



Office Hours: ESG-CV Notice

September 3, 2020



Housekeeping

- 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:

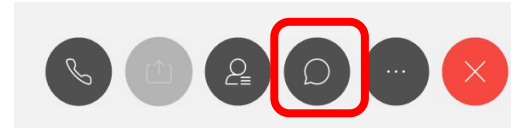
<https://www.hudexchange.info/homelessness-assistance/diseases/#covid-19-webinars-and-office-hours>

- To join the webinar via the phone, please call in using:
1-855-797-9485 Access code: 171 573 8431



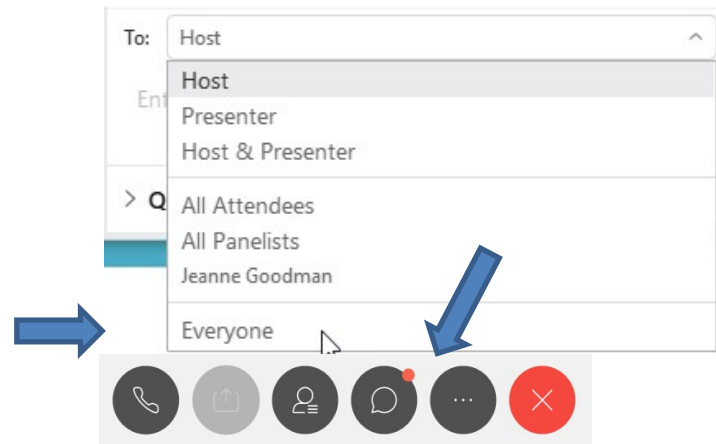
Chat Feature

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



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

An orange dot on the Chat icon indicates that you have unread messages.



Speakers & Resource Advisors

Department of Housing and Urban Development

- Office of Special Needs Assistance Programs
 - Norm Suchar
 - Brett Esders
 - Marlisa Grogan
 - Ebony Rankin
- Mandy Wampler, Program Manager, Philadelphia Field Office
- Lauren Hayes Knutson, CPD Program Environmental Clearance Officer, Office of Environment and Energy



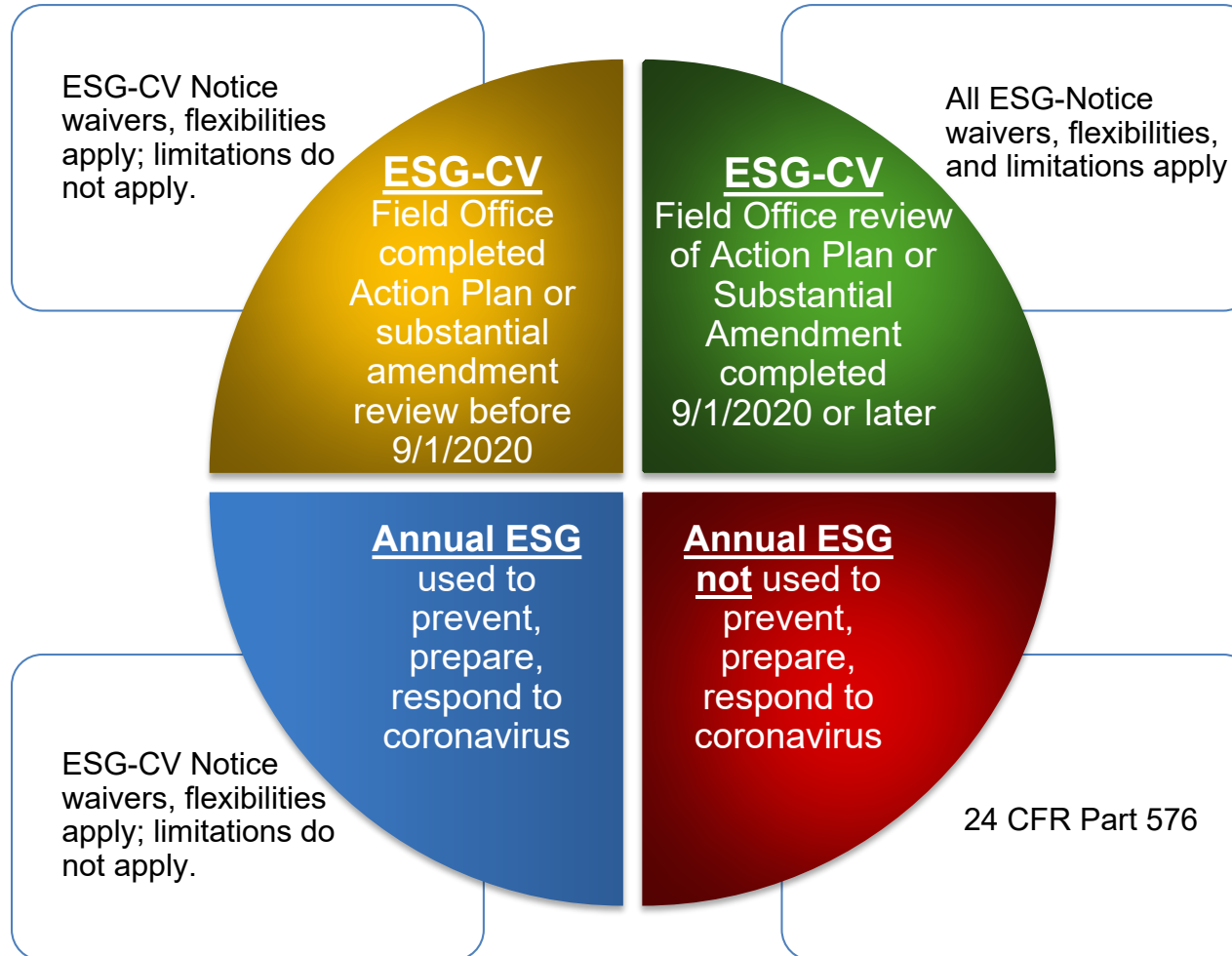
Equity Framing

- CARES Act resources are designed to prevent the spread of COVID and to reduce the harm caused by COVID. The safest place for people to be during the epidemic is in housing. COVID-19 has amplified the historic and current racial biases and discrimination embedded in our systems, processes, and practices.
- People most harmed by COVID, housing instability and homelessness include racial minorities, especially Black and Indigenous people, those who are elderly, and those who have health problems, especially respiratory problems.
- COVID has also had an economic impact on our communities, including job loss, housing instability, and increased risk of homelessness, and these economic effects are also most likely to impact racial minorities, especially Black and Indigenous people.
- HUD is committed to working with CoCs and ESG grantees and supporting communities advancing their efforts to be more equitable and to close racial disparities.

Session Goals

- Review applicability of the ESG-CV Notice on ESG-CV and annual ESG funding
- Review the waivers and alternative requirements established in the ESG-CV Notice
- Highlight grants management requirements
 - Obligation and expenditure deadlines
 - Recordkeeping & Documentation
 - IDIS Setup
 - Environmental Review

Applicability of Waivers & Alternative Requirements



Obligation Flexibilities to Promote Equity

- Recipients working to identify and select subrecipients who represent the communities most impacted by coronavirus have more time to obligate funds
- If using that flexibility, program records must demonstrate changes recipient implemented to identify and select new subrecipients and the outcomes of the process
- More information available at: [Increasing Equity in the Homeless Response System Through Procurement](#)

	Days to obligate: Standard	Days to obligate: If State will carry out activities directly	Days to obligate: If working to identify and select new subrecipients
States	60 days from date HUD signs grant agreement	180 days from date HUD signs grant agreement	240 days from date HUD signs grant agreement
Metro Cities, Urban Counties, Territories	180 days from date HUD signs grant agreement	N/A	240 days from date HUD signs grant agreement

Important Dates

Date of Cost Eligibility (Pre-Award Costs)	Obligation (States)	Obligation (Metro Cities, Urban Counties, and Territories)	Expenditure Deadlines
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 180 days from the date HUD signs the grant agreement • Up to an additional 60 days to obligate ESG-CV funds to subrecipients when more time is needed to identify and select new subrecipients (Program records must describe changes recipient plans to identify and select new subrecipients and why extension is necessary) 	<ul style="list-style-type: none"> • 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%)

Prevent, Prepare & Respond to Coronavirus Summary

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. For example:

- Providing Personal Protective Equipment (PPE) to staff and program participants
- Paying for non-congregate shelter options such as hotels and motels
- Paying for handwashing stations and portable toilets for use by people living in unsheltered situations
- 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

Prevent, Prepare & Respond to Coronavirus Summary

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. For example:

- Updating written standards to prioritize people at severe risk of contracting coronavirus for shelter and housing
- Adapting coordinated entry policies and procedures to account for social distancing measure or increased demand
- Developing a strategy and recruiting landlords to provide housing to people experiencing homelessness or at risk of homelessness
- Implementing a non-congregate shelter strategy to reduce COVID spread

Prevent, Prepare & Respond to Coronavirus Summary

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. For example:

- Transporting individuals and families experiencing homelessness to medical appointments
- Paying for shelter to isolate individuals who have contracted coronavirus from other people experiencing homelessness
- 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

Documenting "Prevent, Prepare, Respond"

- 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.

