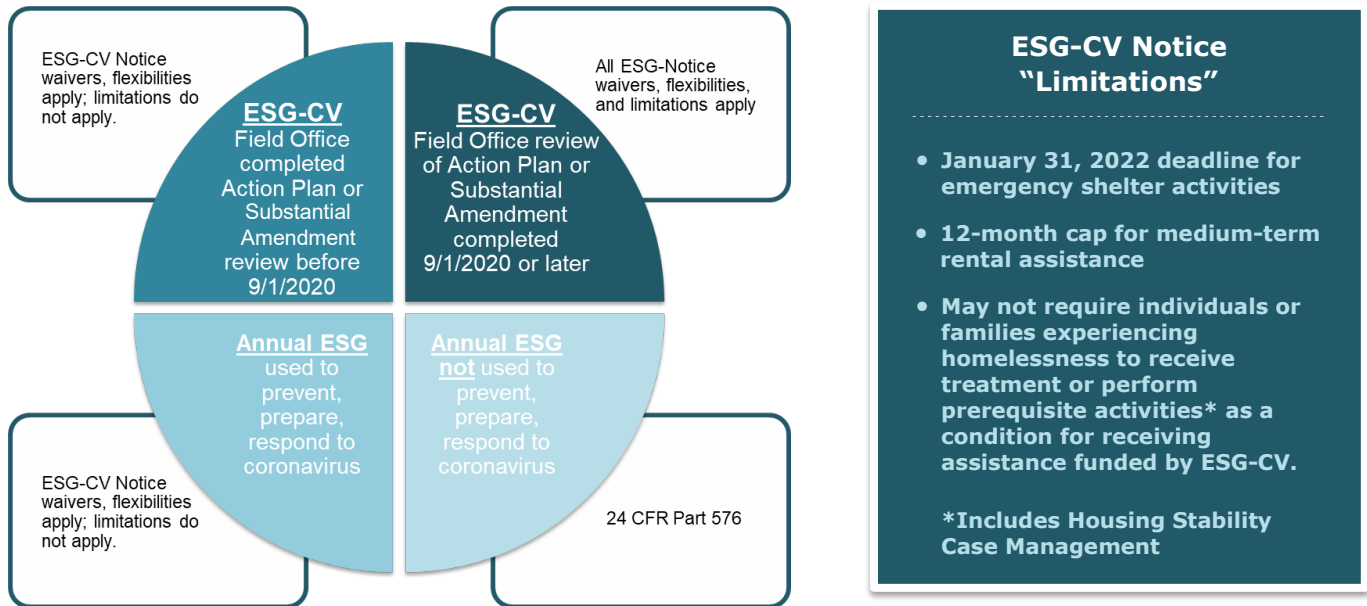


COVID-19

Homeless System Response: Grants Management: ESG-CV Notice Summary

COVID-19 Emergency Solutions Grants (ESG-CV) Notice Applicability



Note: Requirements at 24 CFR Part 576 apply to the use of ESG-CV funds unless otherwise provided for in the ESG-CV Notice, subsequent notices, or the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Additional Eligible Activities



Handwashing Stations & Portable Bathrooms

Funds may be used to install and maintain handwashing stations and bathrooms in outdoor locations for people experiencing unsheltered homelessness.



Volunteer Incentives

Funds may be used 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.



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.



