

## Application IV, Prevention

Grantees must serve only persons who are “at risk of homelessness,” or who meet Category 2 of homelessness as defined at 24 CFR 576.

*At risk of homelessness means: (1) An individual or family who:*

- (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;*
- (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition in this section; **AND***
- (iii) Meets one of the following 7 conditions:*

- (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;*
- (B) Is living in the home of another because of economic hardship;*
- (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;*
- (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;*
- (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;*
- (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); **or***
- (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient’s approved consolidated plan;*

**OR**

- (2) An individual or family who will imminently lose their primary nighttime residence, provided that:*
  - (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;*
  - (ii) No subsequent residence has been identified; and*
  - (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;*

By regulation, ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in § 576.2. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the project participant regain stability in the project participant’s current permanent housing or move into other permanent housing and achieve stability in that housing.

**Prevention applicants must also complete the separate 15 Month Projection spreadsheet for this application to be considered complete.**

**Applicants may apply for a minimum award of \$30,000**

<b>Project Information and Background</b>																													
Applicant (Agency) Legal Name																													
HMIS Agency Key																													
Contact Person																													
Contact Person Phone																													
Contact Person Email																													
*(Current) HMIS Project Name																													
*(Current) HMIS Project Key																													
*Please note that project name and key referenced here will be used by DCA in all future correspondence if grant is awarded. If this is a new project please indicate by entering “new” for the Project Key.																													
List Primary Site Name(s) to be Utilized for Project:																													
Name:																													
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HUD Local Consolidated Plan Certification of Consistency for this project attached from:																													
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Does this project exclusively serve victims of domestic violence? <input type="checkbox"/> Yes <input type="checkbox"/> No																													
Are you also applying for HMIS funding for this project? <input type="checkbox"/> Yes <input type="checkbox"/> No																													

Check all the counties that will have access to services offered by this project:

