



HOMELESS HOUSING PROGRAM POLICY AND OPERATIONS MANUAL

CHAPTER 6: TRANSITIONAL HOUSING

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CHAPTER 6: TRANSITIONAL HOUSING

6.1 OVERVIEW OF TRANSITIONAL HOUSING

6.1.1 DEFINITION

Transitional Housing (TH) is a temporary housing intervention designed to help households experiencing homelessness with interim stability and support to move as quickly as possible into permanent housing. The maximum length of stay in a TH program is 24 months. TH services include interim housing, housing stability and case management services, and linkages to mainstream and community resources.

6.1.2 GOALS AND OBJECTIVES

The goal of TH is to provide households with short-term housing while assisting in the resolution of their homelessness and the attainment of permanent housing as quickly as possible.

Among the program's objectives are to:

- Help households quickly identify and move into a safe and suitable housing solution.
- Tailor services to meet the individual needs and goals of the household.
- Identify any additional services or supports the household will need to maintain stability.
- Connect households to mainstream resources and benefits for which they may be eligible.

6.1.2.1 EXPECTATIONS FOR TRANSITIONAL HOUSING

- Transitional Housing projects must demonstrate an ability to realize shorter lengths of stay than traditional Transitional Housing (i.e., 24 months) and successful exits to permanent housing for project participants.
- Transitional Housing projects must also demonstrate reduced and streamlined project rules.

6.1.3 PARTICIPATION IN COORDINATED ENTRY

Pierce County TH service providers are required to participate in Coordinated Entry (CE) and must receive referrals for program vacancies through CE. See **Chapter 3: Coordinated Entry** regarding CE Prioritization, Matching and Referral policies.

6.1.3.1 EXCEPTIONS

Victim service providers may choose to not use CE for referrals.

6.1.4 FUNDING SOURCES REFERENCED IN THIS CHAPTER

Fund sources referenced in this chapter of the Manual include:

- Consolidated Homeless Grant (CHG), which may include:
 - CHG-Chronically Homeless Families (CHG-CHF)
 - CHG-Inflation

- CHG-Emergency Housing Fund (CHG-EHF)
 - Consolidated Homeless Grant Housing and Essential Needs (CHG-HEN)
- Homeless Document Recording Fee (DRF), including:
 - CHG-DRF Relief

If these policies should conflict with guidance provided by the US Department of Housing and Urban Development or the WA State Department of Commerce, then such guidance shall supersede these policies.

6.2 ELIGIBILITY AND TYPICAL SERVICE FLOW

6.2.1 ELIGIBILITY REQUIREMENTS: FOR PROGRAM ENTRY

6.2.1.1 STANDARD ELIGIBILITY: APPLICABLE TO ALL FUNDING SOURCES

To be eligible for TH, households must meet the following conditions:

1. Households must be experiencing homelessness, in accordance with Category 1 or Category 4 of the U.S. Department of Housing and Urban Development (HUD)'s Homelessness Definition as defined by HUD under 24 CFR Part 578¹.
2. Households must meet an Income Standard. Eligibility varies dependent on fund source. Please see Additional Eligibility Requirements Specific to Funding Source below.
3. Households must willingly engage with Coordinated Entry for a Screening and Assessment.

TH programs for families with children under 18 may not deny admission to any family based on the age of any child under 18. Exceptions may only be allowable if the program has a primary purpose of implementing an evidence-based practice that requires that housing units be targeted to families with children in a specific age group.

6.2.1.2 ADDITIONAL ELIGIBILITY: REQUIREMENTS SPECIFIC TO FUNDING SOURCE

In instances where service providers receive multiple sources of funding for the same unit/household and eligibility requirements overlap, service providers must comply with the more stringent of the requirements.

Funding Source	Eligibility Guidelines
CHG	<p><u>In addition to</u> the Standard Eligibility Requirements above, the following requirements apply for CHG-funded programs and must be documented using the <i>CHG Verification of Household Eligibility and Income Recertification Form (See Appendix C-2)</i>.</p> <ul style="list-style-type: none">• Following the first 90 days of program participation, households eligible for CHG Standard-funded resources must meet income requirements of at or below 50% Area Median Income.
DRF	<p><u>In addition to</u> the Standard Eligibility Requirements above, the following requirements apply for DRF-funded TH programs:</p> <ul style="list-style-type: none">• Households eligible for DRF-funded TH resources must meet income requirements of at or below 50% Area Median Income.

¹ See Appendix A-2 for details.

6.2.2 ELIGIBILITY RE-CERTIFICATION: REQUIREMENTS FOR ENROLLED HOUSEHOLDS

6.2.2.1 ELIGIBILITY RE-CERTIFICATION: OVERVIEW

Once enrolled in the program, households must continue to meet recertification eligibility criteria at intervals set by the funding source. In instances where service providers use multiple sources of funding for the same household, service providers must comply with the more stringent of the requirements.

