

Policy and Procedure Waivers For ESG and ESG-CV

In support of the CARES Act funding provided via the Emergency Solutions Grant process (ESG-CV), MSHDA supports and approves the following policy and procedure waivers. Subgrantees are responsible to track waiver implementation and provide relevant documentation upon monitoring request (see "Suggestions for Implementation" under Application Requirements). All waivers are subject to change as additional State and Federal guidance develops.

Eligible Costs Waivers		
Waiver	Timeframe of Applicability	Application Requirements
Eligible costs for loaned cell phones to participants engaged with any ESG component services (HUD Waiver) Billing Category: Street Outreach – Essential Services, Rapid Re-Housing or Homelessness Prevention – Relocation and Stabilization Services (Services)	ESG-CV Only: January 21, 2020 through full grant expenditure	Subgrantees can loan cell phones with wireless plans to program participants to obtain and/or maintain housing. The cell phones must be owned by the subgrantee and the wireless service plan must be in the subgrantee's name. Suggestions for Implementation: Catalogue phones as equipment and devise tracking or in/out scheduling for phone use. Ensure costs are tracked within general ledger. Note provision in participant file.
Eligible costs for any personal protective equipment (PPE) purchased for participants engaged with Rapid Re-Housing or Homelessness Prevention services (HUD Waiver) Billing Category: Rapid Re-Housing or Homelessness Prevention – Relocation and Stabilization Services (Services)	ESG-CV Only: January 21, 2020 through full grant expenditure	Subgrantees can purchase masks, disposable gloves, and hand sanitizer for Rapid Re-Housing or Homelessness Prevention households. (Monitoring note: These costs were previously only eligible under Street Outreach – Essential Services and Emergency Shelter – Essential Services.) Suggestions for Implementation: Complete bulk purchases and create care packages for households served. Ensure costs are tracked within general ledger. Note provision in participant file.
Eligible costs for laundry services to unsheltered participants (<u>HUD Waiver</u>) • Billing Category: Street Outreach – Essential Services	ESG-CV Only: January 21, 2020 through full grant expenditure	Subgrantees can pay for costs to provide laundry services to unsheltered participants, including the use of laundry trucks to outdoor locations where people are residing. Suggestions for implementation: Ensure costs are tracked within general ledger. Note provision in participant file.
Eligible costs for vaccine incentive payments to people experiencing homelessness (HUD Waiver) • Billing Category: Street Outreach – Essential Services, Emergency Shelter – Essential Services, Rapid Re-Housing – Relocation and Stabilization Services (Services)	ESG-CV Only: January 21, 2020 through full grant expenditure	Subgrantees can provide a direct cash payment to people experiencing homeless who receive the COVID-19 vaccine (up to \$50.00 per dose). Service fees associated with gift cards are not included in the incentive total. Suggestions for implementation: Identify any participants who are considering a vaccine dose(s) while experiencing homelessness. Document homeless status and incentive provided for each dose (not to exceed \$50.00 per dose) within the participant file. Ensure payments are tracked within general ledger.
Eligible costs for furniture or furnishings for participants engaged in Rapid Re-Housing or Homelessness Prevention services (HUD Waiver) Billing Category: Rapid Re-Housing or Homelessness Prevention – Relocation and Stabilization Services (Services)	ESG-CV Only: January 21, 2020 through full grant expenditure	Subgrantees can purchase furniture and furnishings to provide to Rapid Re-Housing or Homelessness Prevention households, under the following conditions: • Furniture and furnishings are considered on loan to the eligible household. • Subgrantees can charge overhead costs (storage, transport) for any furniture or furnishings purchased. Suggestions for Implementation: Catalogue furniture and furnishings as equipment and devise tracking for household use.

