show that the program participant does not have sufficient resources or support networks; e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "homeless" definition. Acceptable evidence includes: (A) Source documents (e.g., notice of termination from employment, unemployment compensation statement, bank statement, health-care bill showing arrears, utility bill showing arrears); (B) To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., former employer, public administrator, relative) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party that the applicant meets one or both of the criteria under paragraph (1)(ii) of the definition of "at risk of homelessness" in § 576.2; or (C) To the extent that source documents and third-party verification are unobtainable, a written statement by the recipient's or subrecipient's intake staff describing the efforts taken to obtain the required evidence; and (iv) The most reliable evidence available to show that the program participant meets one or more of the conditions under paragraph (1)(iii) of the definition of "at risk of homelessness" in § 576.2. Acceptable evidence includes: (A) Source documents that evidence one or more of the conditions under paragraph (1)(iii) of the definition (e.g., eviction notice, notice of termination from employment, bank statement); (B) To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., former employer, owner, primary leaseholder, public administrator, hotel or motel manager) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party that the applicant meets one or more of the criteria under paragraph (1)(iii) of the definition of "at risk of homelessness"; or (C) To the extent that source documents and third-party verification are unobtainable, a written statement by the recipient's or subrecipient's intake staff that the staff person has visited the applicant's residence and determined that the applicant meets one or more of the criteria under paragraph (1)(iii) of the definition or, if a visit is not practicable or relevant to the determination, a written statement by the recipient's or subrecipient's intake staff describing the efforts taken to obtain the required evidence; or (2) If the program participant meets the criteria under paragraph (2) or (3) of the "at risk of homelessness" definition in § 576.2, certification of the child or youth's homeless status by the agency or organization responsible for administering assistance under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.), the Head Start Act (42 U.S.C. 9831 et seq.), subtitle N of the Violence Against Women Act of 1994 (42 U.S.C. 14043e et seq.), section 330 of the Public Health Service Act (42 U.S.C. 254b), the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) or subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.), as applicable.

Documenting Income for Prevention, "Part V Definition of Income" (24 CFR 5.609)

(a) Annual income means all amounts, monetary or not, which:

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
- (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- (3) Which are not specifically excluded in paragraph (c) of this section.
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) Annual income includes, but is not limited to:

(1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments: (i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

(c) Annual income does not include the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;
 - (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
 - (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
 - (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
 - (5) Income of a live-in aide, as defined in §5.403;
 - (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
 - (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire; (8) (i) Amounts received under training programs funded by HUD;
 - (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
 - (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;
 - (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
 - (9) Temporary, nonrecurring or sporadic income (including gifts);
 - (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
 - (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
 - (12) Adoption assistance payments in excess of \$480 per adopted child;
 - (13) [Reserved]
 - (14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
 - (15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
 - (16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
 - (17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.
- (d) Annualization of income: If it is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income), past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

[61 FR 54498, Oct, 18, 1996, as amended at 65 FR 16716, Mar. 29, 2000; 67 FR 47432, July 18, 2002; 70 FR 77743, Dec. 30, 2005]

Evaluation of program participant eligibility and needs, 24 CFR 576.401

- (a) Evaluations. The recipient or its subrecipient must conduct an initial evaluation to determine the eligibility of each individual or family's eligibility for ESG assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing. These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under 24CFR576.400(d) and the written standards established under 24 CFR 576.400(e).
- (b) Re-evaluations for homelessness prevention and rapid re-housing assistance.
- (1) The recipient or subrecipient must re-evaluate the program participant's eligibility and the types and amounts of assistance the program participant needs not less than once every 3 months for program participants receiving homelessness prevention assistance, and not less than once annually for program participants receiving rapid re-housing assistance. At a minimum, each re-evaluation of eligibility must establish that:
- i. The program participant does not have an annual income that exceeds 30 percent of median family income for the area, as determined by HUD; and
 - ii. The program participant lacks sufficient resources and support networks necessary to retain housing without ESG assistance.
- (2) The recipient or subrecipient may require each program participant receiving homelessness prevention or rapid re-housing assistance to notify the recipient or subrecipient regarding changes in the program participant's income or other circumstances (e.g., changes in household composition) that affect the program participant's need for assistance under ESG. When notified of a relevant change, the recipient or subrecipient must re-evaluate the program participant's eligibility and the amount and types of assistance the program participant needs.
- (c) Annual income. When determining the annual income of an individual or family, the recipient or subrecipient must use the standard for calculating annual income under 24 CFR 5.609.
- (d) Connecting program participants to mainstream and other resources. The recipient and its subrecipients must assist each program participant, as needed, to obtain:
- (1) Appropriate supportive services, including assistance in obtaining permanent housing, medical health treatment, mental health treatment, counseling, supervision, and other services essential for achieving independent living; and
 - (2) Other Federal, State, local, and private assistance available to assist the program participant in obtaining housing stability, including:
 - (i) Medicaid (42 CFR chapter IV, subchapter C);
 - (ii) Supplemental Nutrition Assistance Program (7 CFR parts 271– 283);
 - (iii) Women, Infants and Children (WIC) (7 CFR part 246);
 - (iv) Federal-State Unemployment Insurance Program (20 CFR parts 601– 603, 606, 609, 614– 617, 625, 640, 650);
 - (v) Social Security Disability Insurance (SSDI) (20 CFR part 404);
 - (vi) Supplemental Security Income (SSI) (20 CFR part 416);
 - (vii) Child and Adult Care Food Program (42 U.S.C. 1766(t) (7 CFR part 226));
 - (viii) Other assistance available under the programs listed in § 576.400(c).
- (e) Housing stability case management.
- (1) While providing homelessness prevention or rapid re-housing assistance to a program participant, the recipient or subrecipient must:
- (i) Require the program participant to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability; and
 - (ii) Develop a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area.

