

Emergency Solutions Grants Coronavirus Aid, Relief, and Economic Security Act (ESG CARES) Implementation for New Subrecipients

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Speakers

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Objectives

- Congratulations!
- Provide an understanding of ESG Coronavirus Aid, Relief, and Economic Security Act (ESG CARES):
 - ESG CARES Award and Contract Process
 - ESG CARES Basics
 - ESG CARES Waivers/Allowances
 - ESG CARES FAQs

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ESG CARES Award and Contract Process

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Award Process

Complete:

- Board Action Request for conditional awards passed July 23, 2020 Board meeting

Pending:

- Previous Participation Review and background checks

Please be responsive to request for clarifications

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Contracting Process

- ESG CARES Contract for signature
- Survey for environmental clearance
- Housing Contract System Access

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Can we start spending funds?

- Spending funds without an active contract is a risk
- Pre-award cost are eligible on most activities from March 13, 2020
 - Shelters can only be reimbursed from the date of the local government approval
 - Shelter renovations and project based rental assistance can only start drawing funds based on environmental clearance date
- ESG CARES is reimbursement based

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ESG Basics

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Eligible Uses of ESG

1. Street Outreach (SO)
2. Emergency Shelter (ES)
3. Homelessness Prevention (HP)
4. Rapid Re-housing (RRH)
5. Homeless Management Information System (HMIS)
6. Administration*

*Salaries included in all activities, not just Administration.

<https://www.tdhca.state.tx.us/home-division/esgp/docs/ESG-EligibleUses.pdf>

<https://www.tdhca.state.tx.us/home-division/esgp/docs/14-ESG-Overview-Services.pdf>

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Program Design Questions

Email us at esg@tdhca.state.tx.us

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ESG Webinars

- At-Risk of Homelessness Definition and Recordkeeping
- ESG Compliance Monitoring
- ESG Documentation
- ESG Written Standards
- Homeless Definition and Recordkeeping
- Language Access Plans
- Minimum Habitability Standards (if providing rapid re-housing or homelessness prevention)

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ESG Documentation Addition

- ESG Subrecipients that are faith-based organizations must provide the "Written Notice of Beneficiary Rights" described in 24 CFR §5.109(g) to applicants or program participants.
- The written notice must be given to prospective beneficiaries before Program Participant enrolls in any HUD-program or activity

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ESG Webinars for Rapid Re-housing and Homeless Prevention

- <https://www.tdhca.state.tx.us/home-division/esgp/video-library.htm>
- Income Eligibility Training
- ESG and HOME TBRA Rent Reasonableness
 - Also covers Fair Market Rent

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TDHCA ESG Website Tour

- Many resources on our website

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ESG CARES Basics

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ESG CARES

One-time allocation notice in March:

Approximately \$33 million

Awards in process

Programming plan <https://www.tdhca.state.tx.us/home-division/esgp/applications.htm>

One-time allocation notice in June:

Approximately \$64 million

Not yet programmed

Sign up for email list <https://www.tdhca.state.tx.us/>

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Prepare for, prevent, and respond to COVID-19

- HUD has not yet released guidance on documentation requirements
- May be able to be documented on the Contract level or the client level
- Expenses need to be related to COVID-19 including, but not limited to:
 - Social distancing;
 - School closures; and
 - Job loss or reduction in hours.

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NO PREREQUISITES FOR RECEIVING ASSISTANCE

CARES Act requires:

“That none of the funds provided...may be used to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services”

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Differences between ESG Annual Allocation and ESG CARES

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Coronavirus Aid, Relief, and Economic Security (CARES) Act Conditions 1

*These conditions **DO NOT** apply to your current ESG annual allocation Contracts, only to ESG CARES Contracts.*

ESG Annual Allocation	ESG CARES Act
Income limit of 30% Area Median Income to receive or continue to receive homelessness prevention, or to continue receiving rapid re-housing assistance.	Income limit of 50% Area Median Income to receive or continue to receive homelessness prevention. (30% Area Median Income still applies to rapid re-housing re-evaluations)
100% match requirement.	No match requirement.

