



# ESG-CV Notice Information Session for Puerto Rico

December 8, 2020



# Housekeeping

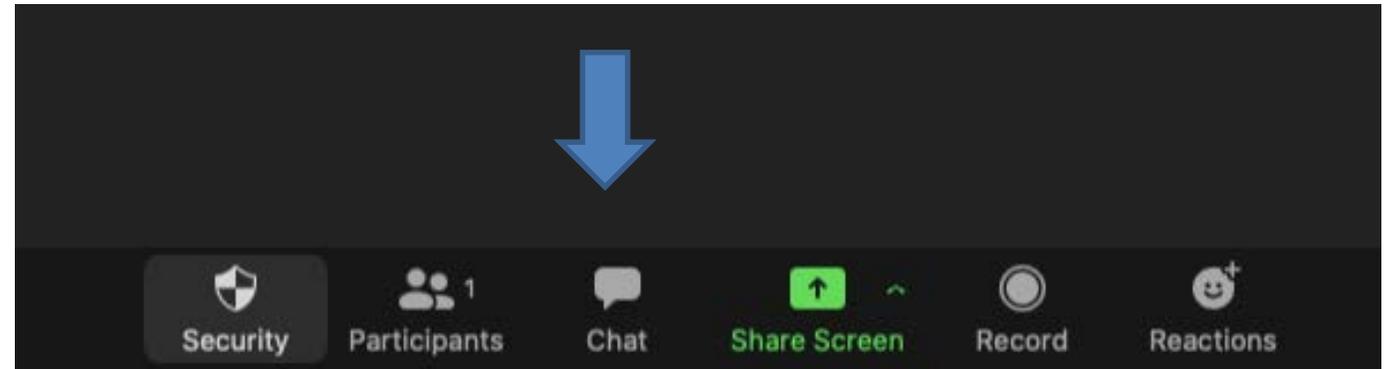
- To join the webinar via the phone, please dial: +1 939-945-0244
- A recording of today's session, along with the slide deck and a copy of the Chat and Q&A content will be posted to the HUD Exchange within 2-3 business days
- Event information for upcoming Office Hours, along with copies of all materials can be found here:

<https://www.hudexchange.info/homelessness-assistance/diseases/#covid-19-webinars-and-office-hours>

# To Ask Questions

Select the Chat icon to make a comment or ask a question.

Be certain the “To” field is set to **Everyone**



# Introductions : U.S. Department of Housing and Urban Development

## **Office of Community Planning and Development, Puerto Rico Field Office**

- Olga De la Rosa Andújar, Director
- Wilfrido Ortiz, Senior Community Planning and Development Representative

## **Office of Special Needs Assistance Programs**

- Marlisa Grogan

## **Office of Community Planning and Development, Philadelphia Field Office**

- Mandy Wampler, Program Manager



# Resource Advisors

Darlene Matthews, HUD Technical Assistance,  
Nora Lally, HUD Technical Assistance, Homebase  
Alicia Lehmer, HUD Technical Assistance, Homebase



# Session Purpose & Goals

## Purpose

- Organized by your HUD Office for ESG-CV Recipients and Subrecipients in Puerto Rico.
- It builds upon the basic ESG-CV Notice requirements covered in the September 3, 2020 webinar that are particularly relevant for Puerto Rico

## Goals

- Provide more detailed guidance on the waivers and alternative requirements established in the ESG-CV Notice relevant to Puerto Rico
- Provide time for questions & answers

# Key Areas

- Clarification on ESG-CV *preventing, preparing or responding to* coronavirus requirements
- Progressive expenditure deadlines & recapture provisions
- Additional eligible activities
- Match requirements
- Reporting requirements

# Important Terms

**ESG** = Emergency Solutions Grant

**ESG-CV** = Emergency Solutions Grant under the Cares Act

**Recipient** – the unit of government who receives the ESG-CV grant (city, county, state, territory).

**Subrecipient** – the entity who receives funding from the recipient (generally a provider but may be a “pass through” entity).

**Sub-subrecipient** – an entity who receives funding from the subrecipient (always a housing/service provider)

# Prevent, Prepare, Respond to coronavirus



# Definitions

***Prevent...coronavirus:*** Activities designed **to prevent the initial or further spread of the virus** to people experiencing homelessness, people at risk of homelessness, recipient or subrecipient staff, or other shelter or housing residents.

***Prepare for...coronavirus:*** Activities carried out by a recipient or subrecipient prior to or during a coronavirus outbreak in their jurisdiction **to plan to keep people healthy and reduce the risk of exposure** to coronavirus and avoid or slow the spread of disease.

