



# **GUIDELINES**

FOR

## **Emergency Solutions Grant COVID-19 (ESG-CV)**

**July 2020**

**Updated – February 2022**

Funded through the  
Housing Assistance Unit  
Community Services and Housing Division  
Department of Commerce

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## 1 Grant Basics

### 1.1 Overview

The Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act) provided for supplemental appropriation of Homeless Assistance Grants under the Emergency Solutions Grant (ESG). The Emergency Solutions Grant COVID-19 (ESG-CV) funds are to be used to prevent, prepare for and respond to the Coronavirus pandemic. The following definitions may be used:

- Prevent coronavirus: means an activity designed to prevent the initial or further spread of the virus to people experiencing homelessness, people at-risk of homelessness, recipient or subrecipient staff, or other shelter or housing residents.
- Prepare for coronavirus: means an activity carried out by a recipient or subrecipient prior to or during a coronavirus outbreak in their jurisdiction to plan to keep people healthy and reduce the risk of exposure to coronavirus and avoid or slow the spread of the disease.
- Respond to coronavirus: means an activity carried out once coronavirus has spread to people experiencing homelessness, provider staff, or once individuals and families lose or are at-risk of losing their housing as a result of the economic downturn caused by the coronavirus.

The deadline to expend ESG-CV funds is September 30, 2022. See spending timeline requirements in Section 2.2.5.

Projects funded with ESG-CV must be low barrier with a housing first orientation. Per HUD guidance, individuals and families assisted with these funds 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. For additional information on the low barrier requirement for ESG-CV, see section 7.2.

Program regulations are established in [24 CFR §576](#), the HUD ESG Interim Rule ([ESG Program and Consolidated Plan Conforming Amendment of 24 CFR Parts 91 and 576, Docket No. FR-5474-I-01, RIN 2506-AC29](#)) and the [ESG-CV Notice](#) issued September 1, 2020 and the [ESG-CV Notice: CPD-21-05](#) issued on April 14, 2021.

In these guidelines, the term “grantee” refers to the lead ESG-CV grantee of Commerce and any subgrantees. While reading the HUD ESG Interim Rule it is important to note the “recipient” in this case is the Department of Commerce and the “subrecipient” is the lead ESG grantee (including any subgrantees) of Commerce. Not every section in the HUD ESG Interim Rule applies to Commerce-administered ESG-CV. The Commerce ESG-CV Guidelines define eligible activities and populations to be served which are subsets of what is listed in the ESG Interim Rule. HUD has a [quick reference guide](#) for use in determining eligible activities and costs under the ESG program.

These guidelines will be updated as necessary throughout the grant period.

<b>1.2 Document Version</b>		
<b>Version</b>	<b>Date Approved</b>	<b>Updates</b>
1.0	July 31, 2020	Creation of guidelines for allocation of ESG-CV funding.
2.0	November 6, 2020	Incorporates requirements and flexibilities from the <a href="#">HUD ESG-CV Notice*</a>
3.0	December 23, 2020	Adds Youth/Young Adult requirement, clarifies documentation of income eligibility and updates prevention recertification requirements
4.0	May 10, 2021	Corrects and adds language regarding the low barrier requirement, adds guidance on Temporary Emergency Shelter (TES), transportation costs, Environmental Review, and household eligibility, adds HMIS reports requirement, adds allowable costs for vaccine distribution, and adds additional allowable expenses including flexibility in <a href="#">Notice: CPD-21-05</a> issued April 14, 2021.
5.0	October 6, 2021	Adds flexibilities and allowable activities as described in <a href="#">Notice: CPD-21-08</a> issued July 19, 2021.
6.0	December 10, 2021	Removes emergency shelter acquisition, renovation, rehabilitation as an allowable expense, adds guidance on equipment disposition requirements, and corrects HMIS data quality completeness requirements
<b>7.0</b>	<b>February 9, 2022</b>	<b>Revised section to read that income evaluation is not a requirement at intake for ESG-CV Rapid Re-Housing assistance. Added requirement that ESG-CV assistance must end if the household is over income at time of recertification.</b>

\*WA State’s action plan and substantial amendment were approved prior to September 1, 2020, and therefore all waivers and flexibilities apply, and limitations in Notice do not apply.

### **1.3 Housing Assistance Unit (HAU) Unifying Message**

The Office of Family and Adult Homelessness in the Housing Assistance Unit at the Department of Commerce administers state and federal funds to support homeless crisis response systems in Washington State.

The ESG-CV program is a critical resource in the crisis response system.

People living unhoused become stably housed when the system is low barrier, trauma informed, culturally responsive and Housing First oriented. People living unstably housed become stably housed when the system is oriented toward problem solving conversations and personal advocacy to help people identify practical solutions based on their own available resources.

We expect Commerce grantees, including county governments and nonprofits, to be leaders in their crisis response systems, facilitating partnerships among service organizations and promoting evidence-based, anti-racist practices.

Grantees must respond to the disproportionality in access to services, service provision, and outcomes, and cannot simply rely on delivering a standardization of services to address inequity. Grantees have the responsibility to examine their data to ensure all eligible persons receive equitable services, support and are served with dignity, respect and compassion regardless of circumstance, ability or identity.

This includes marginalized populations, Black, Native and Indigenous, People of Color, immigrants, people with criminal records, people with disabilities, people with mental health and substance use vulnerabilities, people with limited English proficiency, people who identify as transgender, people who identify as LGBTQ+, and other individuals that may not access mainstream support.

We are here to support your efforts. The Housing Assistance Unit provides access to continuous learning on trauma informed services, racial equity, LGBTQ+ competency and more. We can help you strategize outreach, coordinated entry, and help you analyze and understand your data so we can meet Washington's vision that no person is left living outside.

## **2 Administrative Requirements of Lead Grantees**

### **2.1 Grant Management**

#### **2.1.1 Changes to Guidelines**

Commerce may revise the guidelines at any time. All lead grantees will be notified of updates to this guide and will receive via email the latest version. Lead grantees are responsible for sending revisions to subgrantees in a timely manner.

## **2.1.2 Commerce Monitoring**

Commerce will monitor grant activities. Grantees will be given a minimum of 30 days' notice unless there are special circumstances that require immediate attention. The notice will specify the monitoring components.

### **2.1.2.1 Youth and Young Adult Requirement**

At least 10% of households served with ESG-CV funds must be unaccompanied youth and young adults, through age 24. Grantees who are unable to meet this requirement will receive technical assistance and support.

## **2.1.3 Subgrantee Requirements**

The Grant General Terms & Conditions Section 36 identifies subgrantee requirements. In addition, all subgrantee agreements must be time-limited and have defined roles and responsibilities for each party, detailed budgets and performance terms. Commerce reserves the right to directly contact subgrantees at any time for data quality, monitoring, fiscal and other issues.

Lead grantees may enter into an agreement with any other local government, Council of Governments, Housing Authority, Community Action Agency, nonprofit community or neighborhood-based organization, federally recognized tribe in the state of Washington, or regional or statewide nonprofit housing assistance organizations who operate programs to end homelessness within a defined service area.

Lead grantees must provide Commerce with copies of subgrant agreements (upon request) and notify Commerce if subgrants are terminated during the grant period. Lead grantees must notify Commerce of any changes in selection of subgrantees funded with ESG-CV, or changes in the interventions of those subgrantees.

Lead subgrantees are expected to adopt the Guidelines to their policies and procedures.

### **2.1.3.1 Subgrantee Risk Assessment and Monitoring**

Commerce will assist lead grantees in developing risk assessments and monitoring plans. Lead grantees will be responsible for ensuring subgrantee compliance with all requirements identified in the ESG-CV guidelines. The lead grantee must conduct a risk assessment and develop a monitoring plan for each subgrantee within six months of contracting ESG-CV to the subgrantee. The risk assessment must inform the monitoring plan for each subgrantee. Monitoring plans must include monitoring dates, the type of monitoring (remote, on-site), and the program requirements being reviewed.

Commerce reserves the right to require lead grantees to undertake special reviews when an audit or other emerging issue demands prompt intervention and/or investigation.



## 2.2 Fiscal Administration

### 2.2.1 Budget Caps

ESG-CV Administration - up to 7 percent (7%) of the ESG-CV contracted budget may be allocated to administrative costs.

### 2.2.2 Budget Categories

Budget Category	Allowable Expenses (linked to relevant sections of the Guidelines)
Admin	<a href="#">Administrative</a>
HMIS	<a href="#">HMIS</a>
Street Outreach	<a href="#">Street Outreach</a>
Shelter Case Management	<a href="#">Emergency Shelter Eligible Activities – Case Management</a>
Shelter Operations	<a href="#">Emergency Shelter Eligible Activities - Operations</a>
Temporary Emergency Shelter	<a href="#">Temporary Emergency Shelter Eligible Activities</a>
Rapid Re-housing Case Management	<a href="#">Case Management Eligible Activities for Prevention and Rapid Re-housing</a>
Rapid Re-housing Rental Assistance	<a href="#">Rental Assistance Eligible Activities for Prevention and Rapid Re-Housing</a>
Rapid Re-housing Other Financial Assistance	<a href="#">Other Financial Assistance for Prevention and Rapid Re-housing</a>
Prevention Case Management	<a href="#">Case Management Eligible Activities for Prevention and Rapid Rehousing</a>
Prevention Rental Assistance	<a href="#">Rental Assistance Eligible Activities for Prevention and Rapid Rehousing</a>
Prevention Other Financial Assistance	<a href="#">Other Financial Assistance for Prevention and Rapid Re-housing</a>

Case Management is classified as an activity under Essential Services in 24 CFR §576 Subpart B.

### 2.2.3 Reimbursements

Lead grantees must bill Commerce monthly for reimbursement of allowable costs. Invoices are due on the 20<sup>th</sup> of the month following the provision of services. Final invoices for a biennium may be due sooner than the 20<sup>th</sup>. If the lead grantee fails to submit an invoice within a three-month period, without a reasonable explanation, Commerce may take corrective action. Exceptions to billing procedures can be negotiated with Commerce on a case-by-case basis.

Invoices must be submitted online using the Commerce Contract Management System

(CMS) through Secure Access Washington (SAW).

#### 2.2.3.1 Back-up Documentation

All invoices must include the Voucher Detail Worksheet and HMIS data report. Invoices may not be paid until the report(s) are received and verified. Commerce may require a lead grantee to submit additional documentation. Lead grantees must retain original invoices submitted by their subgrantees.

#### 2.2.4 Budget Revisions

Revisions must be submitted using the Budget Revision Tool and approved by Commerce.

A contract amendment is required when revisions (in one or cumulative transfers) reach more than 10 percent (10%) of the grant total.

#### 2.2.5 Spending Timeline Requirements

Commerce will monitor grant spending to ensure that grantees are on track to spend out funds. If grantees are not spending down in a timely manner, funds may be recaptured.

All ESG-CV funds (both first and second allocations) must be expended by **September 30, 2022**. Additionally, grantees must meet ESG-CV spending milestones by the following deadlines:

- **September 30, 2021:** At least 20% of total award must be expended
- **March 31, 2022:** At least 80% of total award must be expended
- **September 30, 2022:** All funds must be expended

### 3 Allowable Interventions

Grant funds must be used for eligible activities that prevent, prepare for, and respond to the coronavirus as outlined below. The ESG-Program Interim Rule applies except for the waivers and additional eligible activities established in the CARES Act and in [Notice: CPD-20-08](#), [Notice: CPD-21-08](#), and [Notice: CPD-21-05](#). These alternative requirements and flexibilities are also applicable to annual ESG funding when those funds are used to prevent, prepare for, and respond to coronavirus.

Funded activities must be tied to the community response to COVID-19.

#### 3.1 Street Outreach

Street Outreach meets the immediate needs of households experiencing unsheltered homelessness by connecting them with emergency shelter, housing, and/or critical health services.

