

## CHAPTER 3-000 EMERGENCY SHELTER GRANTS PROGRAM

3-001 Scope: These regulations govern the grants made from the Emergency Shelter Grants Program (ESGP). The grants are used for:

1. The rehabilitation or conversion of buildings for use as emergency shelter for the homeless;
2. The payment of certain operating expenses and essential services in connection with emergency shelters for the homeless; and
3. Homeless prevention activities.

The program is designed to be the first step in a continuum of assistance to enable homeless individuals and families to move toward independent living as well as to prevent homelessness.

3-001.01 Definitions: For use within the Emergency Shelter Grants Program, the following definition of terms will apply.

Administrative Costs: The costs associated with accounting for the use of grant funds, preparing reports for submission to HUD, obtaining program audits, similar costs related to administering the grant after the award, and staff salaries associated with these administrative costs. Administrative costs do not include the costs of carrying out eligible activities under 462 NAC 3-002.

Conversion: The change in the use of a building to an emergency shelter for the homeless, where the cost of conversion and any rehabilitation costs exceed 75 percent of the value of the building after conversion.

Emergency Shelter: Any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless.

Essential Services: Services concerned with employment, health, drug abuse, and education and may include (but are not limited to):

1. Assistance in obtaining permanent housing;
2. Medical and psychological counseling and supervision;
3. Employment counseling;
4. Nutritional counseling;
5. Substance abuse treatment and counseling;
6. Assistance in obtaining other federal, state, or local assistance including mental health benefits, employment counseling, medical assistance, Veteran's benefits, and income support assistance such as Supplemental Security Income benefits, Aid to Dependent Children, General Assistance, and Food Stamps;

7. Other services such as child care, transportation, job placement and job training; and
8. Staff salaries necessary to provide the previously listed services.

Homeless Prevention: Activities or programs designed to prevent the incidence of homelessness, including but not limited to:

1. Short-term subsidies to defray rent and utility arrearages for families that have received eviction or utility termination notices;
2. Security deposits or first month's rent to permit a homeless family to move into its own apartment;
3. Mediation programs for landlord-tenant disputes;
4. Legal services programs for the representation of indigent tenants in eviction proceedings;
5. Payments to prevent foreclosure on a home; and
6. Other innovative programs and activities designed to prevent the incidence of homelessness.

Major Rehabilitation: Rehabilitation that involves costs in excess of 75 percent of the value of the building before rehabilitation.

Operating Costs: Expenses incurred by a recipient operating a facility with respect to:

1. The administration, maintenance, repair, and security of housing; and
2. Utilities, fuels, furnishings, and equipment for the housing.

Operations: Maintenance, rent, food, repair, security, fuel, equipment, insurance, utilities and furnishings. Staff salaries for operations management are limited to ten percent of the grant.

Rehabilitation: The labor, materials, tools, and other costs of improving building, other than minor or routine repairs. The term includes where the use of a building is changed to an emergency shelter and the cost of this change and any rehabilitation costs do not exceed 75 percent of the value of the building before the change in use.

Renovation: Rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation.

Value of the Building: The monetary value assigned to a building by an independent real estate appraiser, or as otherwise reasonably established by the grantee or the state recipient.

3-002 Eligible Activities: Emergency shelter grant amounts may be used for one or more of the following activities:

1. Rehabilitation
  - a. Moderate rehabilitation of a building in which case the site must serve homeless persons for at least three years;
  - b. Major rehabilitation or conversion of a building to a shelter in which case the site must serve homeless persons for at least ten years;

Note: Property acquisition and new construction are ineligible ESG activities;
2. Essential services, including supportive social services such as case management, counseling, health care, job training, education, and child care (limited to 30 percent of the grant except where HUD waives for good cause);
3. Operations; and
4. Homeless prevention.

3-003 Who May Carry Out Eligible Activities: All of a state's formula allocation, except for administrative costs, must be made available to the following entities:

1. Units of general local government in the state, which may include formula cities and counties even if the cities and counties receive grant amounts directly from HUD; or
2. Private nonprofit organizations.

Tribal entities may apply directly to HUD for ESG funds and are therefore ineligible to apply from the state program, but may apply jointly with a unit of local government.

3-004 Building Standards: Any building for which emergency shelter grant amounts are used for conversion, major rehabilitation, rehabilitation, or renovation must meet local government safety and sanitation standards.

For projects of 15 or more units, when rehabilitation costs are:

1. Seventy-five percent or more of the replacement cost of the building, the project must:
  - a. Be designed and constructed to be readily accessible to and usable for individuals with handicaps;
  - b. Have a minimum of five percent of the total dwelling units or at least one unit in a multifamily housing project (whichever is greater) that is accessible for persons with mobility impairments. An additional two percent of the units (at least one unit) in the project must be accessible for persons with hearing or vision impairments.
2. Less than 75 percent of the replacement cost of the building, any alterations in a multifamily housing project must, to the maximum extent feasible, be made to be readily accessible to and usable by individuals with handicaps. A recipient is not required to make modifications for handicap-accessibility if doing so would impose undue financial and administrative burdens on the operation of the multifamily housing project.

3-005 Grant Administration:

3-005.01 Method of Payment: Payments are made to a grantee upon its request after the grant agreement has been fully executed, and may include a working capital advance for 30 days' cash needs or an advance of \$5,000 whichever is greater. Thereafter, the grantee will be reimbursed for the amount of its actual cash disbursement.

3-005.02 Records Retention: Grantees must retain records for five years.

3-005.03 Sanctions: If the Department determines that a grantee is not complying with the requirements of the program, the Department may, at its discretion, terminate the grant immediately upon written notice to the grantee. The Department may, at its discretion, contract for provision of the services required to complete the contract and hold the grantee liable for all expenses incurred in completing the project.

Any funds that become available due to a sanction will be redistributed according to the allocation plan.

3-006 Consolidated Plan: The Department will include citizen participation and public involvement in preparation of the State Consolidated Plan.