

Emergency Solutions Grants Grantee Workshop

JUNE 2022

Grant Terms

- Contract Start Date: July 1, 2022
- Contract End Date: June 30, 2023
- No expenditures incurred prior to July 1, 2022 can be reimbursed using ESG-2022 funds
- No expenditures prior to the approved Environmental Review can be reimbursed using ESG 2022 funds

Grant Terms

- This grant is for reimbursement only, no funds will be advanced
- No reimbursements can be made until THDA's receipt and signing of the federal contract with HUD and funds are made available to THDA in IDIS.
- This is a one year competitive grant, it will not be automatically renewed, you will have to apply for future grants

New Grantees

- Must submit W-9, Remittance Address Documentation, State of Tennessee Employee listing and Email Registration Documents to ESG@thda.org
- ESG staff will fill out Supplier Forms and submit to State of Tennessee: Supplier Maintenance to establish an Edison Account
- Must submit ACH bank information using Supplier Direct Deposit Authorization Form directly to State of Tennessee: Supplier Maintenance.
- Form must include original signatures from grantee and financial institution
- Account approval will take at least 30 days

Updated Information

Please email ESG@thda.org

- If you have any changes to your bank account
- If you have a change in your address
- If you have updated/changed the name of your agency

Authorized Signatures

In order to submit for reimbursement all requests must be approved by 2 authorized signatures:

- Authorized Signatures are entered and approved on the Grant Setup screen in GMS
- The signatures can be changed as needed throughout the grant year if there are promotions or turnover
- If there are any changes in staff they must be reported to THDA through ESG@thda.org

Contract Requirements

- Practice and Post Non-Discrimination Policies.
- Post notice of receipt of ESG funds using contract language.
- Include fair housing and ADA logos on All Informational Material.
- Maintain and Implement Drug Free Workplace Policy.
- Avoid Conflicts of Interest.

Contract Requirements

Compliance with the ESG Code of Regulations as outlined in 24 CFR 576

- <https://www.ecfr.gov/current/title-24/part-576>

ESG Written Policies and Procedures

- Each grantee should have submitted their ESG written policies and procedures during the application process to the Grants Management System. Grantees should have written policies and procedures for program activities funded by ESG. Policies and Procedures must correspond with CoC's ESG policies.
- Grantees must consistently follow their policies.

Contract Requirements

Participation in HMIS

- The recipient must ensure that data on all persons served and all activities assisted under ESG are entered into the applicable community-wide HMIS in the area in which those persons and activities are located, or a comparable database, in accordance with HUD's standards on participation, data collection, and reporting under a local HMIS.
- If the subrecipient is a victim service provider or a legal services provider, it may use 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

Contract Requirements

Homeless Participation

- The recipient must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity of the recipient, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receive funding under Emergency Solutions Grant (ESG).
- If the recipient is unable to meet requirement under paragraph (a), it must instead develop and implement a plan to consult with homeless or formerly homeless individuals in considering and making policies and decisions regarding any facilities, services, or other assistance that receive funding under Emergency Solutions Grant (ESG).

Contract Requirements

Participation in Continuums of Care (CoC)

- If your CoC has developed a centralized assessment system or a coordinated assessment system in accordance with requirements to be established by HUD, each ESG-funded program or project within the Continuum of Care's area must use that assessment system.
- If you cover areas in multiple CoC areas, you must follow each CoC's assessment procedures
- Attendance of CoC meetings and trainings is required

Contract Requirements

Affirmative Outreach

- The recipient or subrecipient must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures that the recipient or subrecipient intends to use to make known the availability of the facilities, assistance, and services will to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the recipient or subrecipient must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services.

Contract Requirements

- Faith-Based Activities
 - May not engage in inherently religious activities such as worship, religious instruction or proselytization as part of the ESG funded activities.
 - These activities may be offered separately from ESG activities and must be voluntary.
 - May not discriminate against participants based on religion or belief.