ESG-CV funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless households and connect them with emergency shelter, housing, or

critical services. For the purposes of this section, the term “unsheltered homeless” means individuals and families who qualify as homeless under paragraph (1)(i) of the “homeless” definition under [24 CFR §576.2](#): 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.

Street Outreach activities funded with ESG-CV must be consistent with CDC guidance related to [street outreach](#) and engaging [people at increased risk](#) of severe illness when contracting coronavirus, as well as established best practices.

ESG-CV funding for street outreach to respond to COVID-19 may include providing masks, hand sanitizer, and soap to households experiencing unsheltered homelessness; outfitting staff with personal protective equipment; coordinating medical care and other support services; providing transportation for program participants to travel to and from medical care, and other needed services; hazard pay; and providing reasonable incentives to volunteers (e.g. cash or gift cards) who are helping to provide necessary services during the coronavirus outbreak.

### **3.1.1 Hygiene Services**

ESG-CV funds may be used for costs of providing urgent, non-facility-based care to unsheltered households who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. To this end, funds may be used for portable hygiene services and the staffing, equipment, supplies and services to clean and maintain these facilities to support households experiencing unsheltered homelessness. Examples include handwashing stations and bathrooms (e.g. porta potties), shower trucks with soap and shampoo, and laundry services including mobile laundry trucks.

### **3.1.2 Street Outreach Policies**

#### **3.1.2.1 Maintenance of Effort Requirement**

If the grantee or subgrantee is a local government, ESG-CV funds cannot be used to replace the local government funds for street outreach and emergency shelter services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit ([24 CFR 576.101\(c\)](#)).

## **3.2 Emergency Shelter**

Emergency shelter operations and services to households residing in emergency shelter are allowable activities. Households are eligible for emergency shelter assistance if they are unsheltered or residing in a temporary housing program.

Emergency shelter activities funded with ESG-CV should be in alignment with recommended guidance to [effectively manage infectious disease within the shelter](#) during coronavirus. ESG-CV funding for emergency shelter to respond to COVID-19 may include providing cleaning supplies; personal protective equipment for staff and program participants; portable hygiene services;

volunteer incentives; hazard pay; furnishings such as room dividers and cots; and costs associated with providing transportation for program participants to travel to and from medical care, and other needed services.

Emergency shelter renovation, rehabilitation, or conversion are not eligible expenses.

If no appropriate emergency shelter is available, grantees may use ESG or ESG-CV funds to provide unsheltered homeless individuals with hotel/motel vouchers. Hotel/motel vouchers may be provided if shelter beds are available, but it is not safe for them to use because of the need for social distancing. Eligible costs include:

- A hotel or motel room directly or through a hotel or motel voucher
- Cleaning of hotel or motel rooms used by program participants
- Repairs for damage caused by program participants above normal wear and tear of the room.

No household shall be denied access to safe housing, which may include alternative housing or a hotel room, even if they have been exposed or are symptomatic with coronavirus. Health-related questions should not determine admission, access to programs and should not be asked in order to screen people out of shelter.

For providers of Emergency Shelter for the Domestic Violence population, Commerce defers to the safety best practices offered by the [Violence Against Women Act \(VAWA\)](#) and the [Washington State Coalition Against Domestic Violence \(WSCADV\)](#). DV Emergency Shelter providers must employ safety and shelter policies that align with VAWA and WSCADV guidelines and seek to protect the safety of those fleeing or attempting to flee domestic violence.

### **3.2.1 Temporary Emergency Shelter**

ESG-CV funds may be used to pay for temporary emergency shelters for individuals and families experiencing homelessness. Eligible costs include leasing, operations, and essential services.

Temporary Emergency Shelter (TES) is defined as a structure or any portion of a structure, which is used for a limited period of time because of a crisis, such as a natural disaster or public health emergency, to provide shelter for individuals and families displaced from their normal place of residence or sheltered or unsheltered locations. Grantees must document that the structure/portion of the structure met the definition of Temporary Emergency Shelter. A TES may provide space for program participants to receive services consistent with [24 CFR 576.401\(d\)](#) even if the services are not ESG-CV funded or not funded as part of the shelter project.

Examples of temporary emergency shelters include:

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

- a shelter where one or more services are made available on-site, whether by shelter staff or contractors or through a memorandum of understanding with another subrecipient or service provider;
- and a shelter designed to facilitate the movement of homeless individuals and families into permanent housing within a fixed period of time (e.g., within 12 months) and employs or contracts with one or more case managers or service providers to provide services as specified under sections III.E.3.a.(i)(e) and III.E.3.a.(ii)(e) through (h).

Temporary Emergency Shelters (TES) are exempt from:

- Minimum standards for emergency shelters at [24 CFR 403\(b\)](#) – (lead-based paint requirements still apply)
- Environmental review
- Minimum period of use requirement [\(24 CFR 576.102\(a\)\(xi\)\(4\)\(c\)\)](#)

Program participants cannot be required to sign leases or occupancy agreements, receive treatment, or perform any other prerequisite activities as a condition for staying in any shelter or receiving services.

Grantees must document the necessity of the TES with a declaration by a local public health official. To meet this requirement, the recipient/subrecipient must provide a public health official with a general description of the type of TES that is being proposed and then must receive written approval from the public health official that this particular type of TES is needed for the community's coronavirus response.

### **3.2.2 Emergency Shelter Policies**

#### **3.2.2.1 Prohibition against 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-CV funding or services and provides shelter to families with children under age 18.

#### **3.2.2.2 Maintenance of Effort Requirement**

If the grantee or subgrantee is a unit of general purpose local government, ESG-CV funds cannot be used to replace funds the local government provided for street outreach and emergency shelter essential services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit. [\(24 CFR 576.102\(d\)\)](#). The maintenance of effort requirements do not apply to shelter operation costs.

### 3.3 Rapid Re-Housing and Prevention Assistance

Rapid Re-Housing and Homelessness Prevention Assistance includes rent assistance and housing relocation and stabilization services for households experiencing homelessness and households at-risk of homelessness based on the household's housing status at the time of program entry.

Rapid Re-Housing assistance is available for persons who are literally homeless according to HUD's definition in [Household Eligibility](#).

Homelessness Prevention assistance is available for persons who are at imminent risk of homelessness or at- risk of homelessness according to HUD's definition in [Household Eligibility](#).

Per [ESG-CV Notice](#) issued April 14, 2021, in addition to individuals and families who meet the existing requirements in 24 CFR 576.104, Rapid Re-Housing assistance may also include individuals and families who meet ALL of the following criteria:

- i. Qualified as "homeless" as defined in 24 CFR 576.2 immediately before moving into their current housing;
- ii. Have been residing in housing with time-limited rental assistance provided under a homeless assistance program (which means assistance limited to or reserved, either federally or locally, for people who are "homeless" as defined in 24 CFR 576.2) );
- iii. Would not have any overlap in rental assistance between the non-ESG-CV program and the ESG-CV program, due to exhaustion or expiration of the non-ESG-CV assistance or program funds;
- iv. Would not have a gap of more than one month (or equivalent amount of days) between the end of the non-ESG-CV rental assistance and the beginning of their ESG-CV Rapid Re-Housing rental assistance; **and**
- v. Do not have the resources or support networks (beyond an eviction moratorium) (e.g., family, friends or other social networks) needed to retain their existing housing without ESG-CV assistance;

ESG-CV rent assistance and housing relocation and stabilization services should be prioritized for households with the longest history of homelessness and for households with the most severe service needs including coronavirus related needs. Prioritization for homelessness prevention are households earning less than 50% of Area Median Income (AMI) who are determined to have no alternative housing resources.

When assessing use of funds, the following document from the National Alliance to End Homelessness may be helpful: [Use ESG-CV to Help Those Currently Experiencing Homelessness First](#).

#### 3.3.1 Landlord Incentives

ESG-CV may be used to pay for landlord incentives that are reasonable and necessary to assist

households in obtaining housing. Grantees may not use ESG-CV funds to pay the landlord incentives an amount that exceeds three times the rent charged for the unit. Landlord incentives can include signing bonuses, security deposits, costs to repair damages, and extra cleaning fees.

Landlord incentives may be charged under Rapid Re-Housing and Homelessness Prevention budget categories.

Grantees must maintain program records that document that program costs are reasonable.

### **3.4 Additional Allowable Activities**

#### **3.4.1 Training**

ESG-CV funds may be used to train staff on infectious disease prevention and mitigation for staff working directly to prevent, prepare for, and respond to coronavirus among households who are homeless or at-risk of homelessness. The costs are eligible as a standalone activity, not as an administrative cost, and do not need to be tied to a specific intervention.

Training costs are allowable under all ESG components and can be provided to both homelessness assistance providers and to those who do not receive funding through the CARES Act.

Grantees must maintain meeting agendas and notes to support eligibility of this expense.

#### **3.4.2 Hazard Pay**

ESG-CV funds may be used to pay hazard pay for grantee staff who work directly to prevent, prepare for, and respond to coronavirus among households who are homeless or at-risk of homelessness.

Examples of staff working directly in support of coronavirus response include:

- Street outreach teams
- Emergency Shelter staff
- Staff providing essential services (e.g., outpatient health or mental health, housing navigators)
- Staff in proximity to persons with coronavirus or working in locations with a high likelihood of contracting coronavirus

Hazard pay may be billed under Homelessness Prevention, Rapid Re-Housing, Emergency Shelter, and Street Outreach program components. While grantees have the authority to establish their own hazard pay amounts and their cap, all grantees should ensure the following criteria are met:

- They are provided under the organization's established written [compensation policies](#)

- The costs are equitably allocated to all related activities including Federal awards; and, Grantees must maintain records that include job descriptions, policies and procedures or other program records that detail positions receiving hazard pay.

### **3.4.3 Volunteer Incentives**

ESG-CV may be used to provide reasonable incentives (e.g., cash or gift cards) to volunteers who help to provide necessary street outreach, emergency shelter, essential services, and housing relocation and stabilization services during the coronavirus outbreak.

Volunteer incentives may be billed under Homelessness Prevention, Rapid Re-Housing, Emergency Shelter, or Street Outreach.

Program records should document that costs are reasonable.

### **3.4.4 Vaccine Incentives**

ESG-CV may be used to provide direct, cash payments of up to \$50 per dose of the COVID-19 vaccine to people experiencing homelessness. ESG-CV funds may only be used for vaccine incentives to the extent that other vaccine incentives are inaccessible or unavailable to people experiencing homelessness within the community.

Vaccine incentives may be billed under Street Outreach, Emergency Shelter, Homelessness Prevention or Rapid Rehousing activities.

## **4 Rental Assistance Requirements**

### **4.1 Washington Residential Landlord-Tenant Act**

Lead/subgrantees must provide information on the Washington Residential Landlord Tenant Act ([RCW 59.18](#)) to households receiving rent assistance.

For more information on this law, visit Washington Law Help, housing page, tenant rights at [www.washingtonlawhelp.com](http://www.washingtonlawhelp.com).

### **4.2 Rental Assistance Agreement**

Rent assistance agreements are required between the lead/sub grantee and the property owner in order to provide rent assistance. The agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under [24 CFR §576.106 \(e\)](#). The rental assistance agreement must provide that, during the term of the agreement, the landlord must give lead/sub grantee 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.



Lead/sub grantees must make timely payments to in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The grantee is solely responsible for paying late payment penalties that it incurs with non ESG-CV funds.

The Rental Assistance Agreement must include all Violence Against Women Act (VAWA) protections that apply to tenants and applicants under [24 CFR part 5, subpart L](#), as supplemented by [§ 576.409](#), except for the Emergency Transfer Plan requirements under [24 CFR 5.2005\(e\)](#) and [576.409\(d\)](#). If the housing is not assisted under another “covered housing program,” as defined in [24 CFR 5.2003](#), the agreement may provide that the owner's obligations under [24 CFR part 5, subpart L](#) (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), expire at the end of the rental assistance period.