6.2.2.2 ELIGIBILITY RE-CERTIFICATION REQUIREMENTS: SPECIFIC TO FUNDING SOURCE

Funding Source	Eligibility Guidelines
CHG	<p>Following the first 90 days of a household's program participation, CHG Standard-funded programs must assess each household for income eligibility at least every three months.</p> <p>To remain eligible at re-certification:</p> <ol style="list-style-type: none">1. CHG Standard: Household income must be at or below 50% Area Median Income. <p>Eligibility must be documented using the <i>CHG Verification of Household Eligibility and Income Recertification Form (See Appendix C-2)</i>.</p>
DRF	No income re-certification requirements.

6.2.2.3 ELIGIBILITY RE-CERTIFICATION: INELIGIBILITY DETERMINATIONS

If households are determined income ineligible for CHG funding, they may remain in the program for an additional three months. Case management may continue for an additional six months after the determination of income ineligibility to support the household transition to self-sufficiency.

6.2.3 TYPICAL SERVICE FLOW

The table below depicts a typical service flow in TH programs, noting that modifications will apply dependent on the needs of the household.

Process Step	Process Detail
Referrals	<ol style="list-style-type: none">1. Households are referred to TH providers through CE.2. Upon receiving a referral, the TH program updates the referral status to Accepted and attempts to contact the household.3. Once in contact with the household, the TH service provider schedules a time to meet with the household to confirm eligibility and conduct an intake and enrollment. Should the TH service provider be unable to contact the household, the program may return the referral to CE with an update that the household was unable to be contacted. See Section 3.3.11.5 for more details on Lost Contact referral protocols.

<p>Eligibility Verification, Data Collection, and Program Intake and Enrollment</p>	<ol style="list-style-type: none"> 1. If not already available in the participant's file, TH service providers must verify the eligibility of households referred to their program. 2. Program staff will collect documentation from household verifying eligibility and, if eligible, enroll the household into the TH program in the Homeless Management Information System (HMIS). Documentation verifying eligibility should be collected prior to enrollment. 3. TH staff reviews all necessary intake paperwork including documents related to Program Agreements, Participant Rights and Responsibilities, Lease/Sublease or Occupancy Agreement, and Grievance Procedures in detail with the household, and both parties sign the Agreement. A copy is provided to the household.
<p>Housing Stability Plan Development</p>	<ol style="list-style-type: none"> 1. Create Housing Stability Plan: Program staff will work with the household to outline the steps that will be taken to regain housing. TH staff creates a hard copy file for the participant. This must include, at a minimum: <ol style="list-style-type: none"> a. Housing Goals: Concrete plan and action steps for moving to housing other than the shelter, ideally to permanent housing. b. Linkages to Mainstream Resources: Goal and action steps related to obtaining all public/ mainstream benefits to which the participant is entitled and interested. This may include steps towards obtaining or maintaining income through education, employment, job training and/or financial counseling. It may also include linkages to needed physical, mental and/or behavioral health services and supports. 2. TH staff and participants regularly review and update the Housing Stability Plan with specific housing and self-sufficiency goals and action steps to retain positive housing outcomes. 3. TH staff should assist participants in connections to resources including mainstream benefits and services in alignment with their individualized needs. This may include but is not limited to: <ol style="list-style-type: none"> a. Medical and health resources b. Employment assistance c. Social Security Income or Social Security Disability Income d. Mental health resources e. In-home supportive services f. Elderly care assistance g. Legal representation

Program Exit	1. Upon exit from the TH program, staff will close out all agency paperwork according to agency procedures and exit the household from the TH program in HMIS.
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6.3 POLICIES AND STANDARDS

6.3.1 LOCAL, STATE, AND FEDERAL REGULATIONS

TH programs are governed by an array of state, local, and federal regulations. Service providers should reference applicable regulations included in **Section 1.3: Universal Policies and Standards**. This is not an exhaustive list; it is the responsibility of each individual service provider to ensure they are in compliance with all applicable local, state, and federal regulations. In instances where regulations overlap, service providers must comply with the more stringent of the applicable regulations.

6.3.2 TRANSITIONAL HOUSING FACILITIES

6.3.2.1 TRANSITIONAL HOUSING FACILITY LEASING

Transitional Housing projects may lease property, or portions of property, not owned by the service provider or project sponsor involved, for use in providing transitional housing or providing supportive services. Funds may be used to lease individual units or all or part of structures. Rents must be reasonable, and in the case of individual units, the rent paid may not exceed HUD-determined Fair Market Rents. Leasing funds may not be used for units or structures owned by the service provider, subservice provider, their parent organization(s), any other related organization(s), or organizations that are members of a partnership where the partnership owns the structure without a HUD-authorized exception. When leasing funds are used to pay rent on units, the lease must be between the service provider or the subservice provider and the landowner, with a sublease or occupancy agreement with the participant. The service provider may, but is not required to, charge the participant an occupancy charge, consistent with the parameters specified in the CoC interim rule.