Temporary Emergency Shelters

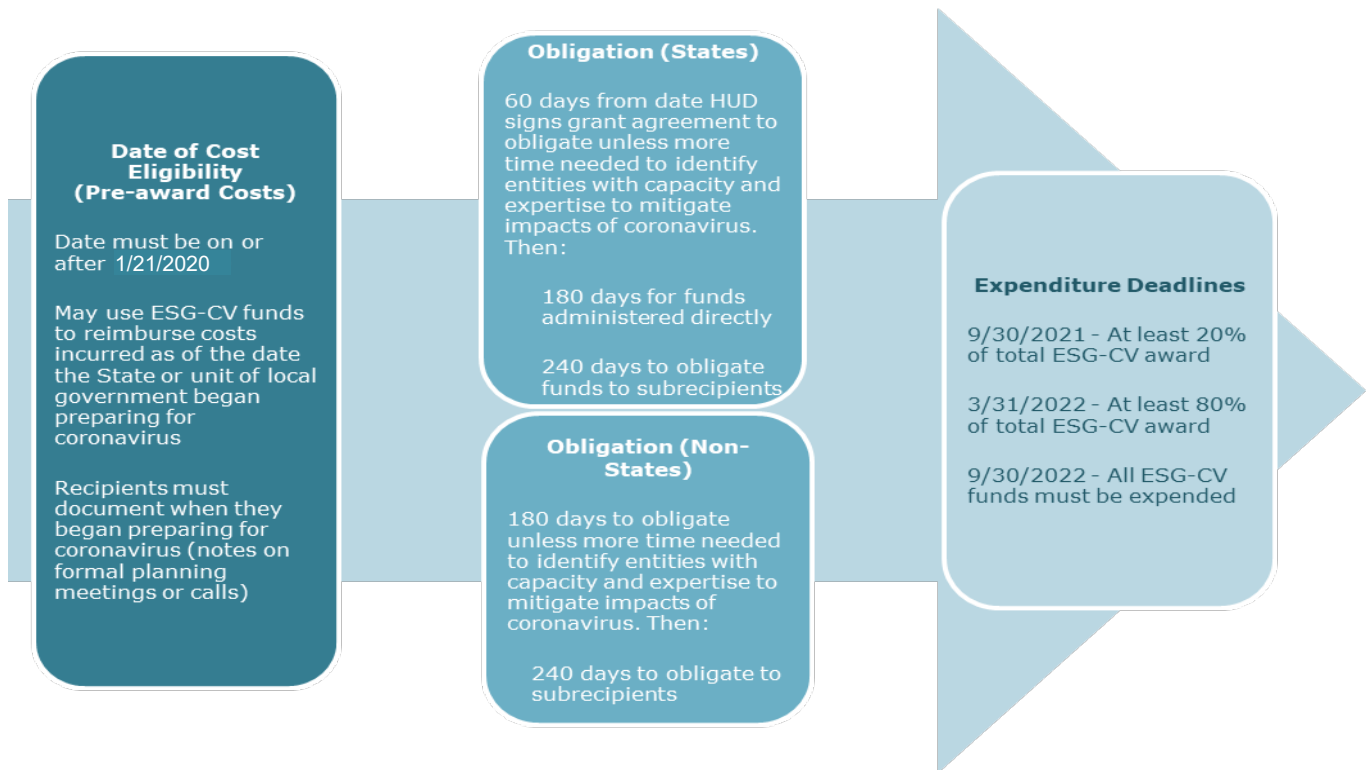
Funds may be used for the following costs related to temporary emergency shelters: leasing of real property, acquisition of real property (up to \$2.5 million per real property), renovation, shelter operations, and services. Additional requirements for temporary emergency shelters are established in Section III.E.3.a of the Notice.



Landlord Incentives

Funds may be used to pay for landlord incentives for up to three times the rent charged for the unit, including signing bonuses, security deposits, repairing 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 cost of extra cleaning or maintenance.

Important Dates



Recapture Provisions

- The U.S. Department of Housing and Urban Development (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.

HUD reserves its discretion to make subsequent waivers and alternative requirements to assure recaptured funds are reallocated in a manner consistent with the statutory purposes and conditions for ESG-CV funds.

Means of Carrying Out Grant Activities

	Administer funds directly	Subaward to:			
		Non-profits	Public Housing and Local Redevelopment Authorities	Urban Counties	Metro Cities
States	✓	✓	✓	✓	✓
Urban Counties	✓	✓	✓		Member governments
Metro Cities	✓	✓	✓		
Territories	✓	✓			

Waivers & Alternative Requirements (Flexibilities)

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.

Match Requirement—Waived.

Fair Market Rent Limit—Waived. Units must still meet Rent Reasonableness standards.

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.

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. Costs for these populations include:

- hotel or motel rooms, directly or through a voucher,
- cleaning of hotel and motel rooms used by program participants,
- repair damages caused by program participants above the normal wear and tear of the room.

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.

Coordinated Entry, Written Standards, and HMIS Requirements— For new activities under the ESG-CV Notice Requirements to participate in coordinated entry, administer assistance in

accordance with ESG written standards, and participate in HMIS are waived for costs incurred between the beginning of a community's coronavirus response (January 21, 2020 or later) and June 30, 2020. Coordinated entry, ESG written standards, and HMIS must be used going forward.

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).

Consolidated Annual Performance and Evaluation Report (CAPER)—Waived. Recipients have 180 days from their program year end date to submit their CAPER for annual ESG reporting.

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.

Additional ESG-CV Reporting

The ESG-CV Notice provides HUD the discretion to issue further guidance if additional reporting is necessary. HUD has begun releasing ESG-CV quarterly reporting guidance, which is posted and continually updated on the HUD Exchange.

Duplication of Benefits

"Duplication of benefits" occurs when federal financial assistance is provided to a person or entity through a program to address losses resulting from a federally-declared emergency or disaster, and the person or entity receives or would receive financial assistance for the same costs from any other source, and the total amount received exceeds the total need for those costs. Recipients must establish and maintain adequate procedures to prevent any duplication of benefits with ESG-CV funds.