### **4.3 Lease**

Households who are receiving rental assistance must have a legally binding, written lease between the owner and the program participant for the rental unit, unless the assistance is solely for rental arrears. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the landlord's financial records, rent ledgers, or canceled checks. For program participants living in housing with project-based rental assistance (described below) the lease must have an initial term of one year.

Each lease must include a lease provision or incorporate a [lease addendum](#) that includes all requirements that apply to tenants, the owner or lease under [24 CFR part 5, subpart L](#) (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), as supplemented by [24 CFR 576.409](#), including the prohibited bases for eviction and restrictions on construing lease terms under [24 CFR 5.2005\(b\)](#) and [\(c\)](#). If the housing is not assisted under another “covered housing program,” as defined in [24 CFR 5.2003](#), the lease provision or lease addendum may be written to expire at the end of the Rental Assistance period.

### **4.4 Tenant-based Rental Assistance**

A program participant who receives tenant-based rental assistance may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the program participant continues to meet the program requirements.

The rental assistance agreement must be terminated if the program participant moves out of the housing unit for which the program participant has a lease; the lease terminates and is not renewed; or the program participant becomes ineligible to receive ESG-CV rental assistance.

#### **4.5 Project-based Rental Assistance**

If the ESG-CV funded provider identifies a permanent housing unit that meets ESG-CV requirements and becomes available before a program participant is identified to lease the unit, the provider may enter into a rental assistance agreement with the owner to reserve the unit and subsidize its rent in accordance with the following requirements:

1. The rental assistance agreement may cover one or more permanent housing units in the same building. Each unit covered by the rental assistance agreement (“assisted unit”) may only be occupied by program participants, except as provided under paragraph (4) of this section.
2. The lead/sub grantee may pay up to 100 percent (100%) of the first month's rent, provided that a program participant signs a lease and moves into the unit before the end of the month for which the first month's rent is paid. The rent paid before a program participant moves into the unit must not exceed the rent to be charged under the program participant's lease and must be included when determining that program participant's total rental assistance.
3. The lead sub/ grantee may make monthly rental assistance payments only for each whole or partial month an assisted unit is leased to a program participant. When a program participant moves out of an assisted unit, the grantee may pay the next month's rent, i.e., the first month's rent for a new program participant, as provided in paragraph (2) of this section. If a program participant moves into a unit in the middle of the month, the initial payment of a half month's rent does not count toward the total rental assistance cap.
4. The program participant's lease must not condition the term of occupancy to the provision of rental assistance payments. If the program participant is determined ineligible or reaches the maximum number of months over which rental assistance can be provided, the grantee must suspend or terminate the rental assistance payments for the unit. If the payments are suspended, the individual or family may remain in the assisted unit as permitted under the lease, and the grantee may resume payments if the individual or family again becomes eligible and needs further rental assistance. If the payments are terminated, the rental assistance may be transferred to another available unit in the same building, provided that the other unit meets all ESG-CV requirements.
5. The rental assistance agreement must have an initial term of one year. When a new program participant moves into an assisted unit, the term of the rental assistance agreement may be extended to cover the initial term of the program participant's lease. If the program participant's lease is renewed, the rental assistance agreement may be renewed or extended, as needed, up to the maximum number of months for which the program participant remains eligible. However, under no circumstances may the grantee commit ESG-CV funds to be expended beyond the expenditure deadline or commit funds for a future ESG-CV grant before the grant is awarded.

#### **4.6 Sponsor-Based Rental Assistance**

Sponsor-Based Rental Assistance (SBRA) may be funded as an alternative to tenant-based and project based rental assistance when necessary to re-house RRH and HP

program participants quickly in permanent housing.

Subrecipients must execute a Sponsor-Based Rental Assistance agreement with a separate “sponsor” (e.g., government agency, instrumentality, or nonprofit organization) to subsidize the rent of program participants who are referred to units owned or leased by the sponsor.

The rental assistance agreement may cover one or more permanent housing units owned or leased by the sponsor.

Please note that under no circumstance may the subrecipient execute a sponsor-based rental assistance agreement with itself or its parent or subsidiary organization.

For more information about the requirements of sponsor-based rental assistance, please review [HUD Notice CPD-21-08](#) (see section III.E.3.o).

#### **4.7 Conflicts of Interest**

The payment of any type or amount of ESG-CV assistance may not be conditioned on a household’s acceptance or occupancy of housing owned by the ESG-CV funded provider or a parent or subsidiary of the provider. No ESG-CV grantee may, with respect to households occupying housing owned by the grantee, or any parent or subsidiary of the grantee, carry out the initial consultation and eligibility determination or administer homelessness prevention assistance.

#### **4.8 Rent Limit and Duration**

Lead/subgrantees must use a rent limit policy that is used consistently for all units receiving a rent subsidy, including arrears, and must be completed before the rent subsidy is paid. The rent limit is the maximum rent subsidy that can be paid for a unit of a given size.

Subrecipients are encouraged to extend/adjust the rent limit to address unemployment, loss of income, or benefits due to coronavirus.

#### **4.9 Determining Rent Subsidy**

Lead/subgrantees must have a standardized procedure for determining the amount of rent subsidy for each household. The procedure should include a consideration of the household’s resources and expenses. Although each household may receive a different amount of rent subsidy, the procedure for determining the subsidy must be standardized.

Client files must include documentation of the subsidy amount and the determination process. Rent subsidy should be adjusted when there is a change in household circumstance, income, or need.

If utilities are not included in the rent but are the responsibility of the resident, a utility allowance for reasonable rent utility consumption must be subtracted from the rent. Lead/subgrantees must use their local Public Housing Authority's (PHA) schedule of utility allowances per [CPD Notice 17-11](#).

If the cost of utilities is less than the permitted monthly rental amount, the amount of rent must be reduced by the cost of utilities.

#### **4.10 Fair Market Rent (FMR)**

The Fair Market Rent (FMR) requirement is waived for ESG-CV as long as the rent complies with HUD standards of rent reasonableness.

#### **4.11 Rent Reasonableness**

Subrecipients must establish their own written policies and procedures for documenting comparable rents to establish transparency and consistency across all projects. Written policies and procedures should include:

- A methodology for documenting comparable rents
- Case file checklists and forms
- Standards for certifying comparable rents as reasonable
- Determination must be supported by documentation in the case file

The rental assistance paid cannot exceed the actual rental cost, which must be in compliance with HUD's standard of rent reasonableness.

- Rent reasonableness means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units.
- To make this determination, the grantee should consider (a) the location, quality, size, type, and age of the unit; and (b) any amenities, housing services, maintenance and utilities to be provided by the owner. Comparable rents can be checked by using a market study, by reviewing comparable units advertised for rent, or with a note from the property owner verifying the comparability of charged rents to other units owned (for example, the landlord would document the rents paid in other units). For more information, see HUD's worksheet on rent reasonableness at: <https://www.hudexchange.info/resource/2098/home-rent-reasonableness-checklist-and-certification/>
- A grantee must determine and document rent reasonableness for all units for which ESG rental assistance (including arrears) and/or security deposit assistance is being provided. The requirement applies whether homelessness prevention assistance or rapid re-housing assistance is provided.

#### **4.12 Notification Requirements under VAWA**

As provided under [24 CFR 5.2005\(a\)](#) each grantee that administers ESG-CV rental assistance is responsible for ensuring that the notice and certification form described under [24 CFR 5.2005\(a\)\(1\)](#) is provided to each applicant for ESG-CV rental assistance and to each program participant receiving ESG rental assistance. The notice and certification form must be provided each time the household:

- is denied rental assistance
- begins receiving rental assistance
- is notified that the rental assistance will be terminated
- receives notification of eviction

When tenant based rental assistance is provided, specifying how the Notice of Rights and certification form is communicated must be included in rental assistance agreements.

HUD provides a sample Notice of Occupancy Rights Under the Violence Against Women Act at [Violence Against Women Act \(VAWA\) Resources for Multifamily Assisted Housing](#).

#### **4.13 Emergency Transfer Plan**

Grantees must develop an Emergency Transfer Plan under [24 CFR 5.2005\(e\)](#). Once the applicable plan is developed in accordance with this section, grantees must implement the plan in accordance with [24 CFR 5.2005\(e\)](#).

Each Emergency Transfer Plan must meet the requirements in [24 CFR 5.2005\(e\)](#) and must specify what will happen with respect to the non-transferring family member(s) who are staying in the unit.

For the purposes of this part, the following requirements shall apply in place of the requirements at [24 CFR 5.2009\(b\)](#):

- When a family receiving tenant-based rental assistance separates under [24 CFR 5.2009\(a\)](#), the family's tenant-based Rental Assistance and Utility Assistance, if any, shall continue for the family member(s) who are not evicted or removed.

HUD has published a model of an Emergency Transfer Plan for communities to use: [HUD 5381 Model Emergency Transfer Plan](#).

#### **4.14 Housing Stability Case Management**

Program participants receiving homelessness prevention or rapid re-housing assistance should be provided housing stability case management as is safe and feasible. Housing case management cannot be a requirement for assistance, but grantees should make housing stability and other appropriate services available and accessible.

5 Household Eligibility	
Component	Eligibility Requirements
Street Outreach	<ul style="list-style-type: none"> <li>Category 1 – Literally Homeless</li> <li>Category 4 – Fleeing/Attempting to Flee Domestic Violence (where the individual or family also meets the criteria for Category 1)</li> </ul> <p><b>AND</b></p> <p>Individuals and families must be living on the streets (or other places not meant for human habitation) and be unwilling or unable to access services in emergency shelter</p>
Emergency Shelter	<ul style="list-style-type: none"> <li>Category 1 – Literally Homeless</li> <li>Category 2 – Imminent Risk of Homelessness</li> <li>Category 3 – Homeless Under Other Federal Statutes</li> <li>Category 4 – Fleeing/Attempting to Flee Domestic Violence</li> <li>Households receiving rapid re-housing or homelessness prevention assistance or residing in permanent supportive housing are eligible for hotel vouchers when needed to prevent the spread of coronavirus</li> </ul>
Rapid Re-Housing	<ul style="list-style-type: none"> <li>Category 1 – Literally Homeless</li> <li>Category 4 – Fleeing/Attempting to Flee Domestic Violence (<b>where the individual or family also meets the criteria for Category 1</b>)</li> <li>Individuals and Families who were homeless as defined in 24 CFR 576.2 immediately before moving into their current housing and who are on time limited rent assistance that will expire within 30 days. (see Section 3.3 for details on eligibility)</li> </ul>
Homelessness Prevention	<ul style="list-style-type: none"> <li>Category 2 – Imminent Risk of Homelessness</li> <li>Category 3 – Homeless Under Other Federal Statutes</li> <li>Category 4 – Fleeing/Attempting to Flee Domestic Violence</li> </ul> <p><b>AND</b></p> <ul style="list-style-type: none"> <li>Individuals and Families who are defined as At-Risk of Homelessness</li> </ul> <p>Homelessness Prevention projects have the following additional limitations on eligibility with homeless and at-risk of homelessness: Must only serve individuals and families that have an annual income <u>at* or below</u> 50% Area Median Income</p>

**HUD definition of Homeless (Category 1):**

An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

(i) 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; **OR**

(ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, [state](#), or local government programs for low-income individuals); **OR**

(iii) An individual who is exiting an institution where he or she resided for 120 days or less and who resided in an [emergency shelter](#) or place not meant for human habitation immediately before entering that institution;

**HUD definition of At Imminent Risk of Homelessness (Category 2):**

Individual or family who will imminently lose their primary nighttime residence, provided that:

- (i) Residence will be lost within 14 days of the date of application for homeless assistance;
- (ii) No subsequent residence has been identified; **AND**
- (iii) The individual or family lacks the resources or support networks needed to obtain other permanent housing

**HUD definition of Homelessness under other Federal statutes (Category 3):**

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:

- (i) Are defined as homeless under the other listed federal statutes;
- (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application;
- (iii) Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; **AND**
- (iv) Can be expected to continue in such status for an extended period of time due to special needs or barriers

**HUD definition of Homelessness under other Federal statutes (Category 4):**

Any individual or family who:

- (i) Is fleeing, or is attempting to flee, domestic violence;
- (ii) Has no other residence; **AND**
- (iii) Lacks the resources or support networks to obtain other permanent housing

**At-Risk of Homelessness is defined as households who:**

1. have annual incomes below 50% AMI; **AND**
2. do not have sufficient resources or support networks immediately available to obtain permanent housing and prevent literal homelessness; **AND**
3. meet at least one of the following six conditions:

- (i) moved 2 or more times due to economic reasons in 60 days prior to application for assistance
- (ii) living in the home of another due to economic hardship
- (iii) losing housing within 21 days after application date
- (iv) living in a hotel/motel not paid for by charitable organizations or federal/state/local government programs
- (v) living in severely overcrowded unit as defined by the U.S. Census Bureau (*single-room occupancy or efficiency apartment unit in which more than two persons, on average, reside or another type of housing in which there reside more than 1.5 persons per room*)
- (vi) exiting publicly funded institution or system of care.
- (vii) a child or youth who qualifies as homeless under section 725(2) of the McKinney-Vento Homeless Assistance Act ([42 U.S.C. 11434a\(2\)](#)), and the parent(s) or guardian(s) of that child or youth if living with her or him

### **5.1 Documentation of Housing Status**

Lead/subgrantees must verify, describe and document eligible housing status prior to program entry.

See required *ESG-CV Household Eligibility – Prevention* and *ESG Household Eligibility – Rapid Re-Housing* forms for documentation requirements. All ESG-CV forms can be found on the Commerce website: [ESG-CV Forms](#).

### **5.2 Documentation of Income Eligibility**

Documentation of income eligibility is required prior to program entry for Homelessness Prevention. Documentation of income eligibility is not required until eligibility recertification for households served with Rapid Re-housing assistance.

Income is money that is paid to, or on behalf of, the head of household or spouse (even if temporarily absent) or to any other household member 18 years or older. (Persons fleeing domestic violence do not have to report the abuser’s income.) Income also includes all amounts which are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date. When determining the annual income of an individual or family, the grantee must use the standard for calculating annual income under [24 CFR §5.609](#). [An income eligibility calculator can be found on the HUD Exchange](#).

Income inclusions and exclusions are listed in the Electronic Code of Federal Regulations,



### 5.3 Eligibility Recertification

Household eligibility and the types and amounts of assistance the household needs must be re-evaluated and documented not less than once every 6 months for households receiving homelessness prevention assistance, and every 12 months for households receiving rapid re-housing assistance. At a minimum, each re-evaluation of eligibility must establish that:

1. The household does not have an annual income that exceeds 30% of Area Median Income for homeless households and 50% of Area Median Income for households at-risk of homelessness; **AND**
2. The household lacks sufficient resources and support networks necessary to retain housing without ESG-CV assistance.

See required *ESG-CV Household Eligibility – Re-Evaluation* form for documentation requirements.

At re-evaluation, a program participant whose income exceeds the requirements in the [ESG Program Interim Rule](#) or [Notice CPD-21-08](#), depending on which is applicable, would no longer be eligible for ESG-CV assistance.

### 5.4 Documentation Requirements for Rapid Re-Housing and Prevention

Households receiving Prevention or Rapid Re-Housing assistance, must have the following clearly noted and documented in the household’s case file:

1. *Initial Consultation & Eligibility Determination:*

The household must receive an initial consultation and eligibility assessment to determine housing status eligibility and the appropriate type of assistance needed to regain stability in permanent housing. Income evaluation is not a requirement during the eligibility assessment and should not affect the household’s eligibility to receive Rapid Re-Housing assistance. Income evaluation is still a requirement for determining eligibility for Prevention assistance.

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

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

3. *Housing stability plan to include:*

- i. Needs assessment to include specific housing and self-sufficiency goals; and
- ii. Action steps to retain permanent housing after ESG-CV assistance ends;

Households receiving assistance from a victim service provider are exempted from the case management requirement.

**6 Allowable Expenses**

**6.1 Administrative**

**Administrative Costs ([24CFR §576.108](#))**

<b>Allowable Expenses</b>	Up to 7% of the contracted budget may be allocated to administrative costs.  Allowable administrative costs are those costs that benefit the organization as a whole. They include the following: executive director/accounting/human resources/IT salaries, benefits, office supplies and equipment; general organization insurance; organization wide audits; board expenses; organization-wide membership fees and dues. This list is not all-inclusive.
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**6.2 HMIS**

**HMIS ([24CFR §576.107](#))**

<p><b>Allowable Expenses</b></p>	<p>The grantee or subgrantees may use ESG-CV funds to pay the costs of contributing ESG-CV data to HMIS including the costs of:</p> <ul style="list-style-type: none"> <li>Purchasing or leasing computer hardware;</li> <li>Purchasing software or software licenses;</li> <li>Purchasing or leasing equipment, including telephones, fax machines, and furniture;</li> <li>Obtaining technical support;</li> <li>Leasing office space;</li> <li>Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS;</li> <li>Paying salaries for operating HMIS, including: <ul style="list-style-type: none"> <li>(A) Completing data entry;</li> <li>(B) Monitoring and reviewing data quality;</li> <li>(C) Completing data analysis;</li> <li>(D) Reporting to the HMIS Lead;</li> <li>(F) Training staff on using the HMIS or comparable database; and</li> <li>(G) Implementing and complying with HMIS requirements;</li> </ul> </li> <li>Paying costs of staff to travel to and attend training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act;</li> <li>Paying staff travel costs to conduct intakes.</li> </ul> <p>HMIS costs are eligible beyond typical support of ESG-CV program activities (including HMIS costs not related to ESG-CV program participants) or program participants to the extent that they are necessary to help the geographic area prevent, prepare for, and respond to coronavirus.</p>
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**6.3 Street Outreach**

<p><b>Street Outreach Component (<a href="#">24CFR §576.101</a>)</b>  Services delivered on the street to persons living unsheltered</p>	
<p><b>Allowable Expenses: Street Outreach</b></p>	<p>Engagement: Activities to locate, identify, and build relationships with unsheltered homeless people for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs.</p> <p>Case Management: Assessing housing and service needs and arranging/coordinating/monitoring the delivery of individualized services.</p> <p>Emergency Health Services: Direct outpatient treatment of medical conditions by licensed medical professionals in community-based settings (e.g. streets, parks, and campgrounds) to those eligible participants for whom other appropriate health services are inaccessible or unavailable within the area.</p> <p>Emergency Mental Health Services: Direct outpatient treatment of mental</p>

health conditions by licensed professionals in community-based settings (e.g. streets, parks, and campgrounds) to those eligible participants for whom other appropriate health services are inaccessible or unavailable within the area.

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 cost of a [program participant](#)'s travel on public transportation, mileage allowance for service workers to visit program participants, and the travel costs of [recipient](#) or [subrecipient](#) staff to accompany or assist [program participants](#) to use public transportation. Transporting staff or program participants to/from vaccine events, or community-wide transport for testing or vaccination. Vehicle purchase for transporting participants or staff serving participants to services and the cost of gas, insurance, taxes and maintenance for the vehicle (grantees should work closely with Commerce to ensure compliance with HUD requirements for disposition).

Services to Special Populations: Otherwise eligible Essential Services, as listed above, that have been tailored to address the special needs of homeless youth, victims of domestic violence and related crimes/threats, and/or people living with HIV/AIDS who are literally homeless.

Training on infectious disease prevention and mitigation for staff working directly with those at risk of contracting the coronavirus costs are allowable as a standalone activity – not part of administrative costs

Hazard pay for subrecipient staff working in locations with a high likelihood of contracting coronavirus

Installation and maintenance of portable handwashing stations, portable bathrooms, portable showers, and personal protective equipment for people experiencing unsheltered homelessness

Volunteer incentives

Vaccine incentives of up to \$50 per dose in cash

Vaccine distribution activities, including:

- Renting spaces for vaccine events;
- Hiring [vaccine ambassadors](#) to engage/educate peers about the vaccine;

	<ul style="list-style-type: none"> <li>• Transporting people to/from vaccine events;</li> <li>• Mobile outreach vans and staff to support vaccine distribution;</li> <li>• Staff training on vaccine and rollout strategies;</li> <li>• PPE and supplies at vaccine events.</li> </ul> <p>Cell phones may be loaned to program participants and the wireless service cost may be paid as needed to enable program participants to participate in activities necessary to obtain or maintain housing.</p> <p>Additional costs needed to update, enhance, and operate the applicable centralized or coordinated assessment system under 24 CFR 576.400(d)</p> <p>Equipment purchased with ESG-CV funds must adhere to the requirements of <a href="#">2 CFR 200.313</a>. The disposition requirement of equipment (vehicles, handwashing sinks, portable bathrooms, furniture, etc.) under 2 CFR 200.313(e) is not triggered as long as the <b>per unit</b> current market value of the item is below \$5,000. Invoices or receipts may show multiple items with a total above \$5,000 as long as the current market value of the individual item is below \$5,000.</p> <p>An item with a current market value over \$5,000 may be retained without triggering the disposition requirements if it continues to be used for its original purpose or program (Street Outreach or Emergency Shelter for example) after ESG-CV.</p>
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**6.4 Emergency Shelter Case Management, Operations, and Temporary Emergency Shelter**

**Emergency Shelter Component ([24CFR §576.102](#))**

Services delivered to households experiencing homelessness in permanent and temporary shelter and shelter operations.

<b>Allowable Expenses: Shelter Case Management</b>	<p>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; Conducting the initial evaluation 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,</p>
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	<p>dating violence, sexual assault, and stalking; and Developing an individualized housing and service plan, including planning a path to permanent housing stability</p> <p>Additional allowable expenses include: (See <a href="#">CFR</a> for details):</p> <p>Child care  Education services  Employment assistance and job training  Outpatient health services  Legal services</p> <p>Training on infectious disease prevention and mitigation for staff working directly with those at risk of contracting the coronavirus costs are allowable as a standalone activity – not part of administrative costs</p> <p>Hazard pay for subrecipient staff working in locations with a high likelihood of contracting coronavirus</p> <p>Volunteer incentives</p> <p>Vaccine incentives of up to \$50 per dose in cash</p> <p>Vaccine distribution activities, including:</p> <ul style="list-style-type: none"> <li>• Renting spaces for vaccine events;</li> <li>• Hiring <a href="#">vaccine ambassadors</a> to engage/educate peers about the vaccine;</li> <li>• Transporting people to/from vaccine events including community-wide transport for testing or vaccination;</li> <li>• Mobile outreach vans and staff to support vaccine distribution;</li> <li>• Staff training on vaccine and rollout strategies;</li> <li>• PPE and supplies at vaccine events.</li> </ul> <p>Cell phones may be loaned to program participants and the wireless service cost may be paid as needed to enable program participants to participate in activities necessary to obtain or maintain housing.</p>
<p><b>Allowable Expenses: Shelter Operations</b></p>	<p>The costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter</p> <p>Hotel or motel costs are eligible where no appropriate emergency shelter is available, including costs for cleaning and damage repair</p>