(2) The recipient or subrecipient is exempt from the requirement under paragraph (e)(1)(i) of this section if the Violence Against Women Act of 1994 (42 U.S.C. 13701 et seq.) or the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) prohibits that recipient or subrecipient from making its shelter or housing conditional on the participant's acceptance of services.

Termination of Assistance, 24 CFR 576.402

(a) In general. If a program participant violates program requirements, the recipient or subrecipient may terminate the assistance in accordance with a formal process established by the recipient or subrecipient that recognizes the rights of individuals affected. The recipient or subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.

(b) Program participants receiving rental assistance or housing relocation and stabilization services. To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, must consist of: (1) Written notice to the program participant containing a clear statement of the reasons for termination; (2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and (3) Prompt written notice of the final decision to the program participant. (c) Ability to provide further assistance. Termination under this section does not bar the recipient or subrecipient from providing further assistance at a later date to the same family or individual.

Standards for Housing (Prevention and Re-Housing), 24 CFR 576.403(a and c)

(a) Lead-based paint remediation and disclosure. 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 under ESG program and all housing occupied by program participants.

(c) Minimum standards for permanent housing. The recipient or subrecipient cannot use ESG funds to help a program participant remain or move into housing that does not meet the minimum habitability standards provided in this paragraph (c). The recipient may also establish standards that exceed or add to these minimum standards. (1) Structure and materials. The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents. (2) Space and security. Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep. (3) Interior air quality. Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents. (4) Water supply. The water supply must be free from contamination. (5) Sanitary facilities. Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste. (6) Thermal environment. The housing must have any necessary heating/cooling facilities in proper operating condition. (7) Illumination and electricity. The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure. (8) Food preparation. All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner. (9) Sanitary conditions. The housing must be maintained in a sanitary condition. (10) Fire safety. (i) There must be a second means of exiting the building in the event of fire or other emergency. (ii) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person. (iii) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

Part V: HMIS (24 CFR 576.107)

(a) Eligible costs. (1) The recipient or subrecipient may use ESG funds to pay the costs of contributing data to the HMIS designated by the Continuum of Care for the area, including the costs of:

(i) Purchasing or leasing computer hardware; (ii) Purchasing software or software licenses; (iii) Purchasing or leasing equipment, including telephones, fax machines, and furniture; (iv) Obtaining technical support; (v) Leasing office space; (vi) Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS; (vii) Paying salaries for operating HMIS, including: (A) Completing data entry; (B) Monitoring and reviewing data quality; (C) Completing data analysis; (D) Reporting to the HMIS Lead; (F) Training staff on using the HMIS or comparable database; and (G) Implementing and complying with HMIS requirements; (viii) Paying costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act; (ix) Paying staff travel costs to conduct intake; and (x) Paying participation fees charged by the HMIS Lead, if the recipient or subrecipient is not the HMIS Lead. The HMIS Lead is the entity designated by the Continuum of Care to operate the area's HMIS. (2) If the recipient is the HMIS lead agency, as designated by the Continuum of Care in the most recent fiscal year Continuum of Care Homeless Assistance Grants Competition, it may also use ESG funds to pay the costs of: (i) Hosting and maintaining HMIS software or data; (ii) Backing up, recovering, or repairing HMIS software or data; (iii) Upgrading, customizing, and enhancing the HMIS; (iv) Integrating and warehousing data, including development of a data warehouse for use in aggregating data from subrecipients using multiple software systems; (v) Administering the system; (vi) Reporting to providers, the Continuum of Care, and HUD; and (vii) Conducting training on using the system or a comparable database, including traveling to the training. (3) If the subrecipient is a victim services provider or a legal services provider, it may use ESG funds to establish and operate a comparable database that collects client-level data over time (i.e., longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS. (b) General restrictions. Activities funded under this section must comply with HUD's standards on participation, data collection, and reporting under a local HMIS.