***Respond to coronavirus:*** Activities **carried out once coronavirus has spread** to people experiencing homelessness, provider staff, or once individuals and families lose or are at risk of losing their housing as a result of the economic downturn caused by coronavirus.

# Prevent, Prepare & Respond to Coronavirus Summary

	Explanation	Examples
<b>Prevent</b>	Activities designed to prevent the initial or further spread of the virus to people experiencing homelessness, people at risk of homelessness, recipient or subrecipient staff, or other shelter or housing residents' event	<ul style="list-style-type: none"> <li>• Providing Personal Protective Equipment (PPE) to staff and program participants</li> <li>• Paying for non-congregate shelter options such as hotels and motels</li> <li>• Paying for handwashing stations and portable toilets for use by people living in unsheltered situations</li> <li>• Providing rapid re-housing or homelessness prevention assistance to individuals and families who are homeless or at risk of homelessness (as applicable) to reduce their risk of contracting or further spreading the virus</li> </ul>
<b>Prepare</b>	Activities carried out by a recipient or subrecipient prior to or during a coronavirus outbreak in their jurisdiction to plan to keep people healthy and reduce the risk of exposure to coronavirus and avoid or slow the spread of disease	<ul style="list-style-type: none"> <li>• Updating written standards to prioritize people at severe risk of contracting coronavirus for shelter and housing consistent with fair housing and nondiscrimination policies</li> <li>• Adapting coordinated entry policies and procedures to account for social distancing measure or increased demand</li> <li>• Developing a strategy and recruiting landlords to provide housing to people experiencing homelessness or at risk of homelessness</li> <li>• Training homeless providers on infectious disease prevention and mitigation</li> <li>• Implementing a non-congregate shelter strategy to reduce the spread of coronavirus</li> </ul>
<b>Respond</b>	Activities carried out once coronavirus has spread to people experiencing homelessness, provider staff, or once individuals and families lose or are at risk of losing their housing as a result of the economic downturn caused by coronavirus	<ul style="list-style-type: none"> <li>• Transporting individuals and families experiencing homelessness to medical appointments</li> <li>• Paying for shelter to isolate individuals who have contracted coronavirus from other program participants and people experiencing homelessness</li> <li>• Providing rental assistance to those at risk of losing their housing, who have become homeless, or continue to experience homelessness due to the economic downturn caused by coronavirus</li> <li>• Providing hazard pay to recipient or subrecipient staff who put their own health at risk to continue to provide necessary services to individuals and families experiencing and risk of homelessness</li> </ul>

# Explanation

- Activities do not need to accomplish all three categories – just one
- Consider both public health needs as well as addressing economic impact caused by coronavirus
- Connection to coronavirus response is at the activity level, not at the household level

# Documenting "Prevent, Prepare for, or Respond to"

- Document how funds are being used to prevent, prepare for, and respond to coronavirus in the activity description on the Activity Screen in IDIS:

**Activity Description:**

Annual ESG - non-COVID response:  
\$50,000 from the 2019 Emergency Shelter activity is budgeted for shelter operations

Annual ESG - COVID response:  
\$24,000 from the 2019 Emergency Shelter activity has been reprogrammed for coronavirus response. These funds will be used to prevent, prepare for, and respond to coronavirus by enhancing shelter sanitation per local public health infection control guidelines. Funds will also be used for personal protective equipment and hygiene supplies.

Save | Cancel

- Maintain adequate documentation in program/project files demonstrating when state or local government began preparing for coronavirus.

# Important Dates



# Initial Date of Coronavirus Preparation

## **Date of Cost Eligibility (Pre-Award Costs)**

- May use ESG-CV funds to reimburse costs incurred as of the date the State or unit of local government began preparing for coronavirus
- Recipients must document when they began preparing for coronavirus (notes on formal planning meetings or calls; screenshot of calendar invite)
- Date must be on or after January 21, 2020

# Obligation & Expenditure Deadlines

## Obligation (States)

- **180 days** to obligate funds will carry out directly.
- **Up to 240 days** to obligate ESG-CV funds to subrecipients when more time is needed because it plans to identify and select new subrecipients
- Program records must describe changes recipient plans to identify and select new subrecipients and why extension is necessary.

## Expenditure Deadlines

- All ESG-CV funds must be expended on eligible costs by **September 30, 2022**
- Recipients should expend at least **20 percent** of their total award by **September 30, 2021** (or HUD may recapture up to 20%)
- Recipients should expend at least **80 percent** of their total award by **March 31, 2022** (or HUD may recapture up to 80%)

# Recapture Provisions

HUD may recapture up to **20 percent** of a recipient's total award, including first and second allocation amounts, if the recipient has not expended at least 20 percent of that award by **September 30, 2021**.

