

2018 CHHS NOTICE OF FUNDING AVAILABILITY

APPENDIX A - ELIGIBLE EXPENSES FOR HOUSING STABILITY PROJECTS

Eligible Project Types								
Eligible Expenses:	Emergency Shelter Operations & Staffing	Transitional Housing Operations & Staffing	Rental Assistance for Homeless Households	Support Services for Permanent Housing	Street Outreach Projects	Coordinated Assessment Projects	Homeless Diversion Projects	Housing and Essential Needs
Household rent (including lot for RV or manufactured housing), deposits, arrears			X					X
Utility arrears, utility deposits, monthly utilities			X					X
Move in costs for clients exiting a facility	X	X						X
Housing application fees			X					X
Parking spaces connected to unit			X					X
Background and credit checks, urinalyses costs	X	X	X					X
Moving costs			X					X
Lease/rent on building	X	X						X
Utilities for facilities	X	X						X
Utilities for office	X	X				X	X	X
Maintenance	X	X	X	X	X	X	X	X
Security and Janitorial services	X	X						X
Essential facility equipment	X	X				X	X	X
Client transportation costs	X	X						X
Hotel/Motel expenses less than 90 days			X					X
Site management costs	X	X		X				X
Facility-specific insurance	X	X						X
Housing search and placement	X	X	X	X	X	X	X	X
Essential Needs (HEN Clients only)								X
Housing stability	X	X	X	X	X	X	X	X
Outreach					X			X

Operations

Operations expenses are directly attributable to a particular program or to the homeless crisis response system.

- ✓ Salaries and benefits for staff costs directly attributable to the program or to the homeless system, including but not limited to program staff, information technology (IT) staff, human resources (HR) staff, bookkeeping staff, and accounting staff.
- ✓ Office space, utilities, supplies, phone, internet, and training/conferences/travel and per diem.
- ✓ Equipment up to \$1,500 per grant period unless approved in advance by the City of Spokane.

Homeless Crisis Response System Expenses

- ✓ Point-in-Time counts
- ✓ Annual report/housing inventory
- ✓ Local homeless plans
- ✓ Coordinated entry planning, implementation and operations
- ✓ State data warehouse and Homeless Management Information System
- ✓ Interested landlord list and landlord outreach activities
- ✓ Participation in local Continuum of Care

Program Expenses

- ✓ Intake and assessment, including time spent assessing a household, whether or not the household is determined eligible.
- ✓ Housing Stability Services. This includes developing an individualized housing and service plan, monitoring and evaluating household progress, identifying creative and immediate housing solutions outside of the traditional homeless service system (diversion), [SSI/SSDI Outreach, Access, and Recovery \(SOAR\)](#), and assuring that households' rights are protected.
- ✓ Housing Search and Placement Services. This includes services or activities designed to assist households in locating, obtaining, and retaining suitable housing, tenant counseling, assisting households to understand leases, inspections, securing utilities, making moving arrangements, and representative payee services concerning rent and utilities.
- ✓ Mediation and outreach to property owners/landlords related to locating or retaining housing (landlord incentives).
- ✓ Outreach services.
- ✓ Optional support services for individuals in permanent supportive housing, including case management and connections to resources.
- ✓ Data collection and entry.
- ✓ General liability insurance and automobile insurance.
- ✓ Other costs as approved in advance by City of Spokane.

Flexible Funding

Flexible Funding includes expenses formerly categorized as HEN Essential Needs.

Flexible Funding is the provision of goods or payments of expenses not included in other allowable expense categories, which directly help a household to obtain or maintain permanent housing or meet essential household needs. Essential household needs means personal health and hygiene items, cleaning supplies, transportation passes and other personal need items (WAC 388-400-0065).

Households are eligible for Flexible Funding up to \$1,500 per household. Essential household need items are exempt from the \$1,500 cap.

Households eligible for HHOS are eligible for Flexible Funding. Households receiving only Flexible Funding and not ongoing assistance are exempt from income eligibility requirements. Verification of housing status is required. Flexible Funding payments must be paid directly to a third party on behalf of the household and noted in a household's housing stability plan.

