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# MAINEHOUSING

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## Emergency Solutions Grant (ESG) Written Standards

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## About this document

MaineHousing is awarded Emergency Solutions Grant (ESG) funds annually from the Department of Housing and Urban Development (HUD). HUD requires that ESG recipients establish Written Standards describing how these funds will be used, including how they are allocated to ESG sub-recipients. MaineHousing allocates ESG and other funds through Emergency Shelter and Housing Assistance Program (ESHAP) Grants to qualifying agencies throughout the state of Maine to assist persons experiencing homelessness. Chapter 19 of the MaineHousing Rules, the Maine Homeless Solutions Rule, developed in conjunction with the Maine Continuum of Care (MCOC) and the Maine Statewide Homeless Council (SHC), governs how MaineHousing allocates ESG funds and other available resources to qualifying ESHAP grantees. These Written Standards apply specifically to the ESG funding that is part of ESHAP. Regulations that govern other ESHAP funding sources are covered in other documents.

MaineHousing strives to ensure compliance with HUD and Maine Homeless Solutions Rule requirements while also giving providers the autonomy they need to craft policies and procedures that work best for their shelters, their programs, and the populations they serve. Several documents, reviewed annually, are available to help guide ESHAP Grantees. These documents are mentioned frequently throughout the ESG Written Standards and are incorporated by reference as part of this document. They contain important details that clarify or expand upon the information provided here and ESHAP grantees are expected to be familiar with them.

1. [Maine Homeless Solutions Rule](#)
2. [ESHAP Program Guide and Application](#)
3. [ESHAP Shelter Monitoring Tool](#)
4. [HMIS Governance Document](#)
5. [HMIS Policies and Procedures Manual](#)
6. [Maine Coordinated Entry Policies and Procedures](#)

These ESG Written Standards and aforementioned documents are intended to provide guidance to ESHAP grantees regarding the minimum expectations for compliance for ESG funding. As ESG sub-recipients, ESHAP Grantees may set standards on their provision of assistance that exceed these minimum standards, but must at the very least comply with HUD regulations and with the guidelines in this document. If an ESG sub-recipient establishes their own standards in addition to the ones outlined here, these must be described in the sub-recipient's Policies and Procedures Manual to be reviewed by MaineHousing annually as part of the ESG application and monitoring processes. Additional details about ESG program requirements can be found at [hudexchange.info/esg](http://hudexchange.info/esg) and in the Code of Federal Regulations, [CFR-title-24-part576](#). ESG Sub-recipients should be sure to read, understand, and follow HUD guidance when developing their own written standards.

## Background

The [Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 \(HEARTH Act\)](#) amended the McKinney-Vento Homeless Assistance Act and revised the Emergency Shelter Grants Program, renaming it the Emergency Solutions Grants (ESG) program. HUD administers ESG as a formula grant program, meaning each jurisdiction is allocated a specific calculated dollar amount, as opposed to a competitive grant where applications are scored and ranked to determine funding. Eligible ESG recipients are states, metropolitan cities, urban counties and territories, which must apply through their jurisdiction's Consolidated Planning process. MaineHousing is the ESG Recipient for the State of Maine, and distributes ESG funding and other resources to qualifying sub-recipients annually through Emergency Shelter and Housing Assistance Program (ESHAP) Grants. The City of Portland, Maine, also receives ESG funding directly from HUD as a separate Consolidated Plan jurisdiction. These Written Standards apply only to ESG funds that are distributed through MaineHousing ESHAP Grants, including ESHAP Grants to the City of Portland, but not to those ESG funds the City of Portland, or any other jurisdiction, receives directly from HUD.

## ESG Eligible Activities

HUD allows ESG funding to be used for activities related to providing street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and HMIS, as well as administrative activities. However, ESHAP intentionally focuses the use of ESG funds distributed by MaineHousing to specific Emergency Shelter Operation and Rapid Re-Housing Stabilization Service activities. This is done to maximize the impact of these limited funds and to avoid duplication of efforts. For example, Maine DHHS provides Outreach through their [Projects for Assistance in Transition from Homelessness \(PATH\)](#) program, and MaineHousing provides Rapid Re-Housing Rental Assistance through the [Stability Through Engagement Program \(STEP\)](#) and funding for significant shelter repairs through the [Supportive Housing Repair Program](#).