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Coronavirus Aid, Relief, and Economic Security (CARES) Act Conditions 2

*These conditions **DO NOT** apply to your current ESG annual allocation Contracts, only to ESG CARES Contracts.*

ESG Annual Allocation	ESG CARES Act
Pre-award costs are only allowed to the date for which HUD signed the ESG grant agreement with the Department.	Pre-award costs may be allowed from the first COVID-19 response, which in Texas is March 13, 2020. Earlier costs may be eligible (consult with TDHCA)
Administrative percentage is up to 3% for ESG Subrecipients	Administrative percentage is up to 5% for ESG Subrecipients

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ESG Waivers

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ESG and ESG CARES Waivers

- Change re-evaluations from three to six months for homelessness prevention.
 - Waiving three-month re-evaluation requirement for homelessness prevention assistance is necessary to help program participants remain stable in housing during the economic uncertainty caused by COVID-19.
 - April 5, 2020 to March 31, 2022

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ESG and ESG CARES Waivers

- Expansion of HMIS eligible uses.
 - Expanding HMIS eligible activities allows more ESG Subrecipients to use ESG funding to upgrade or enhance the HMIS as needed to incorporate ESG program data related to COVID-19.
 - April 5, 2020, to September 30, 2020

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ESG and ESG CARES Waivers

- Waiver of Fair Market Rent (FMR) requirement.
 - The FMR restriction is waived for any individual or family receiving RRH or HP assistance **who executes a lease** for a unit during the 6-month period beginning on the date of this memorandum. The ESG recipient or subrecipient must still ensure that the units in which ESG assistance is provided to these individuals and families meet the rent reasonableness standard.
 - April 5, 2020, to September 30, 2020

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ESG and ESG CARES Waivers

- Monthly case management suspended.
 - Provide case management on an as-needed basis and reduce the possible spread and harm of COVID-19
 - April 5, 2020, to August 22, 2020

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FAQs on ESG CARES Eligible Costs



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ESG CARES FAQs

Where is 50% Area Median Income Limit?

- Both 30% and 50% AMI are posted on TDHCA's website.
- <https://www.tdhca.state.tx.us/home-division/esgp/guidance-solutions.htm>
- Note that these income limits change yearly around April/May.
- Keep a lookout for the change!

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ESG CARES FAQs

Hotel/Motel

- Hotel/motel are an eligible ESG cost through the emergency shelter component, where no appropriate emergency shelter is available for a homeless family or individual.

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ESG CARES FAQs

Written standard limits

- You may assist eligible Program Participants or applicants as long as you follow your written standards and do not exceed the federal regulations regarding the time period of assistance.
- To adjust your organization's time period of assistance offered, you must amend and adopt updated written standards and send a copy of your new written standards to TDHCA

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ESG CARES FAQs**Habitability**

- Inspections do not need to be done in person.
- A designated representative of the ESG Subrecipient must be able to visually inspect evidence of the unit's condition and document compliance in the Program Participant's file.
- The ESG Subrecipient should conduct full in-person ESG habitability inspections once it is safe to resume standard operating procedures.

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ESG CARES FAQs**Personal Protective Equipment**

- Personal protective equipment is an eligible ESG cost through the street outreach and emergency shelter component.

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ESG CARES FAQs**Food**

- Eligible under emergency shelter and street outreach
- If providing food to persons in hotel/motel under emergency shelter, the food must be comparable to what is received in a shelter
- Not eligible under rapid re-housing or homelessness prevention

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ESG CARES FAQs**Hazard/Overtime Pay**

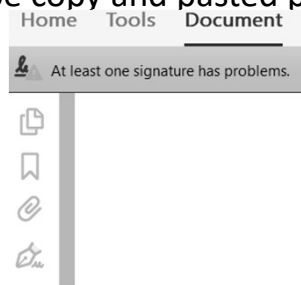
- Outlined policies for hazard and overtime pay in your employee handbook or budget
- Communicated policies to all eligible employees

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ESG CARES FAQs

Electronic Signatures

- Electronic signatures are allowed for Program Participant intake if you are using an official electronic signature program, such as Adobe Sign.
- If the form requires a notary, the signature has to be in person.
- Signatures cannot be copy and pasted photo signatures.



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ESG CARES FAQs

Testing for COVID-19 and Outpatient Health Services

- Outpatient health services are eligible under street outreach or emergency shelter, to extent not otherwise available in the community.
- Transportation to medical care is eligible under street outreach and emergency shelter.
- Keep in mind that COVID-19 testing may be available for free in your community through your city or local public health authority.

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ESG CARES FAQs

Technology

- Staff and overhead costs directly related to carrying out program components are included in each program component line item.
- Overhead costs may include technology, such as computers.
- Remember to procure the equipment bought (e.g., three bids).
- <https://www.tdhca.state.tx.us/home-division/esgp/docs/ESG-ProcurementGuide.pdf>

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ESG CARES FAQs

Rental Arrears

- Payment of rental arrears consists of a one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears.
- Rental arrears counts toward total time limit of rental assistance provided.

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THANK YOU

Questions?

[HTTPS://WWW.TDHCA.STATE.TX.US/HOME-DIVISION/ESGP/INDEX.HTM](https://www.tdhca.state.tx.us/home-division/esgp/index.htm)

EMAIL US AT: ESG@TDHCA.STATE.TX.US



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS