The [Emergency Solutions Grants](#) (ESG) Program can be used to provide a wide range of services and supports for those experiencing homelessness and housing instability under the five program components: **Emergency Shelter, Rapid Rehousing, Street Outreach, Homelessness Prevention,** and **Homeless Management Information System (HMIS)**. Basic information on ESG allowable activities can be found in [HUD's quick reference on **ESG Program Components**](#). The ESG Coronavirus Aid, Relief, and Economic Security (CARES) Act funding (ESG-CV) supports programmatic activities to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19).

As communities implement strategies using their supplemental allocation of ESG-CV program funding to respond to COVID-19 and mitigate its impacts, they will need the support of local partners, providers, [subrecipients, and subcontractors](#). A strong network of partners and providers will support planning and implementation to mitigate the spread of COVID-19 and strategically target resources to increase housing placements, prevent homlessness, and improve our homeless system by advancing equity throughout. Drawing on [lessons learned from state Homelessness Prevention and Rapid Rehousing Program (HPRP) administrators](#) and successful implementation of ESG in communities across the country, this brief will highlight important considerations for selecting subrecipients and strategies to prioritize high-impact ESG activities.

ESG-CV Guiding Principles and Priorities

- Equitable and effective use of resources to rehouse people.
- Use of equity-based decision-making and data-driven policy setting.
- Use of ESG-CV funds and other resources to ensure that people in non-congregate shelters do not return to unsheltered homelessness or high risk shelters but rather secure housing.

ESG-CV Flexibilities and Alternate Requirements

The following list notes some of the changes in requirements for ESG-CV that were available in the original program:

- No matching requirement;
- No spending cap on Emergency Shelter and Street Outreach;
- Up to 10 percent of the grant can be spent on Administrative activities;
- Increases income eligibility to Very Low Income—generally 50 percent area median income (AMI)—for Homelessness Prevention;
- [Waiver available](#) for any ESG recipient to pay costs of upgrading or enhancing its local HMIS;
- Allows deviation from applicable procurement standards;
- No requirement for citizen participation and consultation;
- No minimum period of use for temporary shelters; and
- May not require program participants to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or services.

Planning and Design

ESG recipients must establish clear goals and strategies for their program. Identifying the needs of local or regional communities is an important first step and can ensure a shared understanding of the program's goals and strategies. Program design follows the strategy and impacts recipients' decisions on ESG-CV spending and subrecipient selection.

Planning	Action
1. Define the Vision, Strategies, and Goals	• **Develop a collaborative rehousing strategy.** Convene an inclusive local planning group, make equity the foundation of investment planning, develop a rehousing strategy, inventory available resources, and plan to evaluate rehousing and investment plan performance.

	• **Analyze gaps.** Compare estimated needs to available funding to identify service gaps and align resources. Where there is more need than available resources, prioritize the most important needs. • **Plan a process.** Develop a planning process that is collaborative and holds partners accountable. Encourage participation and communication throughout the planning process. Build in ongoing program re-evaluation and the flexibility to make adjustments and improvements throughout project implementation. • **Lead with equity.** Ensure equitable representation and collaboration with persons with lived experiences of homelessness.
2. Allocate ESG-CV Funds for Equity and Efficiency	• **Align funding** decisions with established goals. • **Understand and substantiate needs.** To clearly understand community needs, use HMIS data and Continuum of Care (CoC) program reports to highlight existing geographic, service, and racial disparities in your housing system. HUD's Stella is a strategy and analysis tool that helps communities understand how their system is performing. State and local data can be used to estimate the financial impact of COVID-19. For example, a community may target areas with high unemployment, low vacancy rates, and low-income elderly households for eviction prevention and prioritize at-risk populations experiencing homelessness for rapid re-housing. • **Establish a set-aside or incentives for agencies that advance race equity objectives.** Civic organizations, agencies that hire people with lived expertise, and organizations led by Black people, Indigenous people, and people of color may be more appropriate for specific activities like street outreach and rapid re-housing, especially in areas with historical and economic segregation. ESG recipients can tailor fiscal and administrative capacity requirements to support and increase capacity for these otherwise qualified organizations. • **Coordinate investments.** Review and implement policies and procedures that place equity at the foundation of your community's rehousing strategies. • **Federal Emergency Management Agency (FEMA) and Community Development Block Grant (CDBG) programs may be used to complement ESG-funded efforts to address homelessness.** Coordinate planning and program implementation with local emergency management and community development partners to avoid duplication of benefits. • **Assess provider capacity** in your geographic area. Determine if local providers have the expertise to effectively carry out ESG activities such as rapid re-housing or homelessness prevention. If not, consider regional providers with a "hub and spoke" model to administer subgrantees or subcontractors across a large area or to carry out multiple activity types. • **Support specialized providers.** Award funds to experienced providers with the expertise to work with targeted high-need populations or on specific activities. For example, legal aid organizations for tenant-landlord disputes and mediation; victim service providers for victims of domestic violence, dating violence, sexual assault, and stalking; and youth and young adult providers who provide more accessible and informed services for that age group.
3. Evaluate Previous Allocation Processes and Current Provider Performance	• **Streamline procurement strategies** and weigh the merits of a competitive award process or formula-based allocations based on program types, goals, and local needs. Consider past grantee performance in meeting reporting requirements, spending patterns, and their capacity to scale quickly with additional funding. • **Incentivize regional decision-making and collaborations with CoCs** to broaden access to ESG resources, especially in rural communities.