MaineHousing distributes all ESG funds, except those used for allowable administrative costs, to eligible sub-recipients who are local government and/or private nonprofit organizations in the state of Maine who serve individuals and families experiencing homelessness. MaineHousing allocates ESG funds through the ESHAP Application process, and works with the Maine Continuum of Care (MCOC) and the Maine Statewide Homeless Council (SHC) in determining how to apportion these funds annually. MaineHousing also provides match funding for the ESG award with cash and/or noncash contributions in accordance with HUD ESG requirements.

## Emergency Shelter Operations

**Eligible Activities:** As detailed in the ESHAP Program Guide, qualifying Homeless Service Provider Agencies may use this portion of funding for costs related to the general maintenance and operation of an Emergency Shelter facility, such as rent, minor repairs, security, fuel, equipment, insurance, and utilities. This portion may also be used for costs more directly related to the individuals and families being served, such as food, furnishings, personal hygiene items, and other necessary supplies. This can also include the cost of a hotel or motel voucher where or when no other appropriate emergency shelter option is available for a qualifying family or individual.

**576.2 Eligible program participants:** Any individual or family of eligible citizenship or immigration status, meeting the definition of “homeless” under 24 CFR 576.2 is potentially eligible to benefit, directly or indirectly, from the activities described above. However, individual agencies and/or shelters may limit their services to particular sub-populations such as Youth, Families, or Victims of Domestic Violence, and may refer individuals or families who do not meet such criteria to other appropriate emergency shelter options. Any such limitations must be detailed by the agency in their program specific Written Standards/Policies and Procedures Manual, and must comply with all applicable HUD and Fair Housing regulations.

## Rapid Re-Housing Stabilization Services

**Eligible Activities:** As detailed in the ESHAP Program Guide, qualifying Homeless Service Provider Agencies may use this portion of funding for costs related to housing search and placement, housing stability case management, landlord-tenant mediation, tenant legal services, and credit repair services, as necessary to help homeless individuals or families living in shelters or in places not meant for human habitation to move as quickly as possible into permanent housing and achieve stability.

**Eligible program participants:** Individuals and families of eligible citizenship or immigration status, who meet the criteria under paragraph (1) of the “homeless” definition in 24 CFR 576.2 or who meet the criteria under paragraph (4) of the “homeless” definition and live in an emergency shelter or other place described in paragraph (1) of the “homeless” definition, and meet other eligibility criteria outlined in the ESHAP Program Guide. In addition, participants must be assessed with housing prioritization tools prior to receiving housing relocation and stabilization services. Eligibility for housing relocation and stabilization services must be verified and documented by the sub-recipient.

**Standards for Providing Rapid-Housing Stabilization Services:** While providing housing stabilization and relocation services, the sub-recipient must meet with the participant not less than once per month and develop a plan for housing stability with the participant. The plan for housing stability must be updated every 90 days during the time that the participant is receiving services. Participants may not receive more than 24 months of housing relocation and stabilization services after placement in permanent housing. Sub-recipients are exempt from service and stability plan requirements if the Violence Against Women Act of 1994 (42 U.S.C. 13701 et seq.) or the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) prohibits that recipient or sub-recipient from making its shelter or housing conditional on the participant's acceptance of services.

## ESG Sub-Recipient Policies & Procedures

As ESG Sub-recipients, all ESHAP grantees must establish and consistently apply Written Standards in the form of agency/program specific Policies and Procedures for providing assistance covered by ESG funding. Agencies must ensure that their Policies and Procedures Manual is consistent with MaineHousing ESG Written Standards, ESHAP Program Guide, and HUD regulations regarding the use of these funds. In addition to policies and procedures contained in these Written Standards, ESHAP Program Guide, and the Maine Homeless Solutions Rule, sub-recipients are required to have the following::

- Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under Emergency Solutions Grant (ESG);
  - Above policies must include process for documenting the homeless status of each individual and family, as detailed in 24CFR§576.500(b). Sub-recipients must establish the order of priority for documenting homeless status as third-party documentation first, intake worker observations second, and certification from the person seeking assistance third;
  - Above policies must include process for verifying and documenting the citizenship or immigration status of each individual and family.
- Policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG, including standards regarding length of stay, if any, 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; Code of Federal Regulations / Title 24 - Housing and Urban Development / Vol. 3 / 2018-04-01202
- Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter;
- Policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers; other homeless assistance providers; and mainstream service and housing providers (see § 576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable);
- All sub-recipient policies must be nondiscriminatory and adhere to applicable fair housing laws.