HUD may recapture up to **80 percent** of a recipient's total award, including first and second allocation amounts, if the recipient has not expended at least 80 percent of that award by **March 31, 2022**.

Prior to recapturing funds as described above, HUD will follow the enforcement process described in 24 CFR 576.501 and provide the recipient with an opportunity to provide a spending plan demonstrating that all of the recipient's ESG-CV funds will be expended by September 30, 2022.



# Infection Control & Winter Planning



# Using ESG-CV to Plan for Winter

- Coordinate with Public Health Partners to plan for winter
- Purchase PPE for staff and clients
- Keeping shelters at decompressed levels will be important in colder months
- Setting up non-congregate shelter will be important to prevent outbreaks in the homeless population

# NON-CONGREGATE APPROACHES TO SHELTERING FOR COVID-19 HOMELESS RESPONSE

- Puerto Rico should strongly consider non-congregate sheltering options in their response to COVID-19
- Non-congregate shelter can take many forms including hotels, dormitories etc
- CoCs should ensure that people who are homeless who are elderly and/or with medical vulnerabilities are included in non-congregate sheltering approaches
- Work with public health to prioritize people experiencing homelessness for non congregate shelter
- Non-congregate shelter is an eligible ESG CV activity

# Additional ESG-CV Eligible Activities



# Additional Eligible Activities

Temporary  
emergency  
shelter

Landlord  
Incentives

Volunteer  
incentives\*

Handwashing stations  
and portable  
bathrooms\*

Training\*

Hazard Pay\*

\*These activities are not covered in detail on this webinar. Refer to the notice of the 9/3 webinar for additional details.

# Temporary Emergency Shelter Funded with ESG

When unable to meet ESG habitability requirements for emergency shelter, structure or portion of a structure may be eligible or temporary emergency shelter if...	
<input checked="" type="checkbox"/>	Used for response to a natural disaster or public health emergency
<input checked="" type="checkbox"/>	Local public health official determined that temporary emergency shelter is necessary for community's coronavirus response
<input checked="" type="checkbox"/>	In use only for the period of time needed for coronavirus response. Time limited to January 31, 2022 unless HUD grants an exception.
In general, a temporary emergency shelter must be able to meet a person's basic needs, including...	
<input checked="" type="checkbox"/>	Protection from inclement weather that provides cover on all sides and overhead;
<input checked="" type="checkbox"/>	Space to sleep and rest, which include sleeping accommodations (e.g., mat, cot, bed, etc.) for structures that provide overnight shelter.
<input checked="" type="checkbox"/>	Access to sanitary facilities for hygiene and toileting

# Alternative Approaches to Winter Sheltering

COVID-19

## Alternative Approaches to Winter Sheltering During COVID-19

Due to current community spread of COVID-19, local facilities normally available to prevent death from exposure for people experiencing homelessness are more limited. Houses of worship, recreation centers, and similar facilities heavily dependent on volunteers may not be options this upcoming winter season. The framework below provides a graduated approach to sheltering from life-threatening temperatures and regular seasonal weather. Coordination with local public health and emergency management partners is essential in design, resource investment, and staffing considerations:

FACILITIES/SPACES TO CONSIDER		
Good Approach Temporary or Converted Spaces	Better Approach Semi/Congregate Shelter Spaces	Best Practice Approach Private Individual Rooms
<ul style="list-style-type: none"> <li>Temporarily repurposed public spaces such as municipal service buildings, libraries, recreation centers</li> <li>Community based private spaces such as faith-based sanctuaries or basements</li> <li>Pop up structures such as military tents that can serve ten or more people</li> </ul>	<ul style="list-style-type: none"> <li>Dedicated shelters such as Crisis Beds</li> <li><b>Medical Respite sites</b></li> <li><b>Single Room Occupancy</b> (with shared bathrooms and eating areas)</li> <li>Repurposed residential facilities not traditionally used for sheltering households experiencing homelessness</li> <li><b>Safe Havens</b>, private or semi-private spaces</li> </ul>	<ul style="list-style-type: none"> <li><b>Non congregate shelter</b> (NCS) such as hotels, motels, dorm rooms with individual bathrooms</li> <li><b>Isolation and Quarantine spaces</b> (I/Q) that offer separation for people who are sick or exposed to COVID-19</li> </ul>
ATTRIBUTES OF THE SPACE		
Good Approach	Better Approach	Best Practice Approach
<ul style="list-style-type: none"> <li>Protects participants from inclement weather</li> <li>Maintains CDC <b>social distancing</b> requirements</li> <li>Cleaning regimen in place to reduce disease spread</li> <li>Participants are provided a safe place to sleep and rest</li> <li>Portable heating and cooling units</li> <li>Primary focus is preventing death from life-threatening weather conditions</li> </ul>	<ul style="list-style-type: none"> <li>Protects participants from inclement weather</li> <li>Maintains CDC <b>social distancing</b> requirements</li> <li>Cleaning regimen in place to reduce disease spread</li> <li>Participants are provided a safe place to sleep, rest, and eat</li> <li>Space is heated or cooled as appropriate</li> <li>Overnight, daytime or 24-hour access</li> <li>Provides access to sanitary, private, and operational toilets and handwashing</li> </ul>	<ul style="list-style-type: none"> <li>Individual bedroom (walls on all sides, door)</li> <li>Maintains CDC <b>social distancing</b> requirements by offering private spaces for each household</li> <li>Cleaning regimen in place to reduce disease spread</li> <li>Meal service/preparation can be congregate or within the room when possible</li> <li>Units are heated or cooled as appropriate</li> <li>Individual bathroom</li> </ul>