- |  |                                    |                                     |                                     |                                     |
|--|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> Appling       | <input type="checkbox"/> Cobb      | <input type="checkbox"/> Grady      | <input type="checkbox"/> McDuffie   | <input type="checkbox"/> Sumter     |
| <input type="checkbox"/> Atkinson      | <input type="checkbox"/> Coffee    | <input type="checkbox"/> Greene     | <input type="checkbox"/> McIntosh   | <input type="checkbox"/> Talbot     |
| <input type="checkbox"/> Bacon         | <input type="checkbox"/> Colquitt  | <input type="checkbox"/> Gwinnett   | <input type="checkbox"/> Meriwether | <input type="checkbox"/> Taliaferro |
| <input type="checkbox"/> Baker         | <input type="checkbox"/> Columbia  | <input type="checkbox"/> Habersham  | <input type="checkbox"/> Miller     | <input type="checkbox"/> Tattnell   |
| <input type="checkbox"/> Baldwin       | <input type="checkbox"/> Cook      | <input type="checkbox"/> Hall       | <input type="checkbox"/> Mitchell   | <input type="checkbox"/> Taylor     |
| <input type="checkbox"/> Banks         | <input type="checkbox"/> Coweta    | <input type="checkbox"/> Hancock    | <input type="checkbox"/> Monroe     | <input type="checkbox"/> Telfair    |
| <input type="checkbox"/> Barrow        | <input type="checkbox"/> Crawford  | <input type="checkbox"/> Haralson   | <input type="checkbox"/> Montgomery | <input type="checkbox"/> Terrell    |
| <input type="checkbox"/> Bartow        | <input type="checkbox"/> Crisp     | <input type="checkbox"/> Harris     | <input type="checkbox"/> Morgan     | <input type="checkbox"/> Thomas     |
| <input type="checkbox"/> Ben Hill      | <input type="checkbox"/> Dade      | <input type="checkbox"/> Hart       | <input type="checkbox"/> Murray     | <input type="checkbox"/> Tift       |
| <input type="checkbox"/> Berrien       | <input type="checkbox"/> Dawson    | <input type="checkbox"/> Heard      | <input type="checkbox"/> Muscogee   | <input type="checkbox"/> Toombs     |
| <input type="checkbox"/> Bibb          | <input type="checkbox"/> Decatur   | <input type="checkbox"/> Henry      | <input type="checkbox"/> Newton     | <input type="checkbox"/> Towns      |
| <input type="checkbox"/> Bleckley      | <input type="checkbox"/> DeKalb    | <input type="checkbox"/> Houston    | <input type="checkbox"/> Oconee     | <input type="checkbox"/> Treutlen   |
| <input type="checkbox"/> Brantley      | <input type="checkbox"/> Dodge     | <input type="checkbox"/> Irwin      | <input type="checkbox"/> Oglethorpe | <input type="checkbox"/> Troup      |
| <input type="checkbox"/> Brooks        | <input type="checkbox"/> Dooly     | <input type="checkbox"/> Jackson    | <input type="checkbox"/> Paulding   | <input type="checkbox"/> Turner     |
| <input type="checkbox"/> Bryan         | <input type="checkbox"/> Dougherty | <input type="checkbox"/> Jasper     | <input type="checkbox"/> Peach      | <input type="checkbox"/> Twiggs     |
| <input type="checkbox"/> Bulloch       | <input type="checkbox"/> Douglas   | <input type="checkbox"/> Jeff Davis | <input type="checkbox"/> Pickens    | <input type="checkbox"/> Union      |
| <input type="checkbox"/> Burke         | <input type="checkbox"/> Early     | <input type="checkbox"/> Jefferson  | <input type="checkbox"/> Pierce     | <input type="checkbox"/> Upson      |
| <input type="checkbox"/> Butts         | <input type="checkbox"/> Echols    | <input type="checkbox"/> Jenkins    | <input type="checkbox"/> Pike       | <input type="checkbox"/> Walker     |
| <input type="checkbox"/> Calhoun       | <input type="checkbox"/> Effingham | <input type="checkbox"/> Johnson    | <input type="checkbox"/> Polk       | <input type="checkbox"/> Walton     |
| <input type="checkbox"/> Camden        | <input type="checkbox"/> Elbert    | <input type="checkbox"/> Jones      | <input type="checkbox"/> Pulaski    | <input type="checkbox"/> Ware       |
| <input type="checkbox"/> Candler       | <input type="checkbox"/> Emanuel   | <input type="checkbox"/> Lamar      | <input type="checkbox"/> Putnam     | <input type="checkbox"/> Warren     |
| <input type="checkbox"/> Carroll       | <input type="checkbox"/> Evans     | <input type="checkbox"/> Lanier     | <input type="checkbox"/> Quitman    | <input type="checkbox"/> Washington |
| <input type="checkbox"/> Catoosa       | <input type="checkbox"/> Fannin    | <input type="checkbox"/> Laurens    | <input type="checkbox"/> Rabun      | <input type="checkbox"/> Wayne      |
| <input type="checkbox"/> Charlton      | <input type="checkbox"/> Fayette   | <input type="checkbox"/> Lee        | <input type="checkbox"/> Randolph   | <input type="checkbox"/> Webster    |
| <input type="checkbox"/> Chatham       | <input type="checkbox"/> Floyd     | <input type="checkbox"/> Liberty    | <input type="checkbox"/> Richmond   | <input type="checkbox"/> Wheeler    |
| <input type="checkbox"/> Chattahoochee | <input type="checkbox"/> Forsyth   | <input type="checkbox"/> Lincoln    | <input type="checkbox"/> Rockdale   | <input type="checkbox"/> White      |
| <input type="checkbox"/> Chattooga     | <input type="checkbox"/> Franklin  | <input type="checkbox"/> Long       | <input type="checkbox"/> Schley     | <input type="checkbox"/> Whitfield  |
| <input type="checkbox"/> Cherokee      | <input type="checkbox"/> Fulton    | <input type="checkbox"/> Lowndes    | <input type="checkbox"/> Screven    | <input type="checkbox"/> Wilcox     |
| <input type="checkbox"/> Clarke        | <input type="checkbox"/> Gilmer    | <input type="checkbox"/> Lumpkin    | <input type="checkbox"/> Seminole   | <input type="checkbox"/> Wilkes     |
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| <input type="checkbox"/> Clayton       | <input type="checkbox"/> Glynn     | <input type="checkbox"/> Madison    | <input type="checkbox"/> Stephens   | <input type="checkbox"/> Worth      |
| <input type="checkbox"/> Clinch        | <input type="checkbox"/> Gordon    | <input type="checkbox"/> Marion     | <input type="checkbox"/> Stewart    |                                     |

## COMPLIANCE

### 1. Rental Assistance

What type of tenant-based rental assistance are you applying for?