Contract Attachments

- Attachment A: Look for required documentation that may need to be submitted before disbursement of funds.
- Attachment B: Schedule of Activities
- Attachment C: Review budget to ensure allocated funds are correct and in the right categories.

Environmental Review

- Cities will complete the ER for its subrecipients. NO funds can be reimbursed for costs incurred prior to the date the ER clearance is completed.
- THDA will complete ER for non-profit grantees prior to July 1, 2022 provided all required information has been submitted in GMS.
- Grantees charging shelter rent or an office lease to ESG must go through the environmental review process.
- No rent will be reimbursed during this period until the clearance is obtained.

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 homeless 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.

Draw Request for Reimbursement

- Fund Reimbursement request are submitted with the “Create Draw” function in the Grants Management System (GMS).
- Draw Requests need to be submitted on a monthly basis
- For directions on how to create a draw request please visit our website at thda.org and click on the link for “ESG Payment Request Process Workshop”
- After a draw is created in GMS and submitted, it will need to be approved by two grantee authorized signatures
- When the draw is submitted and fully approved by the grantee THDA will begin processing.

Draw Request for Reimbursement

- Upon receipt of Draw Request, THDA will have two staff review request for documentation, eligibility and accuracy.
- If any there is any missing documentation, ineligible expenses or errors found, the draw will be declined and returned to the grantee with a condition explaining why the draw was returned and corrections needed.
- If the draw is approved by both the first and second reviewer, it will be sent to the Program Manager for final approval and funds to be drawn from HUD (IDIS).
- The draw will then be reviewed by the THDA fiscal department and sent to the state Finance and Administration for payment
- Reimbursement will be deposited directly in grantee's account, typically within 2 weeks, no later than 30 days after receipt of a complete draw request.

Direct Costs

- Those costs that can be identified specifically with a particular final cost objective: case manager salary, rental assistance for clients, purchase of food for shelter meals
- If an organization had only one source of funding, a single ESG grant, then 100 percent of its expenses would be direct, because all costs are solely and clearly tied to an ESG award and related activities.
- On the other hand, if an organization had more than one funding source and had multiple programs in its portfolio, then some costs—such as administrative costs and overhead costs like facility rental and utilities—will be hard to tie to a single funding source and activity, and are thus shared or indirect costs.

Indirect Costs

- Costs incurred for rent, office supplies, insurance, utilities, etc. that benefit more than one program.
- ESG can only pay its percentage of total indirect costs according to the agency's approved cost allocation plan.
- If indirect costs will be billed, Grantee must provide letter citing from their cost allocation plan the percentage of indirect costs that may be billed to ESG and must provide copy of cost allocation plan.

Timeline For Draw Requests

- Expenditures can begin on July 1, 2022, if an expenditure starts prior it must be prorated
- Expenditures can continue until the end of the grant year: June 30, 2023.
- All Draw Requests must be submitted by August 18th, 2023 to receive reimbursement.
- If an expenditure goes past June 30th, it must be prorated.
- You must keep documentation showing that ESG grant funds were spent on allowable costs in accordance with the requirements for eligible activities under “§§ 576.101 through 576.109, financial management in 2 CFR 200.302, and the cost principles in 2 CFR part 200, subpart E.
- ESG records must be kept by Grantee for a period of 5 years from the end of the grant term.

Supporting Documentation

- Draw Requests will still be submitted via GMS and will include all line item detail, supporting documentation will be required.
- For Supporting Documentation requirements, please refer to Pay Request Documentation Standards on THDA website

ESG Match

- ESG funds must be matched dollar for dollar, but does not have to be in the same category.

- If using salary of employees as match, please send the following documentation:
 - Name(s) of employee(s)
 - Title(s) of position
 - Amount of salary
 - Funding source

ESG Match

- If using donations, please send in the list of items donated in the month you are claiming the match (you can use general categories, i.e., food, clothing, household items, etc.).
- If using the value of a building, please send in a copy of the assessed value or rental value of the building for our records.
- Another agency's contribution cannot be used as match unless it is a direct donation to the Grantee.
- ESG match can vary from month to month, but will need to be caught up by the end of the third quarter.
- THDA will not process any pay request after the third quarter if match is not caught up.