resource is prepared by technical assistance providers and intended only to provide guidance. The contents of this document, except when based on statutory or regulatory authority, do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

- Facilities/Spaces to Consider
- Attributes of the Space
- Programmatic Considerations
- COVID-19 Considerations
- Funding Considerations

# Temporary Emergency Shelter

In addition to all eligible costs under the ESG Emergency Shelter component, funds may also be used to pay for:

- Acquisition of real property (up to \$2.5 million per real property)
- Services, including
  - Essential services (576.102(a)(1))
  - Housing search and placement services (576.105(b)(1))
  - Housing search and counseling services (578.53(e)(5))
- Other shelter costs HUD approves in writing

Additional requirements for temporary emergency shelters are established in Section III.E.3.a of the Notice.

# Temporary Emergency Shelter

Alternative Requirements	Minimum period of use <b><u>does not</u></b> apply
<b>Environmental Review</b>	Requirements <b><u>do not</u></b> apply – <b>document that local public health determined temporary emergency shelter is necessary</b>
<b>Shelter Habitability Standards</b>	Standards <b><u>do not</u></b> apply
<b>Lead Based Paint Requirements</b>	Standards <b><u>do</u></b> apply
<b>Nondiscrimination and Accessibility Requirements</b>	Requirements <b>DO</b> still apply, including the Fair Housing Act; Section 504 of the Rehabilitation Act, the Americans with Disabilities Act  <b>Note: Structures such as trailers or other non-conventional shelter structures must meet ADA requirements in order to be eligible</b>

# Landlord Incentives

- Funds may be used to pay for landlord incentives that are reasonable and necessary to obtain housing for individuals and families at risk of or experiencing homelessness.
- A recipient may not use ESG-CV funds to pay the landlord incentives an amount that exceeds three times the rent charged for the unit.
- Eligible landlord incentive costs include:
  - Signing bonuses equal to up to 2 months of rent;
  - Security deposits equal to up to 3 months of rent;
  - Paying the cost to repair damages incurred by the program participant not covered by the security deposit or that are incurred while the program participant is still residing in the unit; and,
  - Paying the costs of extra cleaning or maintenance of a program participant's unit or appliances.

# Landlord Incentives

- Only apply in Rapid Re-Housing and Homeless Prevention components
- Linked to assistance provided per household
- Not intended to hold open specific units (this would be project-based rental assistance, which is eligible under ESG)
- Can be used with other funding (e.g., CoC, CDBG-CV, CRF) so long as there isn't a duplication of benefits and all applicable ESG requirements are met



# **Waivers & Alternative Requirements (Flexibilities & Limitations)**

# Flexibilities

- **Match Requirement—Waived.**
- At Risk of Homelessness Definition—Income limit raised from 30 percent to the Very Low-Income limit of the area.
- Emergency Shelter & Street Outreach Cap— Waived.
- Administrative Cap—Waived.
- Recipient may use up to 10 percent of total ESG-CV grant for administrative costs specified in 24 CFR 576.108.
- Fair Market Rent Limit—Waived. Units must still meet Rent Reasonableness standards.

# Flexibilities

- Shelter Standards—Waived for temporary emergency shelter activities used to prevent, prepare for, and respond to coronavirus.
- Environmental Review Requirements—Waived for temporary emergency shelter activities used to prevent, prepare for, and respond to coronavirus.
- Hotel/Motel Costs—Funds may be used to pay for the following hotel/motel costs for individuals and families 1) experiencing homelessness, 2) receiving rapid rehousing (RRH) assistance under the CoC or ESG programs, 3) receiving homelessness prevention (HP) assistance under the ESG program, or 4) residing in permanent supportive housing.