6.3.2.2 LEASES/SUBLEASES OR OCCUPANCY AGREEMENTS

Transitional Housing participants must have a signed lease/sublease or occupancy agreement for the unit in which they are residing. Participants in TH must enter into a lease agreement for a term of at least one month. The lease must be automatically renewable upon expiration, except on prior notice by either party, up to a maximum term of 24 months.

6.3.3 HOUSING UNIT APPROVAL

6.3.3.1 STANDARD REQUIREMENTS FOR DETERMINING UNIT HABITABILITY

Service providers must verify and document the habitability of all housing units into which a participant will be moving (regardless of whether it is a Transitional Housing unit or a permanent housing unit) prior to participant move-in or paying any move-in assistance. Programs must comply with HUD's Housing Quality Standards (HQS) for habitability determinations. An HQS Pre-Inspection Checklist is included in the Appendix for reference (See Appendix B-2). Complete records of inspections and follow-up actions must be maintained in the participant file.

PROCESS TO VERIFY HOUSING QUALITY STANDARDS

In Pierce County, all HQS inspections are completed by Pierce County Human Services. Inspections less than 12 months old performed by the Housing Authority can be used. For units that require HQS inspection, staff can request an HQS inspection by visiting the Pierce County Human Services website at <https://www.piercecountywa.gov/4804/Housing-Quality-Standards-Inspections-HQ>. In advance of the

Inspection, the service provider must provide a copy of the inspection form to the landlord at least five days in advance of the scheduled appointment.

HOUSING UNIT SIZE

In alignment with HUD HQS, each participating household must have the bedroom size that fits their household size. For example, two adults in a shared housing situation must have their own lease, and their own bedroom. Two adults may share one bedroom if they present together as a household. However, if the unit has a Housing Authority-issued voucher attached to it, service providers must seek approval from the Housing Authority to approve multiple adults for a single room or Single Room Occupancy unit.

EXCEPTION: SPECIFIC TO CHG FUNDING SOURCE

Documented habitability is not required in CHG-funded programs in instances in which a participant will be moving in with friends or family.

6.3.3.2 UNIT HABITABILITY COMPLAINT PROCEDURES

Participants must be informed in writing of the habitability complaint process and assured that complaints regarding their housing unit's safety and habitability will not affect the household's eligibility for assistance. Service provider must have a written procedure describing the response to complaints regarding unit safety and habitability that includes mandatory inspection when a complaint is reported. Complaints must include the completed HQS Inspection and supporting documents with the specific complaint, follow-up, and resolution.

6.3.3.3 HOUSING UNIT SIZE

Units must meet size requirements based on household size and composition and rent reasonableness based on Occupancy Standards. Occupancy Standards refer to the guidelines set by a RRH program governing the number of bedrooms allowed for households of different sizes and composition. Service providers have some flexibility in developing these standards as long as the standards do not violate fair housing requirements and comply with Federal, State, and local fair housing and civil rights laws. The primary intent when developing occupancy standards for the rental program is to provide for the smallest number of bedrooms needed by a household without overcrowding. It is acceptable to make allowances for special needs or circumstances, but the standards developed by the service provider must be applied equally and fairly to all participants.

6.3.3.4 RENT REASONABLENESS AND COMPLIANCE WITH FAIR MARKET RENT

Service providers must comply with Pierce County's rent limit policies for move-in assistance and perform a rent reasonableness determination.

RENT LIMIT

Service providers must comply with Pierce County's rent limit policy for rental assistance, which varies by funding source. HUD sets geographically specific Fair Market Rent (FMR) limits annually for the housing costs of units, including both rent and utilities. Utilities include electricity, fuel (e.g., natural gas, oil), water, sewer, and trash removal, if trash is included in the water/sewage bill for that area OR if it is

included in the rent for all tenants. Otherwise, if trash-removal is a stand-alone bill, it is not eligible. Telephone, internet, and cable are not eligible utilities.

RENT REASONABLENESS

The Rent Reasonableness standard is designed to ensure that rents being paid are reasonable in relation to rents being charged for comparable units in the same market. To make this determination, service providers should consider: the location, quality, size, type, and age of the unit, and any amenities, housing services, maintenance, and utilities to be provided.

To calculate the gross rent for purposes of determining whether it meets the Rent Reasonableness standard, consider the entire housing cost: rent plus the cost of any utilities that must, according to the lease, be the responsibility of the tenant. Utility costs may include gas, electric, water, sewer, and trash. However, telephone, cable or satellite television service, and internet service should be excluded. The gross rent also does not include pet fees or late fees that the participant may accrue for failing to pay the rent by the due date established in the lease.

Note that not every element in the suggested list of nine things to check for must be known to establish a comparable unit. Service providers should use the *Rent Reasonableness Checklist and Certification Form* for documentation (See Appendix B-3); alternate forms may be utilized if approved in advance by Pierce County. At least three comparable units must be documented to demonstrate Rent Reasonableness.

Service providers, regardless of fund source, must document that the unit complies with HUD's standards of Rent Reasonableness².

6.3.4 RENTAL PAYMENTS

6.3.4.1 RENTAL ASSISTANCE FOR PERMANENT HOUSING

Rental assistance is an eligible cost category when assisting a participant to exit TH and move into permanent housing. However, rent cannot be provided to a participant who is already receiving rental assistance or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources. Move in costs (such as deposits or application fees) may be combined with other sources.

6.3.4.2 PARTICIPANT LEASE & DOCUMENTATION REQUIREMENTS

A written and legally binding lease is required when rental assistance will be paid to a landlord on a participant's behalf. The lease must be established between the participant and the landlord/owner.

Based on the funding source and Rental Assistance provided, alternate documentation may be acceptable in lieu of a lease, based on the criteria in the table below.

² According to [24 CFR 982.507 \(b\)](#). See Appendix B-3 and <https://www.hudexchange.info/resource/4424/coc-rent-reasonableness-and-fair-market-rent/> for more information on documenting Rent Reasonableness.

Funding Source	Type of Rental Assistance	Allowable Documentation
CHG	Move-In Costs Only (i.e., security deposits, first and last month rent)	Intent to Rent documentation
	Rental Payments to Friend or Family Member Not in Business of Property Management	Certification of Payment Obligation: In these instances, CHG requires use of <i>CHG Certification of Payment Obligation/Potential Eviction from Friend or Family Form</i> (See Appendix C-8).

6.3.4.3 PARTICIPANT CONTRIBUTIONS TO HOUSING COSTS

The standards below apply to determining the participant's share of move-in costs and other costs to secure permanent housing. Although each household may receive a different amount of move-in costs in consideration of the household's resources and expenses, the procedure for determining the subsidy must be standardized.

- Move-in Assistance is to be individualized and based on participant need. Move-in assistance can include up to 100% coverage of the first/last month's rent and security deposit.
- Assistance to secure permanent housing is to be individualized and based on participant need. Other costs to secure permanent housing can include up to 100% coverage of application fees, background check fees, credit check fees, and utility deposits.

6.3.5 PROGRAM CASE MANAGEMENT AND RELATED SERVICES POLICIES

6.3.5.1 LENGTH OF ASSISTANCE

TH programs are up to 24 months in length. While lengths of stay up to 24 months is allowable, efforts should be made to assist households in identifying and securing safe, stable housing as quickly as possible.

Supportive services must be made available to residents throughout the duration of their enrollment in TH. Services may also be provided to former residents of TH who were homeless in the prior six months, for no more than six months after leaving TH to assist their adjustment to permanent housing.

Service providers shall conduct, at minimum, an annual assessment of the service needs of the participants and should adjust services accordingly. Assessments of services may happen at more frequent intervals and are recommended any time circumstances significantly change for the household.

6.3.5.2 RENT AND OCCUPANCY CHARGES

TH programs may, but are not required, to collect rent and occupancy charges from TH participants. These charges may be reserved, in whole or in part, to assist participants in their move to permanent housing. If occupancy charges are imposed, they may not exceed the highest of:

- 30 percent of the family's monthly adjusted income (adjustment factors include the number of people in the family, age of family members, medical expenses, and child-care expenses)
- 10 percent of the family's monthly income, or

- If the family is receiving payments for welfare assistance from a public agency and a part of the payments (adjusted in accordance with the family's actual housing costs) is specifically designated by the agency to meet the family's housing costs, the portion of the payments that is designated for housing costs.

6.3.5.3 HOUSING STABILITY CASE MANAGEMENT SERVICE

Case management and services must be available to all TH participants on an ongoing basis. Participation in services cannot be mandated. Housing-related case management services include:

- Conducting initial evaluation to verify and document eligibility for TH
- Counseling
- Developing, securing, and coordinating services
- Obtaining Federal, State, and local benefits
- Monitoring and evaluating participant progress
- Providing information and referrals to other providers
- Developing an individualized housing and service plan (e.g., Housing Stability Plan)
- Conducting required re-evaluations

SUPPORTIVE SERVICES AGREEMENT

Service providers and subservice providers may require the participants to take part in supportive services that are not disability-related services provided through the project as a condition of continued participation in the program. Examples of disability-related services include, but are not limited to, mental health services, outpatient health services, and provision of medication, which are provided to a person with a disability to address a condition caused by the disability. Notwithstanding this provision, if the purpose of the project is to provide substance abuse treatment services, service providers and subservice providers may require participants to take part in such services as a condition of continued participation in the program.

6.3.6 PROGRAM EXIT

Households should be exited from the program when: 1) they are no longer eligible for or in need of services, 2) they have completed all goals as outlined in the Housing Stability Plan, 3) they have financial ability to meet basic living needs, or 4) violation of a Program Agreement is discovered. Participant households should not be exited from the program for lack of stability. In all cases of exiting the program (voluntarily or involuntarily), staff must provide written communication to the both the household (and if applicable) the landlord, as well as inform any other partner staff with whom the household is currently working. Providers must have a Termination of Assistance procedure that adheres to the policy below.

