

**Lexington-Fayette Urban County Government
Standards for providing ESG Assistance**

The standards for operating rapid rehousing/homelessness prevention programs are as follows:

RAPID RE-HOUSING

ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance *as necessary to help a **homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.*** This assistance, referred to as rapid re-housing assistance, may be provided to program participants who meet the criteria under paragraph (1) of the “homeless” definition in 24 CFR §576.2 **or** who meet the criteria under paragraph (4) of the “homeless” definition **and** live in an emergency shelter or other place described in paragraph (1) of the “homeless” definition. The rapid re-housing assistance must be provided in accordance with the housing relocation and stabilization services requirements in 24 CFR §576.105, the short- and medium-term rental assistance requirements in 24 CFR §576.106, as outlined below **and** in the written standards and procedures established under 24 CFR §576.400.

Successful and effective rapid re-housing program demonstrates the ability to accomplish the model’s three primary goals:

- Reduce the length of time program participants spend homeless,
- Exit households to permanent housing, and
- Limit returns to homelessness within a year of program exit. Programs that will be viewed as effective at achieving the goals referenced above will be able to demonstrate their capacity at:

Housing Identification

Housing Identification is the first core component of rapid re-housing, the goal of which is to find housing for program participants quickly. Activities under this core component include recruiting landlords with units in the communities and neighborhoods where program participants want to live and negotiating with landlords to help program participants access housing. Housing identification efforts should be designed and implemented to actively recruit and retain landlords and housing managers willing to rent to program participants who may otherwise fail to pass typical tenant screening criteria. One of the primary activities under housing identification is the recruitment of landlords as landlord recruitment and support is essential to program participants having rapid access to permanent housing from the moment they enter the program. The more partnerships with landlords the program has developed, the more opportunities program participants have to rapidly obtain permanent housing.

Coordinated Entry

Beyond ending homelessness for individual households, rapid re-housing plays a key role in ending homelessness overall. To do so effectively and efficiently, a program must coordinate with the broader homeless system. The Lexington CoC will begin Coordinated Entry in May 2016 and ESG Recipients are required to participate. Once the Lexington CoC Coordinated Entry is implemented programs agree to serve only individuals and families with ESG Assistance that are referred by Coordinated Entry.

Types of Assistance

The intent of the rent and move-in assistance component of rapid re-housing is to enable the quick resolution of the immediate housing crisis. The majority of RRH participants will be able to maintain housing with short-term rent assistance. Rent and move-in assistance should be flexible and tailored to the varying and changing needs of a household while providing the assistance necessary for households to move immediately out of homelessness and to stabilize in permanent housing. A rapid re-housing program should make efforts to maximize the number of households it is able to serve by providing households with the financial assistance in a progressive manner, providing only the assistance necessary to stabilize in permanent housing. The transition off financial assistance is coordinated with case management efforts to assist program participants to assume and sustain their housing costs.

The grant, therefore, will provide:

Medium-term rental assistance, lasting up to 12 months, based on the needs of the participant. The case manager will assess the client to determine how much financial assistance and for how long is needed to achieve housing stability. The assessment is based on the amount of housing barriers of the individual/family. Financial assistance may include:

- Deposit on a rental unit
- Rental assistance that will decrease over the months of assistance as the participant becomes more self-sufficient. The grant may pay the following percentage of rent:
 - Months 1-3 – up to 80%
 - Months 4-6 – up to 65%
 - Months 7-9 – up to 50%
 - Months 9-12 – up to 35%
- Deposit for utility service, if utilities are not included in rent up to \$300.
- Rental or utility arrears (up to 6 months of past due bills) if arrearage prevents participant from moving into rental unit up to a total of \$500.

