

# Overview of the CARES Act ESG Funding

## Housing is Healthcare

Suncoast Partnership to End Homelessness

June 22, 2020



# The Florida Housing Coalition

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- Statewide nonprofit provider of training, technical assistance, and consulting
- From ending homelessness to first time homeownership
- See [www.flhousing.org](http://www.flhousing.org)



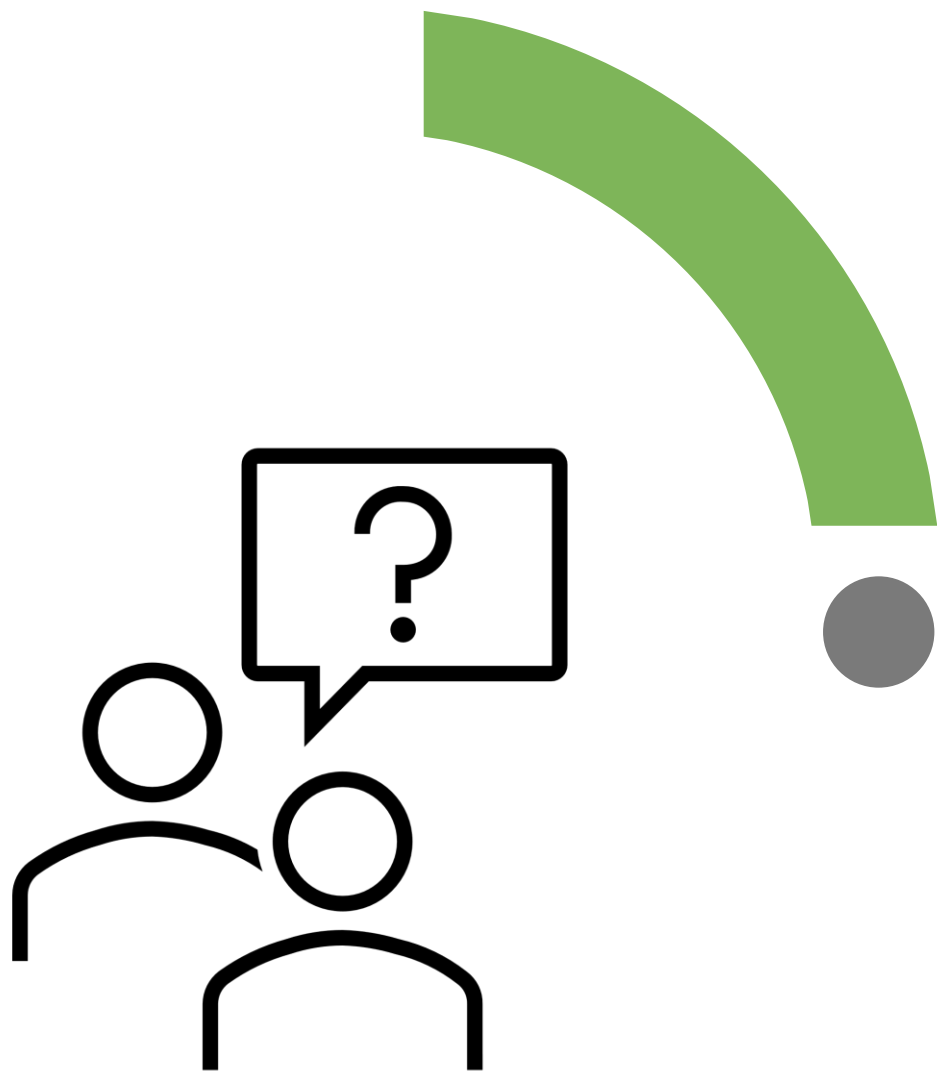
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# Agenda

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1. Introductions
2. Overview of housing and homelessness funding in Sarasota & Manatee
3. Current Waivers: ESG and ESG-CV
4. ESG and ESG-CV regulations overview
5. Major differences between ESG and ESG-CV
6. Policy and procedure implications
7. Planning and advocacy



**Poll**



**Burning  
issues?**

**What ESG-related  
question would you  
like answered in  
today's webinar?**

# Overview of selected housing and homelessness funding in Sarasota and Manatee



Funding Source	Recipient	Amount
HUD ESG (through State)	SPEH	\$172,000
HUD ESG-CV1 and CV-2 (through State)	SPEH	(1)
State of FL Challenge	SPEH	\$119,000
HHS TANF (through State)	SPEH	\$38,000
HUD ESG (direct allocation)	Sarasota County	\$147,477
	Manatee County	\$164,657
HUD ESG-CV1 and CV-2 (direct allocation)	Sarasota County	\$2,380,752
	Manatee County	\$2,703,218

(1) DCF's total ESG-CV allocations are about \$85.9million – more than **14 times** their annual allocation. Grants to CoCs have not yet been announced. Could SPEH get \$2million more? Stay tuned.



# ESG-CV Funding: HUD's Expectations

1. Use ESG-CV **primarily** for Rapid Re-Housing – use this opportunity to dramatically reduce homelessness as quickly as possible
2. Use ESG-CV for shelter, outreach, etc. only as necessary and only if directly related to preventing or preparing for COVID
3. Use ESG-CV, if needed, to ramp up diversion practices and improve coordinated entry to focus on COVID-vulnerable populations
4. Use primarily **non-ESG** funding for prevention assistance – remember that the priority for ESG-CV is people experiencing homelessness
5. If you use ESG-CV for prevention, make sure you target carefully! (see attached handout)





# Who is homeless right now?

Current census of non-Veteran homeless households according to BNL

Household type	Manatee	Sarasota	Total
Families	44	50	94
Individuals	343	698	1,041
Total	387	748	1,135

Q: What can \$5-ish million in ESG-CV do?

A: Reduce homelessness by 50%



# Recommendation

- Build a “Re-Housing Surge Plan”
  - Example: “Re-House 200 households in 200 days”
  - Example: [Hillsborough Goals](#)
  - Additional examples in attached handout
- See [handout](#) for steps to build a Surge Plan
- Create a coordinated plan to use ESG, CDBG, TBRA, CRF, PHA mainstream vouchers, and other monies to fund the Surge
- Implement that plan vigorously
- Track outcomes and performance metrics to improve process

# Available Waivers: ESG and ESG-CV



# Current Waivers for ESG, ESG-CV, and CoC

- [HUD waiver memo dated 3/31/2020](#)
- [HUD waiver memo dated 5/22/2020](#)



**Current Waivers: ESG  
& ESG-CV**  
*(if HUD has been notified  
by State/Local Gov't)*

Frequency of HP reevaluations  
changed from every 3 mo to  
every 6 mo (through 3/31/2022)

Monthly CM meeting waived  
(through 8/22/2020)

May lease above FMR *if* meet  
rent reasonableness standards  
(through 9/30/2020)

# ESG and ESG-CV regulations overview



# ESG Purpose

Generally, ESG funds activities to ensure that homelessness is **rare, brief, and one-time.**





# ESG Eligible Activities

Street Outreach

Emergency Shelter

Homeless Management Information System (HMIS)

Rapid Re-Housing

Homelessness Prevention

Administration

# Eligible activities: outreach, shelter, and HMIS

Street Outreach	Emergency Shelter			HMIS	
Essential services	Renovation	Essential services	Shelter operations	Relocation assistance	HMIS
Engagement	Major rehab	Case management	Maintenance	Relocate people displaced by project	Acquiring and operating HMIS
Case management	Conversion	Childcare	Security		
Emergency health services	Minor renovations	Education services	Rent		
Transportation		Employment assistance	Utilities		
		Outpatient health services	Equipment		
		Legal services	Furnishings		
		Transportation	Insurance		

# Eligible activities: prevention and rapid re-housing

Homelessness Prevention and Rapid Re-Housing	
Housing relocation & stabilization services	Rental assistance
Financial assistance: rental application fees, security deposits, last month's rent, utility deposits, utility payments (including arrears), moving costs	Rent assistance (going forward)
Services: housing search, housing stability case management, mediation, legal services, credit repair	Rental arrears (one-time payment for up to 6 months)
	Note: cannot receive more than 24 mo assistance, including arrears (in a 3-year period)

# Selected add'l rqmts for ESG HP and RRH

Financial payments directly to landlord, utility company, etc. (not household)

Lead-based paint standards and housing habitability standards apply (not HQS)

Lease agreement and rental assistance agreement required

Rent must be (1) not more than FMR (unless waiver applies), and is also (2) subject to rent reasonableness

Monthly case management meeting (unless waiver applies)

