2020 Emergency Solutions Grants Grantee Workshop

June 17, 2020
Grant Terms

- The grant term begins July 1, 2020 and ends June 30, 2021.

- No expenditures can be reimbursed before or after these dates or before the environmental review is approved by THDA or local government.

- The grant is for reimbursements only. THDA cannot advance funds.
Grant Terms

➢ The grant is dependent upon the federal award.

➢ 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 federal reporting system.

➢ ESG grants are not automatically renewed!!
Financial Information

- New Grantees must submit ACH bank information using Supplier Direct Deposit Authorization Form to Edison Supplier Maintenance.

- Form must include original signatures.
Financial Information

- Must submit W-9 form with ACH to F&A at address listed on ACH form:

  State of Tennessee
  Attn: Supplier Maintenance
  21st Floor WRS Tennessee Tower
  312 Rosa L Parks Ave
  Nashville, TN 37243

  Do not send a copy to THDA, but email Remittance Advice Form to: esg@thda.org
Financial Information

- Account approval at F&A takes at least 30 days!

- If a banking change occurs throughout the grant year, new forms must be submitted to F&A to change account. This action will delay payment from THDA.
Authorized Signature Form

- Authorized Signatures will be done in the Grants Management System this year.

- **NOTE:** Individual authorizing signatures will be able to be changed in the system as needed throughout the grant term.
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.
- Be aware of Contract Term.
- Avoid Conflicts of Interest.
Contract Requirements

Compliance to the ESG regulations
Contract Requirements

- 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

- HMIS reporting requirements – we will check for compliance!
- Homeless Participation - Grantees must involve homeless individuals in operating and providing services under ESG.
Contract Requirements

- Grantees must maintain documentation of their efforts to work within the centralized Continuum of Care, including:
  - Referrals to relevant agencies that may be able to assist clients.
  - Implementation of CoC’s coordinated intake procedures.
  - Attendance at CoC meetings and trainings.
Contract
Requirements

➢ Affirmative Outreach:
  ▪ Grantees must make known its services are available on a non-discriminatory basis and make every effort to ensure effective communication with persons with disabilities or persons with Limited English Proficiency (LEP).
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 (ER)

- 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 the ER for non-profit grantees prior to July 1, 2020 provided all information required to be submitted by Grantee is provided.
Environmental Review

- 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.
ESG Payment Request Process

- The pay request process will take place in the Grants Management System (GMS). We will have a user guide and a quick tutorial that will be available at a later date.
ESG Pay Requests

- Pay requests are due monthly!
- THDA will not accept pay requests for costs that are over 60 days.
Upon receipt, two THDA staff will review pay request and fill out voucher for payment.

After Director’s review and approval, the pay request is submitted to fiscal for reimbursement.
ESG Pay Requests

- 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.

- Holidays slow the process, so plan ahead for your reimbursements.
ESG Pay Requests

- May bill for both Direct and Indirect Costs.
- Direct Costs:
  - Costs for employee wages, travel, equipment, materials and services furnished specifically for the ESG grant.
ESG Pay Requests

➢ 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.
Shelter/Street Outreach Expenses:

- Copy of bills, invoices, copy of checks, etc... to show items or services *paid* by the Grantee. *ESG is a reimbursement grant. Documentation is required with *every* draw request.
Please explain who is being paid and what percentage of time is billed to ESG. For example:

Salaries and benefits.....................$4,351
Jane Doe – 75% shelter, 25% HMIS
John Smith – 50% RRH, 50% Prevention
Back Up

Documentation

- HUD requires ALL employees whose time is billed to ESG to maintain time and attendance records. This standard includes exempt employees.

- Salaries (under any category): For the first pay request only, please submit copies of timesheets for all employees charged under ESG.
Back Up Documentation

For Prevention and Rapid Rehousing Financial Assistance:

- Client name or identification number
- Client’s address
- Date of financial assistance
Back Up

Documentation

- Prevention and Rapid Rehousing Financial Assistance:
  - Amount of assistance
  - What expense was for (application, deposit, rent, moving expenses, utilities, etc...)
  - Vendor Name: To whom was the check written?
Transportation: Grantees may charge mileage for personal vehicles but mileage logs must be submitted with each pay request. Grantees may invoice gas grantee must submit gas receipt with each pay request. Maintenance bills for agency-owned vehicles required.
Common Problems

- Timesheets are not included in first draw.
- Indirect costs are charged with no approved cost allocation plan submitted to THDA.
- Backup documentation does not support expenses charged.
- Salaries are not explained.
- Mileage logs are not included.
- Expenses are ineligible.
Common Problems

- HP/RRH information (date, vendor, client ID, amount) is not listed.