Case Management

Initially, rapid re-housing case management is primarily focused on assisting a participant in obtaining and moving into a new housing unit. Case managers should help participants resolve or mitigate tenant screening barriers like rental and utility arrears or multiple evictions; obtain necessary identification if needed; support other move-in activities such as providing furniture; and prepare participants for successful

tenancy by reviewing lease provisions. After moving in, rapid re-housing case management should be home-based and help participants stabilize in housing. Based upon their needs and requests, it should help them identify and access supports including: family and friend networks; mainstream and community services; and employment and income. Case managers should resolve issues or conflicts that may lead to tenancy problems, such as disputes with landlords or neighbors while also helping participants develop and test skills they will use to retain housing once they are no longer in the program. Rapid re-housing assistance should end and the case should be closed when the participant is no longer going to be imminently homeless. In some instances, case management may continue after financial assistance ends if appropriate or requested by the household. For those that will require ongoing support after exiting the rapid re-housing program, case managers should provide participants with warm handoffs to mainstream and community-based services that will continue to assist them.

HOMELESSNESS PREVENTION

ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in 24 CFR §576.2. This assistance, referred to as homelessness prevention, may be provided to individuals and families who meet the criteria under the “at risk of homelessness” definition **or** who meet the criteria in paragraph (2), (3), or (4) of the “homeless” definition in 24 CFR §576.2 **and** have an annual income **below 30 percent** of median family income for the area, as determine by HUD.

The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant’s current permanent housing or move into other permanent housing and achieve stability in that housing.

ESG’s **Homeless Prevention** program will serve households who have the highest risk of becoming homeless without ESG assistance. In particular,

- families with children lacking stable housing, who meet the definition of at-risk, and
- youth between the ages of 18 and 24 who have aged out of foster care and who have no support networks

Levels of assistance are as follows:

Medium-term rental assistance, lasting up to 12 months, based on the needs of the participant. The case manager will asses the client to determine how much financial assistance and for how long is needed to achieve housing stability. The assessment is based on the amount of housing barriers of the individual/family. Financial assistance may include:

- Deposit on a rental unit

- Rental assistance that will decrease over the months of assistance as the participant becomes more self-sufficient. The grant may pay the following percentage of rent:
 - Months 1-3 – up to 80%
 - Months 4-6 – up to 65%
 - Months 7-9 – up to 50%
 - Months 9-12 – up to 35%
- Deposit for utility service, if utilities not included in rent, up to \$300.
- Rental or utility arrears (up to 6 months of past due bills) if arrearage prevents participant from moving into/maintaining rental unit up to a total of \$500.

Intensive case management, for the duration of the financial assistance, to address barriers to maintaining stable housing. The case manager will work with the participant to develop a permanent housing plan, which may include financial literacy, budgeting, personal goal setting, etc. In addition, the case manager will help the individual/family access mainstream benefits for which they may be eligible. The case manager will meet monthly with the participant.

ESG funds may only be used to help a program participant remain or move into housing that meets the International Property Maintenance Code as approved by the LFUCG. All housing occupied by program participants must also comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and implementing regulations. For inspections of units for compliance, Code Enforcement Officers in the Division of Grants and Special Programs will make inspections, document code compliance, require corrections, and re-inspect. The case manager will be responsible for distributing “Protect Your Family from Lead in Your Home,” (EPA-747-K-12-001) to program participants residing in rental units build before 1978, and will be responsible for documenting compliance with distribution of this document and placing proof of compliance in each client’s file.

Rental assistance can only be provided if the rent does not exceed the Fair Market Rent established by HUD, and complies with HUD’s standard of rent reasonableness, as established under 24 CFR 982.507. HUD’s published Fair Market Rents include utilities. For purposes of calculating rent under this section, the rent shall equal the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant pays separately for utilities, the monthly allowance for utilities (electric, gas, sewer, and water) established by the public housing authority for the area in which the housing is located.

Also eligible costs are rental application fees if they are charged by owner to all applicants, security deposits that are no greater than two months’ rent, and last month’s rent at the time the owner is paid the security deposit and the first month’s rent. Last month’s rent may not exceed one month’s rent and is included

in calculating the program participant's total rental assistance. Rental arrears of up to six months, including late fees, is also eligible if necessary for the household to achieve or maintain permanent housing. This payment in arrears is not included in calculating the program participant's total rental assistance of up to six months.

Standard utility deposits required by utility company for all customers for gas, electric, and water are eligible.