6.3.6.1 TERMINATION OF ASSISTANCE

Service providers must have a written program termination policy that describes the reasons a household would be terminated from participation, the notification process, and assurance the household will be made aware of the grievance process. To terminate rental assistance or housing stabilization services, the process, at a minimum, must:

- Provide written notice to the participant with a clear statement of the reasons for termination

- An opportunity for the participant to present written or oral objections before a person other than the person (or subordinate of the that person) who made or approved the termination decision
- Prompt written notice of the final decision to the participant

If a participant violates program requirements, the service provider may terminate assistance in accordance with the formal process established through the policy. Service providers must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a participant's assistance is terminated only in the most severe cases. Program termination does not bar programs from providing further assistance at a later date to the same household.

Note that program participation and rent tenancy are separate processes. For example, a participant may have their lease terminated but still be eligible for services and to look for new housing or a participant may be ineligible for services but still have their lease in-tact with full responsibility for rent payment.

6.4 PERFORMANCE MEASUREMENT

6.4.1 DATA COLLECTION AND DOCUMENTATION REQUIREMENTS

HUD universal data elements and HUD program specific data elements must be collected and reported in HMIS within five business days of participant entry into the program. Additional TH data collection and documentation requirements are summarized in the table below. Third-Party source documentation should always be sought first. If it cannot be obtained, Third-Party Written or Oral Verification should be sought (with a preference for written documentation). If neither can be obtained, then efforts to collect all types of Third-Party documentation should be recorded and Self-Certification shall be obtained from the participant and kept in the Participant File. See Appendix C-4 and C-5 for sample forms.

Documentation Requirement Details
All TH Programs
Homelessness
For each household who receives assistance, documentation of meeting HUD's Homelessness Definition Category 1 or 4 must be collected prior to entry. Details regarding HUD criteria may be found in Appendix A-2.
Lease/Sublease or Occupancy Agreement
TH participants must have a signed lease or occupancy agreement.
Housing Stability
Documentation of Housing Stability Plan; referrals and connections to mainstream providers and resources; monthly case management services provided; and plans and progress towards self-sufficiency.
Housing Quality Standards
The service provider or subservice provider must retain documentation of compliance with the housing standards in § 578.75(b), including inspection reports.
Income
For each household who receives assistance, the following documentation of annual income must be on file. <ul style="list-style-type: none">Income evaluation form<ul style="list-style-type: none">If funded via CHG, utilize CHG Verification of Household Eligibility and Income Recertification Form (Appendix C-2), CHG Income Eligibility Worksheet (Appendix C-3), and (if applicable, if participant has no income) CHG Self-Declaration of Housing Status or No Income Form (Appendix C-5).Source documents (e.g., most recent wage statement, unemployment compensation statement, public benefits statement, bank statement) for the assets held by the participant and income received before the date of the evaluation.<ul style="list-style-type: none">To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., employer, government benefits administrator) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party of the income the participant received over the most recent period, orTo the extent that source documents and third-party verification are unobtainable, the written certification by the participant of the amount of income that the program

participant is reasonably expected to receive over the 3-month period following the evaluation.
Service and Assistance Records
<ul style="list-style-type: none"> Documentation of services and assistance provided to that participant, including evidence that the service provider or subservice provider has conducted an annual assessment of services for those participants that remain in the program for more than a year and adjusted the service package accordingly. Where applicable, compliance with the termination of assistance requirement. Documentation of the types of supportive services provided under the service provider's program and the amounts spent on those services. The service provider or subservice provider must keep record that these records were reviewed at least annually and that the service package offered to participants was adjusted as necessary. Programs should also consider keeping a log of households that were not eligible. Such documentation would show a monitor/auditor that the time spent by personnel is reasonable, particularly in periods of very low number of eligible households being served but with a high level of salaries. This practice is recommended for any activities that might result in a low amount of assistance delivered, as it would demonstrate the program is incurring legitimate costs for the program.

6.4.1.1 DOCUMENTATION COLLECTION

Programs should begin working with participants to collect documentation at enrollment. If documentation has not been collected within 45 days, programs are not required to terminate participants from the program, but they may elect to do so. If documentation is not required until sometime after enrollment, then programs may not terminate until 45 days after the documentation deadline. Programs must document their efforts to obtain eligibility documentation during this period and should only terminate participants as a last resort. Any information collected during this period should be updated in HMIS and any documentation collected should be scanned and uploaded into HMIS, so the participant record is as accurate as possible, and a more appropriate referral can be made.

6.4.2 METRICS

The following measures are typically used to evaluate the performance of Homeless Crisis Response System TH programs. Measures may be added or amended based on specific funding source requirements, CoC priorities, or evaluation strategies.

Category	Metric
	All Funding Sources
TH Program Outcomes	Percentage of vacancies filled by CE
	Percentage of CE referrals accepted
	Utilization rate of TH beds
	Average length of time for households to move into units (days)
	Percentage of exits to permanent housing
	Percentage of households who return to homelessness within 2 years after exit to permanent housing
	Percent of households that increase their income through any source from project entry date to project exit
	Percentage of HMIS data that is complete and accurate

Data Collection and Reporting	Percentage of HMIS data that is entered within 5 days from initial collection
Contract Management	Percentage expenditure of funds
	Percentage of Contract Payment Requests submitted accurately and on time

Where practicable, the Program Outcomes above will also be evaluated to assess for the presence of any discrepancies or disparities across demographic categories (gender, race, ethnicity, and age tier).

6.5 ELIGIBLE ACTIVITIES

6.5.1 ELIGIBLE ACTIVITIES OVERVIEW

Eligible Transitional Housing expenses include case management and supportive services, program operation expenses, other program costs, and administrative expenses as necessary to provide interim housing and help participants move into permanent housing. Eligible cost categories are included in the table below.

Transitional Housing	CHG	DRF
ELIGIBLE ACTIVITIES		
Project Operations		
Costs Associated with Payroll		
Housing Search and Placement	X	X
Housing Stability Case Management	X	X
HMIS Data Collection and Entry	X	X
Sub-Contracted Services	X	X
Supportive Service Costs		
Child Care		X
Credit Repair - budgeting/money management		X
Education Services		X
Employment Assistance		X
Legal Services		X
Life Skills		X
Mediation		X
Mental Health Services		X
Outpatient Health Services		X
Substance Abuse Treatment Services		X
Transportation	X	X
Other Program Costs		
General Liability Insurance	X	X
Office Internet	X	X
Office Space	X	X
Office Supplies	X	X
Office Utilities	X	X
Staff Training/Conference/Per Diem	X	X
Telephone	X	X
Facility Support		
Lease Payments		
Lease/Rent on Facility	X	X
Hotel/Motel	X	X

Transitional Housing	CHG	DRF
Move-in Costs to Permanent Housing	X	X
Other Facility Costs		
Facility Equipment and Supplies	X	X
Facility Janitorial	X	X
Facility Maintenance/Repair	X	X
Facility Security	X	X
Food served in Facility	X	X
Off-Site and Residential Facility Management Fees	X	
Other Costs to Secure Permanent Housing	X	X
Property Insurance	X	X
Transportation to the Facility	X	X
Utilities	X	X
Administrative Expenses		
Advertising		X
Communications		X
Facilities Maintenance & Repairs		X
Insurance		X
IT Support, Software, Computer Equipment		X
Machinery & Equipment		X
Office & Operating Supplies		X
Personnel Salaries & Benefits		X
Professional Services		X
Public Utilities		X
Small Tools & Minor Equipment		X

6.5.2 DETAILED ELIGIBLE ACTIVITIES: SPECIFIC TO FUNDING SOURCE

6.5.2.1 CHG-FUNDED TRANSITIONAL HOUSING ELIGIBLE EXPENSES

Eligible CHG-funded Emergency Shelter activities are summarized in the table below.

CHG-Funded Program Eligible Costs
Operations
Costs Associated with Payroll
<ul style="list-style-type: none"> • Housing Search and Placement Services: 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. <ul style="list-style-type: none"> ○ Includes intake and assessment (time spent assessing a household), whether or not the household is determined eligible

<ul style="list-style-type: none"> ○ Includes mediation and outreach to property owners/landlords related to locating or retaining housing • Housing Stability Case Management: 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. • HMIS Data Collection and Entry: staff and benefits for activity; must be directly attributable to project • Sub-Contracted Services: includes temporary employees contracted through an agency or third-party providers paid by the service provide to provide direct service. • Other costs: as approved in advance by the County and Commerce
Supportive Service Costs
<ul style="list-style-type: none"> • Transportation
Other Program Costs
<ul style="list-style-type: none"> • General Liability Insurance: also includes automobile insurance • Office Internet, Space, Supplies, Utilities, and Phone: when directly attributable to the project <ul style="list-style-type: none"> ○ Office supplies are items that aid in the short-term operation of your organization. These items usually need to be refilled or replaced. These include items such as printer ink, paper clips, paper, pens, staples, record keeping supplies, janitorial supplies, break room supplies, etc. • Training or Conferences: related to service delivery, including travel and per diem
Facility Support
Lease Payments
<ul style="list-style-type: none"> • Lease/Rent on Facility: Cost of lease/rent for a facility used as emergency shelter. • Hotel/Motel: When used as shelter or waiting for an HQS inspection on a unit. • Move-in Costs to Permanent Housing: Cost of security deposit, first/last month's rent to secure a permanent housing unit
Other Facility Costs
<ul style="list-style-type: none"> • Facility Equipment and Supplies: Essential items for the operation of shelter such as common-use toiletries, bedding, mats, cots, towels, microwave, etc. • Facility Janitorial: Salaries and benefits associated with providing building janitorial services • Facility Maintenance and Repairs: Includes janitorial/cleaning supplies, pest control, fire safety, materials and contract or staff maintenance salaries/benefits associated with providing the maintenance, mileage for maintenance staff <ul style="list-style-type: none"> ○ 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. • Facility Security: Salaries and benefits associated with providing building security