	• **Activate a larger network.** Distribute funds through Community Action Agencies (CAAs) to connect anti-poverty programs with homeless service organizations and increase access to a broader array of supports. • **Increase collaboration** between service providers to maximize access to housing and services and extend the reach and impact of resources. For example, one provider may conduct screening with a common eligibility tool and refer households to appropriate agencies for direct assistance with non-housing supports. • **Establish a disaster policy** to streamline methods of distribution and quickly sub-award funding.

4. Commit to Funding Your Strategy	• **Conduct greater outreach and broader requests for proposals** to engage as many potential partners as possible, especially in areas with low or no provider capacity. Several HPRP grantees with few providers and large rural communities funded nonprofit organizations with regional reach to provide services over large geographic areas. In some cases, regional applicants further sub-granted or subcontracted funds to ensure access to services.
	
	• **Design a subrecipient selection process** that includes an assessment of applicants' fiscal and administrative management capacity; experience with applicable program implementation; commitment to low-barrier, housing-focused programs; demonstrated advancement of equity; and other values that demonstrate alignment with program goals.
	
	• **Create a preference** for applicants who demonstrate participation in learning collaboratives or specific training such as rapid rehousing for youth, healthcare and housing, and homelessness prevention. Require use of relevant evidence-based practices like housing first, assertive community treatment, and motivational interviewing.
	
	• **Clearly communicate** expectations and priorities for selected subrecipients or subcontractors and include them in grant agreements or contracts.
	
	• **State recipients should work with local and Balance of State CoCs** to:
	    ○ Identify local needs, priorities, and strong potential subrecipients;
	    ○ Determine how ESG-CV can help strengthen local permanent housing efforts (i.e., use ESG-CV for rapid rehousing to move vulnerable individuals to housing);
	    ○ Address barriers to accessing assistance and help establish best practices and strategies to promote equity, diversion, and participation in coordinated entry;
	    ○ Work with the HMIS lead agency on the data collection plan (check on CARES Act flexibility for incurring HMIS Lead costs); and
	    ○ Coordinate monitoring activities.

Administration and Support

Advertise, award, and administer your community's ESG-CV-funded activities in alignment with your clearly defined strategies and goals. Communicating your intended outcomes simply and consistently can give partners and providers a clear understanding of their role and how to effectively collaborate with one another. Clear policies and procedures are crucial to establish consistent expectations for all program staff. Written standards support program management and avoid monitoring findings. Providing subrecipients and contractors with training opportunities, resources, and tools can also facilitate effective partnerships and consistent program execution.

Planning	Action
1. Clear and Consistent	• **Offer support early and often**. Provide subrecipients and contractors with consistent guidance and training on ESG written standards and policies and procedures.

