



Understanding ESG CARES and HUD CPD Notice 21-08

September 17, 2021

Training Presenters

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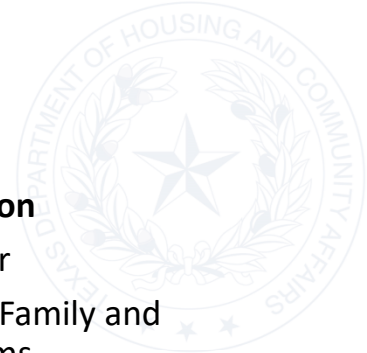
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Questions

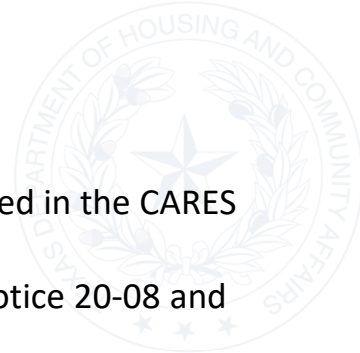
- Enter questions into Question panel of GoToWebinar
 - Questions will be addressed at the end of each section
- If have questions after the webinar, email esg@tdhca.state.tx.us



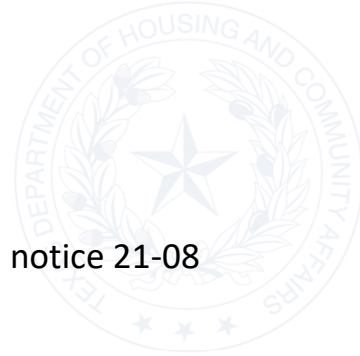
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Training Objectives

- To gain a better understanding of the provisions covered in the CARES Act and the HUD Notice 21-08
- To better understand the differences between HUD Notice 20-08 and HUD notice 21-08
- To develop a plan to implement the provisions in the CARES Act and HUD notice to assist your participants



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Areas of Analysis

- What is consistent with HUD notice 20-08
- What is different between HUD notice 20-08 and HUD notice 21-08
- What is new from HUD notice 21-08
- Additional Eligible Activities

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Highlights

- Limit of 24 months of rental assistance and services waived
- Shelter Essential Services expanded to RRH and HP
- Renters Insurance is now Eligible
- PPE for all ESG Staff and Program Participants
- Cell Phones and Hot-Spots for Program Participants
- Vaccine Incentives for Persons Experiencing Homelessness

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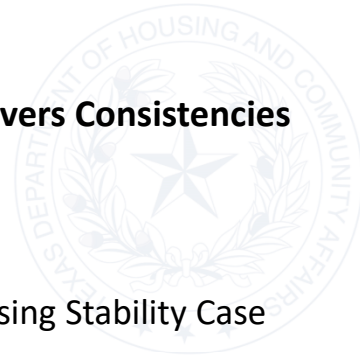
HUD 21-08 Similarities With Previous Waivers

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HUD 20-08 Grant Administration Requirements/Flexibilities Consistencies

1. Most pre-award costs allowed from March 13, 2020
2. Administrative funds are limited to 5%
3. Matching requirement waived
4. No cap on street outreach/emergency shelter components
5. Sage quarterly reporting is required
6. Program Income definition

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HUD 20-08 Program Delivery Requirements and Waivers Consistencies

1. Low barrier assistance
2. Fair Market Rent requirements waived
3. Requirement to meet at least once monthly for Housing Stability Case Management (HP and RR) is waived
4. Coordination with other homeless and mainstream service providers waived
5. Income eligible at 50% AMFI for HP
6. Six month income re-evaluation for HP eligibility

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HUD 20-08 Additional Eligible Activities Consistencies

1. Hazard Pay
2. Handwashing Stations and Portable Bathrooms
3. Hotel/Motel Cost Expansion
4. HMIS Lead Activities
5. Volunteer Incentives
6. Disease Prevention and Mitigation Training

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HUD September 30, 2020 Memo - Homeless Definition Waiver Consistency