- HP/RRH financial assistance given to public housing units is not identified as deposit only.

- HP/RRH financial assistance is not separated.

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

- 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.
ESG
Match

- 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

- Quarterly Reports are still required for each grantee. THDA will withhold payment of pay requests if Quarterly reports are not received timely.

- Reporting to HUD through SAGE is required at the end of the grant year.
ESG

Closeout

- Final draws must be submitted by Grantee within 45 days from the end of the grant term or Monday, August 16, 2021.

- ESG records must be kept by Grantee for a period of 5 years from the end of the grant term.
HUD waivers for ESG Program

THDA has requested and received the following waivers from HUD.

1. ESG Program - HMIS Lead Activities
2. ESG Program - Re-evaluations for Homelessness Prevention Assistance
3. ESG Program - Housing Stability Case Management
4. ESG Program - Restriction of Rental Assistance to Units with Rent at or Below FMR
HMIS Lead Activities Waiver

**Requirement:** ESG funds may be used to pay the costs of managing and operating the HMIS, provided that the ESG recipient is the HMIS Lead.

**Citation:** 24 CFR 576.107(a)(2)

**Applicability:** The condition that the recipient must be the HMIS Lead to pay costs under 24 CFR 576.102(a)(2) is waived to the extent necessary to allow any recipient to use ESG funds to pay costs of upgrading or enhancing its local HMIS to incorporate data on ESG Program participants and ESG activities related to COVID-19. This waiver is in effect for 6-months beginning on the date of memorandum (March 31st, 2020). Expiring September 30, 2020.
Re-evaluations for Homelessness Prevention Assistance Waiver

**Requirement:** Homelessness prevention assistance is subject to re-evaluation of each program participant’s eligibility need for assistance not less than once every 3 months.

**Citation:** 24 CFR 576.401(b)

**Applicability:** The required frequency of re-evaluations for homelessness prevention assistance under section 576.401(b) is waived for up to 2-years beginning on the date of the memorandum (March 31, 2020) so long as the recipient or subrecipient conducts the required re-evaluations not less than once every 6 months.
Housing Stability Case Management Waiver

**Requirement:** Program participants receiving homelessness prevention or rapid re-housing assistance must meet with a case manager not less than once per month, unless certain statutory prohibitions apply.

**Citation:** 24 CFR 576.401(e)

**Applicability:** HUD originally waived this requirement for 2-months on March 31st, 2020. Expiring on May 31st, 2020. However, Recipients are continuing to report limited staff capacity as staff members are home for a variety of reasons related to COVID-19 (e.g., quarantining, children home from school, working elsewhere in the community to manage the COVID-19 response). This waiver is in effect for an additional three months beginning on the date of the (May 22nd, 2020) memorandum. Expiring on August 22nd, 2020.
Restriction of Rental Assistance to Units with Rent at or Below Fair Market Rent Waiver

**Requirement:** Restriction of rental assistance to units with rent at or below Fair Market Rent

**Citation:** 24 CFR 576.106(d)(1)

**Applicability:** The FMR restriction is waived for any individual or family receiving Rapid Re-housing or Homelessness Prevention assistance who executes a lease for a unit during the 6-month period beginning on the date of the memorandum (March 31st, 2020) Expiring on September 30th, 2020. 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.
Street Outreach

• Caseworkers should keep some documentation of daily activities in the form of a calendar or generalized case notes.
Shelter Services

- The shelter may be limited to families with children, but if it serves families with children, the shelter must serve all families with children. The shelter may not separate based on the age of a child under 18, regardless of gender.)
If the shelter serves at least one family with a child under the age of 18, the shelter may exclude registered sex offenders and persons with a criminal record that includes a violent crime so long as the child is served in the shelter.
Shelter Services – 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.
Shelter Services – Gender Identity

- 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.
Shelter Services – Gender Identity

• 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.
Basic Client File

Documents

- Verification of homelessness/Risk – **Must be signed by staff!**
  1. Third party reference
  2. Staff certification / intake observations
  3. Self-certification
     - Case notes indicating client’s participation
     - Grievance & Termination policies
     - Fair Housing Brochure
Basic Client File

Documents

- “Fair Housing for All” pamphlet.
- LBP pamphlet “How to Protect Your Family from Lead” for shelters built prior to 1978 and that serve children under 6 years of age.
- Shelter rules (for shelter services).
- HMIS participation.
Prevention Clients – File Documentation

