



Continuum of Care (CoC) Program

Hawaii Homelessness and Housing Conference 2023

U.S. Department of Housing & Urban Development (HUD), Honolulu Field Office

Office of Community Planning and Development (CPD)

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Training Description

This session will provide CoC grant file management reminders and tips for ensuring that the CoC client files include the minimum documentation reviewed by HUD during monitoring.



Agenda Topics

- Written Standards for Implementing ES, TH, RRH, PSH
- Homeless and Disability Documentation
- Occupancy Agreement (TH) and Lease Agreement (RRH, PSH)
- Income Forms
- Rent Calculation Forms
- Rent Reasonableness
- HQS Inspection
- Service Plan Reminder
- Timesheet Reminder



Continuum of Care Program Written Standards





Written Standards

CoCs Recipients and subrecipients must establish written CoC Policies and Procedures to implement programmatic and financial requirements for their projects. The policies and procedures must consistently be followed for providing CoC assistance. These written standards must include policies and procedures for :

- evaluating individuals' and families' eligibility for assistance;
- determining and prioritizing which eligible individuals/families will receive transitional housing assistance;



Written Standards

Continued

- determining and prioritizing which eligible individuals/families will receive rapid rehousing assistance;
- determining what *percentage or amount of rent each program participant must pay* while receiving rapid rehousing assistance;
- determining and prioritizing which eligible individuals and families will receive permanent supportive housing assistance



Continuum of Care Program Homeless Documentation

Stephanie Kaimana On



Homeless Documentation Requirements

- Documenting homelessness and at risk of homelessness status is one of the most important duties of grant administration.
- Recipients must have written policies and procedures (P&P) that:
 - Require intake staff to document eligibility at intake/screening
 - Specify the evidence that must be used to establish and verify homeless or at-risk status; if applicable, disability & chronic homelessness status
 - Include standards for documenting due diligence
- Standards must be consistent with recordkeeping requirements and reflect HUD's preferred order (include this in written P&P):
 - Third-party documentation
 - Intake worker observations
 - Certification from the person seeking assistance (self-certification)



CoC Grants Management – Client File Refresher

Homeless Documentation Requirements

- Appropriate documentation will vary depending on
 - Type of assistance provided
 - Circumstances of the potential program participant, including individuals fleeing/attempting to flee domestic violence
 - Already available documentation
 - Discharge paperwork
 - HMIS service transactions
- HUD has published a guide on the homeless definition and recordkeeping requirements for the four categories
 - “Criteria and Recordkeeping Requirements for Definition of Homelessness” (available on the www.hudexchange.info)



CoC Grants Management – Client File Refresher

Homeless Documentation Requirements

Category 1: Literally Homeless ([§ 578.3](#))

Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

1. Has a primary nighttime residence that is a public or private place not meant for human habitation; ***or***
2. Is living in a 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 and local government programs); ***or***
3. Is exiting an institution where (s)he has 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.



CoC Grants Management – Client File Refresher

Homeless Documentation Requirements

Category 2: Imminent Risk of Homelessness ([§ 578.3](#))

An individual or family who will imminently lose their primary nighttime residence, provided that (all 3 below):

1. Residence will be lost within 14 days of the date of application for homeless assistance; ***and***
2. No subsequent residence has been identified; ***and***
3. The individual or family lacks the resources or support networks needed to obtain other permanent housing.

Note: Includes individuals and families who are within 14 days of losing their housing, including housing they own, rent, are sharing with others, or are living in without paying rent.



CoC Grants Management – Client File Refresher

Homeless Documentation Requirements

Category 3: Homeless Under Other Federal Statutes ([§ 578.3](#))

HUD has not authorized any CoC to serve the homeless under Category 3.

Category 4: Fleeing/Attempting to Flee Domestic Violence ([§ 578.3](#))

Any individual or family who:

1. Is fleeing, or is attempting to flee, domestic violence; ***and***
2. Has no other residence; ***and***
3. Lacks resources or support networks to obtain other permanent housing

Note: “Domestic Violence” includes dating violence, sexual assault, stalking, and other dangerous or life-threatening conditions that relate to violence against the individual or family member that either takes place in, or him or her afraid to return to, their primary nighttime residence (including human trafficking).