- Homeless Definition, Category 1(iii) is changed from 90 days to 120 days:

Homeless Definition

Criteria for Defining Homeless	Category	Definition
CRITERIA FOR DEFINING HOMELESS	Category 1 Lack of shelter	(1) Individual or family who lacks a fixed, regular, and adequate shelter (including temporary shelter) and whose household lacks the ability to obtain such shelter. (2) The individual or family who lacks a fixed, regular, and adequate shelter and whose household lacks the ability to obtain such shelter, including emergency shelter, transitional housing, and temporary shelter, and the household member(s) is (are) 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 Lack of resources	(1) Individual or family who lacks the financial resources or other means to obtain adequate shelter. (2) Individual or family who has lost shelter in the last 90 days of homelessness and whose household lacks the ability to obtain such shelter. (3) The individual or family who lacks the financial resources or other means to obtain adequate shelter.
	Category 3 Lack of resources and other means to obtain adequate shelter	(1) Individual or family who lacks the financial resources or other means to obtain adequate shelter, and who 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. (2) Individual or family who has lost shelter in the last 90 days of homelessness and whose household lacks the ability to obtain such shelter. (3) The individual or family who lacks the financial resources or other means to obtain adequate shelter.
Category 4 Lack of resources and other means to obtain adequate shelter	(1) Individual or family who lacks the financial resources or other means to obtain adequate shelter, and who 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. (2) Individual or family who has lost shelter in the last 90 days of homelessness and whose household lacks the ability to obtain such shelter. (3) The individual or family who lacks the financial resources or other means to obtain adequate shelter.	
Category 5 Lack of resources and other means to obtain adequate shelter	(1) Individual or family who lacks the financial resources or other means to obtain adequate shelter, and who 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. (2) Individual or family who has lost shelter in the last 90 days of homelessness and whose household lacks the ability to obtain such shelter. (3) The individual or family who lacks the financial resources or other means to obtain adequate shelter.	

(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

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References for Previous Waivers

- In the TDHCA ESG Video Library
 - ESG CARES 2 Implementation Webinars
 - ESG CARES and HUD Notice 20-08



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Differences between HUD 20-08 and 21-08

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Program Delivery Requirements and Waivers Differences

- Time limit for rental assistance lifted
- Time limit for shelter activities lifted
- Disposition for temporary shelter changed
- Maximum periods of assistance for ESG-CV2 of 12 months lifted
- Landlord Incentives – amount of Security Deposits changed

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Changes Program Delivery: Time Limit for Rental Assistance Lifted

- No longer a limit of 12 months of rental assistance for ESG CARES 2



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Changes Program Delivery: Time Limit for Shelter Activities Extended and Disposition Changed

- Emergency Shelter *AND* temporary emergency shelter eligible until end of grant
 - ESG CARES Shelter no longer expires on 1/31/2022
- Disposition changed: Conversion of temporary shelter to emergency shelter will not trigger disposition requirements
 - Other requirements may still apply

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Changes Eligible Activities: Landlord Incentives

- No change: Eligible in the amount of up to 3 months of rent:
 - Signing bonuses equal to up to 2 months of rent;
 - Security deposits equal to up to 3 months of rent;
 - Paying the cost to repair damages incurred by the program participant; and,
 - Paying the costs of extra cleaning or maintenance of a program participant's unit or appliances.
- New: Security deposits equal to up to 3 months of rent are separate from the costs of security deposits under 24 CFR 576.105(a) – Financial Assistance
 - Does not factor into the cap in Financial Assistance of 2 months of rent for security deposit.
 - Updated version of Landlord Incentive Form will be posted on the ESG Program Guidance Page

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New Activities in HUD Notice 21-08

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New Activities in HUD Notice 21-08

1. Shelter Essential Services Expansion to RRH and HP
2. Renters Insurance
3. PPE for Non-Shelter Staff and Program Participants
4. Cell Phones and Hot-Spots for Program Participants
5. Vaccine Incentives for Persons Experiencing Homelessness
6. Laundry for Unsheltered Persons Experiencing Homelessness
7. Furniture and Household Furnishings
8. Coordinated Entry Expansion
9. Sponsor Based Rental Assistance