- Short Term (up to 3 months), **and/or**  
 Medium Term (up to 12 months)

What is the average length of stay for this project?  
 What is the maximum length of stay for this project?

Explain rationale for average and maximum lengths of stay.

**1. McKinney-Vento Compliance**

If your project services families, please describe how you ensure all children are connected with McKinney services within their school.

**2. Organizations that provide ESG funds for projects that serve families with children under age 18 may not deny admission to any family based on the age of any child.**

- N/A, this project does not serve families with children."QT
- Yes, applicant assures that its projects are in compliance with this HEARTH Act provision.

If Yes, describe arrangements to be provided in order to accommodate all families with children, particularly those with teenage boys.

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

- N/A, this project does not serve families."QT
- Yes, applicant assures that its projects are in compliance with this HEARTH Act provision.

If Yes, describe arrangements made in the project in order to accommodate families regardless of composition.

#### 4. Coordinated Entry

All ESG grantees are required by the HEARTH Act to use the common assessment as designated by their Continuum of Care. Do you agree to implement use of the centralized intake and assessment for use with all potential ESG project participants once it is created?

Yes     No

#### 5. Homeless Involvement

**Describe the involvement of homeless persons in carrying out this project:** Note that by ESG regulation, and “to the maximum extent practicable, the applicant must involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.”

What steps do you take, if any, to ensure meaningful access to programs and activities for limited English proficiency (LEP) persons and persons with disabilities?

## 6. Homeless Need

Describe **HOMELESS** need in your area. Utilize DCA Homeless Count Report and Continuum of Care bed data, including the number of sheltered and unsheltered homeless families and individuals.

## 7. Targeted Populations

Describe how you will identify participants for this project, including partnerships with other agencies as relevant.

## 8. Entry/Eligibility Requirements

a. Describe how your organization will verify housing status and income eligibility requirements. Briefly describe intake process and explain your process for determining which households have the greatest chance of becoming homeless.

b. Describe requirements for clients upon entering project, etc.

c. Does the project ensure that participants are not screened out for service?  Yes  No  
Describe policy.

d. Are participants required to have income for entry?  Yes  No  
Describe your policy supporting this.

e. Are participants screened out for active substance abuse?  Yes  No

Describe your policy supporting this.

i. Do you conduct drug or alcohol testing at entry? Yes No

ii. Does a positive drug or alcohol test keep a participant out of the program? Yes No

f. Are participants required to have a criminal background check for entry?  Yes  No

Describe policy:

g. Does having a criminal record (with exceptions for state-mandated restrictions) prohibit a referral from entering the project?  Yes  No

Describe your policy supporting this.

- h. Does a history of domestic violence (e.g. lack of a protective order, period of separation from abuser, or law enforcement involvement) prohibit someone from entering the project?  Yes  No  
Describe your policy supporting this.

- i. Does the project ensure that participants are not terminated from the program for the following reasons? (check all that apply)

- Failure to participate in supportive services
- Failure to follow the individual service plan
- Failure to make progress on a service plan
- Loss of income or failure to improve income
- Being a victim of domestic violence

**9. Housing Placement**

Describe how you will address fair market rents and rent reasonableness.

Describe how you will address habitability standards, lead-based paint inspections, environmental reviews and rental assistance agreements.

**10. Project Requirements**

Briefly discuss reasons for dismissal, termination/eviction processes, and appeals procedures.

**CASE MANAGEMENT AND STABLE HOUSING**

**11. Housing Support Standards**

If awarded funding, do you agree to conduct the Barriers to Housing Stability Assessment for heads of households for EACH household served by this project?

- Yes
- No

If no, please explain.

If your project received DCA funding in the past year, describe how your agency is implementing the Housing Support Standards:

## 12. Case Management

Describe the development of individualized service plans and ongoing case management that meet HUD's requirements for prevention projects.

Case Management, Continued

Describe the process for participant re-certification and sustaining permanent housing stability upon discharge.

### 13. Employment Assistance

What support does the Applicant provide to project participants for obtaining or maintaining employment? If employment support is provided by a 3rd party, please describe. Include a formal MOA if a 3<sup>rd</sup> party is used.

Are participants generally required or expected to obtain a job?

Yes     No

If yes, what time frame?

Please explain

#### **14. Mainstream Benefits**

Describe the efforts your project makes to connect participants with mainstream benefits and services. What percentage of participants will complete applications for benefits while in project?

### **15. Post-Discharge Care**

Describe how this project will provide ongoing support for participants after discharge from the project in order to ensure housing stability and avoid exits to homelessness. Include time intervals, methods of contact and services offered after discharge, keeping in mind the requirements for homelessness prevention providers.

**16. Staffing**

What is the TOTAL number of staff and/or volunteers utilized in this project?

List staff employed by your agency to work in this project by position (house managers, case managers, etc.). Check the box that describes their employment status, and describe their duties and qualifications as relevant.

Position 1:

Is Position 1 --  Full Time     Part Time     Volunteer

Position 1 Duties:

Position 2:

Is Position 2 --  Full Time     Part Time     Volunteer

Position 2 Duties:

Position 3:

Is Position 3 --  Full Time     Part Time     Volunteer

Position 3 Duties:

Position 4:

Is Position 4 --  Full Time     Part Time     Volunteer

Position 4 Duties:

Position 5:

Is Position 5 --  Full Time     Part Time     Volunteer

Position 5 Duties:

Position 6:

Is Position 6 --  Full Time     Part Time     Volunteer

Position 6 Duties:

Position 7:

Is Position 7 --  Full Time     Part Time     Volunteer

Position 7 Duties:

## HOMELESS MANAGEMENT INFORMATION SYSTEMS

### 17. DV Comparable Database (*DOMESTIC VIOLENCE PROJECTS ONLY*)

Are you currently using the DV Comparable Database to track participants served by this project?

Yes     No

### 18. Pathways Homeless Management Information System (HMIS) (NON-DOMESTIC VIOLENCE AGENCIES)

If you are a first-time applicant for DCA funds, please answer the following questions:

Does your agency currently use Pathways HMIS?

Yes     No     N/A

If you are not a family violence agency and you selected “No,” explain why you aren’t currently using Pathways HMIS, and describe your plan for using Pathways to implement this project.

## MATCHING

### 19. Match Sources

A 100% match is required. The applicant may include the value of any donated material or building, the value of any lease on a building, any salary paid to staff to carry out the project of the recipient, and the value of the time and services contributed by volunteers to carry out the project according to guidance provided by DCA in the application guidelines. Discuss match sources.

**20. Other Cash and Matching Resources Available for Prevention Project**

A 100% match is required. The matching requirement may be met by one or both of the following:

- (1) Cash contributions.
- (2) Noncash contributions. The value of any real property, equipment, goods, or services contributed to the grantee’s ESG project, provided that if the grantee had to pay for them with grant funds, the costs would have been allowable. Noncash contributions may also include the purchase value of any donated building.

Calculating the amount of non-cash contributions.

- (1) To determine the value of any donated material or building, or of any lease, the grantee must use and document a method reasonably calculated to establish the fair market value.
- (2) Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the grantee’s organization. If the grantee does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market.
- (3) Some noncash contributions are real property, equipment, goods, or services that, if the grantee had to pay for them with grant funds, the payments would have been indirect costs. Matching credit for these contributions must be given only if the grantee has established, along with its regular indirect cost rate, a special rate for allocating to individual projects or projects the value of those contributions.