CoC Grants Management – Client File Refresher

Homeless Documentation Requirements

Category 1	Literally Homeless	<ul style="list-style-type: none">• Written observation by the outreach worker; <u>or</u>• Written referral by another housing or service provider; <u>or</u>• Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter; • For individuals exiting an institution—one of the forms of evidence above <u>and</u>:<ul style="list-style-type: none">○ discharge paperwork <u>or</u> written/oral referral, <u>or</u>○ written record of intake worker’s due diligence to obtain above evidence <u>and</u> certification by individual that they exited institution
Category 2	Imminent Risk of Homelessness	<ul style="list-style-type: none">• A court order resulting from an eviction action notifying the individual or family that they must leave; <u>or</u>• For individual and families leaving a hotel or motel—evidence that they lack the financial resources to stay; <u>or</u>• A documented and verified oral statement; <u>and</u> • Certification that no subsequent residence has been identified; <u>and</u>• Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing



CoC Grants Management – Client File Refresher Homeless Documentation Requirements

Category 4	Fleeing/ Attempting to Flee DV	<ul style="list-style-type: none">• <i>For victim service providers:</i><ul style="list-style-type: none">○ An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker.• <i>For non-victim service providers:</i><ul style="list-style-type: none">○ Oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the caseworker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and○ Certification by the individual or head of household that no subsequent residence has been identified; and○ Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.
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CoC Grants Management – Client File Refresher

Chronic Homeless Documentation

1. A “homeless individual with a disability,” as defined in the Act, who:
 - Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; **and**
 - Has been homeless (as described above) continuously for at least 12 months *or* on at least 4 separate occasions in the last 3 years where the combined occasions must total at least 12 months
 - Occasions separated by a break of at least seven nights
 - Stays in institution of fewer than 90 days do not constitute a break
2. Residing in an institutional care facility for fewer than 90 days and met all of the criteria in paragraph (1), before entering facility; **or**
3. Adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraphs (1) or (2), including a family whose composition has fluctuated while the head of household has been homeless



CoC Grants Management – Client File Refresher Homeless Documentation

Eligibility Per Component Type (Review NOFO for details)

	PSH*		RRH	TH	SSO
	New±	Renewal			
Category 1 <i>Literally Homeless</i>	X	X	X**	X	X
Category 2 <i>At Imminent Risk</i>				X	X
Category 3 <i>Homeless under other federal programs</i>	* No CoC was approved to serve Category 3 with CoC Program funds				
Category 4 <i>Fleeing domestic violence, etc.</i>	X	X	X	X	X

± Requires chronic homeless status

* Requires a disability

** Must be residing on the streets or in an emergency shelter



CoC Grants Management – Client File Refresher Homeless Documentation

Reminders

- Provide as much information available on location, dates, duration, and episodes of homelessness (especially for chronic homeless documentation)
- Document that program applicant meets all factors in the homeless category (e.g. DV fleeing AND no subsequent housing identified AND lacks financial resources & support)
- If your CoC or agency has a form, complete all questions and fields
 - E.g. If checked unsheltered, fill out section to provide details on location name/area; type of living situation
 - E.g. If checked lacks resources and support networks, fill out section to provide information on financial and resource situation
- Ensure documentation is signed and by all applicable parties
- Verify and document homeless eligibility on the day prior to program start/move in



CoC Grants Management – Client File Refresher Disability Documentation

- Disability is defined as having one or more of:
 - Physical, mental or emotional impairment
 - Developmental disability
 - HIV/AIDS
- Once a program participant's disability is documented, this status does not need to be recertified after intake
- PSH projects may only accept individuals with a qualifying disability or families where one member of the family has a qualifying disability*

*For projects dedicated to serving individuals and families who are chronically homeless, the head of household must have the qualifying disability



CoC Grants Management – Client File Refresher Disability Documentation

- Disability documentation must be third-party and must be documented by:
 - A professional licensed by the state to diagnose and treat that condition
- **OR**
- Social Security Administration (SSA) for persons receiving disability benefits
 - SSI/SSDI check
- Intake staff observations
 - Only acceptable in the absence of third-party verification and must be confirmed and accompanied by written third-party verification no later than 45 days from initial intake.
- Oral third-party and self-certification are not appropriate for documenting disability.