	<p>Installation and maintenance of handwashing stations and portable bathrooms for people experiencing homelessness.</p> <p>Protective equipment (face masks, face shields, disposable gloves, sneeze guards, cots, room dividers, air filters, air purifiers)</p> <p>Outpatient health services provided by licensed medical professionals if unavailable within the community</p> <p>Transportation: Eligible costs consist of the transportation costs of a <a href="#">program participant</a>'s travel to and from medical care, employment, child care, or other eligible essential services facilities. These costs include the following: the cost of a <a href="#">program participant</a>'s travel on public transportation, mileage allowance for service workers to visit program participants, the travel costs of <a href="#">recipient</a> or <a href="#">subrecipient</a> staff to accompany or assist <a href="#">program participants</a> to use public transportation. Transporting staff or program participants to/from vaccine events. Vehicle purchase for transporting participants or staff serving participants to services and the cost of gas, insurance, taxes and maintenance for the vehicle (grantees should work closely with Commerce to ensure compliance with HUD requirements for disposition).</p> <p>Equipment purchased with ESG-CV funds must adhere to the requirements of <a href="#">2 CFR 200.313</a>. The disposition requirement of equipment (vehicles, handwashing sinks, portable bathrooms, furniture, etc.) under 2 CFR 200.313(e) is not triggered as long as the <b>per unit</b> current market value of the item is below \$5,000. Invoices or receipts may show multiple items with a total above \$5,000 as long as the current market value of the individual item is below \$5,000.</p> <p style="text-align: center;">An item with a current market value over \$5,000 may be retained without triggering the disposition requirements if it continues to be used for its original purpose or program (Street Outreach or Emergency Shelter for example) after ESG-CV.</p>
<p><b>Allowable Expenses: Temporary Emergency Shelter</b></p>	<p>Leasing existing real property or temporary structures for temporary emergency shelter for individuals and families experiencing homelessness in order to prevent, prepare for, and respond to coronavirus. Shelter operation costs including the cost of maintenance, rent, security, fuel, equipment, utilities, food, furnishings, supplies necessary for the</p>

	<p>operation of the temporary shelter;</p> <p>Services, including essential services, housing search and placement services, and housing search and counseling services. <a href="#">24 CFR 576.102 (a)(1)</a>, <a href="#">24 CFR 576.105 (b)(1)</a>, and housing search and counseling services under <a href="#">24 CFR 578.53(e)(8)</a> and <a href="#">HUD ESG-CV Notice</a>.</p> <p>Equipment purchased with ESG-CV funds must adhere to the requirements of <a href="#">2 CFR 200.313</a>. The disposition requirement of equipment (vehicles, handwashing sinks, portable bathrooms, furniture, etc.) under 2 CFR 200.313(e) is not triggered as long as the <b>per unit</b> current market value of the item is below \$5,000. Invoices or receipts may show multiple items with a total above \$5,000 as long as the current market value of the individual item is below \$5,000.</p> <p>An item with a current market value over \$5,000 may be retained without triggering the disposition requirements if it continues to be used for its original purpose or program (Street Outreach or Emergency Shelter for example) after ESG-CV.</p>
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**6.5 Rapid Re-Housing and Prevention Rental Assistance**

**Rental Assistance ([24CFR §576.106](#))**

<b>Allowable Expenses</b>	<p>Rent assistance</p> <p>Rental arrears and associated late fees for up to six months. Rental arrears may be paid if the payment enables the household to obtain or maintain permanent housing. If funds are used to pay rental arrears, arrears must be included in determining the total period of the household's rental assistance.</p> <p>If a program participant moves into a unit in the middle of the month, the initial payment of a half month's rent does not count towards the program participant's total rental assistance.</p> <p>If a participant is receiving rental assistance and meets the conditions for an Emergency Transfer under <a href="#">24 CFR 5.2005(e)</a>, funds may be used to pay amounts owed for breaking a lease to effect an Emergency Transfer.</p>
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**6.6 Rapid Re-Housing and Prevention Case Management**

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

**Allowable Expenses**

**Housing Search and Placement**

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

**Housing Stability Case Management**

Assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability;  
Using the centralized or coordinated assessment system to conduct the initial evaluation and re-evaluation;  
Legal services. Legal services established in [24 CFR 576.102\(a\)\(1\)\(vi\)](#) and [24 CFR 576.105\(b\)\(4\)](#) are limited to those services necessary to help program participants obtain housing or keep a program participant from losing housing where they currently reside.

Counseling;  
Developing, securing and coordinating services including Federal, state, and local benefits;  
Monitoring and evaluating program participant progress;  
Providing information and referrals to other providers;  
Developing an individualized housing and service plan.

Assistance can be provided for 60 days during the period the program participant is seeking permanent housing. If the program participant needs assistance after 60 days it can be billed to Emergency Shelter Case Management. There is no limit on the time period for assistance while the program participant is living in permanent housing.

Training on infectious disease prevention and mitigation for staff working directly with those at risk of contracting the coronavirus costs are allowable as a standalone activity – not part of administrative costs.

Essential Services detailed in [24CFR §576.102](#) are allowable for households receiving rapid rehousing and homelessness prevention assistance.

**6.7 Rapid Re-Housing and Prevention Other Financial Assistance**

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

**Allowable Expenses**

Rental Application Fees that are charged by the owner to all applicants  
Security Deposits equal to no more than two months' rent. If agencies are retaining returned security deposits, they must follow Program Income requirements as described in the ESG-CV Notice.

Last month's rent

Moving Costs, such as truck rental, hiring a moving company, or temporary storage fees for a maximum of three months after the participant begins to receive services but before they move into permanent housing. Arrearages are not eligible.

Utility Deposits required by the utility company for all customers (i.e. gas, electric, water/sewage)

Utility Payments for up to 24 months of per household, per service (i.e. gas, electric, water/sewage), including up to 6 months of arrearages, per service.

Landlord incentives may be paid up to three (3) times the rent charged for the unit:

- a. Signing bonuses equal to up to 2 months of rent
- b. Security deposits equal to up to 3 months of rent
- c. Paying the cost to repair damages not covered by the security deposit or that are incurred while the program participant is still residing in the unit
- d. Paying the costs of extra cleaning or maintenance of unit or appliances

Volunteer incentives

Furniture and household furnishings for use by program participants while they are receiving homelessness prevention and rapid re-housing assistance. Purchases are subject to the requirements for equipment at 2 CFR 200.313, including the disposition requirements included in paragraph (e) of that section.

Equipment purchased with ESG-CV funds must adhere to the requirements of [2 CFR 200.313](#). The disposition requirement of equipment (vehicles, handwashing sinks, portable bathrooms, furniture, etc.) under 2 CFR 200.313(e) is not triggered as long as the **per unit** current market value of the item is below \$5,000. Invoices or receipts may show multiple items with a total above \$5,000 as long as the current market value of the individual item is below \$5,000.

	<p>An item with a current market value over \$5,000 may be retained without triggering the disposition requirements if it continues to be used for its original purpose or program (Street Outreach or Emergency Shelter for example) after ESG-CV.</p> <p>Renters Insurance. Requirements include:</p> <ol style="list-style-type: none"> <li>a. Demonstration that the payment of renters insurance is necessary to obtain or maintain housing (e.g., the landlord requires renters to have renters insurance to reside in the unit)</li> <li>b. Payment must be made to the renters insurance directly to the insurance company on behalf of the program participant.</li> </ol> <p>Purchase of Personal Protective Equipment (PPE) for program participants</p> <p>If the participant meets the conditions for an emergency transfer under <a href="#">24 CFR 5.2005(e)</a>, then funds may be used to pay amounts owed for breaking a lease to effect an emergency transfer.</p>
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**7 Requirements of all Lead Grantees and Subgrantees Providing Direct Service**

**7.1 Coordinated Entry**

ESG-CV funded projects must participate in the local Coordinated Entry (CE) as defined by Coordinated Entry System policies and procedures. Separate assessment and access points are allowable for prevention projects.

Projects operated by victim service providers are not required but may elect to participate in the county or regional CE process.

Coordinated Entry is encouraged to modify the assessment, scoring, prioritization and determining eligibility to prioritize those at high-risk for severe illness from coronavirus for shelter and housing consistent with fair housing and nondiscrimination requirements. Coordinated Entry projects are expected to adapt its policies and procedures to account for social distancing measures or increased demand. For guidance on adapting Coordinated Entry during the pandemic, see: [Temporary Changes and Suspensions for Coordinated Entry, Performance and Consolidated Homeless Grant funds due to COVID-19 Response](#). Street Outreach projects funded by ESG-CV must be linked to the county or regional Coordinated Entry (CE) by either performing mobile CE process services (e.g. assessment) or by providing referrals to CE.

If the county or regional Coordinated Entry (CE) requires Emergency Shelters, Drop-in Shelters and Temporary Shelter Sites to fill beds through the regional CE process, those projects funded

by ESG-CV must participate in the county or regional CE process by accepting referrals and must fill openings exclusively through the CE process.

If the project has other funding sources that do not require participation in the CE process, the project must fill openings, beds or units funded with ESG-CV exclusively through the CE process.

ESG-CV Notice CPD-21-08 adds cost to update, enhance, and operate a coordinated system as an allowable program expense. Documentation must explain how the use of funds is limited to an increase in the system costs due to coronavirus. Expenditures for expanded Coordinated Entry capacity are billed under the Street Outreach component. Recipient use of funds must be coordinated with the Continuum of Care (CoC).

## **7.2 Low Barrier Services**

Households 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 ESG-CV funds are used. This includes housing case management. Program policies should not place a burden on persons accessing housing or shelter and maintaining their placement in the program.

If an individual poses a direct threat to the health or safety of others that cannot be reduced or eliminated, assistance may be denied. The threat must be based on an individualized assessment that is due to actual behavior, not on speculation or fear about the types of harm that may be caused.

## **7.3 Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking**

HUD's Emergency Transfer Plans outlined in 24 CFR 5.2005 only apply to a covered housing providers providing rental assistance. For the ESG-CV program, "covered housing provider," as such term is used in HUD's regulations in [24 CFR part 5, subpart L](#), refers to:

- The grantee that administers the Rental Assistance for the purposes of [24 CFR 5.2005\(e\)](#)
- The housing owner for the purposes of [24 CFR 5.2005\(d\)\(1\)](#), [\(d\)\(3\)](#), and [\(d\)\(4\)](#) and [5.2009\(a\)](#)
- The housing owner and the grantee that administers the Rental Assistance for the purposes of [24 CFR 5.2005\(d\)\(2\)](#)
- The housing owner and the grantee that administers the Rental Assistance for the purposes of [24 CFR 5.2007](#). However, the County may limit documentation requests under [24 CFR 5.2007](#) to only the grantee, provided that:
  - This limitation is made clear in both the notice described under [24 CFR 5.2005\(a\)\(1\)](#) and the rental assistance agreement
  - The entity designated to receive documentation request determines whether the participant is entitled to protection under VAWA and immediately advises the participant of the determination

- If the participant is entitled to protection, the entity designated to receive documentation requests must notify the owner in writing that the participant is entitled to protection under VAWA and work with the owner on the participant's behalf. Any further sharing or disclosure of the participant's information will be subject to the requirements in [24 CFR 5.2007](#).

## 7.4 HMIS

Lead/subgrantees providing direct service must enter client data into the Homeless Management Information System (HMIS) for all ESG-CV funded projects in accordance with the most current [HMIS Data Standards](#) and the [ESG Program HMIS Manual](#).

