

THDA's Emergency Solutions Grant (ESG) Program Basics



Objectives

- ✓ What is THDA's Emergency Solutions Grants (ESG) Program?
- ✓ Who can apply to THDA's ESG Program?
- ✓ What are the Eligible Participants for ESG?
- ✓ What are the Eligible Components and Costs of ESG?
- ✓ What are the Ineligible Costs with ESG funding?
- ✓ What needs to be included in ESG Participant Files?
- ✓ Additional ESG resources

What is THDA's ESG Program?

- THDA receives approximately \$3 million annually in ESG federal funding from U.S Department of Housing and Urban Development (HUD) to administer across Tennessee.
- ESG provides shelter and services to help persons experiencing homelessness or persons at-risk of homelessness regain housing stability with six ESG components:



Applicants of THDA's ESG Program

- Only non-profit and local government agencies are eligible and must apply through THDA
 - ESG is a one year competitive grant, it will not be automatically renewed.
 - Applicants will be selected yearly based on the strength of their application.
 - Applicants can either apply for one component or multiple components of ESG.
 - Applicants must be able to match their award dollar for dollar with other funding sources, volunteer hours and/or donations.
 - Applicants are required to utilize their Coordinated Entry system set forth by their CoC. Only two exceptions: Victim Service Providers and Legal Service Providers may use a comparable database.

Housing First

- HUD strongly encourages ESG recipients to adopt Housing First practices and remove unnecessary barriers to receiving assistance, including criminal histories.
- Housing First is a proven approach in which all people experiencing homelessness are believed to be housing ready and are provided with permanent housing immediately and with few to no preconditions, behavioral contingencies, or barriers.
- Effectively implementing a Housing First approach involves prioritizing people with the highest needs and vulnerabilities, engaging more landlords and property owners, and making projects client-centered spaces without barriers to entering and remaining in the project.

Contract Requirements

- Must comply with the ESG Code of Regulations as outlined in 24 CFR 576. Can be found at <https://www.ecfr.gov/current/title-24/part-576>

- ESG Written Policies and Procedures 24 CFR 576.500(a)
 - Grantees should have written policies and procedures for program activities funded by ESG.
 - Policies and Procedures must correspond with CoC's ESG policies.

Eligible Participants of ESG

Category 1- Literally Homeless

Category 2- Imminent Risk of Homelessness

Category 3- Homeless under other Federal statutes

Category 4- Fleeing/ Attempting to Flee DV

Category 1 - Literally Homeless

- An Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
 - Has a primary nighttime residence that is a public or private place not meant for human habitation;
 - 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
 - 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

- An individual or family who will imminently lose their primary nighttime residence, provided that:
 - Residence will be lost within 14 days of the date of application for homeless assistance;
 - No subsequent residence has been identified; and
 - The individual or family lacks the resources or support networks needed to obtain other permanent housing; and
 - Income must be below 30 percent AMI for the area determined by HUD

Category 3 - Homeless under other Federal statutes

- An 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:
 - Are defined as homeless under the other listed federal statutes;
 - Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application;
 - Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; and
 - 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 DV

➤ Any individual or family who:

- Is fleeing, or is attempting to flee, domestic violence;
- Has no other residence; and
- Lacks the resources or support networks to obtain other permanent housing

Eligible ESG Components

Street Outreach

24 CFR 576.101

Emergency Shelter

24 CFR 576.102

Homelessness Prevention

24 CFR 576.103

Rapid Re-housing

24 CFR 576.104

Homeless Management Information System (HMIS)

24 CFR 576.107

Administration

only available to set aside cities

24 CFR 576.108

Street Outreach Component

- Services are provided on the street, or in parks, abandoned buildings, bus stations, campgrounds, and other unsheltered settings.
- Costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, nonfacility-based care to **unsheltered homeless people** who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.
- Eligible to Category 1 – Literally Homeless participants

Eligible Costs of Street Outreach

Engagement

Case Management

Emergency Health Services

Emergency Mental Health Services

Transportation

Eligible Costs of Street Outreach

Engagement

- Locate, identify, and build relationships with unsheltered homeless people
 - initial assessment of needs and eligibility;
 - providing crisis counseling;
 - addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries;
 - actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs.
- Includes cell phone for outreach staff

