



Connecticut Balance of State Continuum of Care

Ending Homelessness in Connecticut | Email: ctboscoc@gmail.com | Website: www.ctbos.org

MEMORANDUM

FROM: Steve DiLella, John Merz, Alice Minervino, and Monique Taylor (CT BOS Co-Chairs)

TO: CT BOS CoC & DOH ESG funded Provider Agencies

DATE: October 7, 2020

RE: Round Three of COVID-19 Related Waivers to CoC & ESG Requirements

Note: all blue underlined words throughout this document are live links. Clicking on the link will take you directly to the referenced document.

Dear Colleagues:

In light of the COVID-19 crisis, on [9/30/20 HUD released a new memo authorizing additional waivers](#) and extending existing waivers for the Continuum of Care (CoC) and Emergency Solutions Grant (ESG) programs. This new memorandum authorizes additional waiver flexibilities beyond those included in the [5/22/20 memorandum](#) and the [3/31/20 HUD memorandum](#). This CT BOS memo has been updated to include a summary of all ESG and CoC waivers from the three HUD memos, and information about how to use the waivers. We have also included information about new flexibilities made available through the [9/1/20 ESG CV Notice](#) for ESG funded RRH projects.

Waiver extensions and new waiver flexibilities and related instructions are indicated in **red text** throughout this memo. If your agency is a Connecticut Balance of State Continuum of Care (CT BOS CoC) grant recipient (i.e., your agency receives CoC funds directly from HUD and not through another agency), you must take the actions specified below to enable waiver use. **Grantees that wish to use the newly available waivers, must notify HUD of their intent to do so, even if they already submitted a notification of their intent to use the waivers that were made available under the two prior HUD memos.**

We strongly encourage all CT BOS CoC & DOH ESG funded provider agencies to carefully review the information contained in this memo. Please use the available flexibility to prevent the spread of COVID-19 and to facilitate assistance to eligible households, particularly those most vulnerable to exposure to and/or serious complications from COVID-19. Please do not hesitate to reach out to us at ctboscoc@gmail.com, if you have any questions.

Please note that DMHAS, DOH, and /or CTBOS may re-visit use of these waivers at a later date.

COC GRANTEES MUST NOTIFY HUD AND CT BOS OF INTENT TO UTILIZE WAIVERS.

The Connecticut Department of Housing (DOH) and Department of Mental Health and Addiction Services (DMHAS) previously notified HUD of their intent to use the two prior sets of waivers. Both agencies will notify HUD of their intent to use all newly available waivers. This notification covers all DMHAS and DOH CoC and ESG projects. Subrecipients of DMHAS and DOH CoC and ESG projects may already use the flexibility available through the two prior memos waivers and **may begin using the new waiver flexibility effective 10/7/20 for DOH projects and 10/9/20 for DMHAS projects.**

NOTE: DOH/DMHAS SUBRECIPIENTS SHOULD NOT SUBMIT WAIVER NOTIFICATIONS TO HUD.

Subrecipients of ESG funds administered by a recipient **other than DOH**, should coordinate with the relevant ESG recipient to determine what waivers they intend to use. The recipient of grant funds must notify Alanna Kabel (CPD Director of the Hartford Field Office) in writing no less than two calendar days before using the waiver flexibility. **This includes both the two prior sets of waivers and those that are newly available. WAIVER REQUESTS MUST BE SUBMITTED TO: CPD_COVID-19WaiverHAT@hud.gov.**

If your agency has a CoC grant agreement directly with HUD, you must submit a notification to HUD that you will be using the flexibility provided by the waivers and specify the waivers you will be implementing. **This includes both the original waivers and those that are newly available.** CT BOS has updated its [waiver notification template](#) to include the new waivers. Agencies that have a CoC grant agreement directly with HUD are encouraged to use the materials created by BOS.

HUD approval is not necessary – only notification. Providers can proceed to use the available waivers two calendar days after the grant recipient submits the notification to HUD. **Please also submit a copy of all waiver notifications submitted by your agency to HUD to CT BOS via the new Zengine database.** Linked here are instructions for [Creating an Account](#) and for [Submitting Documents](#). Choose “COVID Waiver Notification” as the document type when submitting.