## ESHAP Funding Requirements

In addition to the Policies and Procedures requirements above, all ESG sub-recipients must meet the eligibility requirements outlined in the Maine Homeless Solutions Rule and the ESHAP Program Guide prior to receiving funding. All programs funded as Emergency Shelters must meet all Emergency Shelter requirements in the Homeless Solutions Rule and the ESHAP Program Guide.

### Data Collection and Reporting Requirements

In order to receive funding, ESHAP grantees must adhere to the data collection requirements outlined in the Maine Homeless Solutions Rule and the ESHAP Program Guide. In addition, ESG sub-recipients must be in compliance with the Maine HMIS Policies and Procedures Manual and HMIS Governance Document.

Each ESHAP grantee must provide program and client data to centralized data collection systems in the forms and within the timeframes required and prescribed by the HMIS Lead Agency, and in accordance with the HMIS Governance Document and Policies & Procedures Manual.

ESHAP grantee data and reports will not be considered submitted unless MaineHousing determines that the data and report is sufficiently complete and all client data is valid. Incomplete or missing data or reports may impact ESHAP funding distribution.

### Coordinated Entry Requirements

ESG sub-recipients must use the centralized or coordinated assessment system (referred to as “Coordinated Entry”) established by the Continuum of Care. Coordinated Entry is an approach to coordination and management of a crisis response system’s resources to efficiently and effectively connect people to interventions that will rapidly end their homelessness. Coordinated Entry processes are intended to help communities prioritize people who are most in need of assistance. They also provide information to CoCs and other stakeholders about service needs and gaps to help communities strategically allocate their current resources. ESG sub-recipients who are Victim service providers must also utilize a Coordinated Entry System, but may choose to use a comparable, parallel system specific to DV providers if they do not wish to use the Continuum of Care's general centralized or coordinated assessment system.

## Monitoring and Assessment Expectations

MaineHousing will monitor all ESHAP grantee programs for compliance at least every three years. Grantees will be notified at least 30 days prior to any monitoring visits or desk audits. MaineHousing will utilize a risk assessment to determine if grantees will be monitored more frequently than the minimum three year interval.

Grantees will maintain records sufficient to meet monitoring and auditing requirements of MaineHousing and HUD including without limitation, financial records, nightly bed rosters, policies and procedures, and client files. Shelters will be required to provide supporting documentation for fiscal compliance monitoring in reference to expenses incurred during the program year as well as documentation demonstrating compliance with state and federal requirements. Financial records must specifically show ESG Allocations and ESG Expenses to demonstrate the funds are used only for eligible activities. MaineHousing may copy and examine all of a grantee’s records for Monitoring purposes other than medical or other confidential client information protected by privacy laws.

In the case of a physical shelter program facility, MaineHousing will inspect for compliance with HUD’s minimum emergency shelter standards pursuant to and MaineHousing Asset Management inspection standards to ensure facilities meet basic health, safety, and structural guidelines.

## Conflict of Interest

ESG sub-recipients must provide a conflict of interest statement with their annual application. Conflicts of interest include, but are not limited to, the following examples:

(a) Organizational conflicts of interest: The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the recipient, the sub-recipient, or a parent or subsidiary of the sub-recipient. No sub-recipient may, with respect to individuals or families occupying housing owned by the sub-recipient, or any parent or subsidiary of the sub-recipient, carry out the initial evaluation required under § 576.401 or administer homelessness prevention assistance under § 576.103. Recipients and sub-recipients must also maintain written standards of conduct covering organizational conflicts of interest required under 2 CFR 200.318.(b) Individual conflicts of

interest. For the procurement of goods and services, the recipient and its sub-recipients must comply with 2 CFR 200.317 and 200.318. For all other transactions and activities, the following restrictions apply: (1) Conflicts prohibited: No person described in paragraph (b)(2) of this section who exercises or has exercised any functions or responsibilities with respect to activities assisted under the ESG program, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under the program, may obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has family or business ties, during his or her tenure or during the one-year period following his or her tenure.

(2) Persons covered. The conflict-of-interest provisions of paragraph (b) (1) of this section apply to any person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or its sub-recipients.

Code of Federal Regulations / Title 24 - Housing and Urban Development / Vol. 3 / 2018-04-01206

## Additional ESG Funding Allocations

If HUD makes additional ESG funds available to MaineHousing outside of HUD's annual Consolidated Plan allocation process, MaineHousing will establish appropriate program guides, applications, terms and conditions detailing the eligible activities and distribution procedures for such funds at that time and will share this information publicly on our website.