Policies and Procedures	•	**Collaborate with subrecipients** on updates to written standards and policies and procedures to identify potential challenges to implementation. Seek feedback from subrecipients after policies and procedures are issued and revise policies accordingly.
	•	**Establish systems for communicating** ongoing changes in program requirements or protocols to subrecipients. For example: publish program policies on a regularly updated website or maintain a list of specific topics that tend to be challenging for subrecipients—e.g., documenting client eligibility—and issue periodic guidance or clarifications on these topics.
2. Standardize with Flexibility and Innovation	•	**Evaluate applicants during subrecipient selection** for demonstrating internal systems required by project type such as shelter operations standards, rental assistance administration, and prevention assistance intake and assessment.
	•	**Create standard forms**, reporting templates, checklists, and protocols to provide subrecipients with information they must capture and submit in a consistent format, but do not add additional local requirements unless they are aligned with core strategies and goals.
	•	**Convert from manual to electronic** reporting, invoicing, and recordkeeping where appropriate technological tools and capacity are in place. Using such tools allows for frequent review of subrecipient rates of expenditure, creating more efficient evaluation and faster re-allocation of funds to other subrecipients if necessary.
3. Staff for Success	•	**Incentivize contractors and subrecipients** with demonstrated efforts to employ a workforce that reflects the population they serve and people with lived experience of homelessness.
	•	**Ensure adequate staffing** for your agency with a plan to address all tasks and phases of project implementation from start-up through close-out and amid workplace health and safety planning.
	•	**Identify providers and activities** that may utilize additional flexibility under ESG-CV including staff training on infectious disease prevention and mitigation and hazard pay.
	•	**Require your staff have in-depth knowledge of program requirements**, remain up to date on HUD-issued guidance, and be equipped to monitor and respond to subrecipients. Seek partners who can assist in training your staff and facilitate training for contractors and subrecipients. If staffing is a challenge, facilitate inter-agency collaboration with state and local health, housing, and human services departments and consider contracting for specific activities.

Program Evaluation and Data Analysis

ESG recipients and their partners should require coordinated implementation and data sharing to strengthen ties between government and community agencies, improve client services, increase data-driven evaluation, and forge new housing and service partnerships. The opportunity now is to implement best practices; advance equity through intentional design, inclusion, and data-informed strategies; and engage providers throughout the community in planning, implementation, and evaluation.

Planning	Action
1. Prioritize Performance	• **Incentivize or require contractors and subrecipients to conduct or collaborate on racial equity analysis**. Request applicants demonstrate how they embed racial equity in their organization and through their service delivery.
	• **Determine administrative, training, and support needs** related to HMIS expansion and training. This HMIS budgeting and staffing tool may be helpful.

	• **Ensure new projects are correctly set up in HMIS** to guarantee accurate Consolidated Annual Performance and Evaluation Reports (CAPERs) reporting. Review the updated ESG Program HMIS manual for instructions about HMIS project setup for ESG-CV. • **Ensure Sage setup is complete for CAPER reporting.** HMIS leads should work with ESG recipients to secure access to Sage. HMIS leads can test CAPER uploads, and recipients should follow the ESG CAPER Submission Guidance for their official submission. • **Establish protocols for frequent data assessment** to ensure outcomes align with need projections and to help inform needed adjustments to strategies or resource allocation.
2. Leverage Data Collaboration and Sharing	• **Create data collection guidelines** for subrecipients with limited data field expansion and simple workflows. Support subrecipients by providing training and ongoing assistance to effectively integrate HMIS data collection into intake, service provision, and administration, or increase the pace of implementing HMIS-based program evaluation. • **Use HMIS to assist referrals** for mainstream public benefits, even if only to generate community resources lists and referrals. • **Address data-sharing requirements** using forms such as client consent, notice of privacy practices, and Memorandums of Understanding (MOUs) for data sharing across partners.

Strategic Investment Considerations by Program Component

Not all ESG activities have the same return on investment. As you begin selecting subrecipients, recipients should take the following program design considerations into account to ensure ESG-CV resources make meaningful, long-term, system-wide impacts on homelessness. All programs should be laser-focused on participants obtaining and maintaining housing. Below are component-based strategies to build upon while structuring programs and expectations for subrecipients.

Emergency Shelter	• Coordinate with CoCs to ensure shelter management protocols are updated for COVID-19 response. • Make investments that improve shelter quality and increase measures to prevent and mitigate the spread of infection such as ramping up shelter operations costs to pay for enhanced sanitation and hygiene measures or adding additional non-congregate shelter options to decompress congregate shelter. • Increase the likelihood of positive exits to housing with shortened stays by investing in the expansion of housing navigation. **Note: Any decision to sustain or expand shelter capacity should be supported by data on the number of people newly experiencing homelessness.**

Rapid Rehousing (RRH)	• Strategically employ RRH in rehousing efforts by encouraging varied data-driven program models to meet needs including:
	   o Short-term diversion,
	   o High-intensity service models for those who will need significant support to maintain housing, and
	   o Linkage and transition to supportive housing when necessary for long-term housing retention.
	
	• Support efforts to:
	   o Scale landlord engagement activities,
	   o Participate in coordinated entry, and
	   o Ensure people in housing are linked to appropriate services.

Street Outreach	• Outreach is an opportunity to reach a community's most vulnerable residents and engage them in services and housing. • Coordinate efforts with shelter, coordinated entry, and housing programs. • Ramp up outreach efforts and presence by increasing staff. • Focus on street outreach program models that improve housing-focused services, increase effectiveness of engagement, and improve the speed of exit from the homelessness system. • Identify new subrecipients to improve outreach to underserved populations.
Homelessness Prevention	• Utilize emerging [homelessness prevention resources.](#) • Focus on coordinating with other CARES Act resources. • Ensure prevention efforts are focused on the most vulnerable households who would experience homelessness "but for" assistance. • Require the use of evidence-based prevention screening criteria. • Encourage connections to legal aid services for those who are at-risk due to eviction. • Support at-risk diversion efforts.
Administration	• Ramp up program capacity to manage increases in number of subrecipients and award amounts. • Facilitate subrecipient coordination with CoCs, public health agencies, and health care resources. • Analyze data to project needs for various interventions. • Assess effectiveness of strategies and make mid-course corrections as necessary.
HMIS	• Establish close coordination with HMIS lead agencies. • Monitor data to ensure indicators show equitable provision of housing and services. • Establish protocols for frequent data assessment to ensure that they align with need projections and that strategies are as responsive as possible.

Index of Referenced Resources

CDC COVID-19 Employer Information for Office Buildings

Central Intake and HMIS

CoC Analysis Tool: Race and Ethnicity

CoC Program Reports, Program Data, and Program Rents

Community Example: Client Consent

Community Example: Collaboration Scoring Criteria

Community Example: Data Warehouse

Community Example: Employment and Homelessness Taskforce Recommendations

Community Example: ESG Checklists

Community Example: ESG Forms

Community Example: Housing First

Community Example: [Memorandum of Understanding and Intra-Agency Data Exchange Agreement](#)

Community Example: [Motivational Interviewing](#)

Community Example: [Notice of Privacy Practices](#)

Community Example: [Policies and Procedures Manual for CDBG and ESG](#)

Community Example: [Rapid Rehousing Performance Benchmarks and Program Standards](#)

Community Example: [What can we learn from new state and local assistance programs for renters](#)

[COVID-19 HMIS Resources](#)

[CPD Monitoring Handbook](#)

[ESG Program Components Quick Reference](#)

[ESG Program HMIS Manual](#)

[ESG Program Resources](#)

[Effective Strategies for Implementing State ESG Programs: Lessons learned from State HPRP Administrators](#)

[Healthcare and Housing Systems Integration Initiative](#)

[HMIS Budgeting and Staffing Toolkit](#)

[Homelessness Prevention Literature Review](#)

[Homelessness Prevention Resources](#)

[Homelessness Programs Toolkit for State ESG Recipients](#)

[HPRP and HMIS Integration](#)

[Integrating persons with lived experiences in our efforts to prevent and end homelessness](#)

[NAEH Rapid Rehousing for Youth Learning Community](#)

[OPM Diversity and Inclusion](#)

[Rehousing Activation and Racial Equity](#)

[Stella](#)

[Using a disaster policy to fund infectious disease preparedness and response with ESG](#)

[Using Contractors in the ESG and CoC Programs](#)