Case Manager must document the level of assistance that is needed in order for the household to achieve and maintain housing stability.

Utility arrears for electric, sewer, gas, and water for up to six months may be provided if necessary for the household to achieve or maintain permanent housing. A partial payment of a utility bill counts as one month. All payments for utilities must be itemized by month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company. These payments in arrears are not included in calculating the program participant's total rental assistance of up to six months.

Rental assistance payments may only be made to an owner with whom the agency has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the agency 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. The agency must make timely payments to each owner 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. Late payment penalties are not ESG eligible expenses.

Each program participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the owner and the program participant. 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 owner's financial records, rent ledgers, or canceled checks.

The Case Manager must meet with all program participants not less than once per month to assist participants in ensuring long-term housing stability while providing homelessness prevention or rapid rehousing assistance.

If the agency intends to terminate assistance to clients who violate program requirements, the Agency must do so by use of a formal process that recognizes the rights of the individuals affected. The formal process for terminating rental assistance must comply with 24 CFR 576.402 (b).

EMERGENCY SHELTER OPERATIONS

ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters. Refer to 24 CFR §576.102 for eligible costs and requirements.

Emergency Solutions Grant Funds will be used for operation of emergency shelters for single men, single women, families, unaccompanied youth, and victims of domestic violence. Emergency shelters are defined as facilities that provide overnight accommodations for homeless persons.

Shelters must establish written standards for the provision of assistance under the Emergency Solutions Grants program and apply these standards consistently for all program participants, to fully staff the facilities and provide for appropriate supervision at all times, and to provide adult individual or group counseling, advocacy and referrals, job-skills training, and job placement assistance, and a follow-up program to homeless persons.

Shelters must maintain and follow written intake procedures to ensure compliance with the homeless definition. 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. Shelters agree to fully comply with 24 CFR 576.500 in the documentation of client eligibility for emergency shelter services. 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. The Shelter must ensure that data on all persons served and all activities assisted under ESG are entered into the applicable community-wide HMIS (homeless management information system) in accordance with standards of the U.S. Department of Housing and Urban Development.

Shelters must meet the following minimum safety, sanitation, and privacy standards:

- (1) *Structure and materials.* The shelter building must be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents.
- (2) *Access.* The shelter must be 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; where applicable.
- (3) *Space and security.* Except where the shelter is intended for day use only, the shelter must provide each program participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.
- (4) *Interior air quality.* Each room or space within the shelter must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
- (5) *Water supply.* The shelter's water supply must be free of contamination.
- (6) *Sanitary facilities.* Each program participant in the shelter must have access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
- (7) *Thermal environment.* The shelter must have any necessary heating/cooling facilities in proper operating condition.
- (8) *Illumination and electricity.* The shelter 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 shelter.
- (9) *Food preparation.* Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
- (10) *Sanitary conditions.* The shelter must be maintained in a sanitary condition.
- (11) *Fire safety.* There must be at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors must be located near sleeping areas. The fire alarm system must be designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector. There must also be a second means of exiting the building in the event of fire or other emergency.

Shelters shall administer a policy designed to ensure that facilities are free from the illegal use, possession, or distribution of drugs or alcohol by its employees and beneficiaries.

Shelters shall develop procedures that insure confidentiality of records pertaining to an individual provided family violence prevention or treatment services.

Shelters shall comply with the requirements of 24 CFR 576.402 which provides for the termination of assistance to individuals who violate program requirements. Termination of assistance must be in accordance with a formal process established by the Shelter that recognizes the rights of individuals affected. The Shelter must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.

The Shelter must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by the Continuum of Care or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area.

The Shelter shall comply with the requirements of Title VI of the Civil Rights Act of 1964 as amended; Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3601 through 3619, and all implementing regulations and executive orders; shall comply with the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107); and the prohibitions against discrimination against handicapped individuals under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

The Shelter shall ensure that emergency services shall be made available without regard to actual or perceived sexual orientation, gender identity or marital status. Shelter shall not inquire about the sexual orientation or gender identity of any applicant for or person receiving these services.