COC GRANTEES WISHING TO USE WAIVERS MUST ADOPT CERTAIN POLICIES & MAINTAIN CERTAIN DOCUMENTATION

Certain agency policies are also required by HUD to enable use of COVID-19 waivers. The necessary content to enable use of the first two sets of waivers is included in the CT BOS Sample Emergency Operation Policy. **CT BOS has released an updated version of the [Sample Emergency Operation Policy](#).** HUD also requires special waiver-related record keeping in participant files. Details about what is required are included in sample policy linked above. **Grantees wishing to use the new waivers made available through the 9/30/20 HUD memo, must update their emergency policies.**

AVAILABLE WAIVERS

Please note that HUD has clarified that all applicable CoC waivers from both the 3/31/20 and 5/22/20 HUD memos and the new 9/30/20 HUD memo are also **available for YHDP projects**. HUD has also extended the applicable ESG waivers from the two prior and new HUD memos to ESG CARES Act funds.

1. Requirement to only rely on self-certification of income if the other permitted types of documentation are unobtainable is waived for CoC Projects.

Until 12/31/20, CoC projects may rely on participant self-certification of income when calculating participant rent without documenting that source documentation¹ of participant income or other third-party verification² of income was unobtainable. CT BOS, DMHAS, and DOH strongly encourage CoC projects to continue to obtain source or third-party documentation of income whenever possible. Grantees wishing to use this waiver must notify HUD even if they already notified HUD of their intent to use other waivers – see pages 1 and 2 for notification instructions.

2. Projects may use owner certification in lieu of initial HQS inspection.

Until 12/31/20, HUD has waived the requirement that CoC projects physically inspect to assure that units meet the Housing Quality Standards (HQS) before any assistance is provided. To use this waiver, recipients and subrecipients must meet the following criteria:

- a. The owner certifies that they have no reasonable basis to have knowledge that life-threatening conditions exist in the unit or units in question; and
- b. The recipient or subrecipient has written policies to physically inspect the unit within 3 months after health officials determine special measures to prevent the spread of COVID-19 are no longer necessary.

DOH and DMHAS will promptly adopt the required policy. That policy will cover subrecipients on DOH/DMHAS projects. Recipients (i.e., agencies that receive CoC/ESG funds directly from HUD) will need to either adopt the required policy and/or ensure that any relevant subrecipients have adopted such a policy. CT BOS has released an updated version of the [Sample Emergency Operation Policy](#). That sample policy includes the necessary content to enable use of this waiver. CT BOS encourages providers to take prompt action to house people during the crisis and not to delay implementation of these new procedures pending adoption of the required policy.

To ensure that participants are placed in safe and decent housing, CT BOS, DMHAS and DOH strongly encourage projects, whenever feasible, to conduct an initial visual HQS inspection using video streaming technology and/or photographic evidence. Note that the previous waiver allowing Initial Housing Quality Standards (HQS) inspections to be conducted remotely expired on 9/30/20; however, since the new 9/30/20 HUD memo waives the initial inspection

¹ Examples of source documentation of income include pay stubs and a Social Security award letter.

² Third party verification of income is a written statement by the relevant third party or written certification by intake staff of the relevant third party's oral verification of income.

requirement entirely, it remains allowable to conduct initial HQS inspections remotely using the types of technology noted above.

Grantees wishing to use this waiver, including those who intend to continue to conduct remote initial HQS inspections, must notify HUD even if they already notified HUD of their intent to use other waivers – see pages 1 and 2 for notification instructions. For consistency across funding streams, during the COVID-19 crisis, DOH is also enabling use of this waiver for ESG RRH.

3. Suitable dwelling size requirements waived for RRH

The requirement that each unit assisted have at least one bedroom or living/sleeping room for each two persons is waived for RRR leases executed between 9/30/20 and 12/31/20. This waiver extends until the later of 1) the end of the initial term of the lease; or 2) 12/31/20.