Reporting Requirements

- There are no quarterly reports currently required for Annual ESG funds
- CAPER Reporting to HUD through SAGE is required at the end of the grant year.

ESG Activities

- Street Outreach
- Shelter
- Homelessness Prevention
- Rapid Rehousing
- Administration- only available to set aside cities

Street Outreach

- Costs are limited to the costs of:
 - Providing essential services necessary to reach out to **unsheltered homeless people**;
 - Connecting unsheltered homeless people with emergency shelter, housing, or critical services; and providing urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.
- Services are provided on the street, or in parks, abandoned buildings, bus stations, campgrounds, and other unsheltered settings.
- Documentation Requirement
 - Street Outreach caseworkers should keep documentation of daily activities in the form of a calendar, log or generalized case notes.
 - The order of priority for obtaining evidence of homelessness is as follows: third-party documentation first, intake worker observations second, and certification from the person seeking assistance third.
 - You must retain supporting documentation for all costs charged to the ESG grant

Emergency Shelter

| Essential Services | Shelter Operations | Assistance Required Under the URA of 1970 |
|---|---|--|
| <ul style="list-style-type: none"> • Case management • Child Care • Education Services • Employment Assistance and Job Training • Outpatient Health Services • Legal Services • Life Skills Training • Mental Health Services • Substance Abuse Treatment Services • Transportation • Services for Special Populations | <ul style="list-style-type: none"> • Maintenance • Rent • Security • Fuel • Equipment • Insurance • Utilities • Food • Furnishings • Supplies necessary for shelter operation • Hotel/Motel Vouchers | <ul style="list-style-type: none"> • Relocation payments • Other assistance to displaced persons |

Emergency Shelter

- The ESG Program Interim Rules do not require recipients to disqualify individuals or families based on criminal history, including sex offenders. HUD requires only that all program participants meet the minimum eligibility criteria and that recipients comply with all local and federal requirements.
- For site-based projects (e.g., emergency shelters), it is possible that an individual or family may be screened out based on a background check (e.g., if the individual is a registered sex offender and cannot live near children and the site has a household with children residing in it). However, HUD encourages recipients or subrecipients to work with the individual or family presenting for assistance to identify another appropriate housing placement.
- Prohibition against involuntary family separation. The age, of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses Emergency Solutions Grant (ESG) funding or services and provides shelter to families with children under age 18.

Emergency Shelter

Gender Identity

- HUD assumes that a grantee will make decisions about eligibility for or placement into single-sex emergency shelters in a shelter that corresponds to the gender with which the person identifies, taking health and safety concerns into consideration.
- A client's or potential client's own views with respect to personal health and safety should be given serious consideration in making the placement.
- For instance, if the potential client requests to be placed based on his or her sex assigned at birth, HUD assumes that the provider will place the individual in accordance with that request.
- HUD assumes that a provider will not make an assignment or re-assignment based on complaints of another person when the sole stated basis of the complaint is a client or potential client's non-conformance with gender stereotypes.

Homelessness Prevention

| Rental Assistance | Financial Assistance | Service Costs |
|--|---|---|
| <ul style="list-style-type: none"> • Short-term rental assistance • Medium-term rental assistance • Rental arrears (one time payment up to 6 months rent) | <ul style="list-style-type: none"> • Rental Application Fees • Security Deposits (no pet deposits; security deposits should equal no more than 2 months rent) • Last Month's Rent • Utility Deposits • Utility Payments • Moving Costs (no client gas or gas cards) | <ul style="list-style-type: none"> • Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair |

Homelessness Prevention

Combining ESG Financial or Rental Assistance with Other Subsidies (§ 576.105(d) and § 576.106(c)):

- No financial or rental assistance can be provided to a household receiving the same type of assistance from another public source for the same time period (except 6 months of the tenant's portion of arrears).
- Rental assistance may not be provided to program participants who are currently receiving replacement housing payments under the URA.
- Rental assistance may be provided to an eligible program participant who is living in a housing unit developed with Low Income Housing Tax Credits or other development subsidies. Development subsidies are not considered rental assistance under ESG and therefore, they do not trigger the use with other subsidies restriction.