Eligible Costs of Street Outreach

Case Management

- Assessing housing/service needs:
 - Using the centralized/coordinated assessment;
 - Initial evaluation
 - Counseling;
 - Referrals to other service providers;
 - Obtaining Federal, State, and local benefits;
 - Monitoring/evaluating progress;
 - Developing housing and service plan to stability

Eligible Costs of Street Outreach

Emergency Health / Mental Health Services

- Licensed medical professionals who go to persons experiencing homelessness when services are unavailable/inaccessible without outreach:

Emergency Health Services	Emergency Mental Health Services
<ul style="list-style-type: none"> • Assessing a participant's health problems and developing a treatment plan • Assisting participants to understand their health needs • Providing directly or assisting program participants to obtain appropriate emergency medical treatment • Providing medication and follow-up services 	<ul style="list-style-type: none"> • Crisis interventions • The prescription of psychotropic medications • Explanation about the use and management of medications • Combinations of therapeutic approaches to address multiple

Eligible Costs of Street Outreach

Transportation

- Transportation costs for Outreach workers, social workers and medical professionals
 - Travel for unsheltered persons to emergency shelters or services
 - Participants travel on public transit/Costs of staff to accompany participants on public transportation
 - Mileage for staff to visit unsheltered participants
 - Purchasing/leasing vehicle for staff use in conducting outreach activities

Emergency Shelter Component

- ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters.
- Eligible to all Categories of Homelessness

Eligible Costs of Emergency Shelter

Essential Services

Shelter Operations

Assistance Required under URA of 1970

Eligible Costs of Emergency Shelter

Essential Services – Case Management

- Use of centralized/coordinated assessment system;
- Evaluation, verifying/documenting eligibility;
- Counseling;
- Developing/securing/coordinating services;
- Obtaining Federal, State, and local benefits;
- Monitoring/evaluating participant progress;
- Information and referrals to other providers;
- Ongoing risk assessment and safety planning with victims of domestic violence...;
- Individualized housing/service plan to stability.

Eligible Costs of Emergency Shelter

Essential Services – Child Care

- Child care costs for licensed child care facilities
 - Meals/snacks
 - Cost of developmental activities
 - Costs are eligible for child care for children under 13, or children with disabilities under 18

Eligible Costs of Emergency Shelter

Essential Services – Education

- Education, when necessary to obtain/maintain housing. The costs of improving knowledge and basic educational skills are eligible. Services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED).
 - Screening, assessment, and testing;
 - Individual or group instruction;
 - Tutoring;
 - Provision of books, supplies, and instructional materials;
 - Counseling;
 - Referral to community resources

Eligible Costs of Emergency Shelter

Essential Services – Employment / Job Training

- The costs of employment assistance and job training programs are eligible and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential
 - Classroom, online, and/or computer instruction
 - On-the-job instruction
 - Assistance in securing employment, acquiring learning skills, increasing earning potential
 - Employment screening, assessment, or testing
 - Structured job skills and job-seeking skills
 - Special training and tutoring, including literacy training and prevocational training
 - Books and instructional material
 - Counseling or job coaching
 - Referral to community resources

Eligible Costs of Emergency Shelter

Essential Services – Outpatient Health Services

- Available to the extent unavailable within the community by licensed Health Care Professional:
 - Assessing and developing treatment plan
 - Assisting in understanding health needs
 - Medical treatment, preventive medical care, health maintenance services
 - Medication and follow-up services
 - Preventive and non-cosmetic dental care

Eligible Costs of Emergency Shelter

Essential Services – Legal Services

- Representation must be by attorneys licensed and in good standing with the bar association of the State in which the services are provided, and by person(s) under the supervision of the licensed attorney
- Funds may be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community and regarding matters that interfere with the program participant's ability to obtain and retain housing.
- Eligible subject matters are child support, guardianship, paternity, emancipation, and legal separation, orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking, appeal of veterans and public benefit claim denials, and the resolution of outstanding criminal warrants
 - Hourly fees for legal advice
 - Preparation for trial
 - Provision of legal advice
 - Representation at hearings
 - Counseling
 - Filing fees and court costs

Eligible Costs of Emergency Shelter

Essential Services – Life Skills Training

- The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance use, and homelessness are eligible costs. These services must be necessary to assist the program participant to function independently in the community.
- Budgeting resources and managing money
 - Managing a household
 - Resolving conflict
 - Shopping for food and needed items
 - Improving nutrition
 - Using public transportation
 - Parenting skills

Eligible Costs of Emergency Shelter

Essential Services – Emergency Mental Health Services

- Licensed medical professionals provide clients at emergency shelter the following when services are unavailable/inaccessible:
 - Crisis interventions,
 - The prescription of psychotropic medications,
 - Explanation about the use and management of medications,
 - Combinations of therapeutic approaches to address multiple problems

Eligible Costs of Emergency Shelter

Essential Services – Substance Abuse Treatments

- Licensed or certified professionals provide treatment to prevent, reduce, eliminate, or deter relapse:
 - Client intake and assessment
 - Outpatient treatment for up to thirty (30) days
 - Group and individual counseling
 - Drug testing

Eligible Costs of Emergency Shelter

Essential Services – Transportation

- Used to provide transportation for program participants to and from medical care, employment, child care, or other facilities:
 - Participants travel on public transit/Costs of staff to accompany participants on public transportation
 - Mileage for staff to visit participants
 - Purchasing/leasing vehicle for staff use in conducting outreach activities
 - Taxis and ride-share services
 - Program participants' costs of fuel, car payments and insurance for personal transportation are not eligible

Eligible Costs of Emergency Shelter

Essential Services – Services for Special Populations

- Essential services tailored for:
 - Homeless youth
 - Victims of Domestic Violence & Related crimes/threats
 - People living with HIV/AIDS

Eligible Costs of Emergency Shelter

Essential Services – Operations

- Maintenance
- Shelter rent or lease payments
- Security services
- Fuel
- Equipment
- Insurance
- Utilities
- Food for clients
- Furnishings (beds, tables, etc)
- Supplies
- Hotel/motel vouchers

Eligible Costs of Emergency Shelter

Essential Services – Assistance under Uniform Relocation Act

- When shelters are renovated or building are converted:
 - Relocations payments to persons displaced by a project assisted by ESG funds
 - **Rehab/Renovations is not and eligible activity under THDA's ESG program**

Homelessness Prevention & Rapid Re-housing

Homeless Prevention

- Funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to **prevent an individual or family from moving** into an emergency shelter or a place not meant for human habitation
- Participants must also meet below 30 present AMI for their area, as determined by HUD
- Eligible to Category 2 At-risk of Homelessness, Category 3 Other Federal Statutes and Category 4 Fleeing Domestic Violence

Rapid Re-housing

- Funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a **homeless individual or family move** as quickly as possible into permanent housing and achieve stability in that housing
- No income requirement at project entry
- Eligible to Category 1 Literally Homeless, Category 3 Other Federal Statutes and Category 4 Fleeing Domestic Violence

Eligible Costs of HP & RRH Activities

Rental Assistance

- Short-Term & Medium Term Rental Assistance
 - Rental Arrears

Housing Relocation and Stabilization Services

- Financial Assistance
 - Services Costs

Eligible Costs of HP & RRH

Rental Assistance

- Short & Medium-term Rental Assistance:
 - Short-Term (up to 3 months)
 - Medium-Term (>3 months, <24 months)

- Arrears
 - One-time payment can be up to six months of rent
 - Arrears count toward total amount of rental assistance available
 - Includes Tenant-Based Rental Assistance and Project-Based Rental Assistance

Requirements for Rental Assistance under HP & RRH

- Rental units paid with ESG Homelessness Prevention or Rapid Re-Housing funds must:
 - Comply with Fair Market Rent limits as calculated in 24 CFR §982.503;
 - Comply with Rent Reasonableness requirements outlined in 24 CFR §982.507;
 - Comply with Minimum Habitability Standards, including lead-based paint requirements;
 - Have a Rental Assistance Agreement with specific lease stipulations between the Grantee and the landlord (property manager or owner);
 - Have a legally binding, written lease agreement between tenant and landlord; and
 - Not be used with other subsidies of the same type.