- **Food Served in Facility**
- **Off-site and Residential Facility Management Fees:** Related to the operation of the emergency shelter
- **Other Costs to Secure Permanent Housing:** Includes application fees, background checks, credit check fees, utility deposits, and costs of urinalyses for drug testing of household members if necessary/required for housing
- **Property Insurance:** For the emergency shelter building (mortgage insurance is not eligible)
- **Transportation to the Facility:** Directly related to the transportation of eligible households (bus tokens/tickets, fuel for shelter van)
- **Utilities:** Includes gas/propane, phone, electric, internet, water and sewer, garbage removal

6.5.2.2 DRF-FUNDED TRANSITIONAL HOUSING ELIGIBLE EXPENSES

Eligible DRF-funded Transitional Housing activities are summarized in the table below. Other costs may be approved by the County on a case-by-case basis. Please contact PCHS Homeless Programs for further information.

DRF-Funded Program Eligible Costs	
Operations	
Costs Associated with Payroll	
<ul style="list-style-type: none"> • Housing Search and Placement Services: 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. <ul style="list-style-type: none"> ○ Includes intake and assessment (time spent assessing a household), whether or not the household is determined eligible ○ Includes mediation and outreach to property owners/landlords related to locating or retaining housing • 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. • HMIS Data Collection and Entry: staff and benefits for activity; must be directly attributable to project • Sub-Contracted Services: includes temporary employees contracted through an agency or third-party providers paid by the service provide to provide direct service. • Other costs: as approved in advance by the County 	
Supportive Service Costs – All activities below MUST be directly related to a household's ability to obtain or maintain permanent housing.	
<ul style="list-style-type: none"> • Child Care: The costs of establishing and operating childcare, and providing childcare vouchers, for children from families experiencing homelessness, including providing meals and snacks, and comprehensive and coordinated developmental activities, are eligible. <ul style="list-style-type: none"> ○ The childcare center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible. ○ Children must be under the age of 13, unless they are disabled children. Disabled children must be under the age of 18. 	

- **Credit Repair:** including budgeting or money management
- **Education Services:** The costs of improving knowledge and basic educational skills are eligible. Services may 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:** The costs of establishing and operating employment assistance and job training programs are eligible, including classroom, online and/or computer instruction, on-the-job instruction, services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to participants in employment assistance and job training programs is also an eligible cost.
 - 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 pre-vocational training
 - Books and instructional material
 - Counseling or job coaching
 - Referral to community resources
- **Legal Services:** Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing.
- **Life Skills**
- **Mediation**
- **Mental Health Services:** Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals. Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.
- **Outpatient Health Services:** Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals including:
 - Providing an analysis or assessment of an individual's health problems and the development of a treatment plan
 - Assisting individuals to understand their health needs
 - Providing directly or assisting individuals to obtain and utilize appropriate medical treatment
 - Preventive medical care and health maintenance services, including in-home health services and emergency medical services
 - Provision of appropriate medication
 - Providing follow-up services
 - Preventive and non-cosmetic dental care
- **Substance Abuse Treatment Services:** The costs of participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible. Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible.

<ul style="list-style-type: none"> • Transportation – includes costs for client transportation, reimbursement for staff travel to meet with or assist a client <ul style="list-style-type: none"> ○ Bus tickets/token or pass ○ Reimbursement or direct payment for gas (client) ○ Reimbursement for mileage (staff) ○ Gas cards are NOT eligible • Other costs: as approved in advance by the County
Other Program Costs
<ul style="list-style-type: none"> • General Liability Insurance: also includes automobile insurance • Office Internet, Space, Supplies, Utilities, and Phone: when directly attributable to the project <ul style="list-style-type: none"> ○ Office supplies are items that aid in the short-term operation of your organization. These items usually need to be refilled or replaced. These include items such as printer ink, paper clips, paper, pens, staples, record keeping supplies, janitorial supplies, break room supplies, etc. • Training or Conferences: related to service delivery, including travel and per diem • Other costs as approved by the County.
Facility Support
Lease Payments
<ul style="list-style-type: none"> • Lease/Rent on Facility: Cost of lease/rent for a facility used as emergency shelter. • Hotel/Motel: When used as shelter or waiting for an HQS inspection on a unit. • Move-in Costs to Permanent Housing: Cost of security deposit, first/last month's rent to secure a permanent housing unit • Other costs: as approved in advance by the County
Other Facility Costs
<ul style="list-style-type: none"> • Facility Equipment and Supplies: Essential items for the operation of shelter such as common-use toiletries, bedding, mats, cots, towels, microwave, etc. • Facility Janitorial: Salaries and benefits associated with providing building janitorial services • Facility Maintenance and Repairs: Includes janitorial/cleaning supplies, pest control, fire safety, materials and contract or staff maintenance salaries/benefits associated with providing the maintenance, mileage for maintenance staff <ul style="list-style-type: none"> ○ 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. • Facility Security: Salaries and benefits associated with providing building security • Food Served in Facility • Off-site and Residential Facility Management Fees: Related to the operation of the emergency shelter