Rent

Rent Payments and Other Housing Costs must be paid directly to a third party on behalf of the household.

Rent Payments

- ✓ Monthly rent and any combination of first and last months' rent. Rent may only be paid one month at a time, although rental arrears, pro-rated rent, and last month's rent may be included with the first month's payment.
 - Monthly rent is not time-limited for HEN households or households in a PSH program.
 - For all other households and programs, rent assistance is limited to 24 months per episode.
- ✓ Rental arrears and associated late fees for up to three months. Rental arrears may be paid if the payment enables the household to obtain or maintain permanent housing. If funds are used to pay rental arrears, arrears must be included in determining the total period of the household's rental assistance.
 - Rental arrears for HEN or TANF enrolled clients can be paid for a time period when the client was not HEN or TANF enrolled.
- ✓ Lot rent for RV or manufactured home.
- ✓ Costs of parking spaces when connected to a unit.
- ✓ Incentives paid to landlords, including reimbursement for damages.
- ✓ Security deposits for households moving into new units.
- ✓ Hotel/Motel expenses are allowable when a hotel/motel unit is used as permanent housing.
- ✓ Utilities which are included in rent.

Other Housing Costs

- ✓ Utility payments for households also receiving rental assistance.
- ✓ Utility arrears (see utility-only assistance below) for up to three months. Utility arrears may be paid if the payment enables the household to obtain or maintain permanent housing. If funds are used to pay utility arrears, arrears must be included in determining the total period of the household's financial assistance.

- ✓ Utility-only assistance (including arrears) can be provided when no other [utility assistance](#), such as [LIHEAP](#), is available to prevent a shut-off, and documented using the *Utility-Only Assistance Form*.
- ✓ Utility deposits for a household moving into a new unit.
- ✓ Application fees, background, credit check fees, and costs of urinalyses for drug testing of household members if necessary/required for rental housing.
- ✓ Other costs as approved by the City of Spokane.

Special Circumstances

- ✓ Master-lease: Security deposit and monthly rent is allowable when an organization master-leases a unit, and then sub-leases the property to HHOS eligible households in the context of a Rapid Re-Housing or Permanent Supportive Housing program.
- ✓ Temporary absence: If a household must be temporarily away from the unit, but is expected to return (such as temporary incarceration, hospitalization, or residential treatment), grantees may pay for the household's rent for up to 60 days and charge the grant for eligible costs. While a household is temporarily absent, he or she may continue to receive case management. Any temporary absence must be documented in the client file.
- ✓ Subsidized housing: HHOS rent/utility assistance may be used for move-in costs (security deposits, first and last month's rent) for subsidized housing (where household's rent is adjusted based on income), including project- or tenant-based housing.¹ HHOS may also be used for rental arrears or utility arrears for subsidized housing.

Facility Support

Lease Payments

- ✓ Lease or rent payment on a building used to provide temporary housing or permanent supportive housing.
- ✓ Hotel/Motel expenses for less than 90 days when no suitable shelter bed is available.
- ✓ Move-in costs (security deposits, first and last month's rent) for permanent housing.

Other Facility Costs

- ✓ Utilities (gas /propane, phone, electric, internet, water and sewer, garbage removal).
- ✓ Maintenance (janitorial/cleaning supplies, pest control, fire safety, materials and contract or staff maintenance salaries and benefits associated with providing the maintenance, mileage for maintenance staff).
- ✓ Security and janitorial (salaries and benefits associated with providing security, janitorial services).
- ✓ Essential facility equipment and supplies (e.g. common-use toiletries, food served in shelters, bedding, mats, cots, towels, microwave, etc.)
- ✓ Expendable transportation costs directly related to the transportation of eligible households (bus tokens and fuel for a shelter van).
- ✓ On-site and off-site management costs related to the building.
- ✓ Facility specific insurance (mortgage insurance is not allowable) and accounting.

¹ In this context tax credit units are not considered subsidized housing.

- ✓ Costs for securing permanent housing including: application fees, background check fees, credit check fees, utility deposits, and costs of urinalyses for drug testing of household members if necessary/required for housing.
- ✓ Other expenses as approved by the City of Spokane.