Compliance Regarding Late Payments (§ 576.106(f))

- The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease.
- The recipient or subrecipient must make timely payments to owners in accordance with the rental assistance agreement.
- The recipient or subrecipient is solely responsible for paying (with non-ESG funds) late payment penalties that it incurs.

Homelessness Prevention

Client Eligibility

- Must meet the criteria under the “at risk of homelessness” definition, or who meet the criteria in paragraph (2), (3), or (4) of the “homeless” definition in § 576.2
- AND**
- Must have an annual income below 30 percent of median family income for the area, as determined by HUD.
 - The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing and achieve stability in that housing.

Rapid Rehousing

| Rental Assistance | Financial Assistance | Service Costs |
|--|---|---|
| <ul style="list-style-type: none"> • Short-term rental assistance • Medium-term rental assistance • Rental arrears (one time payment up to 6 months rent) | <ul style="list-style-type: none"> • Rental Application Fees • Security Deposits (no pet deposits; security deposits should equal no more than 2 months rent) • Last Month's Rent • Utility Deposits • Utility Payments • Moving Costs (no client gas or gas cards) | <ul style="list-style-type: none"> • Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair |

Rapid Rehousing

Client Eligibility

- Must meet the criteria under paragraph (1) of the “homeless” definition in § 576.2 or who meet the criteria under paragraph (4) of the “homeless” definition and live in an emergency shelter or other place described in paragraph (1) of the “homeless” definition.
- Participant does not have to meet income eligibility at project entry, but must meet income eligibility at re-evaluation

Re-evaluations

Re-evaluations for homelessness prevention and rapid re-housing assistance.

- (1) The recipient or subrecipient must re-evaluate the program participant's eligibility and the types and amounts of assistance the program participant needs not less than once every 3 months for program participants receiving homelessness prevention assistance, and not less than once annually for program participants receiving rapid re-housing assistance. At a minimum, each re-evaluation of eligibility must establish that:
- (i) The program participant does not have an annual income that exceeds 30 percent of median family income for the area, as determined by HUD; and
 - (ii) The program participant lacks sufficient resources and support networks necessary to retain housing without ESG assistance.
- (2) The recipient or subrecipient may require each program participant receiving homelessness prevention or rapid re-housing assistance to notify the recipient or subrecipient regarding changes in the program participant's income or other circumstances (*e.g.*, changes in household composition) that affect the program participant's need for assistance under ESG. When notified of a relevant change, the recipient or subrecipient must re-evaluate the program participant's eligibility and the amount and types of assistance the program participant needs.

Participant Files

- Verification of Homelessness
 - The order of priority for obtaining evidence of homelessness is as follows: third-party documentation first, intake worker observations second, and certification from the person seeking assistance third
- Case Notes- documenting client progress towards goals
- Grievance and Termination Policies
- Fair Housing Brochure
- “How to Protect your Family from Lead” pamphlet
- Shelter Rules
- HMIS participation/Release of Information

Homeless Status

- 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

| Definition | Required Documentation |
|---|---|
| <p>(1) Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:</p> <ul style="list-style-type: none"> (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 | <ul style="list-style-type: none"> • Written referral by another housing or service provider; or • Written observation by the outreach worker; or • Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter; • For individuals exiting an institution—one of the forms of evidence above and: <ul style="list-style-type: none"> • discharge paperwork or written/oral referral, or • written record of intake worker’s due diligence to obtain above evidence and certification by individual that they exited institution |

