



Emergency Solutions Grants Program Guidelines for Emergency Shelter, Homelessness Prevention, and Rapid Re-Housing in Portland/Gresham/Multnomah County Continuum of Care

Program Summary

The Emergency Solutions Grants (ESG) Program is funded by the U.S. Department of Housing and Urban Development (HUD) Homeless Emergency Assistance and Rapid Transitions to Housing Act of 2009 (HEARTH Act). Program regulations are established in 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). The City of Portland is a grantee of HUD and will administer this award for the Portland/Gresham/Multnomah County Continuum of Care. All ESG agencies must follow all applicable sections of the ESG Interim rule as established in these ESG Guidelines.

The Emergency Solutions Grants (ESG) Program provides federal funds to (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents; (5) rapidly re-house homeless individuals and families; and (6) prevent families/individuals from becoming homeless.

In FY 2017 the City of Portland received \$702,193 in ESG funds. The City of Portland obligated these funds in coordination with A Home for Everyone, the community's plan to end homelessness. The Joint Office of Homeless Services, responsible for implementing the community plan, directed ESG funds in 16-17 as follows: \$420,591 for Emergency Shelter, \$231,955 for Rapid Re-Housing, and \$49,647 for administration, representing 7% of the ESG allocation. Separately, Oregon Housing and Community Services allocated \$110,777 of its state-level ESG award to Multnomah County, all of which was dedicated to emergency shelter activities.

All of the ESG funds are dedicated to Emergency Shelter support operations [§576.102(a)(3)] or essential services [§576.102(a)(1)]. At this time ESG is not used to fund or support any other activity. Subgrantees are required to comply with the following minimum program standards as outlined in 24 CFR Part 576.400(e)(3).

Emergency Shelter Guidelines

A Home for Everyone (AHFE) hosted a series of community dialogues to develop guidelines for a variety of program areas including Emergency Shelter. The sessions were facilitated by staff from Corporation for Supportive Housing (CSH), a national housing policy agency. There was a wide range of participation from community partners – service providers, persons with lived experience of homelessness, colleagues from business, health, faith, and mainstream services. The work of developing the AHFE Community Program Guidelines was based on AHFE performance goals, values and priorities, as set out in our AHFE plan and the work of the AHFE Coordinating Board and its subcommittees.

The guidelines for ESG funds used in Emergency Shelter as written below align with these community program guidelines for Emergency Shelter. The community program guidelines generally address skills training for staff involved in direct service provision, diversion, and low-barrier approach based on Housing First. The guidelines also specifically address prioritized populations, effective practices, and minimum and ideal operating standards for emergency shelter.

Eligible shelter operating costs are limited to 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. Shelter operator(s) must document operations costs in monthly invoices submitted for review and approval of the Joint Office of Homeless Services.

Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under Emergency Solutions Grant (ESG).

1. The recipient must follow these intake procedures to ensure compliance with the homeless definition (see Attachment A). All applicants must be assessed to determine eligibility for receipt of ESG funded services. Homeless households who meet one or more of HUD determined categorical homeless definitions or criteria are eligible to receive program assistance. Per §576.500 homeless status must be verified. This can be accomplished either through third-party verification, case manager's observation, or household's certification.
2. Shelter staff will document each applicant's homeless status using a form substantially similar to Attachment B.
3. Each person admitted to the shelter will be entered into HMIS. The uniform data elements must be completed.

4. Subgrantees shall retain all program records pertinent to client services and expenditures paid with ESG funds in a manner consistent with the requirements of federal law. Program records including client files must be retained for five years. Fiscal records, which include books, documents, and agency records that document all program expenditures must be retained for a minimum of five years, or such longer period as may be required due to any audit, controversy, or litigation arising out of, or relating to, program use.

Standards for targeting and providing essential services related to street outreach.

- Outreach activities are not funded with ESG in Portland/Gresham/Multnomah County.

Policies and procedures for admission, diversion, referral, and discharge by emergency shelters including length of stay, and safeguards to meet the safety and shelter needs of special populations, e.g. victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the longest.

1. This community is continuing to expand the implementation of a Coordinated Entry system. When that system is fully implemented, ESG-funded emergency shelters will be required to participate. Until then, clients may be admitted to ESG-funded emergency shelters on a first-come-first-served basis, or through prioritized access based on A Home for Everyone priority populations and a process approved by the Joint Office of Homeless Services.
2. Diversion activities are not funded with ESG in Portland/Gresham/Multnomah County.
3. Referral can occur through calling 211info, our communities' source of information and referral, through client self-referral, or through referral by a range of partnering agencies proposed by the shelter operator and approved by the Joint Office of Homeless Services.
4. The subgrantee must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant is terminated only in the most severe cases. The subgrantee may terminate in accordance with a formal process established by the subgrantee.
5. There is no limit to length of stay, though programs are encouraged to rapidly rehouse people as quickly as possible. Generally, lengths of stay should not exceed 60 days, however individual clients exceeding this standard length of stay should not be discharged from the shelter in order to limit the length of stay.
6. Any shelter facility that receives ESG operations assistance is required to meet all federal, state, and local government safety, sanitation, and accessibility standards

including compliance with the safety, sanitation, and privacy requirements contained in 24 CFR 576.403. Reasonable accommodations for persons with disabilities must be available in order to ensure disabled participants have an equal opportunity to utilize the shelter.

7. In order to ensure access to shelter facilities for individuals with limited English proficiency, it is required that subgrantees develop and implement an agency Language Access Plan following guidelines provided in the Fair Housing Guide for Shelter and Transitional Housing Providers which can be accessed at www.fhco.org. If clients are required to fill out forms, they must be available in multiple languages.
8. If a survivor discloses they have experienced domestic violence within six months of request for shelter services or are actively fleeing and in need of a safe, confidential emergency shelter, shelter staff, utilizing a trauma-informed, survivor centered lens, may refer participant to Call to Safety or Linea UNICA for services (English and Spanish speaking DV Crisis Lines)*¹. Shelter staff are encouraged to do “warm-hand offs” with the participants’ informed consent if information is to be shared. Shelter staff should acquire baseline domestic violence training.

Policies and procedures for assessing, prioritizing, and reassessing individuals’ and families’ needs for essential services related to emergency shelter.

Eligible emergency shelter related case management costs are limited to the cost of assessing arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the emergency shelter program participant. Component services and activities may consist of:

- Using the Coordinated Access for Adults system, e.g. completing and submitting Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT) assessments for clients interested in Continuum of Care and ESG-funded permanent housing
- Conducting the initial evaluation of program participant eligibility for ESG-funded shelter services (as required by §576.500), including verifying and documenting eligibility
- Counseling services
- Developing, securing, and coordinating services and obtaining Federal, State, and local benefits
- Monitoring and evaluation program participant progress
- Providing information and referrals to other providers

*1 All domestic violence services are voluntary; a survivor must give consent to referrals.

- Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
- Developing an individualized housing and service plan, including planning a path to permanent housing stability

Emergency shelter program participants may receive essential services, but must be voluntary and based on assessment of program participant's interests and desires using an Assertive Engagement approach. Program participants must be notified of the availability of services at intake, and assessment for interest in engagement in services may be initiated by staff or by program participants.

Shelter staff must document provision of case management services through service transactions recorded in the local HMIS, and records of services must be retained in client files (either HMIS or in hard-copy files, if such hard-copy files are used). Such records should include: completed coordinated access assessments; documentation of eligibility for ESG-funded services; records (such as case notes) of counseling services; record of assessment of need for, eligibility for and referral to other services; and any individualized housing stability plans. Case management staff will make such records available for review when requested by Joint Office of Homeless Services staff.

System coordination among emergency shelter providers and other system resources.

The Portland/Gresham/Multnomah County Continuum of Care provides the main coordination function to ensure knowledge of the services available in the continuum from shelter providers, essential services providers, homelessness prevention and rapid re-housing providers, other homeless assistance providers, and mainstream employment service and housing providers.

The Coordination Policy is carried out by the following:

- Regular attendance at A Home for Everyone meetings.
- Safety off the Streets (SOS) Workgroup monthly meetings.
- Annual updates from ESG Recipient to A Home for Everyone on status of ESG activities including consultation opportunities.
- Ensuring the mainstream and employment service providers attend A Home for Everyone meetings regularly.
- There is homeless consumer input in developing programs and the homeless response system.

Attachment A

Homeless Emergency Assistance and Rapid Transition to Housing “Homeless” Definition

1. 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.
2. 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
3. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.
4. Any individual or family who: 1) is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual’s or family’s primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence, 2) Has no other residence, and 3) Lacks the resources or support networks (family, friends, faith-based or other social networks) to obtain other permanent housing.