Continuum of Care Program Occupancy Agreements and Lease Agreements

Stephanie Kaimana On



Occupancy Agreement, Lease, or Sublease (TH)

- For CoC transitional housing (TH), households must have signed a lease, sublease or occupancy agreement of **at least 1 month** that is **renewable for up to 24 months**.
- Households may remain in TH for longer than 24 months, if permanent housing for the household has not been located or if the household requires additional time to prepare for independent living. Keep documentation on reason(s) for extension on file.
- However, HUD may discontinue assistance for a TH project if more than half of the homeless individuals or families remain in that project longer than 24 months.



Lease Agreement (RRH, PSH)

- Participants receiving rapid re-housing (RRH) or permanent supportive housing (PSH) must have a signed lease agreement of **at least 1 year that was renewable (for a minimum term of 1 month) and terminable only for cause**

Reminders:

- For TH, if charging an occupancy fee, include the amount in the occupancy or lease agreement.
- Ensure that occupancy/lease agreements on file are signed and dated by all applicable parties, with lead disclosure documentation, if applicable.
- Ensure that any addendums to the occupancy/lease agreements are on file.



Continuum of Care Program Calculating Income, Occupancy Charges and Rent

Rebecca Borja



Calculating Income, Occupancy Charges and Rent

- CoC specific rules govern amount of occupancy charge or rent that a program can charge a participant
- Amounts must be calculated correctly
- Recipient/subrecipient should have:
 - Written policies and procedures for calculating income and occupancy charges or rent at initial occupancy and at minimum annually thereafter
 - *Note: Housing Opportunity through Modernization Act of 2016 (HOTMA) changes coming soon (Do not make any changes until HUD CPD provides implementation guidance.)*
 - *Reexamine income if a change of 10%*
 - *“Reasonable” interim reexamination processing time and effective dates of any changes in rent based on time it takes to verify information, but generally no longer than 30 days after income changes reported*
 - Systems to ensure compliance with occupancy charge or rent requirements



Documented, Verified Information

- Number of people in household
- Age of people in household
- Anticipated income
- Anticipated expenses
- Anticipated allowances
- Anticipated household-paid utilities



Documented, Verified Information

- Info sources:
 - Household – forms and interviews
 - Third parties
- Participant Forms
 - Complete, clear, compliant, and current
 - Obtain signed consent forms/ release of information
- Participant Interviews: develop participant interview checklist to:
 - Determine verifications needed
 - Determine additional info needed
 - Identify and resolve discrepancies



Occupancy Charges

- Recipients w/ leasing funds not required to charge program participants rent
- May choose to impose occupancy charge
- Must treat all program participants the same
- Program participant occupancy fee paid to recipient/subrecipient is considered program income
 - Must be committed to project and used for eligible CoC costs



Rent

- Recipients with rental assistance funds are required to charge program participants rent
- Must treat all program participants the same
- Program participant rent paid to recipient/ subrecipient is considered program income
 - Must be committed to project and used for eligible CoC costs



Rent – Rapid Rehousing

- RRH not required to charge program participants rent
- Must treat all program participants the same
- Must follow CoC Written Standards on amount/percentage of rent participants must pay
- If program participant rent paid to recipient/ subrecipient, it is considered program income
 - Must be committed to project and used for eligible CoC costs



Income Forms

Name of Resident/Family: _____
 Address of Unit: _____
 Date Prepared: _____
 Prepared by: _____