Eligible Costs of HP & RRH

Financial Assistance under Housing Relocation and Stabilization Services

- Financial Assistance funds may be used to pay housing owners, utility companies, and other third parties for the following costs:
 - Rental Application Fee
 - Security Deposits up to 2 months of rent
 - Last month's rent
 - Utility Deposits/Payments
 - Moving Costs
 - Temporary storage fees up to 3 months

Eligible Costs of HP & RRH

Services Costs under Housing Relocation and Stabilization Services

- Housing Search and Placement
- Housing Stability Case Management
- Mediation
- Legal Services
- Credit Repair

Eligible Costs of HP & RRH

Services Costs under Housing Relocation and Stabilization Services

- Housing Search and Placement – includes participant needs assessment, housing plan, Landlord engagement, rental applications, assessment for habitability, lead-based paint, fair market rent and rent reasonable, moving accommodations
- Housing Stability Case Management – use of centralized coordinated entry system, participant evaluation and re-evaluation to ESG program, connection with federal, state & local benefits, developing service plan
- Mediation – between client and owner/person with whom the program participant is living
- Legal Services – involving matters between landlord & tenant
- Credit Repair – focus on financial education and credit checks, may not pay for past debts

Homeless Management Information System (HMIS) Component

- Costs associated coordinating and contributing data to the HMIS CoC
- If the subrecipient is a victim services provider or a legal services provider, they may use funds to establish and operate a comparable database that collects client-level data over time (i.e., longitudinal data) and generates unduplicated aggregate reports based on the data.
 - Information entered into a comparable database must not be entered directly into or provided to an HMIS.
- Activities funded under this component must comply with HUD's standards on participation, data collection, and reporting under a local HMIS.

Eligible Costs of HMIS

Hardware, Equipment and Software Costs

Staffing

Training and Overhead Costs

Eligible Costs of HMIS

- Eligible costs of contributing data to the HMIS designated by the Continuum of Care for the area, including the costs of:
 - Hardware, Equipment and Software Costs - Purchasing or leasing computer hardware, equipment, including telephones, faxes and furniture. Purchasing software/software licenses
 - Staffing – data collection, completing data entry, monitoring/reviewing data quality, completing data analysis, reporting to the HMIS Lead, training staff, implementing and complying with HMIS requirements
 - Training and Overhead Costs – obtaining technical support, leasing office space, electricity, gas, water, phone service and high-speed data transmission, travel to and attend HUD sponsored and HUD-approved training on HMIS, staff travel to conduct participants' intake, participation fees charged by the HMIS Lead

Administrative Component

- Only eligible to local governments and set-aside entities
- This does not include staff and overhead costs directly related to carrying out other ESG eligible components, because those costs are eligible as part of those activities
- These costs are specifically tied to administration of the ESG program

Eligible Costs of Administrative

General Management, Oversight and Coordination

Training on ESG Requirements

Environmental Review

Eligible Costs Administrative

General Management, Oversight, Coordination

- Program management, coordination, monitoring and evaluation
- Administrative services performed under third party contracts or agreements
- Other costs for goods and services required for administration of the program
- Staff salaries, wages, and related costs of staff
- Audit costs for only those associated with any federally required Single Audits

Eligible Costs Administrative

Training & Environmental Review

- Training
 - Costs of receiving training on ESG requirements
 - Attending HUD-sponsored ESG trainings

- Environmental Review
 - Costs of carrying out environmental review responsibilities under 24 C.F.R. § 576.407
 - Required for all activities
 - More paperwork needed for rehabilitation/renovation/conversion

Ineligible Costs under ESG

- ✗ Acquisition of real property
- ✗ New construction
- ✗ Rehabilitation of structures to the extent that those structures are used for inherently religious activities
- ✗ Legal services for immigration and citizenship matters, and issues relating to mortgages
- ✗ Inpatient detoxification and other inpatient drug or alcohol treatment
- ✗ Mortgage payments
- ✗ State tax
- ✗ Rent in a transitional housing program for program participant

Participant Files

- Individual client files are required for Emergency Shelter, Street Outreach, Homeless Prevention & Rapid Rehousing components
- Requirements vary based on ESG component
- Checklists for all participant files can be found on THDA's ESG website under **“ESG Program Self Audit Forms”**

Contact Information

If you have any questions about THDA's ESG program, please contact our ESG Team at

ESG@thda.org



Resources

HUD Exchange

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

ESG Code of Federal Regulations (24 CFR 576)

<https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-576>

Tennessee Housing Development Agency

<https://thda.org/government-nonprofit-partners/emergency-solution-grants-esg-program>

Housing First

<https://www.huduser.gov/portal/periodicals/em/spring-summer-23/highlight1.html#:~:text=Housing%20First%20is%20a%20flexible%20and%20adaptable%20service,offering%20voluntary%20supportive%20services%20to%20meet%20individuals%E2%80%99%20needs>