Eligibility for ESG-CV Components by Prior Living Situation									
	Street/ Car/ Park	ES	TH	Institution (120 day or more) Shelter/ Street Prior	Motel (Paid by charity/ govt)	Motel (Paid by client)	Doubled Up/ Couch Surfing	At Risk	Fleeing DV (Not shelter/ street)
Street Outreach	Yes	No	No	No	No	No	No	No	No
Emergency Shelter*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Rapid Rehousing	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Homelessness Prevention	No	No	No	No	No	Yes	Yes	Yes	Yes
Key/Additional Information: ES – Emergency Shelter TH – Transitional Housing Institution Stayed ≤ 120 days – Must have been in shelter/ street immediately before At Risk – Must be at risk of entering shelter or living on street DV – Domestic Violence <b>* ESG-CV allows hotel/motel vouchers for households coming from additional Prior Living Situations when needed to prevent the spread of coronavirus.</b>									

This chart is not an exhaustive list of prior living situations and that participants must still meet the eligibility criteria set forth in this manual and the regulations.

### 7.4.1 Data Quality

Projects are required to provide quality data to the best of their ability. Maintaining good data quality is important for effective program evaluation. Data quality has four elements: completeness, timeliness, accuracy, and consistency.

#### 7.4.1.1 Completeness

Completeness of data is measured by the percentage of incomplete fields in required data elements.

Agencies are expected to collect **first name, last name, date of birth, race, and ethnicity** from clients that give consent on the [HMIS consent form](#). **Agencies will never require a client to provide this information even if they have consented, but should gather it to the best of their**

ability.

All clients, consenting and non-consenting, must have complete **prior living situation** and **exit destination** data.

**Examples of incomplete entries:**

Incomplete Entries	
Data Element	Incomplete if...
Name*	[Quality of Name] field contains Partial, Street name, or Code name, Client doesn't know, Client refused or Data not collected; or [First Name] or [Last Name] is missing.
Date of Birth*	[Quality of DOB] field contains Approximate, Partial DOB reported, Client doesn't know, Client refused or Data not collected; or [Date of Birth] is missing.
Race*	[Race] field contains Client doesn't know, Client refused, Data not collected, or is missing.
Ethnicity*	[Ethnicity] field contains Client doesn't know, Client refused, Data not collected, or is missing.
Prior Living Situation	[Prior Living Situation] is client doesn't know, client refused, data not collected, or is missing.
Destination	[Destination] is Client doesn't know, Client refused, No exit interview completed, Data not collected, or is missing.

\*Only measured for consenting clients.

**Expected completeness measures:**

For non-Victim Service providers: Name\*, Social Security Number\* and Date of Birth should have an error rate below 15-20%. Race\*, Ethnicity\* and Gender should have an error rate below 5%.

\*Only measured for consenting clients.

**7.4.1.2 Timeliness**

Client data should be entered into HMIS as close to the date of collection as possible. Entering data as soon as possible supports data quality by avoiding backlogs of pending data and allowing near real time analysis and reporting.

Projects must enter/update project client/household data in HMIS **within 14 calendar days** following the date of project enrollment/exit.

Counties not using the State HMIS (data integration counties), must work with the HMIS Manager to provide full CSV exports every six months. When Commerce is able to accept monthly imports, Counties must upload data to the State's HMIS using XML or CSV schema compliant with current HUD HMIS Data Standards. Uploads must occur no later than the 30th calendar day following the end of each month. Counties not able to export and upload data to the State HMIS using an approved format must use the State HMIS for direct data entry.

### 7.4.1.3 Accuracy

Data entered into HMIS must reflect the real situation of the client/household as closely as possible.

Accurate data is necessary to ensure any project reporting fairly represents the work of the project and each client’s story.

**Examples of data accuracy:**

Elements of Data Accuracy	
<b>Date of Birth and Project Start Date</b>	Ensure the two are not the same dates.
<b>Prior Living Situation data elements</b>	Ensure responses for Prior living situation, Length of stay in prior living situation, Approximate date homelessness started, Number of times the client has experienced homelessness in the last 3 years, and Number of months experiencing homelessness in the last 3 years do not conflict with each other.
<b>Disabling Condition</b>	Ensure the Yes/No answer does not conflict with the specific types of disabling conditions.
<b>Health Insurance</b>	Ensure the Yes/No answer does not conflict with the specific types of health insurance.
<b>Monthly Income</b>	Ensure the Yes/No answer does not conflict with the specific sources of monthly income.
<b>Non-Cash Benefits</b>	Ensure the Yes/No answer does not conflict with the specific sources of non-cash benefits.
<b>Relationship to Head of Household</b>	Ensure there is only one Head of Household for any given household (including clients served individually) and that this element is entered and accurate for all household members.
<b>Veteran Status</b>	Ensure individuals under 18 years of age are not identified as veterans.
<b>Project Population Specifics</b>	Ensure that projects only serving individuals only enroll individuals and not multi-person households. Ensure that projects only serving families with children only enroll families with children. Ensure that projects only serving clients of a specific age range only enroll clients of that age range.

### 7.4.1.4 Consistency

Consistent data helps ensure that any reporting generated by a project is understood. Data consistency is important for effectively communicating the processes and outcomes of a project.

All data will be collected, entered, and stored in accordance with the [Agency Partner Agreement](#).

All data elements and responses will be entered per the [HUD data Standards Manual](#). To avoid inconsistency, agencies should use language on intake forms that closely matches the elements

and responses in HMIS.

Clients who refuse consent must be made anonymous per [Department of Commerce Guidance](#) and the [consent refused client entry guide](#).

## 7.5 Consent for Entry of Personal Identifying Information

### 7.5.1 Identified Records

- ✓ Personally identifying information (PII)<sup>1</sup> must not be entered into HMIS unless all adult household members have provided informed consent.
- ✓ Informed consent must be documented with a signed copy of the *Client Release of Information and Informed Consent Form* in the client file. If electronic consent has been received, a copy does not need to be printed for the client file but must be available in HMIS. If telephonic consent has been received, complete the consent form the first time the household is seen in person.

### 7.5.2 Anonymous Records

The following types of records must be entered anonymously:

- ✓ Households in which one adult member does not provide informed consent for themselves or their dependents
- ✓ Households entering a domestic violence program or currently fleeing or in danger from a domestic violence, dating violence, sexual assault, human trafficking or a stalking situation
- ✓ Minors under the age of 13 with no parent or guardian available to consent to the minor's information in HMIS
- ✓ Households in programs which are required by funders to report HIV/AIDS status

### 7.5.3 Special Circumstances

If the reporting of the HIV/AIDS status of clients is not specifically required, the HIV/AIDS status must not be entered in HMIS.

If a combination of race, ethnicity, gender, or other demographic data could be identifying in your community, those data should not be entered for anonymous records.

## 7.6 Habitability Standards

Commerce does not exempt units or shelters from having to be compliant with local housing codes. Therefore, if there are requirements that are in both the local housing code and the Habitability Standards, the grantee must comply with the more stringent of the two.

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<sup>1</sup> PII includes name, social security number, birthdate, address, phone number, email, and photo.



### **7.6.1 Minimum Standards for Emergency Shelters**

If ESG-CV funds are used for shelter operations, the building must meet the minimum standards for safety, sanitation, and privacy provided in [Appendix C](#).

The lead/sub grantee must maintain documentation of compliance with the minimum standards for Emergency Shelter activities.

Habitability and environmental reviews are not required for Temporary Emergency Shelters.

### **7.6.2 Minimum Standards for Permanent Housing**

ESG-CV rental assistance or other financial assistance funds under Homelessness Prevention and Rapid Re-housing may not be used to assist a household in remaining in or moving into housing that does not meet the minimum habitability standards provided in [Appendix C](#). Grantees may provide housing relocation and stabilization services for individuals and families receiving homelessness prevention assistance without conducting habitability or HQS inspections.

If a household is provided homelessness prevention assistance to stay in current housing, the housing must be inspected and found to meet the minimum habitability standards before the grantee incurs ESG-CV costs for any of the following:

Providing any service to the household;

Entering into a rental assistance agreement; or

Making any payment on behalf of the program participant (e.g., rental or utility arrears, rental or utility payments, etc.)

## **7.7 Environmental Review**

An environmental review is the process of reviewing a project and its potential environmental impacts to determine whether it meets federal, state, and local environmental standards. The environmental review process is required for all HUD-assisted projects (with the exception of Temporary Emergency Shelters) to ensure that the proposed project does not negatively impact the surrounding environment and that the property site itself will not have an adverse environmental or health effect on end users. Not every project is subject to a full environmental review (i.e., every project's environmental impact must be examined, but the extent of this examination varies), but every project must be in compliance with the [National Environmental Policy Act \(NEPA\)](#), and other related Federal and state environmental laws

Grantees should coordinate closely with Commerce staff to ensure compliance with Environmental Review requirements in 24 CFR Part 58. Refer to [\Environmental Review\Levels-of-Environmental-Review-for-ESG-Components-Matrix \(6\).pdf](#)

## 7.8 Housing Inspections and Lead-based Paint Inspections

### 7.8.1 Housing Inspections

Grantees are required to conduct initial inspections for clients receiving Rapid Re-Housing or Prevention Assistance, including assistance that is limited to rental arrears in current housing units. Lead-based paint visual inspections may also be required (see below).

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

Grantees may adopt the [HUD Housing Quality Standards \(HQS\)](#) inspection procedures or the Habitability Standards listed above. If HQS is adopted, inspectors must be certified. Housing Quality Inspections (HQS) may be done through video in order to adhere to COVID-19 safety recommendations.

### 7.8.2 Lead-based Paint Visual Assessments

The lead-based paint visual assessment requirement exists to protect vulnerable families from potential health hazards. To prevent lead poisoning in young children, grantees must comply with the Lead-based Paint Hazard Reduction Act of 1992 and its applicable regulations found at [24 CFR §35](#), subparts A, B, H, J, K, M, and R.

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

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

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

### 7.8.3 Exceptions to the Lead-based Paint Visual Assessment Requirement

Visual assessments are not required under the following circumstances:

- ✓ Zero-bedroom or SRO-sized units;
- ✓ X-ray or laboratory testing of all painted surfaces by certified personnel has been conducted in accordance with HUD regulations and the unit is officially certified to not contain lead-based paint;
- ✓ The property has had all lead-based paint identified and removed in accordance

- with HUD regulations;
- ✓ The unit has already undergone a visual assessment within the past 12 months – obtained documentation that a visual assessment has been conducted; or
- ✓ It meets any of the other exemptions described in [24 CFR §35.115\(a\)](#).

If any of the circumstances outlined above are met, lead/subgrantees must include the information in the client file.

### **7.9 Duplication of Benefits**

“Duplication of benefits” occurs when an individual or household receives financial assistance for the same service from multiple funding sources. Grantees must determine and document if the household is receiving assistance from other sources (e.g. philanthropy, faith-based, CDBG-CV, CHG, etc.) to avoid duplication of benefits as well as verify that the other form of assistance does not disqualify the eligibility of the individual or household. ([Section 312 \(42 U.S.C. 5155\)](#)).

### **7.10 Recordkeeping Requirements for Grantees Providing Rent Assistance**

See [Appendix D](#) for recordkeeping requirements.

### **7.11 Data Collection**

Federal rules require each lead/subgrantees to enter client data into a Homeless Management Information System (HMIS) per Section 7.3 and the Agency Partner HMIS Agreement (see Appendix E).

Each grantee must follow all state and federal laws governing HMIS, including collecting informed written consent from program participants, not denying service based solely on program participant refusal to provide data to an HMIS, protecting program participant confidentiality, not collecting personally identifying information from program participants that are victims of domestic violence, and other requirements defined in [RCW 43.185C.030](#), [43.185C.180](#), and [VAWA Reauthorization Section 605](#).

### **7.12 Termination of Participation, Denial and Grievance Procedures**

Grantees must have written termination, denial, and grievance policies and/or procedures. The policies and/or procedures should be readily available to households either in written information or by posting the policy in a public place and should include the right of the participant to contact the agency director, the Department of Commerce, or HUD. It is important to effectively communicate these policies and/or procedures to households and ensure that they are fully understood.