1. Name		2. Identification									
3. Annualizing Anticipated Income from Wages/Salaries/Benefits/Pensions/Public Assistance/Other											
Family Member(s)	Income Source	a. Hourly	Annual	b. Weekly	Annual	c. Bi-Weekly	Annual	d. Semi-Monthly	Annual	e. Monthly	Annual
		a x 2080 hrs for full time w/ 40 hr work week. If overtime is earned, add overtime		b x 52		c x 26		d x 24		e x 12	
			-						-		-
			-						-		-
			-						-		-
			-						-		-
			-						-		-
			-						-		-
			-						-		-
			-						-		-
4. Totals		a. Hourly	-	b. Weekly	-	c. Bi-Weekly	-	d. Semi-Monthly	-	e. Monthly	-
5. Enter total of items from 4a through 4e. This is Annualized Anticipated Income.											-

Note: HOTMA changes coming soon (Do not make any changes until HUD CPD provides implementation guidance.)

- Clarifies existing income exclusions and includes new exclusions
- Includes new and revised income definitions





Income Forms

6. ASSETS			
Family Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets
		\$ -	\$ -
		\$ -	\$ -
7. Net Cash Value of Assets.....		\$ -	
8. Total Actual Income from Assets.....			\$ -
9. If line 7 is greater than \$5,000, multiply line by <u>2%</u> (Passbook Rate) and enter results here; otherwise, leave blank			\$ -
10. Asset Income	Enter the greater of lines 8 or 9 from above in 10.		\$ -

Passbook Rate currently 0.06%

Note: HOTMA changes coming soon (Do not make any changes until HUD CPD provides implementation guidance.)

- Raises the imputed asset threshold to \$50,000 (adjusted annually with CPI)
- Imposes \$100,000 asset limit (adjusted annually per CPI) for eligibility and continued assistance for activities that require rent calculation
- Excludes retirement accounts and educational savings accounts



Rent Calculation Forms PROJECT NAME

Name of Resident/Family: _____
Address of Unit: _____
Date Prepared: _____
Prepared by: _____

Resident Rent Calculation Worksheet

(1)	\$	-	Annual Income from all sources
(2)			Income Exclusions
(3)	\$	-	ANNUAL INCOME

Calculating Adjusted Income

Dependent Allowance

(4)			Number of Dependents
(5)	\$	-	Multiply Line 4 by \$480

Note: HOTMA changes coming soon (Do not make any changes until HUD CPD provides implementation guidance.)

- Will adjust the \$480 per dependent deduction annually for inflation.



Rent Calculation Forms

Child Care Allowance

(6)		Expenses for Care of Children to Enable Family Member to Work
(7)		Household Member Enabled
(8)		Expenses for Care of Children to Enable a Family Member to Further Education
(9)		Household Member Enabled
(10)		Total Child Care Reimbursed by Another Agency (i.e., TANF, etc.)
(11)		Name of Agency
(12)	\$ -	NET CHILD CARE EXPENSE (Add Line 6 to Line 8 and subtract Line 10)
(13)		Family Member Earnings which are Dependent on the Child Care
(14)	\$ -	CHILD CARE ALLOWANCE (Lesser of Lines 12 or 13)



Rent Calculation Forms

Disabled Assistance Allowance

(15)	\$	-	Disabled Assistance Expenses (attendant care plus auxiliary apparatus)
(16)	\$	-	Total Amount of Disabled Assistance Expenses Reimbursed
(17)	\$	-	Net Disabled Assistance Expenses (Subtract Line 16 from Line 15)
(18)	\$	-	Multiply Line 3 by 0.03
(19)	\$	-	Subtract Line 18 from Line 17
(20)			Family Member Earnings which were dependent on the disabled assistance expenses
(21)	\$	-	Lesser of Lines 19 or 20

Medical Expenses

(22)	\$	-	List Total for Medical Expenses
(23)	\$	-	Total Amount of Medical Expenses Reimbursed
(24)	\$	-	Net Medical Expenses (Subtract Line 23 from Line 22)
(25)	\$	-	MEDICAL EXPENSES/ADJUSTED INCOME SUBTOTAL (If Line 19>0, enter amount from Line 24, otherwise add Line 17 and 24 and subtract Line 18.)