Special Circumstances

- ✓ Master-lease: Facility costs are allowable when an organization master-leases a building and then sub-leases the property to HHOS eligible households in the context of a Transitional Housing or Permanent Housing program.
- ✓ Lease payments and other facility costs are allowable with HEN funding for transitional housing and permanent housing. Emergency shelter is not allowable.
- ✓ HEN facility support must be proportionally billed according to an estimate of the number of HEN households expected to occupy the facility.

Administration Expenses

Allowable administrative costs benefit the organization as a whole and cannot be attributed specifically to a particular program or to the homeless crisis response system. Administrative costs may include the same types of expenses that are listed in program operations (such as IT staff and office supplies), in the case that these costs are benefiting the agency as a whole and are not attributed to a particular program or the homeless system. Administrative costs may include, but are not limited to, the following:

- ✓ Executive director salary and benefits.
- ✓ General organization insurance.
- ✓ Organization wide audits.
- ✓ Board expenses.
- ✓ Organization-wide membership fees and dues.
- ✓ Washington State Quality Award (WSQA) expenses.
- ✓ General agency facilities costs (including those associated with executive positions) such as rent, depreciation expenses, and operations and maintenance.

All amounts billed to administration must be supported by actual costs. If actual costs exceed the budgeted limit, they may be charged in equal monthly amounts. These costs must be charged to grant cost centers by one of the following three methods:

- ✓ Billed directly such as IT services that are billed by the hour.
- ✓ Shared costs that are allocated directly by means of a cost allocation plan.
- ✓ Costs related to executive personnel such that a direct relationship between the cost and the benefit cannot be established must be charged indirectly by use of an indirect cost rate which has been appropriately negotiated with an approved cognizant agency or by use of the 10 percent de minimus rate.

Please note that some grant sources place a cap on the recovery of administrative/indirect costs and grantees shall be notified of any caps during budget negotiations

Maintenance Activities vs. Building Rehabilitation

As listed above, building maintenance is an allowable facility support expenses.

Maintenance activities include cleaning activities; protective or preventative measures to keep a building, its systems, and its grounds in working order; and replacement of existing appliances or objects that are not fixtures or part of the building. Maintenance activities should fix, but not make improvements that would add value to the building.

Maintenance activities do not include the repair or replacement of fixtures or parts of the building. A fixture is an object that is physically attached to the building and cannot be removed without damage to the building. Fixtures also include, but are not limited to, kitchen cabinets, built in shelves, toilets, light fixtures, staircases, crown molding, sinks and bathtubs. Maintenance activities do not include the installment or replacement of systems designed for occupant comfort and safety such as HVAC, electrical or mechanical systems, sanitation, fire suppression, and plumbing.

Building rehabilitation and capital improvements are not allowable facility support expenses.

Allowable Expenses:

Cleaning Activities	Protective or Preventative Measures to keep a building, its systems, and its grounds in working order	Replacing Existing Appliances or Objects That are Not Fixtures or Part of the Building (See above for definition of "fixtures.")
<ul style="list-style-type: none"> • Cleaning gutters and downspouts • Lawn and yard care (mowing, raking, weeding, trimming/pruning trees and shrubs) • Cleaning a portion of interior or exterior of building, including graffiti removal • Washing windows • Litter pick up and trash collection • Removing snow/ice • Unclogging sink and toilet 	<ul style="list-style-type: none"> • Fixing gutters • Mending cracked plaster • Patching roof • Caulking, weather stripping, re-glazing. • Replacing a broken window or screen • Reapplication of protective coatings • Fixing plumbing leaks • Repainting previously painted surface (including limited scraping)* • Waterproofing (sealant) • Servicing and maintenance of mechanical systems • Replacing a carpet square or patching carpet • Fixing alarm systems • Installing temporary fencing 	<p>Replacing:</p> <ul style="list-style-type: none"> • Kitchen appliances where removal would not cause any damage (for example dishwashers, stoves, refrigerators) • Light bulbs • Washing and drying machines • Air filters • Furniture