This waiver is intended to address the reality that households experiencing homelessness are often unable to afford housing and that accessing housing as an alternative to congregate shelter reduces the spread of COVID-19. This waiver is intended to allow households to obtain permanent housing that is affordable and that they assess is adequate. As a reminder, recipients are still required to follow any State and local occupancy requirements.

CT BOS, DMHAS, and DOH urge RRH projects to use caution when exercising this waiver authority and to assist participant households to take the necessary precautions to prevent the spread of COVID-19. This might include, for example, applying the waiver only to units that will house one family household and/or portioning units for privacy and distancing.

Grantees wishing to use this waiver must notify HUD even if they already notified HUD of their intent to use other waivers – see pages 1 and 2 for notification instructions. This waiver does not apply to ESG RRH, because DOH has not imposed suitable dwelling size restrictions for that program.

4. Homeless status is retained for up to 120 days for people exiting an institution.

An individual may qualify as homeless under HUD homeless category number one (i.e., literally homeless) as long as they are exiting an institution where they resided for 120 days or less and resided in an emergency shelter or place not meant for human habitation immediately before entering that institution. This waiver is in effect for both CoC and ESG projects until 3/31/21.

This waiver only applies to HUD homeless category number one (i.e., literally homeless). There is no waiver available that extends beyond 90 days the period during which chronic or DedicatedPLUS homeless status is retained during brief institutional stays.

Grantees wishing to use this waiver must notify HUD even if they already notified HUD of their intent to use other waivers – see pages 1 and 2 for notification instructions.

5. Apply in the next CoC Competition based on the Budget Line Items before any amendment

All CoC projects that executed a grant agreement amendment in response to COVID-19 between March 31, 2020 and **December 31, 2020** to move funds between budget line items (BLIs) may apply in the next CoC Competition based on the BLIs before they were amended. HUD will consider any grant agreement amendment executed between these dates to move funds between BLIs in response to COVID as the required notification.

6. 24-month rental assistance restriction is waived for CoC and ESG Rapid Rehousing (RRH)

For ESG funded RRH, the ESG CV Notice established that program participants who receive the maximum amount of assistance (24 months within 3 years) between January 21, 2020 and March 1, 2021 may receive an additional 6 months of rental assistance and services.

For CoC RRH, beginning on 5/22/20 (assuming the required notification has been submitted to HUD) and until a state or local public health official has determined special measures are no longer necessary to prevent the spread of COVID-19, the **24-month rental assistance restriction is waived for CoC RRH**. Program participants who have reached 24 months of rental assistance during this time and who will not be able to afford their rent without additional rental assistance will be eligible to receive rental assistance until 3 months after a state or local public health official has made such a determination. Grantees wishing to use this waiver must notify HUD if they have not already – see pages 1 and 2 for notification instructions.

7. Minor change to DedicatedPLUS eligibility criteria

For DedicatedPLUS Permanent Supportive Housing (PSH) projects awarded in the 2018 and 2019 competitions, people who were chronically homeless prior to entering Transitional Housing (TH) will qualify as DedicatedPLUS regardless of whether or not the TH is being eliminated. The expiration date of this waiver will vary from project by project and will be determined by the end date of the grant awarded in the 2019 CoC competition. This waiver will expire for all projects during calendar year 2021. This is intended to remove any disincentive to using TH as a shelter decompression strategy, to expand permanent housing options for people exiting TH, and to prevent the spread of COVID-19 by making TH beds available to others who need it, including those living in unsheltered locations. Grantees wishing to use this waiver must notify HUD if they have not already– see pages 1 and 2 for notification instructions.

8. The requirement to re-inspect units annually is waived until 3/31/21.

For units that were already previously inspected and approved, neither a physical nor remote annual re-inspection is required during the waiver period. To ensure that units assisted through CoC funds provide safe, decent housing for project participants, projects should continue to

safely perform re-inspections as feasible during the crisis (e.g., using video technology). When projects are unable to perform such inspections (e.g., due to COVID-19 related staff re-assignments), staff should ask participants regularly about unit conditions and seek photo evidence as determined necessary and feasible. To reduce lead hazard risks, units constructed prior to 1978 housing a child under 6 years of age or a pregnant woman should be prioritized for reinspection. This waiver does not eliminate the requirement that landlords and tenants maintain units in a manner that is consistent with HQS. For consistency across funding streams, during the COVID-19 crisis, DOH is also enabling use of this waiver for ESG RRH.