**DCA will verify these amounts for compliance!**

**Be realistic and be prepared to provide verification if funds are awarded!**

<b><u>Funds Provided for THIS PROJECT ONLY!</u></b> Funds otherwise provided to the agency may not be included!	<b><u>Project Name</u></b>	<b><u>Amount - Use * to indicate cash</u></b>
Department of Community Affairs	ESG	
Department of Housing and Urban Development	SHP	
Local Government (City)		
Local Government (County)		
GA Department of Human Services		
GA Dept. BH & DD		
Other State Agency		
United Way		
Faith Based Organizations		
Foundations		
Fundraising Events		
In-kind Professional Services		
Cash Donations		
Volunteer Services		
Donations		
Participant Fees		
Other (Name):		
Total (Include Additional Pages if Necessary)		

Provide a **COMPLETE** budget below. Include all matching funds in Column b. **whether you are seeking DCA funding for that category or not.**

<b>21. Homelessness Prevention Project Budget</b> <u>Item</u>	<u>a. ESG Request (Cash Only!)</u>	<u>b. Matching Funds(may be non-cash)</u>	<u>c. Total Budget</u>
<b>Financial Assistance</b>			
1. Rental Application Fees			
2. Security Deposits			
3. Last Month's Rent			
4. Utility Deposits			
5. Utility Payments			
6. Moving Costs			
7. Matching, Name:			
8. Matching, Name:			
9. Matching, Name:			
<b>Services</b>			
10. Housing Search and Placement			
11. Housing Stability Case Management			
12. Mediation			
13. Legal Services			
14. Credit Repair			
15. Matching, Name:			
16. Matching, Name:			
17. Matching, Name:			
<b>Short- and Medium-Term Rental Assistance</b>			
18. Tenant-based Rental Assistance			
19. Project-based Rental Assistance (Not Eligible)			
20. Late Fees (Not ESG Eligible)			
21. Matching, Name:			
22. Matching, Name:			
<b>23. TOTAL EXPENSES</b>			
<b>Notes:</b> 1. The Total Budget column (Column C) must meet or exceed Column a. to document the 100% match requirement 2. Matching funds by source must be disclosed on the previous page. If this project is approved for ESG funds, DCA may, at its sole discretion, choose not to participate in all "proposed" cost items.			
<b>22. Homelessness Prevention applicants must complete the separate 15 Month Projection spreadsheet for this application to be considered complete. Attached?</b>		<input type="radio"/> Yes	<input type="radio"/> No

## **Homelessness Prevention – Description of HUD Eligible Costs**

These requirements and guidelines for implementation of projects are excerpted from the new ESG regulations at 24 CFR 576. No payments may be made directly to project participants (tenants). Mortgage payments are ineligible. Also note that DCA may limit costs for its grantees, but by Federal rule, ESG funds may be used to pay housing owners (landlords), utility companies, and other third parties for the following costs:

### *a. Financial Assistance Costs*

*(1) Rental application fees. ESG funds may pay for the rental housing application fee that is charged by the owner to all applicants.*

*(2) Security deposits. ESG funds may pay for a security deposit that is equal to no more than 2 months' rent.*

*(3) Last month's rent. If necessary to obtain housing for a project participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the project participant's total rental assistance, which cannot exceed 24 months during any 3-year period.*

*(4) Utility deposits. ESG funds may pay for a standard utility deposit required by the utility company for all customers for the utilities listed in paragraph (5) of this section.*

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

*(6) Moving costs. ESG funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the project participant begins receiving assistance under paragraph (b) of this section and before the project participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.*

### *b. Services Costs*

*(1) Housing search and placement. Services or activities necessary to assist project participants in locating, obtaining, and retaining suitable permanent housing, include the following:*

- (i) Assessment of housing barriers, needs, and preferences;*
- (ii) Development of an action plan for locating housing;*
- (iii) Housing search;*
- (iv) Outreach to and negotiation with (landlords) owners;*
- (v) Assistance with submitting rental applications and understanding leases;*
- (vi) Assessment of housing for compliance with Emergency Solutions Grant (ESG) requirements for habitability, lead-based paint, and rent reasonableness;*
- (vii) Assistance with obtaining utilities and making moving arrangements; and*
- (viii) Tenant counseling.*