<ul style="list-style-type: none"> • Other Costs to Secure Permanent Housing: Includes application fees, background checks, credit check fees, utility deposits, and costs of urinalyses for drug testing of household members if necessary/required for housing • Property Insurance: For the emergency shelter building (mortgage insurance is not eligible) • Transportation to the Facility: Directly related to the transportation of eligible households (bus tokens/tickets, fuel for shelter van) • Utilities: Includes gas/propane, phone, electric, internet, water and sewer, garbage removal • Other costs: as approved in advance by the County
Administrative Expenses
<p>Administrative Expense are costs an organization incurs that are not directly charged to a specific function or program but are related to the organization as a whole. Administrative Expenses may not exceed 10% of the Direct Program costs (Rental Assistance + Program Operations). Costs may include:</p> <ul style="list-style-type: none"> • Advertising • Communications • Facilities Maintenance & Repairs • Insurance • IT Support, Software, Computer Equipment • Machinery & Equipment • Office & Operating Supplies <ul style="list-style-type: none"> ○ Office supplies are items that aid in the short-term operation of your organization. These items usually need to be refilled or replaced. These include items such as printer ink, paper clips, paper, pens, staples, record keeping supplies, janitorial supplies, break room supplies, etc. • Personnel Salaries & Benefits, including: <ul style="list-style-type: none"> ○ Executive Staff ○ Human Resources ○ Accounting ○ Legal • Professional Services • Public Utilities • Small Tools & Minor Equipment • Other costs: as approved in advance by the County

6.5.3 INDIRECT COSTS

Indirect costs eligibility varies by funding source. Indirect costs are eligible within DRF funding awards. Indirect costs are not eligible expenses under CHG funding.

Service providers with an approved federally negotiated indirect cost rate may charge Indirect Costs to their awards. Indirect costs are defined at [2 CFR 200.413](#) and [200.414](#). Service providers that do not have an approved federally negotiated indirect cost rate may charge an Indirect Costs rate of 10% of modified total direct costs, per [2 CFR 200.414\(f\)](#). Service providers may not apply indirect costs to rental assistance or leasing costs.

6.5.4 SUBMITTING FOR COST REIMBURSEMENT

Pierce County administers its grants on a cost reimbursement basis only. Service providers may only request reimbursement for eligible costs (as defined in this section, by fund source) and for which they

have included in their contract budget. Requests for reimbursement must be submitted on the County-provided invoice document, called a Contract Payment Request form (CPR). CPRs must be submitted to PCCCHMLSInv@piercecounitywa.gov within 21 working days following the month in which the expenditures were incurred. The submission of incomplete or inaccurate information may delay the reimbursement process.

The expectation for supporting documentation for reimbursement of costs will be determined by the service provider's fiscal and accounting infrastructure:

- **For service providers that have an accounting system or software** that produces expense reports, the expectation would be an expense report with all costs easily identified, where costs requested for reimbursement are clearly classified from other agency costs, is required. Attach this report to the reimbursement request. The Provider will retain documents and actual receipts reflected in the expense report and be available for monitoring from Pierce County Human Services Contract Monitors, State Auditors and Federal Reviews as applicable.
- **For Providers that do not have an accounting system or software** that produces expense reports, the expectation is copies of receipts, and paid invoices will be provided with each payment request. The Provider will retain the original documents and actual receipts to be available for monitoring from Pierce County Human Services Contract Monitors, State Auditors and Federal Reviews as applicable.

All service providers are to complete the Salaries and Benefits Tab in the invoice template to clearly identify the portion of employee costs being requested. Proof that employees worked for the agency during the time period of the reimbursement request is required, so pay stubs (redact personal information) or a payroll report is required in addition to completing the Salaries and Benefits tab.

6.6 ADDITIONAL RESOURCES

6.6.1 RELATED MANUALS AND RESOURCES

Resource	Link
Washington State Department of Commerce 2019 Consolidated Homeless Grant Guidelines	https://www.commerce.wa.gov/serving-communities/homelessness/consolidated-homeless-grant/
Rent Reasonableness & FMR Guide	https://files.hudexchange.info/resources/documents/CoC-Rent-Reasonableness-and-FMR.pdf

6.6.2 REQUIRED FORMS

Form	Appendix Item
HUD Rent Reasonableness Checklist & Certification Form	B-3
CHG-FUNDED PROGRAMS Where appropriate, CHG forms may be utilized with other funding sources.	
CHG Verification of Household Eligibility and Income Recertification Form	C-2
CHG Income Eligibility Worksheet	C-3
CHG Self-Declaration of Housing Status or No Income Form	C-5
CHG Certification of Payment Obligation/Potential Eviction from Friend/Family Form	C-8

6.6.3 REFERENCED APPENDICES

Item	Appendix Item
HUD Homeless Definition & Documentation Resource	A-2
HQS Pre-Inspection Checklist	B-2