CoC grantees wishing to use this waiver must notify HUD if they have not already – see pages 1 and 2 for notification instructions.

9. A written self-certification from the individual seeking Permanent Supportive Housing (PSH) assistance that they have a qualifying disability is acceptable to initiate assistance. This waiver has been extended until public health officials determine no additional special measures are necessary to prevent the spread of COVID-19.

PSH remains the most intensive and costly housing resource that CT BOS has available to help end homelessness. To ensure that this scarce resource continues to be used efficiently to assist only those with qualifying disabilities, DOH is requiring CANs to:

- Obtain third-party disability verification using the existing [CT Disabling Condition Verification Form](#) prior to admission whenever feasible. Use this waiver only as necessary to ensure that applicants suspected to have a qualifying disability are not prevented from accessing PSH when third-party disability verification is not available.
- For all participants for whom the above verification cannot be obtained, obtain documentation from an intake worker, case manager, CAN staff person, or referring agency staff person recording that they have observed a suspected qualifying disability.
- For all participants for whom neither the usual third-party disability documentation nor documentation of staff observation of a suspected qualifying disability is not immediately available, obtain a written self-certification from the individual seeking PSH assistance that they have a qualifying disability. Such self-certification is acceptable to initiate assistance, while the usual third-party or staff observation documentation is obtained.

When use of the existing [CT Disabling Condition Verification Form](#) is not feasible, all CANS and PSH projects are required by DOH and DMHAS to use the [CT Disabling Condition Form with COVID-19 Waiver Option](#).

PSH projects that admit a participant based on self-certification or worker observation of disability are **NOT** required to obtain third-party verification once the crisis is over. DMHAS is requiring projects that admit a participant based on self-certification to obtain worker observation of disability as soon as feasible. The requirements described above pertain to both individuals and families.

CoC grantees wishing to use this waiver must notify HUD if they have not already – see pages 1 and 2 for notification instructions.

10. The requirement that Rapid Re-housing (RRH) projects provide case management at least monthly is waived until 12/31/20

When feasible, DOH requires RRH projects to continue to provide case management at least monthly. Projects should provide case management services remotely whenever feasible. When face-to-face case management is determined by the project to be necessary, staff should follow Center for Disease Control (CDC) and local/state public health authorities' instructions to prevent the spread of the novel Coronavirus.

CoC Grantees wishing to use this waiver must notify HUD if they have not already – see pages 1 and 2 for notification instructions. HUD waived this requirement for ESG RRH projects through the [9/1/20 ESG CV Notice](#).

11. CoC & ESG RRH & PSH project units may have an initial lease term of any period that is at least one month until 12/31/20.

For example, during the waiver period, a **one-month initial lease** that then goes month-to-month would be allowable. This waiver is applicable to all initial leases executed during the waiver period, regardless of whether the lease term extends beyond 12/31/20. For example, it is allowable for a project to provide rental assistance for a unit with a 6-month lease that starts on 10/1/20 and expires on 3/31/21. CT BOS strongly encourages projects to help participants to secure a one-year initial lease whenever feasible. Please note that, regardless of the initial lease term, written executed leases remain a requirement. For consistency across funding streams During the COVID-19 crisis, DOH is also enabling use of this waiver for ESG RRH.

CoC grantees wishing to use this waiver must notify HUD if they have not already – see pages 1 and 2 for notification instructions.

12. The requirement that CoC Leasing project and ESG RRH project units must rent at or below FMR is waived until 12/31/20.

Projects must continue to document [rent reasonableness](#) based on three comparable units for all assisted units. In order to ensure efficient use of scarce resources and maximize RRH unit affordability once assistance ends, CT BOS strongly encourages projects to lease units above FMR only as necessary. Doing so will also help to ensure that after the waiver expires, participants can remain in their current unit without having to renegotiate the rent amount with the landlord. The FMR waiver applies to the lease term, i.e., projects can continue to pay the higher rent for units leased during the waiver period through the end of the lease term, even if that term extends beyond the waiver period. For example, a CoC Leasing project could continue to pay rent that exceeds FMR for a 12-month lease executed on 10/1/20 and expiring on 3/31/21. Please note

that, even prior to the waiver, CoC Rental Assistance projects were able to lease units above FMR as long as rent reasonableness is documented.

