

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

July 2, 2020

Speakers

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Objectives

- Provide an understanding of ESG Coronavirus Aid, Relief, and Economic Security Act (ESG CARES):
 - ESG CARES Basics
 - ESG CARES Waivers/Allowances
 - Monthly Reporting

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ESG CARES Basics

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ESG CARES

Prepare for, prevent, and respond to COVID-19

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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ESG CARES First Allocation – Existing ESG Subrecipients

- Existing ESG Subrecipients
 - All ESG CARES program components used
 - Contracts in process of execution
 - \$12.5 million

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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.
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 CARES 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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Waiver Acceptance

- ESG Annual, waivers applied through requested Contract Amendment
- Waivers automatically applied to **ALL** ESG CARES Contracts.
- If using a waiver, please document the waiver used and the reason for its use in the client file.

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ESG CARES Monthly Reporting

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ESG CARES Reporting

- ESG CARES Reporting Guidance available online at: <https://www.tdhca.state.tx.us/home-division/esgp/guidance-solutions.htm>

Data Collection and Reporting

ESG CARES Reporting

- [ESG CARES Supplemental Monthly Report \(XLSX\)](#)
- [ESG CARES Monthly Reporting Guide \(PDF\)](#)

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ESG Annual Allocation MPR Updates (also in ESG CARES MPR)

- Added fields in Homelessness Prevention and Rapid Re-Housing to report on households utilizing the COVID-19 Fair Market Rent (FMR) waiver.

RRH HHs COVID19 FMR Waiver	2	HP HHs COVID19 FMR Waiver	3
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- Removed fields for the expired Hurricane Harvey waivers

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ESG CARES MPR Updates

- ESG CARES MPR is the same as ESG Annual Reporting with two additional fields
 - ESG CARES Condition: Income limit of 50% Area Median Income to receive or continue to receive homelessness prevention.

Homelessness Prevention							
HP Persons Served	12	HP Adults Served	7	HP Households Served	5	HP Non-Cash Benefits Increase	0
HP Income Increase	0	HP Maintained 3+ Months	3	HP Permanent Housing	0	HP HHS COVID19 FMR Waiver	0
HP Households Rental Assistance	5	HP HHS CARES <30% AMFI	2	HP HHS CARES 30-50% AMFI	3		

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THREE OPTIONS FOR THE FIRST ESG CARES REPORT

ESG CARES Subrecipients have three options for their first report:

- Pre-award costs with early submission: service dates starting from first COVID-19 response and ending May 30, 2020*; OR
- Pre-award costs with timely submission: service dates starting from first COVID-19 response and ending on June 30, 2020; OR
- No pre-award costs: service dates starting on the official Contract start date of May 19, 2020, and ending on June 30, 2020.

*With option one, reports for June 1-30 are still due by July 31, 2020.

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One-time Working Capital Advance

- Subrecipients may request a one-time working capital advance for thirty (30) calendar day cash needs up to eight percent of the Contract amount or an advance of \$5,000, whichever is greater.
- To request an advance payment:
 - Submit a properly completed Monthly Expenditure Report that includes a request for advance funds. If the advance is not utilized, funds will be returned to the Department within sixty (60) calendar days.

Advance Flag Advance Flag

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FAQs on ESG CARES Eligible Costs



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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

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**

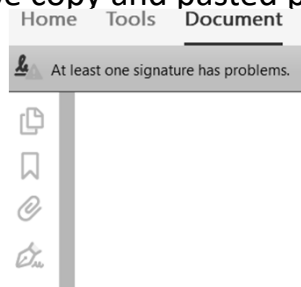
- Outlined policies for hazard and overtime pay in your employee handbook or budget
- Communicated policies to all eligible employees

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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.

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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).

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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)

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