Environmental Review Requirements

- Part 58 requirements apply **except for those temporary emergency shelters** the applicable state or local health official has determined necessary to prevent, prepare for, and respond to coronavirus
- Environmental review required and Request for Release of Funds must be approved prior to a commitment to cover or reimburse ESG funds
- The requirements at 24 CFR 576.407(d) do not apply (reference to Part 50 which has been changed to Part 58 by the MAP-21 Act).
- Additional info provided here:

[Notice CPD-20-07: Guidance on Conducting Environmental Reviews Pursuant to 24 CFR 58 for Activities Undertaken in Response to the Public Health Emergency as a Result of COVID-19](#)

[COVID resources](#): This includes environmental review streamlining guidance for COVID response.



Means of Carrying Out Grant Activities

- State and local governments may subaward to public housing agencies and local redevelopment authorities
- States may use 100% of their allocation to directly carry out activities
 - Substantial Amendment or Action Plan for ESG-CV funds must specify type and amount of activities state will carry out directly
 - States must document that they're designating to themselves (through written designation to a departments)
 - States must submit new certifications

Additional Eligible Activities

Temporary
emergency
shelter

Training

Hazard pay

Handwashing
stations and
portable
bathrooms

Landlord
incentives

Volunteer
incentives

Temporary Emergency Shelter

Structure/portion of structure used **for limited time because of a crisis** (natural disaster or public health emergency) to provide shelter to individuals and families displaced from their normal place or residence or shelter/unsheltered locations

Defining Temporary Emergency Shelter	
<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.

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 <u>does not</u> apply
Environmental Review	Requirements <u>do not</u> apply
Shelter Habitability Standards	Standards <u>do not</u> apply
Lead Based Paint Requirements	Standards <u>do</u> apply
Nondiscrimination and Accessibility Requirements	Requirements DO still apply, including the Fair Housing Act; Section 504 of the Rehabilitation Act, the Americans with Disabilities Act Note: Structures such as trailers or other non-conventional shelter structures must meet ADA requirements in order to be eligible

Training

- Funds may be used for training on infectious disease prevention and mitigation for staff working directly to prevent, prepare for, and respond to coronavirus among persons who are homeless or at risk of homelessness.
- This training is **not** considered an administrative cost and is, therefore, not subject to the administrative cap on funding.
- These training costs are eligible as a **standalone activity** and are **not** to be charged to an activity under 24 CFR 576.101 to 24 CFR 576.109.
- Budget costs under the Street Outreach component in IDIS
- Report costs as a unique budget line item under Street Outreach

Hazard Pay

- Funds may be used to pay hazard pay for recipient or subrecipient-staff working directly to prevent, prepare for, and respond to coronavirus among persons who are homeless or at risk of homelessness.
- Examples of recipient or subrecipient staff working directly in support of coronavirus response include:
 - street outreach teams
 - emergency shelter intake, maintenance and security staff
 - staff providing essential services (e.g., outpatient health or mental health, housing navigators)
 - staff in proximity to persons with coronavirus or working in locations with a high likelihood of contracting coronavirus

Handwashing Stations & Portable Bathrooms

- Funds may be used to install and maintain handwashing stations and bathrooms in outdoor locations for people experiencing unsheltered homelessness.
- Allowing these costs will help prevent the spread of coronavirus by providing people living in unsheltered locations regular access to bathrooms and the ability to wash their hands.

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.

Volunteer Incentives

- Funds may be used to pay to provide reasonable incentives to volunteers who have been and are currently helping to provide necessary street outreach, emergency shelter, essential services, and housing relocation and stabilization services during the coronavirus outbreak.
- Allowing these reasonable costs will increase the number of people available to provide the needed services and connections to housing to individuals and families experiencing homelessness to prevent the spread of coronavirus

IDIS Set-Up

- Standard IDIS project and activity set up instructions remain the same
 - one HESG project per grant year – FY 2020 project will include both the ESG-CV grant and the annual ESG grant for FY 2020
 - one activity per activity category
- The new eligible activities will be "charged" and grouped with the existing eligible activity components in IDIS.

IDIS & Recordkeeping for Additional Eligible Activities

Activity	IDIS Activity Category	Recordkeeping tips
Temporary Emergency Shelter	Shelter	Must also have records that structure/portion of structure met definition. For example: Recipient could document that property is typically a hotel and is only being used as TES for the period public health officials determine special measures needed to prevent coronavirus spread
Training	Homeless Prevention, Rapid Re-Housing, Shelter, Street Outreach	Maintain agendas and meeting notes to support eligibility of expense
Hazard Pay	Homeless Prevention, Rapid Re-Housing, Shelter, Street Outreach	Records could include job descriptions, policies and procedures or other program records that detail positions receiving hazard pay

IDIS & Recordkeeping for Additional Eligible Activities

Activity	IDIS Activity Category	Recordkeeping tips
Handwashing Stations and Portable Bathroom	Street Outreach	Can use procurement flexibilities to obtain (document flexibility used)
Landlord Incentives	Homeless Prevention, Rapid Re-Housing	Program records should document that costs are reasonable
Volunteer Incentives	Homeless Prevention, Rapid Re-Housing, Shelter, Street Outreach	Program records should document that costs are reasonable

Waivers and Alternative Requirements

- Emergency Shelter and Street Outreach Expenditure Limit Waived
- Administrative Costs increased to 10%
- Recipients may pay for HMIS Lead activities even if they are not an HMIS Lead
- Match requirements are waived
- Recipients (*not subrecipients*) may deviate from federal procurement standards; must establish alternative written procurement standards
- FMR limit is waived
- 24-month limit on rental assistance and supportive services costs under RRH & HP extended for 6 months for households who reach max between 1/21/2020 and 2/28/2021
- Monthly case management waived

Waivers and Alternative Requirements

- 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
- Hotel/motel costs can be provided 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

Waivers and Alternative Requirements

Program Income

- Not required to be used as match
- May be treated as an addition to the recipient's (or subrecipient's) grant or otherwise deducted from allowable costs.
- Defined as provided by 2 CFR 200.80 except that:
 - PI includes any amount of a security deposit or utility deposit returned to the recipient or subrecipient; and
 - Costs incidental to generating PI and not charged to the ESG grant or subgrant may be deducted from gross income to determine PI

Alternative Requirements

- 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
- Must not require treatment or any other prerequisite activities as a condition for receiving ESG assistance (includes case management)

Program Design Impact of Alternative Requirement

Focus on resolving the current housing crisis first

- Remember RRH has three key components Housing Identification, Rent and Move-in Assistance and RRH Case Management and Services. Even though the timeline is reduced, remember to prioritize client choice within Housing Identification.
- Provide trauma-informed services - The experience of becoming homeless and the transition back into housing can be traumatic. Focus on what the client needs now to stabilize. Prioritize connecting to community resources that support the behavioral health and other needs of the individual or family.

Program Design Impact of Alternative Requirement

After stabilization, begin a client-directed conversation about goal setting

- Prioritize transition planning; consider employment and benefits to increase monthly income.
- Don't assume high acuity clients will need to transition to a longer-term subsidy or deeper interventions. If clients identify a need for ongoing support, the administrative burden is carried by the staff and not the participant.

Grace Period for Coordinated Entry, Written Standards & HMIS Requirements

- For costs incurred for new activities between the beginning of a community's coronavirus response (January 21, 2020 or later) and June 30, 2020, the requirements to participate in coordinated entry, administer assistance in accordance with ESG written standards and participate in HMIS are waived for the first 60 days of the project's operation.
- From July 1, 2020 onwards, Coordinated Entry, ESG written standards and HMIS requirements are applicable to the new activities allowable under the ESG-CV Notice.



Certifications: Explanation & Clarification

Match

HUD cannot require ESG-CV funds to be matched under this Notice.

HUD is extending this match exemption to annual ESG grant funds used to prevent, prepare for, and respond to coronavirus

Any match certification submitted is not valid with respect to those funds.

Period of Use

Period of use certifications required by Section 416(c)(1) of the McKinney Vento Act do not apply to temporary emergency shelters funded in accordance with that Act.

Any period of use certification is not valid with respect to the use of those funds for temporary emergency shelters

Certifications for ESG-CV Grants

- **Interim ESG-CV Certifications**: If recipient already submitted the Interim ESG-CV Certifications, updated ESG-CV certifications do not need to be submitted unless the recipient is a State that is exercising the flexibility to carry out activities directly.
- **Updated ESG-CV Certifications**: All ESG recipients that have not yet submitted their certifications as part of the substantial amendment or Annual Action Plan must use the updated ESG-CV certifications (Appendix I of the ESG-CV Notice)

Certifications for Annual ESG Grants

- **States**: States must submit the certifications in Appendix II of the ESG-CV Notice for each annual grant under which the State will exercise the flexibility to carry out activities directly
- **Non-States**: Non-states are permitted, but not required, to submit the certifications in Appendix III of the ESG-CV Notice for each annual grant under which an ESG recipient, other than a State, intends to use its available ESG funds to prevent, prepare for, and respond to coronavirus.

Additional Guidance Coming from HUD

- Duplication of benefits
- Quarterly Reporting in Sage
- IDIS Program Setup for ESG

Keep checking HUD Exchange for additional updates

Q & A