Note: HOTMA changes coming soon (Do not make any changes until HUD CPD provides implementation guidance.)

- Increases threshold for allowance for unreimbursed medical/disability expenses to exceeding 10% of gross income, phased-in over 2 years.



Rent Calculation Forms

Elderly or Disabled Persons Family Allowance

(26)	Elderly/Disabled Allowance (Enter \$400, if applicable)
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Adjusted Income

(27)	\$	-	Total Income Adjustments (Add Lines 5, 14, 21,25, and 26)
(28)	\$	-	Adjusted Income (Subtract Line 27 from Line 3)

Note: HOTMA changes coming soon (Do not make any changes until HUD CPD provides implementation guidance.)

- Increases Elderly/Disabled Allowance to \$525 per household, adjusted annually for inflation.



Rent Calculation Forms

Resident Rent Determination

(29)	\$	-	30% of Monthly Adjusted Income (Divide Line 28 by 12 and multiply by 0.3)
(30)	\$	-	10% of Monthly Income (Divide Line 3 by 12 and multiply by 0.1)
(31)			Portion of welfare payment designated by the agency to meet the family's housing cost, if applicable.
(32)	\$	-	Enter the Largest of Lines 29, 30 or 31. This is the Maximum amount per month that may be charged for resident rent.

Determining Resident Rent for Units where Utilities are not included in Rent

(33)			Utility Allowance
(34)	\$	-	Resident Rent (Subtract Line 33 from Line 32)
(35)	\$	-	Utility Reimbursement (Only if Line 34<0, This is the amount that must be paid <u>to</u> the resident as a utility reimbursement.)



How to prepare for implementing HOTMA

- Continue to use current CoC guidance for annualizing income, occupancy charges, and rent calculations
- HOTMA does not take effect until January 1, 2024
- Review HOTMA Final Rule -
<https://www.federalregister.gov/documents/2023/02/14/2023-01617/housing-opportunity-through-modernization-act-of-2016-implementation-of-sections-102-103-and-104>
- Review HOTMA Fact Sheets on HUD Exchange -
<https://www.hudexchange.info/news/hotma-income-and-assets-training-series/>
 - Be aware that implementation between HCV and CoC may be different, so do not make changes until CPD provides implementation guidance
- Stay tuned for future HOTMA webinars, office hours, tools and resources



Continuum of Care Program Property Requirements

Brian Johnson



Rent Reasonableness

- Rent paid must be reasonable in relation to rents being charged in the area for comparable space.
- Rent paid may not exceed rents currently being charged by the same owner for comparable unassisted space.
- Ensures program participants are paying the same rents as other non-program participants.
- Must have written policies & procedures for documenting comparable rents
- <http://www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc>



CoC Grants Management – Client File Refresher

Rent Reasonableness

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- Ensures program participants are paying the same rents as other non-program participants.
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CoC Grants Management – Client File Refresher Housing Quality Standards

- All housing units must meet HQS
- Each unit must be physically inspected
- Owner has 30 days to correct any deficiencies
- Inspect units at least annually
- HQS inspectors do not need to be certified
- Properties must also meet state and local codes
- The CoC regulations at 24 CFR 578.75(b)(1) state that before any assistance will be provided on behalf of a program participant, the recipient must physically inspect each unit to assure that the unit meets HQS. 24 CFR 578.75(b)(2) also states that recipients must inspect all units at least annually during the grant period to ensure that the units continue to meet HQS.



CoC Grants Management – Client File Refresher Housing Quality Standards

- HQS HUD-issued Forms
- HUD-52580 Inspection Checklist or HUD-52580A Inspection Form (the form is good because it gives more detail on inspection items).
- National Standards for the Physical Inspection of Real Estate (NSPIRE)
- Federal Register Notice FR-6086-N-07 published on September 18, 2023, which extends the implementation of NSPIRE requirements for CPD programs until October 1, 2024.