How to document housing status for an individual fleeing Domestic Violence or attempting to flee Domestic Violence:

An oral statement by the individual, which states that they are fleeing. This statement may be documented by the client’s own self-certification, or by the caseworker’s certification.

Rapid Re-Housing Guidelines

Home Forward manages Emergency Solutions Grants (ESG) Program funds through the Short-Term Rent Assistance Program (STRA). Home Forward developed guidelines for ESG which have been approved by the local HUD Field Office. We are adopting these guidelines as the Community Guidelines for Rapid Re-Housing and Homelessness Prevention.

Home Forward ESG Guidelines include the following:

- ESG Enrollment Guidelines
- Third-Party Verbal Housing Verification
- Case Manager’s Observation of Homeless Status
- Self-Declaration of Housing Status
- For Imminent Risk of Homelessness or Domestic Violence – Options, Resources, Networks
- ESG Release of Information
- Instructions for Rent Reasonable Test & Rent Comparables
- Lead-Based Paint Disclosure
- Lead-Based Paint Statement of Receipt
- Unit Habitability Inspection
- Visual Lead-based Paint Assessment
- Determining Fair Market Rent
- ESG Needs Assessment
- Determination of ESG Ineligibility
- Housing Status Definitions and Documentation
- Third-Party Verbal Income Verification
- Self-Declaration of Income
- For Annual Recertification – Options, Resources and Networks

UNIFIED EMERGENCY SOLUTIONS GRANTS (ESG) PROGRAM POLICIES FOR MULTNOMAH COUNTY RAPID RE-HOUSING PROVIDERS

Tenant Contribution:

Program participants are required to pay 30% of total monthly household ESG rent determination income towards rent.

ESG Providers will pay 100% of utility costs throughout the duration of ESG program participation.

ESG Provider may use ESG funds to pay the full amount that the landlord's lease requires as an up-front payment prior to move-in. Examples may include: security deposit, last month's rent, first month's rent, a prorated second month of rent, etc. After the up-front payments have been issued, the household will begin paying 30% of their income toward rent.

Due to the limitations of the 30% model in ensuring full funding spend-down, ESG Provider may choose to assist one household with more or less of the rent burden for the final month of assistance. Provider must note in the client file that this exception is being made for purposes of program budget and comment on why this participant was selected (for example, client has high medical costs, greater barriers, etc.).

For purposes of ESG rent determination, monthly household income includes, but is not limited to:

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including lump sum payment for delayed start of a periodic payment;
- (3) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay;
- (4) Welfare assistance. Welfare or other payments to families or individuals, based on need, that are made under program funded, separately or jointly, by Federal, State or local governments (e.g, Social Security Income (SSI) and general assistance available through state welfare programs);
- (5) Net income from the operation of a business or profession;
- (6) All regular pay, special pay and allowances of a member of the Armed Forces, except special hostile fire pay.

Temporary, nonrecurring, sporadic income is excluded when calculating annual income. Sporadic income is income that is not received periodically (regular intervals) and cannot be reliably predicted.

Income should be verified by documentation by a third party whenever possible.

Note that for purposes of annually determining ongoing household eligibility for ESG assistance, providers must use the separate Annual Income standards outlined in Attachment 22.

Unified policy for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time:

ESG Providers may elect to provide one of the following eligible types of ESG-funded rental assistance:

- Only short-term (up to 3 months of rent payments in a three-year period)
- Only medium-term (up to 24 months of rent payments in a 3-year period)
- Or, on a household-by-household basis, a combination of short-term or medium-term rental assistance

The ESG Provider must notify Home Forward of which type of ESG-funded rental assistance it will provide to participants.

When considering length of assistance, the ESG Provider will determine, in collaboration with the participant, the length of assistance that is required to help the participant achieve housing stability after the end of the assistance. The ESG Provider will, in collaboration with the participant, consider factors including, but not limited to:

- current income, including source and stability
- prospects for income development
- debt to income ratio
- disabling conditions
- length of homelessness
- number of episodes of homelessness
- prospects for permanent housing options
- social support networks
- barriers to stability (e.g., legal background, rental history, credit history)
- Program budget

The ESG provider will document the determination of length of assistance through the Rental Assistance Agreement with the Landlord and the Participant (see Attachment 13).

Participants are required to report the following changes within 10 days of when they occur:

- Income increase of 20% or more expected to last 90 days or more from the time the Provider received the information
- change in household composition
- Participant may choose to report decreases in income, but it is not required

Provider will re-evaluate length and amount of assistance when the above interim changes are reported.

Program participant may be terminated early if:

- Participant violates Provider Agreement or Provider Program rules
- Participant fails to properly report interim changes
- Household receives a permanent housing subsidy
- Household contribution exceeds contract rent amount

Please note: ESG has no income threshold at initial eligibility assessment. However at annual recertification, participants must have Annual Income at or below 30% AMI, have no appropriate subsequent housing options and must lack the financial resources and support networks needed to remain in housing without ESG assistance (See Attachment 1, Enrollment Guidelines for more information).

Guidelines for Emergency Solutions Grant (ESG)

Yellow = New or Revised

✓ **Purpose of ESG (in Multnomah County):**

Stabilize clients' housing by providing temporary financial assistance and case management to clients who are currently homeless. For Homeless Placement only.

Creator of This Fund: HUD

✓ **Important! Follow the Unified ESG Policies for Multnomah County, Attachment 20:**

The STRA agencies with ESG designed these policies, and Portland Housing Bureau and HUD have approved them. These policies guide the amount and length of assistance for all ESG participants in Multnomah County.

✓ **Eligible Participants:**

- Household must be homeless as defined on Exhibit U, Attachment 17 (no eviction prevention assistance is allowed with ESG funds)
- Household must be:
 - at or below 30% AMI, **and**
 - have no appropriate subsequent housing options **and**
 - must lack the financial resources and support networks needed to remain in housing without ESG assistance

(HUD doesn't require income verification at intake, but this became necessary due to the local policy requiring clients to pay 30% of income toward rent.) Income must also be verified annually.

(Effective Mar. 2016 – approx. Feb. 2017)			
Family Size	30% Median	Family Size	30% Median
1	\$15,400	5	\$28,440
2	\$17,600	6	\$32,580
3	\$20,160	7	\$36,730
4	\$24,300	8	\$40,890

<https://www.huduser.gov/portal/datasets/il/il16/index.html>

- Required as of 2014: When screening clients for ESG, you must ask the adults if they have received ESG for rent or utilities in the last 24 months.
If they say they have, contact the Portland Housing Bureau to see how many months of ESG eligibility they have left. (24 month limit applies to ESG client received either as an individual or as part of a family.)
Hunter Belgard: (503) 823-2381 Hunter.Belgard@portlandoregon.gov
or Wendy Smith: (503) 823-2386 Wendy.Smith@portlandoregon.gov
 - If you assist a client with ESG for a period, and they return to your agency later for additional financial support, you would not be able to assist them if they are still housed. You may assist former ESG clients who are currently homeless.

Guidelines for ESG

✓ **Eligible Expenses:**

(Payments must be made to a third party)

- Rental application fees
- Security deposits: Cannot exceed 2 month's rent
- Last month's rent, if landlord requires it to be paid prior to move-in. Last month's rent cannot exceed one month's rent. (Counts against the 24 months of assistance.) On the ESG Invoice, code this as "R-Move-in Fee".
- Rent: Up to 24 months in any 3-year period
- Utility deposits
- Utilities: Up to 24 months of utility payments per household, per service, in a 3 year period. In previous years there was a distinction between utility payments and utility allowances. This is no longer the case. If you are billing for utilities, bill the full payment as a utility payment. The tenant must have a utility account in his or her name or proof of responsibility and the payment must be made to a third party. Eligible expenses are gas, electric, water, and sewer.
 - This also includes utility arrears that occur after the client begins ESG. Up to 6 months of utility arrears, per service. Utility debt from a previous unit is not allowed.
- **Non-leasing expenses: (only the 2 items below)**
 - Moving costs: Truck rental or hiring a moving company. (Moving costs are eligible for ESG payment only if they are accrued *after* the household begins receiving case management services and *before* the household moves into permanent housing.)
 - Storage: Up to 3 months, no arrears

ESG Cannot Pay for the Following:

- Damages incurred by the tenant
- Rent arrears (not allowed at this time)
- Late fees on rent (including late fees if your agency pays rent to the landlord late)
- Late fees on utility payments
- Rental debt to a former landlord

✓ **Which Units are Not Eligible for ESG?**

- ESG cannot be used in a public housing unit
- ESG cannot be provided to someone with a Section 8 voucher
- ESG cannot be used in a unit that has project-based Section 8 funding (See Attachment 10 for a list of Home Forward properties where you cannot use ESG.)
- **ESG can't pay for rent assistance if client receives another public source of rent assistance (including other STRA assistance, other government programs, etc. - see eligible Expenses, above.)**

✓ **Eligible Units:**

- ESG **can** be used in a tax-credit unit. (HUD confirmed this in FY2014-15. HUD doesn't consider tax credits as "public rent assistance".)
- If using ESG for rent, unit must be rent reasonable. (see Attachment 5a and 5b)
- If using ESG for rent, the unit rent must be at or below the Fair Market Rent. (see Attachments 11a and 11b)
(Rent Reasonableness and FMR requirements DO NOT APPLY when a participant receives assistance for only rental application fees, security deposits, initial payment of last month's rent, utility payments/deposits, or moving costs.) 24 CFR 576.106(d).