Category 2

Imminent Risk of Homelessness

| Definition | Required Documentation |
|--|--|
| <p>(2) Individual or family who will imminently lose their primary nighttime residence, provided that:</p> <ul style="list-style-type: none"> (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 | <ul style="list-style-type: none"> • A court order resulting from an eviction action notifying the individual or family that they must leave; or • For individual and families leaving a hotel or motel—evidence that they lack the financial resources to stay; or • A documented and verified oral statement; and Certification that no subsequent residence has been identified; and • Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing |

Category 3

Homeless under other Federal statutes

| Definition | Required Documentation |
|---|---|
| <p>(3) 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:</p> <ul style="list-style-type: none"> (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 | <ul style="list-style-type: none"> • Certification by the nonprofit or state or local government that the individual or head of household seeking assistance met the criteria of homelessness under another federal statute; <u>and</u> • Certification of no PH in last 60 days; <u>and</u> • Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days; <u>and</u> • Documentation of special needs <u>or</u> 2 or more barriers |

Category 4

Fleeing/ Attempting to Flee DV

| Definition | Required Documentation | Required Documentation |
|--|---|--|
| <p>Any individual or family who:</p> <ul style="list-style-type: none"> • Is fleeing, or is attempting to flee, domestic violence; • Has no other residence; <u>and</u> • Lacks the resources or support networks to obtain other permanent housing | <p>For victim service providers:</p> <ul style="list-style-type: none"> • An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. • Statement must be documented by a self-certification or a certification by the intake worker. | <p>For non-victim service providers:</p> <ul style="list-style-type: none"> • Oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the caseworker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and • Certification by the individual or head of household that no subsequent residence has been identified; and • Self--certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing. |

Fair Market Rent (FMR)

- Fair Market Rent is the maximum amount an ESG participant may pay for a rental unit.
- FMR is established by HUD for each county or city and the link is posted on our website under ESG/HUD Rent Limits.
- To calculate FMR clients Rent + Utility Allowance less than or equal to the FMR for your area.

Rent Reasonableness

- Must obtain 3 comparable rental units to determine reasonability for both Homelessness Prevention and Rapid Rehousing. Documentation must be kept in the participant's file.
- Grantee may use real estate listings, phone inquiries, or TNHousingSearch.org to find comparable units.

Habitability Inspection

- All units must meet minimum habitability standards:
 - (1) Structure and materials.
 - The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
 - (2) Space and security.
 - Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
 - (3) Interior air quality.
 - Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
 - (4) Water supply.
 - The water supply must be free from contamination. (
 - 5) Sanitary facilities.
 - Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.

Habitability Inspection

(6) Thermal environment.

- The housing must have any necessary heating/cooling facilities in proper operating condition.

(7) Illumination and electricity.

- The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.

(8) Food preparation.

- All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

(9) Sanitary conditions.

- The housing must be maintained in a sanitary condition.

(10) Fire safety.

- (i) There must be a second means of exiting the building in the event of fire or other emergency.
- (ii) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.
- (iii) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

Lead Based Paint

- Lead Based Paint visual inspections must be conducted by staff certified by HUD's Lead Based Paint visual inspection online course.
 - Available at: <http://www.hud.gov/offices/lead/training/visual/assessment/h00101.htm>
- Must obtain verification that unit was built after 1978 or obtain a Lead Based Paint (LBP) visual assessment if children under the age of six are in the household.
- Must keep documentation on file that LBP was addressed even with determination that LBP rule is not applicable.

Lease Agreement

- A written lease is required for all program participants receiving rental assistance.
- Grantee must document efforts to obtain a written lease.
- If a written lease does not exist and/or cannot be adequately documented, a new written lease must be executed and documented in the case file before any rental assistance is provided.

Written Rental Agreement

- Written agreement between landlord and agency includes:
1. Client name and address of unit
 2. Amount to be paid
 3. Landlord's agreement to accept payment on behalf of client
 4. Length of assistance
 5. Release of liability for further assistance

Resources

HUD Exchange

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

Contact Information

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