CoC grantees wishing to use this waiver must notify HUD if they have not already – see pages 1 and 2 for notification instructions.

13. Until 4/1/21 CoC projects may use funds on the Supportive Services Budget Line Item, to pay for up to 6 months for rental and utility arrears ONLY when such arrears prevent participants from obtaining housing.

CoC funds may not be used to pay for arrears to prevent eviction or utility shut-offs. Applicable circumstances in which CoC funds may be used to pay for arrears include:

- Paying utility arrears to enable a participant to obtain utilities in a newly leased unit.
- Paying rental arrears to a PHA or private landlord who requires such payment in order to lease a new unit to a participant.

Projects staff should keep informed regarding applicable moratoriums on evictions, filing, late fees, and utility shut-offs. Additional information regarding these protections is available here:

- CT [moratorium on utility shut-offs](#):
- CCEH Webinar on [Addressing Eviction and Discrimination Concerns](#) During the COVID-19 Crisis

Expenditures for utility and rental arrears would be made on the housing search and counseling line in the CoC Supportive Services Budget Line Item. Such expenditures would require the availability of funds on that Budget Line. Projects may need to make budget changes to enable such expenditures. If you are a subrecipient of CoC funds (i.e., you do not have a grant agreement directly with HUD), please coordinate with the grant recipient, which is typically either DOH or DMHAS, prior to making any changes.

Some projects may need to move funds to the Supportive Services Budget Line Item from another Budget Line Item (e.g., Rental Assistance). Below is information about what constitutes a significant and minor change and how to make each type of change.

Significant Changes:

- A shift of more than 10 percent from one approved Budget Line Item to another (e.g., from Rental Assistance to Supportive Services) is considered a significant change and requires a grant agreement amendment from HUD – see below.
- The addition of a new Budget Line Item (e.g., adding Supportive Service funds to a project that did not previously have such funds) is also considered a significant change and requires a grant agreement amendment from HUD.

Minor Changes:

- A shift of less than 10 percent of CoC Program funds from one Budget Line Item to another is considered a minor change and does not require HUD approval.
- However, the grant recipient must notify the field office of minor changes in order to update the budget in LOCCS.
- Recipients and subrecipients must also fully document minor changes to an approved grant in their project records.
- If your project has sufficient funds available on the Supportive Services Budget Line Item, but did not include housing search and counseling funds in the relevant project application, this would also be a minor change and you should follow the procedures outlined above.

In response to the COVID-19 pandemic, HUD's Office of Special Needs Assistance Programs (SNAPS) has developed an expedited process for amending CoC Program recipient grant agreements. Recipients who need grant agreement amendments to provide housing, services, or other necessities to support eligible clients can submit an amendment request using the process outlined on this page:

<https://www.hudexchange.info/programs/coc/covid-19-grant-agreement-amendments/>

Recipients must include documentation in their project files that supports the request for the grant agreement amendment. Recipients may extend their project's operating year to fully utilize awarded funds. The latest end date allowed for 2018 grants is 12/31/20. This permanently changes the grant's operating start date. Budget amendments in the first year of a CoC award are also allowed.

CoC grantees wishing to use this waiver must notify HUD if they have not already – see pages 1 and 2 for notification instructions.

See Attachment 1 starting on page 10 for an overview of the available waivers for CoC and ESG projects and the duration of each waiver.

A summary of additional ESG program flexibilities authorized in HUD's ESG CV Notice and not addressed in this memo can be found [here](#).