Guidelines for ESG

- Unit must pass a habitability inspection if you will use ESG for **any items** - even if you are not using ESG for rent. This is a HUD requirement. (Unit habitability inspections are also required annually.)
- Your agency may conduct the Unit Habitability Inspection, using Attachment 8a.
- The unit must pass a lead-based paint visual assessment if the unit was built before 1978 and there is a child under 6 and/or a pregnant female in the household. **This assessment is required even if you are not using ESG for rent = HUD requirement.** (Also required annually.)
 - Your agency may conduct the Visual Lead-Based Paint Assessment, using Attachment 8c.
 - **First, you will need to complete a 20-minute online training** on HUD's website at: <http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>. Keep your completion certificate in your files for us to review at audits.
 - Head of Household should sign the visual lead based paint assessment form. A copy should be provided to the household, and one should be placed in the participant's file.
 - If Home Forward is conducting the unit habitability inspection, we will also conduct the visual lead-based paint assessment.
 - **If the initial visual assessment identifies any size of deteriorated lead-based paint, it must be repaired, and you must conduct a follow-up visual assessment. If the area of deteriorated paint is larger than the de minimis levels, the owner must hire a Lead-Safe EPA Certified Company to do a lead-based paint abatement – and meet the clearance and notice requirements outlined in CFR Title 24 Part 35 Subpart M.**

Important! ESG payments may begin the day after the unit habitability inspection passes (and/or the Lead-Based Paint Visual Assessment passes, if unit built before 1978 and child under 6 or pregnant female in household). ESG cannot pay for any days before that, not even if you call them "arrear".

✓ Housing Stability Case Management

- Household must meet with a case manager in person at least once per month. HUD requirement at 24 CFR 576.401(e). As of 7/27/2015, HUD will allow these monthly progress "meetings" to be over the phone or in person.
- Develop a plan to help participant retain housing after assistance ends. Help participants to access Federal, State, Local and private programs available. (see ESG Needs Assessment, Attachment 12)
- The housing stability case plan should be updated as participants access services for identified needs and as they meet plan goals moving them toward maintaining housing stability. This can be through case notes, notes on the ESG Needs Assessment, updated case plans, etc.
- Victim Services Providers only: DV pool agency participants are exempt from the monthly case management meeting requirement if VAWA or the Family Violence Prevention and Services Act prohibit you from making housing conditional on the participant's acceptance of services.

Guidelines for ESG

✓ **Verification Requirements:**

- Verify homeless status for **the household**. Verify income for **all** household members.
- Verify income the household received over the last 30 days **prior to** assistance.
- In the past, if a household moved from one STRA fund to another, we only required income verification once per year, not once per fund. **Starting in July 2015, if a household has been in STRA at least 6 months before entering ESG (or HAP-AFP, HF-STRA or MIF Alder) you must obtain new income verification before starting this new assistance.**
- **ESG prefers 3rd-party verification for income and proof of homelessness:**

Verification of Income and Proof of Homelessness - Order of Preference:

Type of Documentation	Income	Housing
1. 3rd-party written documentation	check stubs, TANF memo, etc...	1. Service Point page showing shelter or transitional housing they are in <u>or</u> 2. Letter (on shelter/ outreach agency letterhead) signed and dated by shelter, homeless outreach worker, or DV service provider <u>or</u> 3. Written referral from local law enforcement, emergency medical services, or other service provider <u>or</u> 4. If leaving an institution: need discharge paperwork from institution they're exiting, showing they stayed there 90 days or less + Service Point or other document showing they were homeless prior to that 5. If fleeing DV, see Attachment 17 for description of how to document housing status.
If written 3rd party verification is not available, please document the steps you took to obtain the documents (copies of e-mails you sent, logs of phone calls you made, brief description of why you could not get 3rd-party verification):		
2. 3rd-party verbal verification	Attachment 21a (speak with employer, etc.)	Attachment 3a (speak with shelter, homeless outreach worker, etc.)
Victim Service Providers are not required to collect 3rd-party documentation of housing status if it jeopardizes the safety of the client or is impossible to obtain due to the client fleeing.		
If neither written nor verbal 3rd party verification is available, please document the steps you took to obtain 3rd-party (copies of e-mails you sent, logs of phone calls you made, brief description of why you couldn't get 3rd-party verification...):		
3. Case manager's observation (for homeless status only - not for income)	N/A	Attachment 3b Ex. 1: You see a person living outside or in a car. Ex. 2: If you don't see where they're living, but you believe in your professional judgement that they are homeless.
Last resort - should be very rare:		
4. Household's self-certification	Attachment 21b	Attachment 3c

Guidelines for ESG

Steps to Take When Client is Eligible:

1. Arrange for your agency to make payment to the Landlord
2. Billing: Monthly, agency must bill Home Forward using the STRA bill, "Attachment G – STRA Request for Payment"
3. Enter household into Service Point.
4. **Ensure all of the following required documents are in the file prior to issuing any type of payment:**

Documentation	Instructions
Proof of Initial Consultation	Agency intake and assessment forms. Determine amount and types of assistance household needs to regain stability in permanent housing.
Release of Information	Attachment 4 or other release that includes Home Forward, Portland Housing Bureau, Multnomah County, the State of Oregon, and HUD. All adults must sign the ROI.
Grievance procedure (As of 7/2015, signed client confidentiality statement no longer required.)	All adults in household must sign Grievance Procedure.
Documentation of household's homelessness	Try to get 3rd-party written verification. If not available, document your attempts to get it. The next best docs, in order of preference, are: <ul style="list-style-type: none"> ○ Attachment 3a ○ Attachment 3b ○ Attachment 3c (all adults must sign 3c, if you use it)
Income documentation for household	Required from household's start in ESG. Document income for the household = all household members. If household has been in other STRA programs for less than 6 months before entering ESG, you can use their original income verification. If household is either new to STRA or has been in STRA 6 months or more, collect 30 days of income verification dated within 60 days before beginning ESG assistance. Try to get 3rd-party written income verification. If not available, document your attempts to get it. The next best docs are: <ul style="list-style-type: none"> ○ Attachment 21a ○ Attachment 21b (all adults must sign 21b, if you use it)
Determination of ineligibility	If you planned to use ESG for this household, then found that the client was not eligible, please complete Attachment 16 for the client's file.
ESG Needs Assessment	Attachment 12

Guidelines for ESG

Housing stability case plan and updates	Plan showing client's goals, plus regular updates on their progress. Proof that you are meeting with client in person at least once every 30 days to work toward goals. (Case notes, updated Attachment 12, etc.). You do not have to have this plan upon enrollment into ESG as long as you are working on developing one which will be complete within a month of ESG enrollment.
Written Rental Agreement / Lease	Signed by tenant and LL and active during the time of assistance. Must be signed by all adults.
ESG Rent Assistance Agreement between property owner, Agency, and Participant	Attachment 13 - if you issue more than one contract, make sure to include all contracts in the participant file
Documentation that unit is rent reasonable	Attachment 5b - signed by the case manager. If rent is above the rent reasonable limit, you may contact us to complete a rent comparable test. (See Attachment 5a for directions.)
Documentation that rent plus utilities does not exceed Fair Market Rent	Attachment 11a and 11b
Lead-based paint statement of disclosure	Attachment 6, or other appropriate form
Lead-based paint statement of receipt	Attachment 7, or other appropriate form
Proof unit has passed lead-based paint visual assessment if the unit was built before 1978 and there's a child under age 6 and/or a pregnant female in the unit	Attachment 8c
Proof unit meets habitability standards	Attachment 8a
Client assistance information	Copies of checks or check requests, bills, cancelled checks, etc. The paperwork must document the dates of services and assistance provided to the household.
If paying for utilities - Proof of utility payment responsibility	Copies of bills you paid, showing member of household has an account in his or her name with the utility company or proof of responsibility to make utility payments.
If paying for moving costs or a storage unit:	Bills from moving company or van rental
If paying for Storage unit:	Bills for storage unit. (Cannot pay arrears, so bills should start after you enrolled client in ESG.)