- Verification of at-risk for homelessness
  1. Be imminently losing their primary nighttime residence
  2. Lack of resources
  3. Income verification
  4. Other extenuating circumstances (i.e., medical, job loss, domestic violence, divorce)
Prevention Clients – File Documentation

HUD’s Income Calculator:

https://www.hudexchange.info/incomecalculator/
Prevention Clients – File Documentation

- Documentation that the residence will be lost due to non payment (eviction notice, letter from landlord, etc.)
- Individual and/or family is residing in a hotel they are currently paying for themselves and lack resources to continue.
- Income must be verified and fall below 30% of the area median income.
- No other resources have been identified. ESG SUPPORT SHOULD BE LAST RESORT.
Rapid ReHousing Clients – File Documentation

➢ For Literally Homeless or DV clients
  ▪ Verification of homelessness
    1. Referral from third party (law enforcement, social/community agency, educator, Church, business, family member or friend)
    2. Staff certifications/ intake observation
    3. Self-certification
Not Eligible for Rapid ReHousing!

• Households living with friends or family – where did the individual sleep last night?
• Remember – if they have resources, like friends and family, this grant is not for them!
• Households living in a hotel/motel **unless** the hotel/motel is paid for by charitable or government agencies as emergency shelter in the absence of available beds.
Prevention and Rapid ReHousing Activities

Financial assistance

• Application fees – no pet deposits
• Moving expenses – does not include gas for personal vehicles
• Rental or utility deposits (rental deposit – maximum of 2 months rent)
• Utility assistance
Prevention and Rapid ReHousing Activities

- Rental Assistance
  - Current rental subsidy.
  - Arrearages up to 6 months.
  - ESG funds may not be used for current rental assistance in a unit already receiving subsidies for rent; i.e., Section 8 voucher assistance program, public housing units. ESG may pay for arrearages but not current rent.
## Financial Assistance vs Rental Assistance

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<tr>
<th>Financial Assistance</th>
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<tr>
<td>Habitability Inspection</td>
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<td>LBP Visual Inspection or waiver</td>
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<tr>
<td>Copy of written lease</td>
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<td>Rent Reasonableness</td>
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<td>Meets Fair Market Rent *</td>
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<td>Rental Assistance Agreement</td>
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Required for All Units!

- Must obtain inspections and document that the unit passes basic habitability.**

- 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.
Lead Based Paint Visual Assessment

- 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
The Fair Market Rent requirement by HUD has been waived for the 2020 ESG grant year for all assistance provided through September 30, 2020. Rent Reasonableness is still required during this period.
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.

Ms. Anderson lives in a 2-bedroom apartment in Dickson and is at risk for eviction. She is otherwise eligible for prevention assistance and her rent is $800 a month. In Dickson County, the FMR for a 2-bedroom unit is $925. The utility allowance for her unit is $125.

$800 + $125 = $925 gross rent

- This unit is eligible for rental assistance
Rent
Reasonableness

- Must obtain 3 comparable rental units to determine reasonability for both prevention and rapid rehousing. Keep in participant’s file.

- Grantee may use real estate listings, phone inquiries, or [TNHousingSearch.org](https://TNHousingSearch.org) to find comparable units.
Fair Market Rent (FMR)

However, because the FMR and rent reasonableness requirements apply only to current rental assistance, ESG funds may be used:

1. to pay for financial assistance and services to help the eligible program participant stay in the unit, or

2. to pay for financial assistance and services to locate and move to a different unit that meets the rent reasonableness standard and is at or below FMR and pay rental assistance in the new unit.
Fair Market Rent (FMR)

This includes rental application fees, security deposits, an initial payment of “last month’s rent,” utility payments and deposits, and/or moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

Note: “Last month’s rent” may not exceed the rent charged for any other month. Security deposits may not exceed 2 months’ rent.
Copy of Lease

- 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
Other File Documentation

- If providing more than one month’s assistance, must include case logs that document client contact.

- If terminating assistance based on non-compliance, must provide written notice to participant and include a copy in file.
Resources

www.hudexchange.info/programs/esg/
- HUD Program Guides, Tools and Webinars

www.endhomelessness.org/
- National Alliance to End Homelessness resources and webinars

www.thda.org/business-partners/esg
- THDA ESG Manual
- Income Limits
- HUD ESG Interim Rule
- HUD Homelessness Definition Final Rule
Contact Information

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