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

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

The VAWA regulatory requirements under [24 CFR part 5, subpart L](#), apply to all eligibility and termination decisions that are made with respect to ESG-CV Rental Assistance. At a minimum, these policies must be person-centered, trauma-informed, and follow Housing First principles.

#### **7.12.1 Denial and Grievance**

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

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

#### **7.13 Confidentiality of Client Records**

Grantees must have policies and/or procedures to ensure that client records are maintained in a confidential manner as per [RCW 43.185C.030](#) and keep written records or files pertaining to households under lock and key with designated personnel granted access to those files.

#### **8 Washington State's Landlord Mitigation Law**

Washington State's Landlord Mitigation Law ([RCW 43.31.605](#)) became effective on June 7, 2018 to provide landlords with an incentive and added security to work with tenants receiving rental assistance. The program offers up to \$1,000 to the landlord in reimbursement for some potentially required move-in upgrades, up to fourteen days' rent loss and up to \$5,000 in qualifying damages caused by a tenant during tenancy. A move in/move out condition report is required for a landlord to receive reimbursement.

For more information, please visit the Commerce Landlord Mitigation Program [website](#).

#### **9 Appendices**

### 9.1 Appendix A: Required and Recommended Forms

The following forms are required, if applicable. Forms may be modified if all of the content is included. All forms are posted on the Commerce ESG-CV [website](#).

- ✓ ESG-CV Household Eligibility – Prevention
- ✓ ESG-CV Household Eligibility – Rapid Re-Housing
- ✓ ESG-CV Household Eligibility – Re-Evaluation
- ✓ Third-Party Oral Verification
- ✓ Self-Declaration of Eligibility
- ✓ ESG-CV Utility Assistance
- ✓ ESG-CV Client File Checklist
- ✓ BVS Client Consent Form
- ✓ Rent Reasonableness Form
- ✓ Notice of Occupancy Rights under the Violence Against Women Act

The following form is recommended.

- ✓ Move in/move out condition report from the Commerce Landlord Mitigation Program [website](#).

### 9.2 Appendix B: Required Policies and Procedures

- ✓ Required written standards as described in 24 CFR 56.400 (e) of the ESG Interim Rule and adapted for ESG-CV including:
  - Summary of how ESG-CV funds are being used to prevent, prepare for and respond to coronavirus
  - Emergency Transfer Plan
  - Rent Limit Policy
  - Coordinated Entry Policies
  - Termination of Participation, Denial, and Grievance Procedures

### 9.3 Appendix C: Habitability Standards

The minimum standards for emergency shelters are:

- ✓ Structure and materials: The structures must be structurally sound to protect the residents from the elements and not pose any threat to the health and safety of the residents.
- ✓ Access. Where applicable, the shelter is accessible in accordance with: Section 504 of the Rehabilitation Act (29 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.
- ✓ Space and security: Except where the shelter is intended for day use only, the shelter provides each program participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.

- ✓ Interior air quality: Each room or space within the shelter 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.
- ✓ Water Supply: The shelter's water supply is free of contamination.
- ✓ Sanitary Facilities: Each program participant in the shelter has access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
- ✓ Thermal environment: The shelter has any necessary heating/cooling facilities in proper operating condition.
- ✓ Illumination and electricity: The shelter 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 shelter.
- ✓ Food preparation: Food preparation areas, if any, contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
- ✓ Sanitary conditions: The shelter is maintained in a sanitary condition.
- ✓ Fire safety: There is at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors are located near sleeping areas. All public areas of the shelter have at least one working smoke detector. The fire alarm system is designed for hearing-impaired residents. There is a second means of exiting the building in the event of fire or other emergency.

The minimum standards for permanent housing are:

- ✓ Structure and materials. The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
- ✓ Space and security. Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
- ✓ Interior air quality. Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
- ✓ Water supply. The water supply must be free from contamination.
- ✓ Sanitary facilities. Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
- ✓ *Thermal environment.* The housing must have any necessary heating/cooling facilities in proper operating condition.
- ✓ *Illumination and electricity.* The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.
- ✓ *Food preparation.* All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

- ✓ *Sanitary conditions.* The housing must be maintained in a sanitary condition.
- ✓ *Fire safety.*
- ✓ There must be a second means of exiting the building in the event of fire or other emergency.
- ✓ Each unit or shelter must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.
- ✓ The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

## 9.4 Appendix D: Recordkeeping Requirements for Grantees Providing Rent Assistance

### Homeless status

The grantee and subgrantees 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 120 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 120 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 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.

**At risk of homelessness status.**

For each individual or family who receives ESG-CV 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 grantee and subgrantees. 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 grantee and subgrantees' 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 grantee and subgrantees' 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 grantee and subgrantees’ 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 grantee and subgrantees’ 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 grantee and subgrantees’ intake staff describing the efforts taken to obtain the required evidence.

#### **Determinations of ineligibility**

For each individual and family determined ineligible to receive Emergency Solutions Grant (ESG) assistance, the record must include documentation of the reason for that determination.

#### **Annual income**

For each program participant who receives homelessness prevention assistance, or who receives rapid re-housing assistance longer than one year, the following documentation of annual income must be maintained:

(1) Income evaluation form containing the minimum requirements specified by HUD and completed by the grantee and subgrantees; and

(2) Source documents for the assets held by the program participant and income received over the most recent period for which representative data is available before the date of the evaluation (*e.g.*, wage statement, unemployment compensation statement, public benefits statement, bank statement);

(3) To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, employer, government benefits administrator) or the written certification by the grantee and subgrantees’ intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period for which representative data is available; or

(4) To the extent that source documents and third party verification are unobtainable, the

written certification by the program participant of the amount of income the program participant received for the most recent period representative of the income that the program participant is reasonably expected to receive over the 3-month period following the evaluation.

### **Program participant records**

In addition to evidence of homeless status or “at risk of homelessness” status, as applicable, records must be kept for each program participant that document:

- (1) The services and assistance provided to that program participant, including, as applicable, the security deposit, rental assistance, and utility payments made on behalf of the program participant;
- (2) Compliance with the applicable requirements for providing services and assistance to that program participant under the program components and eligible activities provisions at [§576.101](#) through [§576.106](#), the provision on determining eligibility and amount and type of assistance at [§576.401\(a\) and \(b\)](#), and the provision on using appropriate assistance and services at [§576.401\(d\) and \(e\)](#); and
- (3) Where applicable, compliance with the termination of assistance requirement in [§576.402](#).

### **Centralized or coordinated assessment systems and procedures.**

The grantee and subgrantees must keep documentation evidencing the use of, and written intake procedures for, the centralized or coordinated assessment system(s) developed by the Continuum of Care(s) in accordance with the requirements established by HUD. Additional costs to update/enhance/operate a coordinated entry system under [24 CFR 576.400\(d\)](#) are allowable. Documentation must show the use of funds is limited to an increase in system costs due to coronavirus. Recipient use of funds must be coordinated with the Continuum of Care (CoC).

### **Rental assistance agreements and payments**

The records must include copies of all leases and rental assistance agreements for the provision of rental assistance, documentation of payments made to owners for the provision of rental assistance, and supporting documentation for these payments, including dates of occupancy by program participants.

### **Utility allowance**

The records must document the monthly allowance for utilities (excluding telephone, cable, and internet) used to determine compliance with the rent restriction.

### **Shelter and housing standards**

The records must include documentation of compliance with the shelter and housing standards in [§576.403](#), including inspection reports.

### **Services and assistance provided**

The grantee and subgrantees that are units of general purpose local government must keep records to demonstrate compliance with the maintenance of effort requirement, including records of the unit of the general purpose local government's annual budgets and sources of funding for street outreach and emergency shelter services.

### **Conflicts of interest**

The grantee and subgrantees must keep records to show compliance with the organizational conflicts-of-interest requirements in [§576.404\(a\)](#), a copy of the personal conflicts of interest policy or codes of conduct developed and implemented to comply with the requirements in [§576.404\(b\)](#), and records supporting exceptions to the personal conflicts of interest prohibitions.

### **Faith-based activities**

The grantee and subgrantees must document their compliance with the faith-based activities requirements under [§576.406](#).

### **Other Federal requirements**

The grantee and subgrantees must document their compliance with the Federal requirements in [§576.407](#) and [§576.409](#), as applicable, including:

- (1) Records demonstrating compliance with the nondiscrimination and equal opportunity requirements under [§576.407\(a\)](#) and the affirmative outreach requirements in [§576.407\(b\)](#), including: data concerning race, ethnicity, disability status, sex, and family characteristics of persons and households who are applicants for, or program participants in, any program or activity funded in whole or in part with ESG funds.
- (2) Records demonstrating compliance with the uniform administrative requirements in 2 CFR part 200.
- (3) Records demonstrating compliance with the environmental review requirements, including flood insurance requirements.
- (4) Certifications and disclosure forms required under the lobbying and disclosure requirements in [24 CFR §87](#).
- (5) Data on emergency transfers requested under [§576.409](#), pertaining to victims of domestic violence, dating violence, sexual assault, or stalking, including data on the outcomes of such requests.

### **Relocation**

The records must include documentation of compliance with the displacement, relocation, and acquisition requirements in [§576.408](#).

### **Confidentiality**

- (1) The grantee and subgrantees must develop and implement written procedures to ensure:
- (i) All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and/or receives ESG assistance will be kept secure and confidential;
  - (ii) The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG will not be made public, except with written authorization of the person responsible for the operation of the shelter; and
  - (iii) The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the grantee and subgrantees and consistent with state and local laws regarding privacy and obligations of confidentiality.
- (2) The confidentiality procedures of the grantee and subgrantees must be in writing and must be maintained in accordance with this section.

### **Period of record retention**

All records pertaining to each fiscal year of ESG-CV 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. 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.

### **Access to records**

*Federal Government rights.* Notwithstanding the confidentiality procedures established under paragraph (x) of this section, the grantee and subgrantees must comply with the requirements for access to records in [2 CFR §200.336](#).

## **9.5 Appendix E: Agency Partner HMIS Agreement**

The Agency Partner Agreement can be found at: <https://www.commerce.wa.gov/wp-content/uploads/2018/06/hau-hmis-agency-partner-agreement-2018.pdf>

## **9.6 Appendix F: Data Security Requirements**

- 1. Definitions.** The words and phrases listed below, as used in this Appendix, shall each have the following definitions:
  - a. "Authorized User(s)" means an individual or individuals with an authorized business requirement to access DSHS Confidential Information.
  - b. "Hardened Password" means a string of at least eight characters containing at least one alphabetic character, at least one number and at least one special character such as an asterisk, ampersand or exclamation point.
  - c. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.
  - d. "Contractor" means CHG Lead/subgrantees.

2. **Data Transport.** When transporting DSHS Confidential Information electronically, including via email, the Data will be protected by:
  - a. Transporting the Data within the (State Governmental Network) SGN or Contractor's internal network, or;
  - b. Encrypting any Data that will be in transit outside the SGN or Contractor's internal network. This includes transit over the public Internet.
  
3. **Protection of Data.** The Contractor agrees to store Data on one or more of the following media and protect the Data as described:
  - a. **Hard disk drives.** Data stored on local workstation hard disks. Access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
  - b. **Network server disks.** Data stored on hard disks mounted on network servers and made available through shared folders. Access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

For DSHS Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secured Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data as outlined in Section 5. Data Disposition may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.
  - c. **Optical discs (CDs or DVDs) in local workstation optical disc drives.** Data provided by DSHS on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secured Area. When not in use for the contracted purpose, such discs must be locked in a drawer, cabinet or other container to which only Authorized Users have the key, combination or mechanism required to access the contents of the container. Workstations which access DSHS Data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
  - d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers.** Data provided by DSHS on optical discs which will be attached to network servers and which will not be transported out of a Secured Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
  - e. **Paper documents.** Any paper records must be protected by storing the records in a Secured

Area which is only accessible to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have access.

f. **Remote Access.** Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor staff. Contractor will notify DSHS staff immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the Authorized User no longer requires access to perform work for this Contract

g. **Data storage on portable devices or media.**

(1) Except where otherwise specified herein, DSHS Data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the following protections:

(a) Encrypt the Data with a key length of at least 128 bits

(b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.