# Flexibilities: Hotel/Motel

- Hotel/motel costs may include:
  - Renting hotel or motel room directly or through a hotel or motel voucher;
  - Cleaning of hotel or motel rooms used by program participants;
  - Repairs for damage caused by program participants above normal wear and tear of the room (could include bedbugs or other pest remediation)
- Hotel/motel costs can be provided **under ES component** to individuals and families:
  - Experiencing homelessness;
  - Receiving rapid re-housing assistance under the Continuum of Care (CoC) or ESG programs;
  - Receiving homelessness prevention under the ESG program; or
  - Residing in permanent supportive housing

# Flexibilities: Hotel/Motel

- Cannot use Rapid Re-housing or Homelessness Prevention funding to place an individual or family in a hotel or motel – eligible component is limited to Emergency Shelter
- Can use Emergency Shelter funds to place households assisted with RRH, HP, PSH who need to be isolated, quarantined, or otherwise protected from COVID
- All rental assistance requirements under the Rapid Re-housing and Homelessness Prevention components need to be met (e.g., lease, rental assistance agreement, habitability, rent reasonableness, etc) to use ESG or ESG-CV for this purpose

# Flexibilities

- Homeless Management Information System (HMIS) Lead Activities—Recipients may pay for HMIS Lead activities specified in 576.107(a)(2) even when not the HMIS Lead.
- Consultation with the Continuum of Care (CoC)—Waived.
- Coordination with Other Targeted Homeless Services—Waived.
- System and Program Coordination with Mainstream Resources—Waived.
- Extension of RRH and HP Assistance—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.

# Flexibilities

- Procurement—Recipient may deviate from applicable procurement standards when procuring goods to prevent, prepare for, or respond to coronavirus. Recipient must establish and maintain documentation on alternative procurement standards.
- Program Income (PI)—Waived. Defined at 2 CFR 200.80, PI includes: 1) any amount of a security or utility deposit returned to recipient/subrecipient, and 2) costs incidental to generating PI and not charged to the ESG-CV grant/subgrant may be deducted from gross income to determine PI. PI may be treated as an addition to the recipient's/subrecipient's grant/subgrant, provided PI is used in accordance with the purposes and conditions of that grant/subgrant. PI otherwise must be deducted from allowable costs as provided by 2 CFR 200.307(e)(1).

# Limitations

Applicable to ESG-CV activities included in a substantial amendment or annual action plan for which HUD completed its review on or after September 1, 2020 (effective date of the ESG-CV Notice)

- Medium-term Rental Assistance limited to 3-12 months instead of 3-24 months.
- Emergency Shelter activities may be provided only until January 31, 2022

# Additional Assistance or Flexibilities

- Waiver Requests (statutory and regulatory) – include:
  - Description of project
  - Citation to statutory and regulatory requirements requesting to waive
  - Explanation of reasons for good cause for waiver
  - How waiver is necessary to prevent, prepare for, and respond to COVID
- Requests to extend January 31, 2022 time limit for Temporary Emergency Shelter
- Request to expend funds on other Temporary Emergency Shelter costs not already identified in the ESG-CV Notice

# ESG-CV Reporting



# ESG-CV Reporting

- **Quarterly** reports submitted through Sage
- Uses HMIS data & expenditure information
- **Annual** CAPERs also required (due 180 days from end of program year)

# Roles – Related to Data



## Recipient

CONTRACTS FUNDING TO PROVIDERS  
ENTERS DATA IN SAGE FOR SAGE

## Direct Service Provider (Subrecipient or Sub-subrecipient)

ENTERS DATA IN HMIS OR COMPARABLE DATABASE

## HMIS Lead Staff OR Victim Service Provider

GENERATES CSV REPORT FROM THE HMIS OR COMPARABLE DATABASE  
AND UPLOADS TO SAGE



## Recipient

RECEIVES CSV REPORTS IN SAGE, REVIEWS THE  
INFORMATION & SUBMITS THE ESG-CV REPORT TO HUD

# Grant Management Considerations



# Grant Management

- Ensure your ESG program has sufficient administrative capacity and staffing - use the additional administrative funds provided via ESG-CV to ramp up.
- Staffing increases will help to ensure effectiveness in grant management, especially in circumstances where States are hoping to expand the pool of subrecipients to include those who do not have experience with ESG.
- Overhead costs associated with increasing admin staff are also eligible; if overhead costs (laptops, cell phones, etc.) are for staff carrying out ESG program activities (ES, SO, RRH, HP), charge those costs to the applicable component

# Q & A