Guidelines for ESG

5. Changes in Household's Income, Rent Amount, or if client wants to move

Status Change	Client File Documentation Required	Action
Landlord notifies client/ agency of an increase in rent	Rent Reasonableness determination required <u>and</u> Fair Market Rent check required	Attachment 5b - must be signed by the case manager Attachment 11a and 11b
Client wants to move		Attachment 5b Attachment 6 Attachment 8a Attachment 8c (if unit built before 1978 and child or pregnant female is in household) Attachment 11a Attachment 11b Attachment 13 Copy of lease
Household's income decreases (or household member with income moves in or out)		New income verification required (see preferred order of verification) Attachment 13, new Rental Assistance Agreement (see below)
Household's income increases and is expected to last 90 days or more		New income verification required (see preferred order of verification) Attachment 13, new Rental Assistance Agreement (see below)

As of 7/2015, the "ESG Unified Policy for Multnomah County" states:

Participants are required to report the following changes within 10 days of when they occur:

- change in household composition
- Income increase of 20% or more expected to last 90 days or more from the time that the Provider received the information.
- Participants may choose to report decreases in income, but it is not required.

Provider must re-evaluate length and amount of assistance when the above interim changes are reported.

HUD's regulations at 24 CFR 576.401(b)(2) state that because our local ESG agencies decided to have clients report changes in income before the annual re-exam, then you must recalculate rent when clients report these changes. A change in household composition only requires you to recalculate rent if the person moving in or out has income.

Therefore, a new Rental Assistance Agreement, Attachment 13, is required when the household reports changes in income (including a person with income moving in or out).

Guidelines for ESG

6. Items to update annually:

- Households must be recertified annually. At annual recertification, participants must be at or below 30% AMI, have no appropriate subsequent housing options and must lack the financial resources and support networks needed to remain in housing without ESG assistance.
- Please complete annual recertification late in the 10th month of assistance. If you determine that the household is not eligible for assistance, provide the landlord with 30 days' notice of termination of subsidy.
- **At annual recertification, your agency does not need to submit any documents to Home Forward for approval.**

Documents Needed at Annual Recertification
Income Verification: Try to get 3rd-party written verification. If not available, document your attempts to get it. The next best docs are: Attachment 21a Attachment 21b (all adults must sign 21b, if you use it)
Attachment 21c, For Annual Recert - Options Resources & Networks Form
Attachment 8a, Unit Habitability Inspection
Attachment 8c, Visual Lead-Based Paint Assessment (if the unit was built before 1978 and there's a child under age 6 and/or a pregnant female in the household)
Lease must be in effect throughout assistance
If landlord wants to increase the rent, you should complete: Attachment 5b, Rent Reasonableness Test Attachment 11a and Attachment 11b (FMR and utility allowance tests) to make sure they all pass.
Keep updating Attachment 12, ESG Needs Assessment, on regular basis

7. Terminations:

- Agencies may terminate the assistance of a program participant/household who,
 - Violates provider agreements or provider program rules
 - Fails to properly report income changes
 - Begins receiving a permanent housing subsidy
 - No longer qualify for ESG when you conduct the annual recertification or when the client reports changes to you (= household income exceeds contract rent amount **or** household now has other resources/support networks to remain housed without ESG).
- In terminating assistance to a program participant, the agency must provide a formal process that recognizes the rights of individuals receiving assistance. This process must, at a minimum, consist of the following:
 - Written notice to the program participant containing a clear statement of the reasons for termination;
 - A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
 - Prompt written notice of the final decision to the program participant.
- If your agency terminates a client, staff should include paper documentation in the file that the steps above were followed.

Guidelines for ESG

8. When to Begin Spending Funds for a Client:

In FY2015-16, agencies may begin spending ESG funds when they determine that a client is eligible and all the required documents are complete. Based on prior ESG performance, Home Forward will notify an agency if they need to send us applications for pre-approval.

9. Monitoring:

Will be monitored regularly based on your agency's score on Home Forward's Risk Assessment tool.

List of Attachments:

Attachment 1, ESG Enrollment Guidelines
Attachment 3a, Third-Party Verbal Housing Verification
Attachment 3b, Case Manager's Observation of Homeless Status
Attachment 3c, Self-Declaration of Housing Status
Attachment 3d, For Imminent Risk of Homelessness or DV – Options, Resources, Networks
Attachment 4, ESG Release of Information
Attachment 5a, Instructions for Rent Reasonable Test & Rent Comparables
Attachment 5b, Rent Reasonable Worksheets
Attachment 6, Lead-Based Paint Disclosure
Attachment 7, Lead-Based Paint Statement of Receipt
Attachment 8a, Unit Habitability Inspection
~~(Attachment 8b, Request for Home Forward to do Inspection -deleted)~~
Attachment 8c, Visual Lead-based Paint Assessment
Attachment 10, Home Forward Properties List
Attachment 11a, Determining Fair Market Rent
Attachment 11b, Utility Allowance Worksheet
Attachment 12, ESG Needs Assessment
Attachment 13, Rental Assistance Agreement
Attachment 14, Checklist if Sending Application to Home Forward
~~(Attachment 15, ESG Final Certification Form: Home Forward Completed Inspections-deleted)~~
Attachment 16, Determination of ESG Ineligibility
Attachment 17, Housing Status Definitions and Documentation
~~Attachment 18, ESG File Documentation Checklist-deleted~~
~~Attachment 19, ESG Applicant Income Form-deleted~~
Attachment 20, ESG Unified Policies
Attachment 21a, Third-Party Verbal Income Verification
Attachment 21b, Self-Declaration of Income
Attachment 21c, For Annual Recert – Options, Resources and Networks
Attachment 22, ESG Countable Income Clarification

THIRD-PARTY VERBAL VERIFICATION OF HOUSEHOLD'S HOMELESSNESS

This form is used when case manager has tried to obtain 3rd-party written verification, and it is not available.

ESG Applicant Name: _____

Steps Case Manager took to obtain 3rd-party written verification (dates of your attempts, people you contacted...). Attach any e-mails or phone logs to support this:

Verbal Third-Party Verification of Household's Homeless Status:

• **Name of Person you spoke to:** _____

- employee of shelter or transitional housing where client(s) is(are) staying
- homeless outreach worker
- agency providing motel assistance
- law enforcement /emergency medical staff who referred the client(s) to you
- employee of institution where client has resided for 90 days or less (also try to get written 3rd-party documentation that client was homeless before entering institution)
- DV Service Agency who assisted this client(s)

• **Organization They Work for:** _____

• **Phone Number of Person:** _____

• **Notes from Your Conversation:**

I certify that the information above is true, accurate and complete.

Case Manager's Signature: _____

Date: _____

Emergency Solutions Grant (ESG)

CASE MANAGER'S OBSERVATION OF HOUSEHOLD'S HOMELESS STATUS

This form is used when case manager has tried to obtain 3rd-party written and verbal verification, and neither one is available.

ESG Applicant Name: _____

Steps Case Manager took to obtain 3rd-party written and verbal verification (dates of your attempts, people you contacted, etc...) Attach any e-mails or phone logs to support this:

Case Manager's Observation of Household's Homeless Status:

- I saw the client(s) living outside, in a car or other place not meant for human habitation

- I did not see where client(s) is(are) staying. However, in my professional opinion, I believe this client(s) is(are) homeless based upon the details of this case and my prior experience with similar circumstances.

Please describe why you reached this conclusion:

I certify that the information above is true, accurate and complete.

Case Manager's Signature: _____

Date: _____

HOUSEHOLD'S SELF-DECLARATION OF HOUSING STATUS

This form is used when case manager has tried to get all other forms of verification, and none are available.

Head of household's name: _____

For Case Manager:

Steps Case Manager took to obtain all other forms of verification (3rd party written, 3rd party verbal, and case worker's observation)

(Dates of your attempts, people you contacted, etc...) **Attach any e-mails or phone logs to support this:**

Please check only one:

- I/My household am/is currently homeless and living on the street (i.e. a car, park, abandoned building, bus station, airport, or camp ground).
- I/My household am/is the victim(s) of domestic violence and I am/we are fleeing from abuse. We have no other residence, and we lack the resources or support networks to obtain other permanent housing.
- I/My household am/is living in a shelter designated to provide temporary living arrangements (including congregate shelter, transitional housing, and/or hotels paid for by non-profits, federal, state, or local government resources).
- I am exiting an institution where I have resided for less than 90 days. I lived in an emergency shelter or was living on the street (car, park, abandoned building, bus station, airport, or camp ground) immediately before entering the institution.

I certify that the information above is true, accurate and complete.

Adult's Signature: _____

Date: _____

All adults in the household must sign.

DV - Household's Housing Options, Financial Resources and Support Networks

At intake, for households in the "Fleeing/Attempting to Flee DV" categories, please use this form along with a separate verification of homeless status.