Attachment 1		
CoC and ESG Program Waivers for Covid-19		
Program Component/Budget Line Item Affected	Waived Requirement	Duration of Waiver
All CoC Projects	<i>Participant self-certification of income.</i> Requirement to only rely on self-certification of income if source and third-party documentation of income are unobtainable is waived.	Effective through 12/31/20
CoC Leasing and Rental Assistance Budget Line Items & ESG RRH	<i>Use owner certification in lieu of initial HQS inspection.</i> Requirement that CoC projects physically inspect to assure that units meet HQS before any assistance is provided is waived. To use this waiver, recipients and subrecipients must meet certain criteria (see page 3 for details).	Effective through 12/31/20
CoC RRH	<i>Suitable dwelling size requirements waived for RRH.</i> The requirement that each unit assisted have at least one bedroom or living/sleeping room for each two persons is waived for RRH leases executed between 9/30/20 and 12/31/20.	Extends until the later of 1) the end of the initial term of the lease; or 2)12/31/20.
All CoC Projects and ESG RRH	<i>Homeless status is retained for up to 120 days for people exiting an institution.</i> An individual may qualify as literally homeless as long as they are exiting an institution where they resided for 120 days or less and resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.	Effective through 3/31/21
CoC RRH Rental Assistance	<i>24-month Rental Assistance restriction.</i> Program participants who have reached 24 months of rental assistance and who will not be able to afford their rent without additional rental assistance will be eligible to receive rental assistance until 3 months after a state or local public health official has determined	Effective until 3 months after local/state determination

<p>ESG RRH Rental Assistance</p>	<p>that special measures to prevent the spread of COVID-19 are no longer necessary.</p> <p>The ESG CV Notice established that program participants who receive the maximum amount of assistance (24 months within 3 years) between January 21, 2020 and March 1, 2021 may receive an additional 6 months of rental assistance and services.</p>	<p>Applies to ESG RRH participants who receive the maximum amount of assistance (24 months within 3 years) between January 21, 2020 and March 1, 2021</p>
<p>All CoC Projects</p>	<p>Grant Amendments</p> <p>All CoC projects that amend their grant agreement in response to COVID-19 between March 31, 2020 and December 31, 2020 to move funds between budget line items may apply in the next CoC Competition based on the Budget Line Items before they were amended.</p>	<p>Applies to grant agreement amendments executed between 3/31/20 and 12/31/20</p>
<p>CoC Permanent Supportive Housing</p>	<p>Change to DedicatedPLUS Eligibility</p> <p>For Dedicated Plus projects awarded in the 2018 and 2019 competitions, people who were chronically homeless prior to entering TH will qualify as Dedicated Plus regardless of whether or not the TH is being eliminated.</p>	<p>Applies to Dedicated Plus projects awarded in the 2018 and 2019 competition – expiration date varies by project and is determined by grant end date.</p>
<p>CoC Leasing Budget Line Item</p>	<p>FMR for Individual Units and Leasing Costs</p> <p>Units assisted under leasing may rent for more than the applicable FMR provided that the rent passes rent reasonableness test.</p>	<p>Effective through 12/31/20</p>
<p>CoC Permanent Supportive Housing</p>	<p>Disability Documentation for PSH</p> <p>Disability determination can be based solely on staff-recorded observation of disability. Other documentation does not have to be provided within 45 days. A written certification by the individual seeking assistance that they have a qualifying disability is acceptable documentation to initiate assistance.</p>	<p>Effective until public health officials determine no additional special measures are necessary to prevent the spread of COVID-19</p>
<p>CoC Supportive Services Budget Line Item</p>	<p>Limit on Eligible Housing Search and Counseling</p>	<p>Effective through 3/31/21</p>

	CoC Program funds may be used for up to 6 months of a program participant’s utility arrears and up to 6 months of program participant’s rent arrears, when those arrears make it difficult to obtain housing.	
CoC & ESG Rapid Rehousing	<i>RRH Monthly Case Management</i> Program participants are not required to meet at least monthly with their case manager.	Effective through 12/31/20
CoC Leasing and Rental Assistance Budget Line Items & ESG RRH	<i>HQS Re-Inspection of Units</i> Requirement to annually reinspect for HQS is waived	Effective through 3/31/21
CoC Permanent Supportive Housing & CoC & ESG Rapid Re-Housing	<i>One-Year Lease Requirement.</i> Initial term of all leases must now be at least one month.	Effective through 12/31/20