		Ensure costs are tracked within general ledger. Note provision in participant file.
Eligible costs for provision of essential services to Rapid Re-Housing, Homelessness Prevention, and hotel-sheltered participants (HUD Waiver and MSHDA-Restricted Categories/Services) • Billing Category: Rapid Re-Housing or Homelessness Prevention – Relocation and Stabilization Services (Services)	ESG-CV Only: January 21, 2020 through full grant expenditure	Childcare - Including provision of meals and snacks, and comprehensive and coordinated sets of appropriate developmental activities. Children must be under the age of 13, unless they are disabled. Disabled children must be under the age of 18. The childcare center must be licensed by the jurisdiction in which it operates in order for these costs to be eligible and must be verified and documented in the participant's file. Education Services - When necessary for the program participant to obtain and maintain housing, the costs of improving knowledge and basic educational skills are eligible. Services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED). Component services or activities are screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources. Employment Assistance and Job Training - The costs of employment assistance and Job Training programs are eligible, including classroom, online, and/or computer instruction; on-the-job instruction; and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. Employment and job training services are allowed; these funds may be used for securing employment, acquiring learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates. Services that assist individuals in securing employment consist of employment screening, assessment, or testing; structured job skills and job-seeking skills; special training and tutoring, including literacy training and prevocational training; books and instructional material; counseling or job coaching; and referral to community resources. Transportation – Eligible costs consist of participant's travel to and from medical care, employment,
Eligible costs for renter's insurance for Rapid Re-Housing or Homelessness Prevention participants (HUD Waiver) Billing Category: Rapid Re-Housing or Homelessness Prevention – Relocation and Stabilization Services (Services)	ESG-CV Only: January 21, 2020 through full grant expenditure	subgrantees can assist with payment of renter's insurance on behalf of eligible participants as long as the following conditions are met: Must demonstrate that payment is necessary to obtain and/or maintain housing (i.e. required by landlord to rent); AND Payment is made directly to insurance company.

		Suggestions for Implementation: Ensure costs are tracked within general ledger. Note provision in participant file.
Eligible costs for sublease agreements for Rapid Re-Housing or Homelessness Prevention participants (HUD Waiver) • Billing Category: Rapid Re-Housing or Homelessness Prevention – Relocation and Stabilization Services (Financial Assistance) and/or Rapid Re-Housing and Homelessness Prevention – Rental Assistance	ESG-CV Only: January 21, 2020 through full grant expenditure	Subgrantees can pay rental assistance on behalf of eligible participants entering into or participating in a legally valid sublease agreement. Suggestions for Implementation: Use applicable MSHDA ESG Participant Forms. Ensure costs are tracked within general ledger. Note provision in participant file.
Rental assistance is not restricted to 24 months within a 3-year period for Rapid Re-Housing or Homelessness Prevention participants (<u>HUD Waiver</u>) Billing Category: Rental Assistance under Rapid Re-Housing and Homelessness Prevention	ESG-CV Only: January 21, 2020 through full grant expenditure	In order to ensure current participants receiving Rapid Re-Housing or Homelessness Prevention assistance do not lose their housing during the COVID-19 public health crisis and the subsequent economic downturn caused by the crisis, HUD has waived the regulation which stipulated no more than 24 months of rental assistance within a 3-year period. (Note: Payments on rental arrears are still capped at 6 months total.) Suggestions for Implementation: Use applicable MSHDA ESG Participant Forms. Ensure costs are tracked within general ledger. Note provision in participant file.
Reimbursement for case management services to support participants seeking housing increased to 60 days (HUD Waiver) Billing Category: Rapid Re-Housing or Homelessness Prevention – Relocation and Stabilization Services (Services)	ESG-CV Only: January 21, 2020 through full grant expenditure	Due to tight rental markets and landlords reluctant to rent to households with limited income, HUD has waived the 30-day limit for reimbursement of case management expenses related to housing search. Suggestions for Implementation: Ensure costs are tracked within general ledger and staff time sheets. Note provision in participant file.
Tribes and tribally-designated housing authorities are eligible to become subgrantees (HUD Waiver) Billing Category: All ESG-CV components	ESG-CV Only: January 21, 2020 through full grant expenditure	Tribes and tribally-designated housing authorities can be considered as subgrantees for ESG-CV funding. Suggestions for Implementation: CoCs, LPBs, tribes, and tribally-designated housing authorities can contact the assigned Homeless Assistance Specialist to request grant amendments to incorporate tribes or tribally-designated housing authorities as subgrantees.
Sponsor-based rental assistance (<u>HUD</u> <u>Waiver</u>) Billing Category: Rapid Re-Housing and Homelessness Prevention – Rental Assistance	ESG-CV Only: January 21, 2020 through full grant expenditure	As an alternative to tenant-based rental assistance and project-based rental assistance, sponsor-based rental assistance may be funded when necessary to use Rapid Re-Housing and Homelessness Prevention assistance to re-house program participants quickly in permanent housing where landlords might not otherwise be willing to rent to them. Adding this flexibility is critical to limiting the spread of coronavirus among individuals and families experiencing or at risk of homelessness and helping them obtain housing in tight rental markets during the economic downturn caused by coronavirus. Suggestions for Implementation: Interested subgrantees should notify the assigned Homeless Assistance Specialist. MSHDA is awaiting additional guidance regarding any documentation requirements.
Eligible costs for cleaning and/or repair of hotel or motel rooms (<u>HUD Waiver</u>) Billing Category: Emergency Shelter – Shelter Operations	ESG-CV Only: January 21, 2020 through full grant expenditure	ESG-CV funds can be used to pay for cleaning of hotel and motel rooms used by program participants as well as to repair damages caused by program participants above normal wear and tear of the room. Suggestions for Implementation: Ensure costs are tracked within general ledger. Note provision in participant file.