Applicant Name: _____ Date: _____

Subsequent Housing

Has the client(s) found any housing that they can live in without the need for ESG assistance?

Yes No

Please write your assessment of the housing options for this household without ESG assistance:

Financial Resources and Support Networks

With the participant, please assess all financial resources and support networks that might be available to the household.

• Are there any financial resources or support networks available to this household that can be used to help them remain in their current housing or obtain appropriate subsequent housing?

Yes No

• Does anyone in the household have a checking or savings account? Yes No

If yes, please note account balances below:

Checking \$ _____ Savings \$ _____

Please write your assessment of financial resources and support networks for this household:

Adult Client's Signature

Date

Adult Client's Signature

Date

Case Manager's Signature

Date

(Please attach a separate verification of homeless status as well.)

Emergency Solutions Grant (ESG) Authorization for Release of Information

Participant Name: _____

Other Family Members: _____

I authorize the following individuals or agencies to share and exchange information about my family and my circumstances. The information received will be used to determine and verify my eligibility for housing assistance and to plan for and coordinate services for me and my family.

- Home Forward
- Portland Housing Bureau
- Department of Housing and Urban Development
- Employers (past and present)
- Landlords
- Utility Companies
- State and County Agencies: Welfare, Senior/Disabled Services, etc.
- Social Service Agencies
- Providers of: alimony, child/attendant care, child support, disability care, medical care, pensions, or annuities
- Social Security Administration/Dept. of Veteran's Affairs
- **Name of Our Agency:** _____

This permission is good for 18 months. I can cancel this authorization at any time, but I understand that the cancellation will not affect any information that was released prior to the cancellation. I understand that information about my case is confidential and protected by State and Federal law. I approve the release of this information. I understand what this agreement means. I am signing on my own and have not been pressured to do so.

WARNING: Title 18, Section 1001 of the United States Code, states that a person who knowingly and willingly makes false or fraudulent statements to any department or agency of the United States is guilty of a felony.

Adult Participant Signature	Date
-----------------------------	------

Adult Participant Signature	Date
-----------------------------	------

Adult Participant Signature	Date
-----------------------------	------

All adults must sign.

Instructions for Rent Reasonable Test (and Rent Comparables)

1. Open the “Rent Reasonable Worksheet”, Attachment 5b.
2. **Important! Click on the “Instructions” tab at bottom of screen.**
3. In the middle of the “Instructions” page, there are 2 orange boxes.
 - In the orange zip code box, click the drop-down arrow. Select the unit’s zip code.
 - In the orange “Housing Type” box, click the drop-down arrow. Select Apartment or House/Duplex.
 - For mobile homes:
 - If the client has mobile home space rent only, the maximum is \$369.
 - If the client rents the entire mobile home, use “House/duplex” on the Rent Reasonable Worksheet.
 - **If the client rents a room inside a unit**, go to the website www.portlandmaps.com. Type in the unit address.
 - If portlandmaps.com says it’s a Multi-family property, call it an “SRO” for the rent reasonableness test. On Attachment 5b, click the “SRO” tab at the bottom of the screen. Fill out the “SRO” page. Only select an amenity if it is in the client’s room.
 - If portlandmaps.com says it’s a Single-family residential property, treat it as “Shared housing” for the rent reasonableness test.
 - For “shared housing”, choose the tab with the total number of bedrooms in the house.
 - Identify all the amenities in the house by clicking “Y” or “N” (yes or no) in column B.
 - See the “Total Reasonable Rent” that appears near bottom of page.
 - **Important! Divide the “Total Reasonable Rent” for the entire house by the number of bedrooms**. This is the rent reasonable amount for the client’s room.

Example: Client wants to rent a room in 4 bedroom house. Using the 4BR rent reasonable worksheet, you see that the rent reasonable amount for the entire house is \$1200. Divide that total by 4 bedrooms. So, the rent reasonable amount for the client’s room would be \$300.
4. At the bottom of the screen, click the tab with the number of bedrooms the unit has.
5. On this “# of bedrooms” page, there are also 2 orange boxes. **Make sure they show the zip code and housing type that you selected on the Instructions page.** If they don’t, go back to the Instructions page and please try again. (If the zip code and structure type are wrong, the rent reasonableness numbers will be wrong.)
6. Mark “Y” or “N” (yes or no) on the rows in column B as applicable to the unit.
7. **Look for the “Plus 2% Market Variance” amount at the bottom of the page. If the rent for your client’s proposed unit is at or below this amount, it passes!**
8. If the rent for your client’s proposed unit is above this amount, double check to make sure that all features of the unit have received credit. For example, a unit can receive a 5% credit towards being rent reasonable if it is new construction (built within the last 2 years), energy efficient (LEED certified) or a historical home that’s been renovated.

9. Once the unit passes, print the rent reasonable worksheet and place it in the client's file. The case manager should sign and date it.
10. If Home Forward staff is doing the inspection, please complete the rent reasonableness worksheet, e-mail it to RentAsst@homeforward.org, and ask us to schedule the inspection. When our inspectors visit the unit, they will verify the rent reasonableness sheet is correct.
11. **As of 7/2015, if the rent does not pass the rent reasonableness test and you believe it is reasonable for that area, you may ask Home Forward to conduct a rent comparables check for you.** (Directions below) We will try to find 3 similar units nearby, with rents at or above the requested rent. We'll notify you of the results very quickly.

If we are unable to find comparable rents, you may search for 3 comparable units and send them to Home Forward for approval.

How to ask us to conduct a Rent Comparable test:

- If the client's unit is not a tax credit unit, please complete this sheet (describing the unit the client wants) and e-mail it to RentAsst@homeforward.org.

Not Tax Credit Units:

Please Describe the Unit the Client Wants: (complete this form)

Landlord Name:		Landlord Phone #:	
Unit Address:		City:	
Rent:		Zip:	
# of bedrooms:		# of bathrooms:	
Year built:		Unit sq. ft.:	
		Today's Date:	
Unit Type (circle one)			
House		Duplex	Manufactured Home
Row House/Townhouse (side-by-side attached units with 2 or more stories of living space. Must be 3 units or more.		High Rise (3 or more units in a complex with 5 or more stories)	Low-Rise (3 or more units in a complex with 4 or less stories)
Unit Amenities (circle all that apply)			
More than 1 bathroom	Washer/Dryer in the unit	Private Fenced Yard	Garage/Covered Parking
Central A/C	Pool/Hot Tub/Playground/Gym	On-Site Manager/Maintenance	All Utilities Included in Rent
Sewer/Water included in rent	Gated Community/Secure Building	Fully accessible wheelchair unit	Above Standard Unit (new construction, LEED Certified or historical home renovated)

If the client has chosen a tax credit unit:

- o For the apartment complex that your client wants to live in: Does this apartment complex have other tax credit units identical to your client's unit, with the same number of bedrooms as your client's, that are not occupied by Section 8 tenant-based voucher families?

No Please e-mail RentAsst@homeforward.org. We'll see if the unit is within our Payment Standard limits.

Yes Please complete the table below. List the contract rent of the identical units of the same size in the apartment complex your client wants to live in:

Unit address and Apartment Number (in same complex as unit your client wants)	# of Bedrooms	Occupied by a Section 8 Tenant-based family?	Current Rent Amount
1.			
2.			
3.			

Option 1: If your client's unit costs the same or less than the other comparable tax credit units (without Section 8 clients) in this apartment complex, then we will consider the client's unit rent reasonable even though it exceeds the limits on the Rent Reasonableness Worksheet. Please fill in the chart above and keep it in the client's file.

If Option 1 doesn't work, you can try Option 2:

Option 2: E-mail RentAsst@homeforward.org. We'll check our Payment Standards. If your client's unit is within our Payment Standard limits, we will consider the client's unit rent reasonable even if it exceeds the limits on the Rent Reasonableness Worksheet.

Home Forward Reasonable Rent Calculations

The U.S. Department of Housing and Urban Development requires us to determine if a subsidized rental unit is charging rent in an amount justified by the local market.

Home Forward uses MULTIFAMILY NW survey data and other survey data to establish rent reasonableness.

Use this workbook to calculate the maximum reasonable rent.

- 1) Enter the Zip Code for the unit address from the drop down list to the right.
- 2) Enter structure type from the drop down list to the right.
- 3) Use this workbook page (tabs along bottom) to select the correct bedroom size of the unit
- 4) Mark the Yes's or No's in Column B to describe the unit you have for rent.

Select Zip (Drop down)	
Select Housing Type	

The total Reasonable Rent will calculate at the bottom of the page.
Reasonable Rent is rounded down to a whole dollar amount.

The base values and percentages applied for each amenity are updated at least annually

Update Date 11/8/2016

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Lead Paint Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling.