(2) *Housing stability case management.* ESG funds may be used to pay cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a project participant who resides in permanent housing or to assist a project participant in overcoming immediate barriers to obtaining housing. This assistance cannot exceed 30 days during the period the project participant is seeking permanent housing and cannot exceed 24 months during the period the project participant is living in permanent housing. Component services and activities consist of:

- (A) Using the centralized or coordinated assessment system as required under § 576.400(d), to evaluate individuals and families applying for or receiving homelessness prevention or rapid re-housing assistance;
- (B) Conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility, for individuals and families applying for homelessness prevention or rapid rehousing assistance;
- (C) Counseling;
- (D) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
- (E) Monitoring and evaluating project participant progress;
- (F) Providing information and referrals to other providers;
- (G) Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
- (H) Conducting re-evaluations required under § 576.401(b).

(3) *Mediation.* ESG funds may pay for mediation between the project participant and the owner or person(s) with whom the project participant is living, provided that the mediation is necessary to prevent the project participant from losing permanent housing in which the project participant currently resides.

(4) *Legal services.* ESG funds may pay for legal services, as set forth in § 576.102(a)(1)(vi), except that the eligible subject matters also include landlord/tenant matters, and the services must be necessary to resolve a legal problem that prohibits the project participant from obtaining permanent housing or will likely result in the project participant losing the permanent housing in which the project participant currently resides.

(5) *Credit repair.* ESG funds may pay for credit counseling and other services necessary to assist project participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.

c. Maximum amounts and periods of assistance

The grantee may set a maximum dollar amount that a project participant may receive for each type of financial assistance under paragraph (a) of this section. The grantee may also set a maximum period for which a project participant may receive any of the types of assistance or services under this section. However, except for housing stability case management, the total period for which any project participant may receive the services under paragraph (b) of this section must not exceed 24 months during any 3-year period. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.

d. Use with other subsidies

Financial assistance under paragraph (a) of this section cannot be provided to a project participant who is receiving the same type of assistance through other public sources or to a project participant who has been provided with replacement housing payments under the URA, during the period of time covered by the URA payments.

e. Short and Medium Term Rental Assistance

(a) *General provisions.* Grantees may provide a project participant with up to 24 months of rental assistance during any 3-year period. This assistance may be short-term rental assistance, medium-term rental assistance, payment of rental arrears, or any combination of this assistance.

(1) *Short-term rental assistance is assistance for up to 3 months of rent.*

(2) *Medium-term rental assistance is assistance for more than 3 months but not more than 24 months of rent.*

(3) *Payment of rental arrears consists of a one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears.*

(4) *Rental assistance may be tenant-based or project-based, as set forth in paragraphs (h) and (i) of this section.*

(b) *Discretion to set caps and conditions.* Subject to the requirements of this section, the grantee may set a maximum amount or percentage of rental assistance that a project participant may receive, a maximum number of months that a project participant may receive rental assistance, or a maximum number of times that a project participant may receive rental assistance. The grantee may also require project participants to share in the costs of rent.

(c) *Use with other subsidies.* Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a project participant who is receiving tenant-based rental assistance, or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a project participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments.

(d) *Rent restrictions.*

(1) *Rental assistance cannot be provided unless the rent does not exceed the Fair Market Rent established by HUD, as provided under 24 CFR part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.*

(2) *For purposes of calculating rent under this section, the rent shall equal the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.*

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

(f) *Late payments.* The grantee must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the project participant's lease. The grantee is solely responsible for paying late payment penalties that it incurs with non-ESG funds.

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

*(h) Tenant-based rental assistance.*

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

*(2) The grantee may require that all project participants live within a particular area for the period in which the rental assistance is provided.*

*(3) The rental assistance agreement with the owner must terminate and no further rental assistance payments under that agreement may be made if:*

*(i) The project participant moves out of the housing unit for which the project participant has a lease;*

*(ii) The lease terminates and is not renewed; or*

*(iii) The project participant becomes ineligible to receive ESG rental assistance.*

*Project-based rental assistance will not be supported.*

*(j) Changes in household composition. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.*