(c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.

Physically Secure the portable device(s) and/or media by

(d) Keeping them in locked storage when not in use

(e) Using check-in/check-out procedures when they are shared, and

(f) Taking frequent inventories

(2) When being transported outside of a Secured Area, portable devices and media with DSHS Confidential Information must be under the physical control of Contractor staff with authorization to access the Data.

(3) Portable devices include, but are not limited to; smart phones, tablets, flash memory devices (e.g. USB flash drives, personal media players), portable hard disks, and laptop/notebook/netbook computers if those computers may be transported outside of a Secured Area.

(4) Portable media includes, but is not limited to; optical media (e.g. CDs, DVDs), magnetic media (e.g. floppy disks, tape), or flash media (e.g. CompactFlash, SD, MMC).

h. **Data stored for backup purposes.**

(1) DSHS data may be stored on portable media as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while DSHS Confidential Information still exists upon it, such media will be destroyed at that time in accordance with the disposition requirements in Section 5. Data Disposition

(2) DSHS Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. If so, such media will be protected as



otherwise described in this exhibit. If this media is retired while DSHS Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements in Section 5. Data Disposition.

**4. Data Segregation.**

- a. DSHS Data must be segregated or otherwise distinguishable from non-DSHS data. This is to ensure that when no longer needed by the Contractor, all DSHS Data can be identified for return or destruction. It also aids in determining whether DSHS Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.
- b. DSHS Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS data. And/or,
- c. DSHS Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS Data. And/or,
- d. DSHS Data will be stored in a database which will contain no non-DSHS data. And/or,
- e. DSHS Data will be stored within a database and will be distinguishable from non-DSHS data by the value of a specific field or fields within database records.
- f. When stored as physical paper documents, DSHS Data will be physically segregated from non-DSHS data in a drawer, folder, or other container.
- g. When it is not feasible or practical to segregate DSHS Data from non-DSHS data, then both the DSHS Data and the non-DSHS data with which it is commingled must be protected as described in this exhibit.

- 5. Data Disposition.** When the contracted work has been completed or when no longer needed, except as noted in Section 3. Protection of Data b. Network Server Disks above, Data shall be returned to DSHS or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

<b>Data Stored On:</b>	<b>Will be Destroyed By:</b>
Server or workstation hard disks, or  Removable media (e.g. floppies, USB flash drives, portable hard disks) excluding optical discs	Using a “wipe” utility which will overwrite the Data at least three (3) times using either random or single character data, or  Degaussing sufficiently to ensure that the Data cannot be reconstructed, or  Physically destroying the disk
Paper documents with sensitive or Confidential Information	Recycling through a contracted firm provided the contract with the recycler assures that the confidentiality of Data will be protected.
Paper documents containing Confidential Information requiring special handling (e.g. protected health information)	On-site shredding, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or completely defacing the readable surface with a coarse abrasive
Magnetic tape	Degaussing, incinerating or crosscut shredding

**6. Notification of Compromise or Potential Compromise.** The compromise or potential compromise of DSHS shared Data must be reported to the Department of Commerce Contact designated in the Grant Agreement within one (1) business day of discovery.

**Data shared with Subcontractors.** If DSHS Data access provided under this Contract is to be shared with a subcontractor, the Contract with the subcontractor must include all of the data security provisions within this Contract and within any amendments, attachments, or exhibits within this Contract.

**Statement of Work**

The Contractor shall provide the services and staff, and otherwise do all things necessary for, or incidental to the performance of work as set forth below:

The Contractor will work with the DSHS contact listed on page one (1) of this Contract to ensure personnel who specifically require access to the Data in the performance of their assigned duties, are granted access to the appropriate BVS Housing Profile in accordance with the terms and conditions of this Contract.

## **Consideration**

DSHS will provide the information under this Contract at no charge to the Contractor.

Each party to this Contract shall be responsible for any expenses incurred in providing or receiving the Data.

This includes any costs for hardware/software upgrades, and costs to improve any systems or processors that will enable the Contractor to access the Data.

In exchange for the receipt of Data, the Contractor agrees to abide by the Terms and Conditions in this Contract.

The Contractor shall be responsible for any charges for Data loss.

## **Data Sharing.**

Purpose:

Activity for which the Data is needed:

To allow the Contractor's Housing Program Providers to verify public assistance eligibility, improve access to housing assistance for recipients of CSD programs, and improve HEN Referral program efforts.

Description of Data

Data Elements:

The Housing Profile consists of the following BVS data elements:

- i. Client First Name
- ii. Client Middle Initial
- iii. Client Last Name
- iv. CSO, HCS, or HCA office
- v. Living Arrangement
- vi. Month of the Year (up to the past 12-months)
- vii. Program Type
- viii Household Number
- ix. DSHS Benefit
- x. Earned Income
- xi. Unearned Income
- xii. WorkFirst Sanction Amount
- xiii Intentional Overpayment Amount
- xiv. HEN Eligibility

Time frames(s) for Data disclosure or exchange:

The duration of the Contract or as amended.

Conditions under which, if any, that Data disclosed or exchanged can be linked to other data:

There are no conditions that permit linking of the Data with other data.

Data Access or Transfer

Method.

The Contractor shall access information via the DSHS BVS secure website.

Access to this website requires the user to have an email address approved by DSHS. DSHS will provide the initial password and the strong password must be changed to a unique strong password.

Requirement for Access.

Access to data shall be limited to the Contractor, who specifically requires access to the Data to perform their assigned duties.

The Contractor shall provide the DSHS Contact listed on page one (1) of this Contract, with the names, email addresses, and other contact information as required by DSHS, for all Contractor personnel requesting BVS access.

The Contractor must report within one (1) business day to the DSHS Contact person listed on page one (1) of this Contract after receiving notice that any Contractor personnel with access to the Data is terminated from employment or when their job duties no longer require access to the Data.

Prior to making Data available to their personnel, the Contractor shall notify all personnel of the use, confidentiality, and nondisclosure requirements.

The Contractor shall complete and sign a DSHS Notice of Nondisclosure form and agree to adhere to the use and disclosure requirements before accessing the Data.

The signed DSHS Notice of Nondisclosure forms shall be maintained by the Contractor and be submitted to DSHS upon request.

Frequency of Exchange.

Daily Access

## Limitations on Use of Data

The Contractor will access client information specific only to the Contractor's caseload.

CSD is the sole authority for any BVS system changes, suspension to BVS access, or BVS data enhancements.

If the Data and analyses generated by the Data Recipient contain personal information about DSHS clients, any and all reports utilizing this Data shall be subject to review and approval by the Data Provider prior to publication in any medium or presentation in any forum.

Any and all reports using confidential DSHS data must have all personal identifying information removed.

## **Confidentiality and Nondisclosure**

Both parties may use Personal information and other information or Data gained by reason of this Contract only for the purposes of this Contract.

Neither party shall disclose, transfer, or sell any such information to any party, except as provided by law or, in the case of Personal information, without the prior written consent of the person to whom the Personal information pertains.

The Data to be shared under this Contract is confidential in nature and is subject to state and federal confidentiality requirement that bind the Contractor to protect the confidentiality of the personal information contained in Economic Services Administration data. The Contractor may use personal data and other data gained by reason of this Contract only for the purpose of this Contract.

The Contractor shall maintain the confidentiality of personal data in accordance with state and federal laws, and shall have adequate policies and procedures in place to ensure compliance with confidentiality requirements, including restrictions on re-disclosure. The Contractor agrees to keep client information according to DSHS policy and procedures.

Neither party shall link the Data with Personal information or individually identifiable data from any other source, nor re-disclose or duplicate the Data unless specifically authorized to do so in this Contract or by the prior written consent of the other party.

The Contractor shall take reasonable precautions to secure against unauthorized physical and electronic access to client data, which shall be protected in a manner that prevents unauthorized persons, including the general public, from retrieving data by means of computer, remote terminal, or other means.

Contract Suspension:

DSHS may take certain actions in the event the Contractor is investigated by a local, county, state, or federal agency, for a matter which DSHS determines may adversely affect the access to or use of, Data provided under this Contract. DSHS May, without prior notice, suspend the access to or use of Data, and disallow the person(s) involved in the allegation(s) from providing services or having contact with clients pending final resolution of the investigation.

**Disputes**

Either party may submit a request for resolution of a Contract dispute (rates set by law, regulation, or DSHS policy are not disputable). The requesting party shall submit a written statement identifying the issue(s) in dispute and the relative positions of the parties. A request for a dispute resolution must include the Contractor’s name, address, and Contract number, and be mailed to the address listed below within thirty (30) calendar days after the party could reasonably be expected to have knowledge of the issue in dispute.

DSHS/Community Services Division/Attn: Contracts Unit  
 PO Box 45440  
 Olympia, WA 98504-5440

- 1. Data Transport.** When transporting DSHS Confidential Information electronically, including via email, the data will be protected by:
  - a. Transporting the data within the (State Governmental Network) SGN or contractor’s internal network, or;
  - b. Encrypting any data that will be in transit outside the SGN or contractor’s internal network. This includes transit over the public Internet.
- 2. Protection of Data.** The Grantee agrees to store data on paper only, no electronic storage is allowable:
  - a. **Paper documents.** Any paper records must be protected by storing the records in a secure area which is only accessible to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have access.
- 3. Data Disposition.** When the contracted work has been completed or when no longer needed, data shall be returned to DSHS or destroyed. Media on which data may be stored and associated acceptable methods of destruction are as follows:

<b>Data stored on:</b>	<b>Will be destroyed by:</b>
Paper documents with sensitive or confidential data	Recycling through a contracted firm provided the contract with the recycler assures that the confidentiality of data will be protected.
Paper documents containing confidential information requiring special handling (e.g. protected health information)	On-site shredding, pulping, or incineration
Magnetic tape	Degaussing, incinerating or crosscut shredding

**4. Notification of Compromise or Potential Compromise.** The compromise or potential compromise of DSHS shared data must be reported to Commerce within one (1) business day of discovery.

This Agreement will be in force until terminated by either party. Either party may terminate this agreement at will with 20 days written notice. Either party may terminate this agreement immediately upon a material breach of this Agreement by the other party, including but not limited to the breach of the Commerce Security Policy by Agency.

If this Agreement is terminated, Agency will no longer have access to HMIS. Commerce and the remaining Partner Agencies will maintain their right to use all of the Client information previously entered by Agency except to the extent a restriction is imposed by Client or law. Copies of Agency data will be provided to the Agency upon written request of termination of this agreement. Data will be provided on CDs or other mutually agreed upon media. Unless otherwise specified in writing, copies of data will be delivered to Agency within fourteen (14) calendar days of receipt of written requests for data copies.

## **9.7 Appendix G: Resources**

[Emergency Solutions Grants \(EGS\) Program Components Quick Reference \(HUD\)](#)

[Emergency Solutions Grant – COVID 19 Notice](#)

[The Framework for an Equitable COVID-19 Homelessness Response \(National Alliance to End Homelessness\)](#)

[Homeless System Response: Planning a Housing Surge to Accelerate Rehousing Efforts in Response to COVID-19 \(HUD\)](#)

[HUD ESG-CV Resources and Webinars](#)

[Use ESG-CV to Help Those Currently Experiencing Homelessness First \(National Alliance to End Homelessness\)](#)

[Strategy: Use a Housing First Approach in Response and Recovery \(hudexchange.info\)](#)

[Eligible-ESG-Program-Costs-for-Infectious-Disease-Preparedness.pdf](#)