Tenants must also receive a federally approved pamphlet on lead poisoning prevention. If a landlord fails to offer this information, the US Environmental Protection Agency (EPA) can conduct an inspection and possibly issue fines. Landlords needing more information about the lead program may call (800) 424-4372.

Please select the current status of your rental unit as follows:

The rental unit was built after 1978. Please check this box only if your unit was built after 1978, and both you and your tenant sign and date below.

Landlord Initials: _____ Date: _____ **and** Tenants Initials: _____ Date: _____

Landlord has no knowledge of the presence of lead-based paint or lead-based paint hazards in the rental unit. Please check this box, and you and your tenant initial and date.

Landlord Initials: _____ Date: _____ **and** Tenants Initials: _____ Date: _____

Lead-based paint exists in the unit: Please check this box, answer questions and you and your tenant initial and date.

Are there lead-based paint hazards present? Yes or No

If yes, explain: _____

Has unit ever been tested for Lead Paint Hazards? Yes or No

If yes, when? _____

Are there any available records and/or reports pertaining to lead-based paint or paint hazards in the unit? Yes or No

If yes, list documents: _____

Has the tenant been provided with copies of these documents? Yes or No

Landlord Initials: _____ Date: _____ **and** Tenants Initials: _____ Date: _____

By your signatures below, the landlord and the tenant are certifying that, to the best of their knowledge, the information provided is true and complete.

Landlord Signature: _____

Date: _____

Tenant Signature: _____

Date: _____

Emergency Solutions Grant (ESG) Program Lead-based paint Statement of Receipt

I have received a copy of the brochure entitled: *Protect Your Family from Lead in Your Home*.

Participant - Print Full Name

Date

Participant Signature

Address

(The *Protect Your Family from Lead in Your Home* pamphlet is available online at
http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/disclosure
in several languages)

Emergency Solutions Grant (ESG) HABITABILITY STANDARDS CHECKLIST

Emergency Solutions Grant (ESG) requires on-site habitability inspections whenever a household is moving into a new unit. Use this checklist to conduct the on-site habitability inspection. The unit must meet all listed standards to be eligible for assistance. The agency staff conducting the inspection and the head of household should sign the inspection checklist. A copy of the inspection checklist should be kept in the participant file.

State and Local requirements: Each recipient of assistance under this part must provide housing or services that are in compliance with all applicable State and local housing codes, licensing requirements, and any other requirements in the jurisdiction in which the project is located regarding the condition of the structure and the operation of the housing or service.

Item	Meets Standard? (circle)		DESCRIPTION
1.	Yes	No	STRUCTURE AND MATERIALS: The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from the elements.
2.	Yes	No	ACCESS: The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.
3.	Yes	No	SPACE AND SECURITY: Each resident must be afforded adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
4.	Yes	No	INTERIOR AIR QUALITY: Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.
5.	Yes	No	WATER SUPPLY: The water supply must be free from contamination.
6.	Yes	No	SANITARY FACILITIES: Residents must have access to sufficient sanitary facilities that are in proper operating condition, may be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.
7.	Yes	No	THERMAL ENVIRONMENT: The housing must have adequate heating and/or cooling facilities in proper operating condition.
8.	Yes	No	ILLUMINATION AND ELECTRICITY: The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.
9.	Yes	No	FOOD PREPARATION AND REFUSE DISPOSAL: All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in sanitary manner.
10.	Yes	No	SANITARY CONDITION: The housing and any equipment must be maintained in sanitary condition.
11.	Yes	No	FIRE SAFETY: a. Each unit must include at least one battery operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing impaired persons in each bedroom occupied by a hearing impaired person. b. There must be a second means of exiting the building in the event of fire or other emergency. (NEW) c. 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.

Unit Address: _____

Inspected by*

Participant Signature

Date

* by signing I certify that I am not a HUD certified inspector and I have inspected the property located at the address above to the best of my ability. I find that it does or does not meet the above standards as indicated.

Emergency Solutions Grant (ESG) Visual Lead Based Paint Assessment

Lead Warning Statement: Housing built prior to 1978 may contain lead-based paint. Lead from paint, paint chips and dust poses health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women.

For any unit constructed before 1978 in which a child under the age of 6 and/or a pregnant female will be residing, HUD requires a Lead Based Paint Visual Assessment prior to assistance and at least annually thereafter. A visual assessment must be conducted for the assisted dwelling unit, any common areas servicing the assisted unit, and exterior painted surfaces associated with the dwelling unit or common areas.

Visual assessments are required to determine if there is any deteriorated paint. Deteriorated paint is defined as "Any interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or any paint or coating located on an interior or exterior surface or fixture that is otherwise damaged or separated from the substrate."

See HUD's training for details: <http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>.

All households should receive the EPA *Protect Your Family from Lead in Your Home* brochure.

In units built before 1978 where a child under 6 or pregnant female will live: **if deteriorated paint in any amount is identified through the visual assessment it must be repaired prior to providing assistance for the unit. See the chart below.**

Unit Address: _____

Visual Lead-Based Paint Assessment			
1.	YES	NO	Will a child under six or pregnant female be residing in this unit?
2.	YES	NO	Was this unit constructed before 1978?
3.	YES	NO	If answer to #1 and #2 is yes, did visual assessment identify deteriorated paint? (If answer to #3 is "No", skip to signatures at bottom)
4.	<p>If answer to #3 is yes, if chipped or deteriorated paint is found in small amounts under de minimus levels, landlord must follow the "Repair, Renovate and Paint" steps on www2.epa.gov/sites/production/files/documents/steps.pdf When repairs are done, you are required to conduct a new Visual Lead-based Paint Assessment.</p> <p>_____ After repairs: Date Unit passed your 2nd Visual Lead-Based Paint Assessment</p>		
5.	<p>If deterioration is found in larger amounts exceeding de minimis levels, landlord must hire a "Lead-Safe EPA Certified Company" to do a lead-based paint abatement. http://cfpub.epa.gov/flpp/searchrrp_firm.htm</p> <p>After abatement, an EPA-certified company must conduct a clearance test including an analysis of dust-lead samples.</p> <p>_____ Date Unit passed clearance test by an EPA-certified company.</p>		

Visual Assessment by

Participant Signature

Date

1. Home Forward's 100% Public Housing or Section 8 Properties

ESG cannot pay for rent here.

Every unit in these properties has rent calculated as a % of the client's income.

Beech St. Apartments	Interstate Crossing
Alderwood	Lexington Court
Bel Park	Madrona Place Apartments
Bud Clark Commons	Maple Mallory
Camelia Court	Medallion Apartments
Carlton Court	Northwest Tower
Celilo Court	Peaceful Villa
Chateau Apartments	Plaza Townhomes
Cora Park	Powellhurst Woods
Dahlke Manor	Rosenbaum Plaza
Dekum Court	Ruth Haefner Plaza
Demar Downs	Schrunk Tower
Eastwood Court	Sellwood Center
Eliot Square	Slavin Court
Fir Acres	Stark Manor
Floresta	Tamarack Apartments
Gallagher Plaza	Tillicum North
Grace Peck Terrace	Tillicum South
Harold Lee Village	Townhouse Terrace
Holgate House	Unthank Plaza
Hollywood East	Williams Plaza
Hunter's Run	Winchell Court

In addition to the places on this list: ESG can't be used for rent in any other unit that has another public source of rent assistance. (This is a HUD requirement.) Always check the lease or ask the landlord if the client receives another public source of rent assistance.

2. Home Forward properties where some units are public housing or project-based Section 8, some units are other kinds of rent assistance, and some units are market rate:

You can use ESG here for rent only if the client's rent is set in stone and doesn't change when the client's income change = "fixed rents". (In these buildings, the units with fixed rents are tax credit only, so ESG is okay in those units.)

Ashcreek Commons	Martha Washington
Fairview Oaks	Multnomah Manor
Fenwick Apartments	New Columbia
Fountain Place	Rockwood Station
Gladstone Square	Stephens Creek Crossing
Gretchen Kafoury Commons	The Jeffrey
Hamilton West	The Morrison
Humboldt Gardens	Willow Tree Apartments

Therefore, just because a property is owned or operated by Home Forward doesn't mean that ESG is off-limits for rent there. Instead, focus on the client and the unit, not the property.

3. Home Forward properties with no public housing, Section 8 units, or other kind of publicly-funded rent assistance. (All units have other kinds of rent assistance, and rent is not a % of client's income.) You may use ESG for rent here (unless the client has his own Section 8 voucher).