Eligible costs for landlord incentives **ESG-CV Only:** Subgrantees can provide landlord incentives via signing bonuses (HUD Waiver and MSHDA-Restricted and/or the reimbursement of unit repair and/or maintenance January 21, 2020 Categories/Services) costs. The costs must meet the following criteria: through full grant Billing Category: Rapid Reexpenditure Repair or Maintenance Housing or Homelessness Paying the cost to repair damages incurred by Prevention – Relocation and the program participant not covered by the Stabilization Services (Financial security deposit or that are incurred while the Assistance) program participant is still residing in the unit; and/or Paying the costs of extra cleaning or maintenance of a program participant's unit or appliances. Reimbursement for these costs is limited to \$1,500.00 total per household. The MSHDA ESG-CV Landlord Incentive: Repair and Maintenance form must be documented in the participant file. Signing Bonuses One-time \$500.00 payment to the landlord at the time of lease signature. Reimbursement for these costs is limited to \$500.00 per household. Signing bonuses cannot be provided for households remaining in units under previously established lease agreements. The MSHDA Rental Assistance Agreement form must be documented in the participant file. Suggestions for Implementation: Ensure costs are tracked within general ledger and required forms are completed. Note provision in participant file. Eligible costs for volunteer incentives **ESG-CV Only:** Subgrantees can provide reasonable incentives to volunteers as (HUD Waiver and MSHDA-Restricted long as the costs meet the following criteria: January 21, 2020 Categories/Services) through full grant Cash or gift cards provided to volunteers who have been Billing Category: Street expenditure and are currently helping to provide necessary Street Outreach - Essential Services, Outreach, Emergency Shelter, Essential Services, and Emergency Shelter - Essential Housing Relocation and Stabilization Services during the Services, Rapid Re-Housing or coronavirus outbreak. Homelessness Prevention -Reimbursement for these costs is limited to less than Relocation and Stabilization 10% of the selected component within the proposed Services (Services) budget. Suggestions for Implementation: Ensure costs are tracked within general ledger. Allowance of hazard pay and training Agencies can consider hazard pay and additional health and **ESG-CV Only:** for subgrantee staff (HUD Waiver) safety training for any staff working directly with community January 21, 2020 members to prevent or respond to the spread of COVID-19 Billing Category: Street through full grant among those who are experiencing homelessness or at risk of expenditure Outreach - Essential Services, homelessness. Agencies must have a hazard pay policy (or Emergency Shelter - Essential amended Workers Compensation policy) that details the amount, Services, Rapid Re-Housing or length of time, eligibility, determination, and recordkeeping Homelessness Prevention procedures for hazard pay. Any staff receiving hazard pay must Relocation and Stabilization have a position description that aligns with eligibility within the Services (Services) agency policy. Provision of hazard pay must be reasonable and equitable. **Suggestions for Implementation:** Ensure policy and position descriptions are complete and aligned. Ensure costs are tracked within general ledger and staff time sheets. Allowance of hotel costs to support **ESG-CV Only:** CoCs and LPBs can use funding from the emergency shelter non-congregate emergency shelter operations budget line to cover the costs of hotel or motel stays January 21, 2020 (MSHDA Waiver) for emergency shelter necessitated by COVID-19. CoCs and LPBs through full grant are encouraged to consider all sources of available funding for expenditure these costs, including the MDHHS Emergency Shelter Program

Billing Category: Emergency Shelter – Shelter Operations		(ESP) and Federal Emergency Management Assistance (FEMA). Counties that have FEMA pre-approval for hotel usage for eligible populations must coordinate with their Emergency Operations Center and utilize this resource— ESG-CV funds should only be used for non-FEMA eligible households. The allowable cost per night is limited to \$85.00. Hotel stays cannot exceed 30 days without prior approval from the assigned MSHDA Homeless Assistance Specialist. (Monitoring note: From January 21, 2020 to September 30, 2020, hotel costs for non-congregate emergency shelter were eligible costs under annual ESG funding.)
		Suggestions for Implementation: Ensure costs are tracked within general ledger. Note provision in participant file.
Expanded eligible costs for Street Outreach services (<u>HUD Waiver</u>) • Billing Category: Street Outreach – Essential Services	ESG-CV Only: January 21, 2020 through full grant expenditure	Subgrantees can cover costs for installing and maintaining handwashing stations and bathrooms (e.g., porta potties) in outdoor locations for people experiencing unsheltered homelessness. Allowing ESG-CV funds to pay for the costs of handwashing stations and bathroom facilities will help prevent the spread of coronavirus by providing people living in unsheltered locations regular access to bathrooms and the ability to wash their hands.
		Suggestions for Implementation: Ensure costs are tracked within general ledger.