CoC Grants Management – Client File Refresher Housing Quality Standards

NSPIRE

CPD programs must use the new NSPIRE inspection framework for all units assisted with acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services; new construction; project or tenant-based rental assistance; and operating costs.



CoC Grants Management – Client File Refresher

Lead-Based Paint Requirements

24 CFR 982.401		
Rehabilitation Requirements: 24 CFR Part 35 Subparts A, B, J, and R	Project or Sponsor Based Rental Assistance: 24 CFR Part 35 Subparts A, B, H, and R	Acquisition, Leasing, Services, or Operating Costs: 24 CFR Part 35 Subparts A, B, K, and R



Examples of Lead-Based Paint Compliance

- Lead-based paint visual assessments were not conducted for ALL units receiving financial assistance if they were constructed before 1978, and will have a child under age 6 or pregnant woman residing in a unit
- Landowner/landlord remediation not completed where units failed inspection



Continuum of Care Program Environmental Review

Brian Johnson



CoC Grants Management – Client File Refresher Environmental Review

- ALL new and renewal projects receiving Federal funds (including all CoC Program activities) require an environmental review
- Environmental reviews must be conducted BEFORE funds are committed
- Activities under the CoC Program require environmental reviews by a Responsible Entity (RE) under 24 CFR 58



CoC Grants Management – Client File Refresher Environmental Review

- Under Part 58, only a Unit of General Local Government may act as a Responsible Entity and conduct environmental reviews
- Nonprofit recipients should work with state and local government to coordinate the environmental review process
- In very limited circumstances, HUD may perform environmental reviews for CoC projects pursuant to 24 CFR 50 if (1) a nonprofit is the recipient and (2) no responsible entity can be found



CoC Grants Management – Client File Refresher Environmental Review

- Tenant-based *leasing* and tenant-based *rental assistance* are categorically excluded-not subject to 24 CFR 58.5 (EXEMPT/CENST)
- Sponsor-based and project-based rental assistance and project-based leasing are subject to 24 CFR 58.5 (CEST) and require a higher level of review than tenant-based projects where the tenant chooses their unit.
- Environmental Review Flow Chart can be found at <https://www.hudexchange.info/resources/documents/CoC-Program-Environmental-Review-Flow-Chart.pdf>



CoC Grants Management – Client File Refresher Environmental Review

- Exempt/CENST
 - CoC Nationwide Programmatic Review for CoC soft costs are now completed in HEROS for all CoC Projects. Soft costs activities are planning, operations, admin, supportive services, and HMIS.
 - Tenant-based leasing and tenant-based rental assistance are categorically excluded-not subject to 24 CFR 58.5 and the review is completed in HEROS by HUD Field Office.
- CEST “Limited Scope”
- EA (Environmental Assessment)



Continuum of Care Program Service Plan

Brian Johnson



Service Plan Reminder

- Service Plan, initial and minimum annual update'
 - Recipient or its subrecipients must conduct an annual assessment of the service needs of all program participants and adjust services as necessary
 - Maintain documentation in the client file of initial service plan at move-in and minimum annual re-assessment of service needs
- RRH needs documentation of monthly Case Management



Continuum of Care Program Timesheets



Timesheet Reminder

- Actual time must be charged to federal grants. While **actual time is preferred**, the exact methodology for tracking the time that staff worked on federal grants is at the discretion of the recipient.
- The Uniform Rules do not require that recipients track actual time by program component, but there must be a methodology in place to estimate time allocated to components because of the various program statutory.
- Any estimates must be a realistic reflection of actual time spent across components. Recipients and subrecipients must be able to justify and document the methodology used, and it must be reasonable and well-documented.
- Timesheets that capture actual time spent on specific programs are the most straightforward way to meet time reporting requirements.



Questions



HUD Honolulu Field Office, Office of Community Planning and Development (CPD) is here to help.

- CoC recipients, please contact your assigned CPD Representative if you have any questions or need technical assistance.