Ainsworth Court	Peter Paulson
Dawson Park	Rockwood Landing
Gateway Park	Schiller Way
Helen Swindells	Sequoia Square
Kelly Place	St. Francis
Lovejoy Station	The Yards at Union Station
Pearl Court	

SCHEDULE OF UTILITY ALLOWANCES

SECTION 8 PROPERTIES

Effective July 1, 2016 (including Clackamas County; except Annuals effective August 1, 2016)

		0-BD	1-BD	2-BD	3-BD	4-BD	5-BD	6-BD	7-BD
All	ELECTRIC-MONTHLY SERVICE CHARGE	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
	LIGHTS & REFRIG.	\$12	\$17	\$22	\$27	\$34	\$39	\$45	\$50
	FAN	\$2	\$3	\$4	\$4	\$5	\$6	\$7	\$8
Electricity	COOKING	\$5	\$7	\$9	\$11	\$14	\$16	\$18	\$20
	HOT WATER	\$22	\$31	\$40	\$49	\$62	\$71	\$80	\$90
	SPACE HEAT (EXIST. S/F DETACHED)		\$59	\$74	\$89	\$106	\$118	\$138	\$154
	SPACE HEAT (NEW S/F DETACHED)		\$29	\$41	\$44	\$51	\$58	\$67	\$75
	SPACE HEAT (EXIST. MULTIPLEX)	\$33	\$46	\$56	\$69	\$80	\$92	\$104	\$116
	SPACE HEAT (NEW MULTIPLEX)	\$18	\$24	\$29	\$36	\$42	\$48	\$55	\$61
Gas	GAS-MONTHLY SERVICE CHARGE	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7
	COOKING	\$3	\$5	\$6	\$7	\$9	\$11	\$12	\$14
	HOT WATER	\$9	\$12	\$16	\$20	\$25	\$28	\$32	\$36
	SPACE HEAT (EXIST. S/F DETACHED)		\$31	\$38	\$46	\$55	\$61	\$72	\$80
	SPACE HEAT (NEW S/F DETACHED)		\$13	\$17	\$20	\$23	\$26	\$30	\$33
	SPACE HEAT (EXIST. MULTIPLEX)	\$17	\$24	\$29	\$36	\$42	\$48	\$54	\$60
	SPACE HEAT (NEW MULTIPLEX)	\$8	\$11	\$13	\$16	\$19	\$22	\$24	\$27
Oil	HOT WATER	\$16	\$22	\$29	\$35	\$45	\$51	\$58	\$65
	SPACE HEAT (EXIST. S/F DETACHED)		\$68	\$86	\$103	\$123	\$137	\$160	\$178
	SPACE HEAT (NEW S/F DETACHED)		\$29	\$38	\$44	\$51	\$58	\$67	\$74
	SPACE HEAT (EXIST. MULTIPLEX)	\$39	\$53	\$65	\$80	\$93	\$107	\$121	\$134
	SPACE HEAT (NEW MULTIPLEX)	\$17	\$24	\$29	\$36	\$42	\$48	\$55	\$61
Water	INSIDE PORTLAND	\$12	\$17	\$21	\$26	\$33	\$38	\$43	\$48
	INSIDE GRESHAM	\$21	\$23	\$26	\$28	\$32	\$35	\$37	\$40
	OTHER MULTNOMAH AREAS	\$9	\$13	\$17	\$20	\$26	\$30	\$34	\$38
	CLACKAMAS COUNTY	\$25	\$27	\$32	\$37	\$42	\$47	\$50	\$54
Sewer	SEWER- SINGLE FAMILY DWELLING		\$89	\$100	\$111	\$128	\$139	\$151	\$163
	SEWER- Troutdale (all building types)	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40
	SEWER- MULTI-FAMILY DWELLING	\$68	\$79	\$90	\$101	\$118	\$129	\$141	\$153
	CLACKAMAS COUNTY	\$31	\$32	\$32	\$33	\$34	\$34	\$35	\$35
Garbage	GARBAGE/ SOLID WASTE (MULTNOMAH)	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28
	CLACKAMAS GARB/RECYCL (SINGLE FAM)		\$29	\$29	\$29	\$29	\$29	\$29	\$29
	CLACKAMAS GARB/RECYCL (MULTI-FAM)	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Pass-through	WATER AND SEWER	\$26	\$36	\$46	\$56	\$72	\$82	\$93	\$104
	Clackamas (Water and Sewer Flat Fee)	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45
	WATER, SEWER AND GARBAGE	\$40	\$50	\$60	\$70	\$86	\$96	\$107	\$118
Appl.	TENANT OWNED								
	APPLIANCES								
	CREDIT								
	REFRIG.	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
	RANGE	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4

TOTAL

EXISTING SINGLE FAMILY DETACHED OR MULTIPLEX ARE UNITS NOT WEATHERIZED AND CONSTRUCTED IN OR BEFORE 1980
 WEATHERIZED (3 OF 4) WINDOWS _____ CEILING _____ FLOOR _____ WALLS _____

NEW SINGLE FAMILY DETACHED OR MULTIPLEX-DOUBLE GLASS ARE UNITS WEATHERIZED OR CONSTRUCTED AFTER 1980
 SERVICE CHARGES ARE FIXED FOR ELECTRIC, GAS, AND WATER/SEWER.

ALL CHARGES FOR ELECTRIC ARE AVERAGED BETWEEN PP&L AND PGE
 4334 Heating Degree Days (HDD) USED IN COMPUTATIONS
 LIGHTS INCLUDE REFRIGERATOR, OVERHEAD LIGHTS, LAMPS AND OUTLETS.
 REFERENCE HUD-52667 FOR ALLOWANCE TABLES
 SINGLE FAMILY SEWER RATE FOR PORTLAND ALSO APPLIES TO DUPLEXES

FMR	
-UA	
MAX	

Emergency Solutions Grant Needs Assessment

While providing ESG to a household, you must meet in person with the household **at least once per month** to assist them in ensuring long-term housing stability. ESG staff must help participants to access Federal, State, Local and private programs available that will assist program participants in obtaining housing stability and achieving independent living once the ESG assistance ends. The housing stability plan should address how case managers will assist the participant in meeting identified needs.

Household/Participant Name: _____ **Date:** _____

Program or Service	Unmet Need	Application Pending	Receiving Assistance	N/A	Plan for meeting need
Supplemental Nutrition Assistance Program (SNAP)					
Women, Infants and Children (WIC)					
Children’s Health Insurance Program (OHP)					
Social Security Disability					
Temporary Aid to Needy Families (TANF)					
General Assistance (GA) (WA Residents Only)					
Veterans Administration contact					
Home TBA					
Section 8					
Public housing					
Energy assistance					
Landlord/tenant mediation					
Tenant readiness course (Rent Well)					
Fair housing assistance					
legal services					
Credit counseling/budget assistance					

Program or Service	Unmet Need	Application Pending	Receiving Assistance	N/A	Plan for meeting need
Employment or job training assistance					
Vocational rehabilitation					
Education					
Supportive Housing for Person w/Disabilities *					
HOME					
Unemployment					
Supplemental Security Income (SSI)					
Social Security Disability (SSDI)					
Medicaid					
Services funded under the Workforce Investment Act (Ages 14-21 US Dept. Of Labor)					
Health Center Program (DHS)					
State Children’s Health Insurance Program (OHP)					
Head Start					
Mental Health and Substance Abuse Block Grants(SAMHSA)					
Other services:					
* http://portal.hud.gov/hudportal/HUD?src=/hudprograms/shfpwd	N/A	N/A	N/A	N/A	Provides assistance to expand the supply of housing with the availability of supportive services for persons with disabilities and promotes and facilitates community integration for people with significant and long-term disabilities.

ESG Rental Assistance Agreement

Date: _____

Agency: _____

Contact Name: _____

Phone Number: _____

Fax Number: _____

E-mail Address: _____

Owner: _____

Contact Name: _____

Phone Number: _____

Fax Number: _____

E-mail Address: _____

Participant (Head of Household): _____

Other Adults in household (if any): _____

Unit Address: _____

Rent Amount: _____

Due Date: _____

Grace Period: _____

Late Payment Penalty: _____

This information should reflect what's in the lease or rental agreement.

- During the term of this agreement, the owner agrees to provide the agency with a copy of any notice to the program participant(s) to vacate the housing unit or any complaint used under state or local law to commence an eviction action against the program participants.
- This rental assistance agreement with the owner must terminate and no further rental assistance payments under this agreement will be made if:
 - The program participant moves out of the housing unit for which he/she has a lease;
 - The lease terminates and is not renewed; or
 - The program participant becomes ineligible to receive ESG rental assistance

Additional terms of assistance (if any):

See next page for amount and term of assistance.

If Agency Sends ESG Applications to Home Forward, Use this Checklist

	Release of Information (<u>Attachment 4</u>) - All adults should sign the ROI (If Agency uses their own, it should cover: Home Forward, HUD, City of Portland and Multnomah County.)
	Proof of Housing Status (3rd party preferred. If not available, use Att. 3a, 3b or 3c – in descending order of preference)
	Unit Habitability Inspection form (<u>Attachment 8a</u>)
	Visual lead-based paint assessment (<u>Attachment 8c</u>) - Required if the unit was built before 1978 and there's a child under 6 and/or a pregnant female in the unit
	Written Rental Agreement/Lease - Signed by tenant and landlord and active during the time of assistance - Must be signed by all adults.
	Rental Assistance Agreement between property owner, participant and Agency (<u>Attachment 13</u>)
	Proof of Income (3rd party preferred. If not available, use Att. 21a or 21b.)
	Rent Reasonableness Worksheet (<u>Attachment 5b</u>) (If rent is above the rent reasonable limit, send us Att. 5a, and we'll look for 3 comparable units.)
	Documentation that rent plus utilities does not exceed Fair Market Rent (<u>Attachments 11a and 11b</u>)
	Completed ESG Needs Assessment, (<u>Attachment 12</u>)

(Note to case manager: Please ensure that all other required ESG documents are in the client's file. The list above is only what gets sent to Home Forward. The rest should be in the client's file before you send this application to Home Forward for review.)

Agency: _____

Client Name: _____

Today's Date: _____

Date Application Approved: _____

Determination of ESG Ineligibility

Use this form if you determine a household is a likely candidate for ESG and then, after reviewing their paperwork, you find they are not eligible for ESG. Reasons for ineligibility include: household income is over 30% of AMI, household cannot find an appropriate unit that will meet all requirements, landlord unwilling to sign the rental assistance agreement, etc.

Date: _____ Agency: _____

Household Name: _____

Reason(s) household is not eligible for ESG Assistance:

Case manager name-printed

Case manager signature

Date

Place in household file

Housing Status Definitions and Documentation

For purposes of eligibility for ESG Rapid Re-housing assistance, "Homeless" means an individual or family who lacks a fixed, regular, and adequate nighttime residence:

1. 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;
2. 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
3. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.
4. Any individual or family who: 1) is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence, 2) Has no other residence, and 3) Lacks the resources or support networks (family, friends, faith-based or other social networks) to obtain other permanent housing.

How to document housing status for a family fleeing DV or attempting to flee DV:

- **For victim service providers (DV Pool):** An oral statement by the individual or head of household which states: they are fleeing a DV situation; they have no subsequent residence; and they lack the resources and support networks needed to obtain other housing. Statement must be documented by the case worker's certification, with a statement that "This information is true and complete."
- **For all other agencies assisting an individual or family fleeing domestic violence:**
 1. An oral statement by the individual or head of household which states that they are fleeing. This statement may be documented by the client's own self-certification, or by the caseworker's certification. Where the safety of the individual or family is not jeopardized, the oral statement must be verified.

PLUS must also use

2. Attachment 3d, "DV - Options, Resources and Support Networks"

Unified Emergency Solutions Grant (ESG) Policies for Multnomah County Rapid Rehousing Providers

Tenant contribution:

Program participants are required to pay 30% of total monthly household ESG rent determination income towards rent.

ESG Providers will pay 100% of utility costs throughout the duration of ESG program participation.

ESG Provider may use ESG funds to pay the full amount that the landlord's lease requires as an up-front payment prior to move-in. Examples may include: security deposit, last month's rent, first month's rent, a pro-rated second month of rent, etc. After the up-front payments have been issued, the household will begin paying 30% of their income toward rent.

Due to the limitations of the 30% model in ensuring full funding spend-down, ESG Provider may choose to assist one household with more or less of the rent burden for the final month of assistance. Provider must note in the client file that this exception is being made for purposes of program budget and comment on why this participant was selected (for example, client has high medical costs, greater barriers, etc.).

For purposes of ESG rent determination, monthly household income includes, but is not limited to:

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including lump sum payment for delayed start of a periodic payment;
- (3) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay;
- (4) Welfare assistance. Welfare or other payments to families or individuals, based on need, that are made under program funded, separately or jointly, by Federal, State or local governments (e.g, Social Security Income (SSI) and general assistance available through state welfare programs);
- (5) Net income from the operation of a business or profession;
- (6) All regular pay, special pay and allowances of a member of the Armed Forces, except special hostile fire pay.

Temporary, nonrecurring, sporadic income is excluded when calculating annual income. Sporadic income is income that is not received periodically (regular intervals) and cannot be reliably predicted.

Income should be verified by documentation by a third party whenever possible.

Note that for purposes of annually determining ongoing household eligibility for ESG assistance, providers must use the separate Annual Income standards outlined in Attachment 22.

Unified policy for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time:

ESG Providers may elect to provide one of the following eligible types of ESG-funded rental assistance:

- Only short-term (up to 3 months of rent payments in a three-year period),
- Only medium-term (up to 24 months of rent payments in a 3-year period),
- Or, on a household-by-household basis, a combination of short-term or medium-term rental assistance

The ESG Provider must notify Home Forward of which type of ESG-funded rental assistance it will provide to participants.

When considering length of assistance, the ESG Provider will determine, in collaboration with the participant, the length of assistance that is required to help the participant achieve housing stability after the end of the assistance. The ESG Provider will, in collaboration with the participant, consider factors including, but not limited to:

- current income, including source and stability
- prospects for income development
- debt to income ratio
- disabling conditions
- length of homelessness
- number of episodes of homelessness
- prospects for permanent housing options
- social support networks
- barriers to stability (e.g, legal background, rental history, credit history)
- Program budget

The ESG provider will document the determination of length of assistance through the Rental Assistance Agreement with the Landlord and the Participant (see Attachment 13).

Participants are required to report the following changes within 10 days of when they occur:

- Income increase of 20% or more expected to last 90 days or more from the time that the Provider received the information.
- change in household composition
- Participant may choose to report decreases in income, but it is not required.

Provider will re-evaluate length and amount of assistance when the above interim changes are reported.

Program participant may be terminated early if

- Participant violates Provider Agreement or Provider Program rules
- Participant fails to properly report interim changes
- Household receives a permanent housing subsidy
- Household contribution exceeds contract rent amount

Please note: ESG has no income threshold at initial eligibility assessment. However at annual recertification, participants must have Annual Income at or below 30% AMI, have no appropriate subsequent housing options and must lack the financial resources and support networks needed to remain in housing without ESG assistance. (See Attachment 1, Enrollment Guidelines for more information)

Emergency Solutions Grant (ESG)
THIRD-PARTY VERBAL INCOME VERIFICATION

This form is used when case manager has tried to obtain 3rd-party written verification of household income, and it is not available.

ESG Applicant Name: _____

Steps Case Manager took to obtain 3rd-party written income verification (dates of your attempts, people you contacted...). Attach any e-mails or phone logs to support this:

Verbal Third-Party Verification of Household Income:

• **Name of Person you spoke to:** _____

- Client's employer
- DHS TANF caseworker
- Other source of income: _____

• **Organization They Work for:** _____

• **Phone Number of Person:** _____

• **Notes from Your Conversation about the household's income. How much they receive, etc...:**

I certify that the information above is true, accurate and complete.

Case Manager's Signature: _____

Date: _____

For Annual Recertification – Household’s Housing Options, Financial Resources and Support Networks

Applicant Name: _____ **Date:** _____

Other Housing Options – besides rent assistance

With the participant, please assess if other appropriate housing options might be available to the household.

Are there **any other housing options** available to this household other than this ESG assistance? Yes No

Please write your assessment of housing options for this household:

Financial Resources and Support Networks

With the participant, please assess all financial resources and support networks that might be available to the household.

• Are there any financial resources or support networks available to this household that can be used to help them remain in their current housing or obtain appropriate subsequent housing?

Yes No

• Does anyone in the household have a checking or savings account? Yes No

If yes, please note account balances below:

Checking \$ _____ Savings \$ _____

Please write your assessment of financial resources and support networks for this household:

Adult Client’s Signature

Date

Adult Client’s Signature

Date

Case Manager’s Signature

Date

ESG INCOME CLARIFICATION

ESG uses HUD 24 CFR 5.609 for determining annual income for purposes of determining 30% AMI status

Title 24: Housing and Urban Development

Subtitle A: Office of the Secretary, Department of Housing and Urban Development

PART 5: GENERAL HUD PROGRAM REQUIREMENTS; WAIVERS

Subpart F: Section 8 and Public Housing, and Other HUD Assisted Housing Serving Persons with Disabilities: Family Income and Family Payment; Occupancy Requirements for Section 8 Project-Based Assistance

: Family Income

5.609 - Annual income.

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

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

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

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;
- (4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);
- (6) Welfare assistance payments. (i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:
 - (A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and
 - (B) Are not otherwise excluded under paragraph (c) of this section.(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:
 - (A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
 - (B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.
- (7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;
- (8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).
- (9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

(c) Annual income does not include the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in ? 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8)(i) Amounts received under training programs funded by HUD;

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

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