Reevaluation of need for assistance every 3 months for HP and every 12 months for RRH (unless waiver applies)

Program must participate in CE and HMIS

Must have Written Standards for ESG



# Categories of Homelessness (see attached)

## Category 1: Literally Homeless

- Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: (i) Has a primary nighttime residence that is a public or private place not meant for human habitation; (ii) Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or (iii) Is exiting an institution where (s)he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution

## Category 2: Imminent Risk of Homelessness

- Individual or family who will imminently lose their primary nighttime residence, provided that: (i) Residence will be lost within 14 days of the date of application for homeless assistance; (ii) No subsequent residence has been identified; and (iii) The individual or family lacks the resources or support networks needed to obtain other permanent housing

## Category 3: Homeless under other Federal Statutes

- Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who: (i) Are defined as homeless under the other listed federal statutes; (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application; (iii) Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; and (iv) Can be expected to continue in such status for an extended period of time due to special needs or barriers

## Category 4: Fleeing/Attempting to Flee Domestic Violence

- Any individual or family who: (i) Is fleeing, or is attempting to flee, domestic violence; (ii) Has no other residence; and (iii) Lacks the resources or support networks to obtain other permanent housing



# Prevention for Households “At Risk of Homelessness”

## ***At risk of homelessness definition:***

An individual or family who

(i) Has an annual income below 30% of AMI (or 50% for ESG-CV funding), as determined by HUD policies;

AND

(ii) Does not have sufficient resources or support networks available to prevent them from becoming **literally homeless** (emphasis added);

AND

(iii) Meets at least one of the following conditions:

(A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

(B) Is living in the home of another because of economic hardship;

(C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;

(D) Lives in a hotel or motel and the cost is not paid by charitable organizations or by governmental programs;

(E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room;

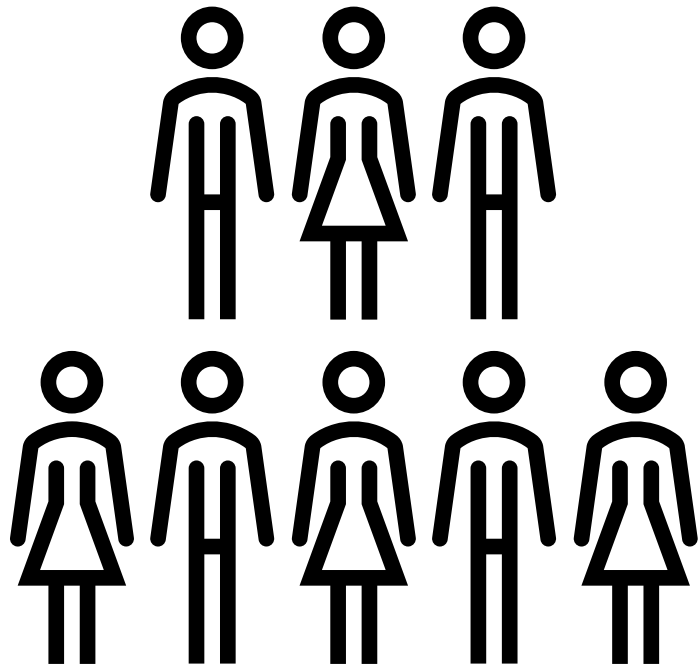
(F) Is exiting a publicly funded institution or system of care; or

(G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.

*Note:* Also includes households defined as homeless under other Federal statutes.



# Eligibility for rapid re-housing



Households eligible rapid re-housing include those that are homeless under:

- Category 1\*
- Category 4\*

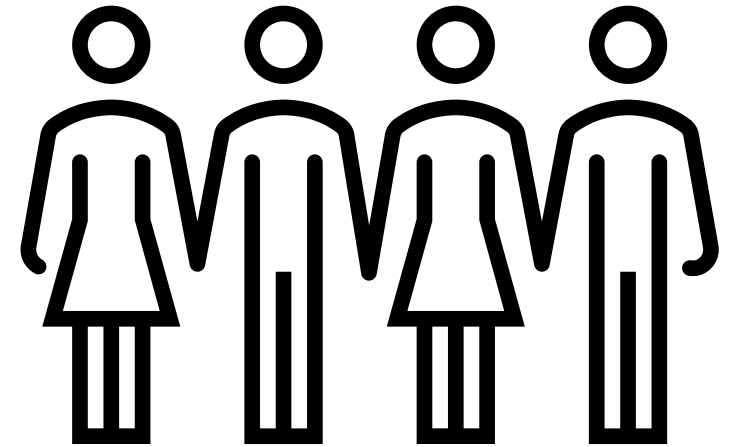
\*see attachment

# Eligibility for homelessness prevention

Households eligible homelessness prevention include those that are at risk of homelessness under:

- Category 2\*
- Category 3\*
- Category 4\*
- The “at risk of homelessness” definition

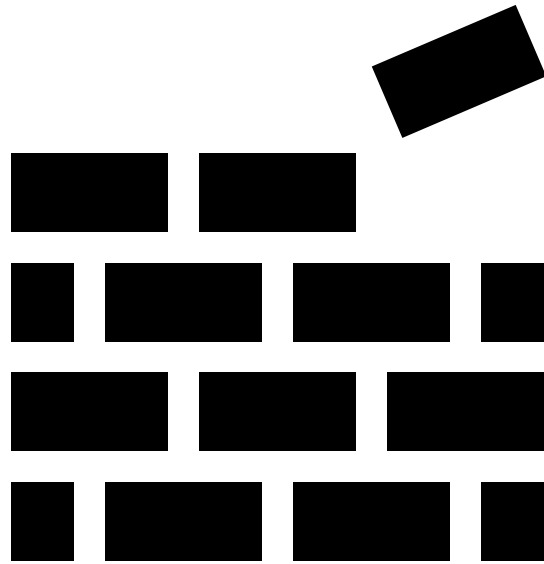
Caution: Prevention assistance cannot be provided unless the household would become literally homeless if you didn't offer that assistance. (The “but for” clause.)





# Important reminder: no barriers

ESG-CV program assistance cannot be conditioned upon participation in services or classes, complying with work requirements, etc. or meeting conditions such as sobriety, medication compliance, etc., either before or after entry into the program.



# Major differences between ESG and ESG-CV



Characteristic (page 1)	ESG	ESG-CV
Match requirement	100%	None
Income eligibility for prevention	<30% AMI	<50% AMI
Cap on expenditures for shelter and street outreach	60%	None
Maximum administration	7.5%	10%
Can cover eligible expenditures made prior to award	No	Yes



Characteristic (page 2)	ESG	ESG-CV
Temporary shelters are allowed, and habitability standards, length of use requirements, and environmental review standards need not be met	No	Yes
Explicit guidance that it can be used to pay for COVID-related training, hazard pay, etc., and not charged to Admin	N/A	Yes
Must be used for “allowable costs to prevent, prepare for, and respond to coronavirus”	No	Yes
Explicitly prohibits requiring clients to “receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services”	No	Yes



# Administrative implications

- Must track ESG and ESG-CV funds separately – income and expenditures
- Must identify in case file (and/or HMIS) for each assisted household whether ESG or ESG-CV funding was provided
- Must ensure that records meet requirements of the specific funding source (e.g., AMI for HP, no service rqmt's for CV)

# Policy and procedure implications



# Changes to Coordinated Entry

- Remains a requirement for all CoC and ESG projects
- Revisit your CoC's CE policies and procedures
  - Revise to ensure speedy COVID response and recovery
  - Revise policies and procedures impacting subpopulations based on vulnerability



# What Populations Need to Be Prioritized?

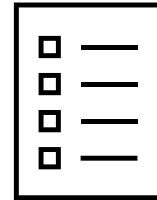
- HUD recommends the system have the ability to evaluate, update, and implement changes immediately
- [People at high risk](#) of developing severe COVID-19 symptoms
- Ensure the most vulnerable have access
  - Black people, people of color, and LGBTQ-identified people have longer periods of homelessness, are less likely to be housed, and have higher rates of returns to homelessness
- Consider this an opportunity to prioritize people on simple criteria
  - **Less sophistication for quicker prioritization**





# ESG Written Standards

Revisit your CoC's ESG Written Standards to ensure that the standards set forth the processes you wish to use during the COVID response and recovery



# Planning and advocacy



# Advocacy

Other sources of funding that could be used for rental assistance – up to local communities (use your housing surge strategy to sell it)

- SHIP
- CDBG
- CSBG
- CRF
- Foundations

# ESG regulations and related guidance

<https://www.hudexchange.info/programs/esg/>

DISASTER RESPONSE REHOUSING