Household Eligibility and Service Waivers		
Waiver	Timeframe of Applicability	Application Requirements
Increased income limit for Homelessness Prevention and Rapid Re-Housing participants at re-evaluation (HUD Waiver)	January 21, 2020 through full grant expenditure	Subgrantees may continue serving households under Homelessness Prevention and Rapid Re-Housing as long as the household income does not exceed 50% Area Median Income (AMI) at intake for Homelessness Prevention or at re-evaluation for both Homelessness Prevention and Rapid Re-Housing. Please reference the current AMI Chart on the MSHDA ESG website.
Results of Habitability Standards Inspections do not impact eligibility of households to receive housing relocation and stabilization services only (HUD Waiver)	ESG-CV Only: January 21, 2020 through full grant expenditure	Subgrantees can assist households with housing relocation and stabilization services under Homelessness Prevention even if the current housing unit does not meet minimum Habitability Standards. (Note: Housing units must meet minimum Habitability Standards to be eligible for any rental assistance.)
Fair Market Rate limit increased to 120% (<u>HUD Waiver</u> and MSHDA-Restricted Categories/Services)	ESG-CV Only: March 31, 2020 through full grant expenditure	Please reference the current 120% FMR Chart on the MSHDA ESG website.

WAIVERS IMPLEMENTED AS MSHDA ESG POLICY (Full MSHDA ESG Policy Manual will be updated)			
APPROVED AS POLICY	Timeframe of Applicability	Application Requirements	
No requirement for initial income verification documents for households seeking Rapid Re-Housing Assistance	MSHDA ESG Policy (no expiration date)	Income verification documents are not required at intake for households receiving Rapid Re-Housing assistance. These documents are required at the 6 month evaluation and/or program exit. Income data collection requirements remain in effect and do not change Federal ESG data collection requirements.	
Acceptance of Notices to Quit from households seeking Homelessness Prevention rental assistance	MSHDA ESG Policy (no expiration date)	Subgrantees may accept Notices to Quit from households seeking homelessness prevention assistance. The notice must meet the following criteria: • The notice is completed by an entity with the authority to terminate tenancy (i.e. landlord, property owner); AND • The right to occupy housing will be terminated in 21 days or less; AND • If the notice provides a way to avoid eviction, agency must be able to demonstrate how the applicant can't meet the terms to avoid eviction.	
Eligible costs for rental arrear payments for voucher holders Billing Category: Homelessness Prevention – Rental Assistance	MSHDA ESG Policy (no expiration date)	Tenants receiving tenant-based or project-based rental assistance can be eligible for one-time rental arrear payments for the tenant's portion of rental payment. Payments for any rental arrears cannot exceed 6 months of rent. Suggestions for Implementation: Use applicable MSHDA ESG Participant Forms. Ensure costs are tracked within general ledger. Note provision in participant file.	
Amendments to grant budgets	MSHDA ESG Policy (no expiration date)	Budget amendments requested by fiduciaries are considered active and immediately available upon confirmed written approval from the assigned MSHDA Homeless Assistance Specialist. Fiduciaries must still complete the grant system amendment process following approval.	
Eligible costs for Street Outreach and Emergency Shelter (HUD Guidance) • Billing Category: Street Outreach – Essential Services, Emergency Shelter – Essential Services and Shelter Operations	MSHDA ESG Policy (no expiration date)	HUD advises the following as eligible costs under Street Outreach and Emergency Shelter: • Street Outreach • Engagement: Hand sanitizer, soap, tissue packets, masks, disposable gloves, other personal protective equipment • Case Management: Coordinating medical care • Transportation: Train or bus tokens, taxi or rideshare for program participant travel to and from medical care • Emergency Shelter • Supplies: Cleaning supplies such as bleach, disinfectant wipes, scrubbers, mops; Protective equipment such as masks, disposable gloves; Program participant needs such as bed linens, towels, hand sanitizer, soap, tissue packets • Furnishings: Cots, room dividers • Equipment: Washers, dryers, portable handwashing stations • Transportation: Train or bus tokens, taxi or rideshare for program participant travel to and from medical care Suggestions for Implementation: Ensure costs are tracked within general ledger. Note provision in participant file (as relevant).	

EXPIRED WAIVERS (No longer applicable to the named funding source; noted for monitoring purposes)			
Waiver	Timeframe of Applicability	Application Requirements	
Eligible costs for sublease agreements for Rapid Re-Housing or Homelessness Prevention participants (<u>HUD Waiver</u>)	Annual ESG (HUD FY2020 and FY2021):	Subgrantees can pay rental assistance on behalf of eligible participants entering into or participating in a legally valid sublease agreement.	
 Billing Category: Rapid Re- Housing or Homelessness Prevention – Relocation and Stabilization Services (Financial Assistance) and/or Rapid Re- Housing and Homelessness Prevention – Rental Assistance 	August 1, 2022 to March 31, 2023	Suggestions for Implementation: Use applicable MSHDA ESG Participant Forms. Ensure costs are tracked within general ledger. Note provision in participant file.	
Rental assistance is not restricted to 24 months within a 3-year period for Rapid Re-Housing or Homelessness Prevention participants (<u>HUD Waiver</u>) • Billing Category: Rental Assistance under Rapid Re-Housing and Homelessness Prevention	Annual ESG (HUD FY2020 and FY2021): August 1, 2022 to March 31, 2023	In order to ensure current participants receiving Rapid Re-Housing or Homelessness Prevention assistance do not lose their housing during the COVID-19 public health crisis and the subsequent economic downturn caused by the crisis, HUD has waived the regulation which stipulated no more than 24 months of rental assistance within a 3-year period. (Note: Payments on rental arrears are still capped at 6 months total.) Suggestions for Implementation: Use applicable MSHDA ESG Participant Forms. Ensure costs are tracked within general ledger.	
Reimbursement for case management	Annual ESG (HUD	Note provision in participant file. Due to tight rental markets and landlords reluctant to rent to	
services to support participants seeking housing increased to 60 days (<u>HUD</u> Waiver) Billing Category: Rapid Re-Housing or Homelessness Prevention – Relocation and Stabilization Services (Services)	FY2020 and FY2021): August 1, 2022 to March 31, 2023	households with limited income, HUD has waived the 30-day limit for reimbursement of case management expenses related to housing search. Suggestions for Implementation: Ensure costs are tracked within general ledger and staff time sheets. Note provision in participant file.	
Fair Market Rate limit increased to 120% (<u>HUD Waiver</u> and MSHDA-Restricted Categories/Services)	Annual ESG (HUD FY2020 and FY2021):	Please reference the current 120% FMR Chart on the MSHDA ESG website.	
	March 31, 2020 to September 30, 2021		
	August 1, 2022 to March 31, 2023		
No case management requirement to meet with Rapid Re-Housing or Homelessness Prevention households on a monthly basis (<u>HUD Waiver</u>)	ESG-CV and Annual ESG (HUD FY2020 and FY2021): March 31, 2020 to April 21, 2023	In order to prevent the spread of COVID-19 and reduce barriers to providing necessary housing assistance, HUD has waived the requirement to meet no less than once per month with each participant receiving Rapid Re-Housing and Homelessness Prevention assistance.	
Acceptance of verbal or electronic signatures (MSHDA Waiver)	ESG-CV and Annual ESG (HUD FY2020 and FY2021): March 15, 2020 to April 21, 2023	Subgrantees may accept verbal or electronic "signatures" on required forms, with the following provisions: Notate as verbal or electronic signature for each form completed. Provide staff initials and date when collecting the signature. Includes Housing Choice Voucher (HCV) Release of Information (ROI) forms.	



Extended timeline to complete Housing Choice Voucher (HCV) Homeless Preference applications (MSHDA Waiver)	ESG-CV and Annual ESG (HUD FY2020 and FY2021): February 1, 2021 to April 21, 2023	The timeline to complete HCV Homeless Preference applications is extended from 5 days to 10 business days. (Monitoring note: From March 15, 2020 to January 31, 2021, a separate waiver extended the timeline to 30 days.)
Allowance of virtual unit inspections (MSHDA Waiver)	ESG-CV and Annual ESG (HUD FY2020 and FY2021): March 15, 2020 to April 21, 2023	Inspections may be completed virtually, provided that Habitability Standards can be checked and completed in real time. • For example, landlords could use Facetime or other platforms to engage directly with agency staff and walk through the unit to demonstrate each requirement and standard of the inspection checklist. Inspections of occupied units can be postponed until the unit can be safely accessed. (Note: Housing units must meet minimum Habitability Standards to be eligible for any rental assistance.)