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New Activity: Shelter Essential Services Expansion to RRH and HP

Essential Services

- 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

Applicable Budget Category

- HP – Services
- RRH - Services



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New Activity: Essential Services Expansion to RRH/HP – Case Management

- Items under *Housing search and placement* (24 CFR 576.105(b)(1)) and *Housing stability case management* (2)
- Added item: 24 CFR 576.102(a)(1)(i)(G)
Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking
24 CFR 576.102(a)(1)(i)(G)

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New Activity: Essential Services Expansion to RRH/HP – Child Care

- Eligible costs:
 - Child care costs by licensed center
 - Meals/snacks
- Eligible Program Participants:
 - Children under 13
 - Children with disabilities under 18.

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New Activity: Essential Services Expansion to RRH/HP – Education

- Education, when necessary to obtain/maintain housing
- Services include instruction or training in
 - Consumer education
 - Health education
 - Substance abuse prevention
 - Literacy
 - English as a Second Language
 - General Educational Development (GED)
- Component services or activities include:
 - Screening, assessment, and testing;
 - Individual or group instruction;
 - Tutoring;
 - Provision of books, supplies, and instructional materials;
 - Counseling;
 - Referral to community resources.

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New Activity: Essential Services Expansion to RRH/HP – Employment/Training

- Classroom, online, and/or computer instruction
- On-the-job instruction
- Assistance in securing employment, acquiring learning skills, increasing earning potential
- Acquisition of vocational license and/or certificates

Services that assist individuals in securing employment, acquiring learning skills, and/or 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

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New Activity: Essential Services Expansion to RRH/HP – Life Skills Training

- Budgeting resources
- Managing money
- Managing a household
- Resolving conflict
- Shopping for food and needed items
- Improving nutrition
- Using public transportation
- Parenting

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New Activity: Essential Services Expansion to RRH/HP – Outpatient Health Services

- Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals
- Eligible if not available in the community:
 - Assessing health problems and developing treatment plan
 - Assisting in understanding health needs
 - Medical treatment, preventive medical care, health maintenance and emergency services
 - Medication and follow-up services
 - Preventive and non-cosmetic dental care

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New Activity: Essential Services Expansion to RRH/HP – Mental Health Services

- May only be used for these services to the extent that other appropriate mental health services are unavailable or inaccessible within the community
- Direct outpatient treatment by licensed mental health professionals
- Eligible services include:
 - Crisis intervention
 - Individual, family, or group therapy sessions
 - The prescription of psychotropic medications and medication management
 - Combinations of therapeutic approaches to address multiple problems

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New Activity: Essential Services Expansion to RRH/HP – Substance Abuse Treatments

- Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals.
- Eligible components of treatment include:
 - Client intake and assessment
 - Outpatient treatment for up to thirty (30) days
- Eligible costs
 - Group and individual counseling
 - Drug testing

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New Activity: Essential Services Expansion to RRH/HP – Transportation

- Used by 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
 - Rideshare can be eligible per HUD handout *Eligible ESG Program Costs for Infectious Disease Preparedness*
 - Mileage for staff to visit participants
 - Purchasing/leasing vehicle for staff use in transporting program participants

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New Activity: Renters Insurance for HP/RRH

Eligibility

- Subrecipient must demonstrate the payment is necessary to obtain or maintain housing
 - E.g. term in lease agreement
- Subrecipient must pay the cost directly to insurance company on behalf of the participant
 - Cannot opt-in to a policy charged through the landlord monthly

Budget

- RRH – Services
- HP – Services

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New Activity: PPE Eligible for Non-Shelter Staff and Program Participants

PPE Eligibility

- PPE eligible for all ESG staff and program participants
- Examples:
 - Masks
 - Disposable Gloves
 - Hand Sanitizer
- Previously: PPE eligible for staff and program participants in Street Outreach and Emergency Shelter

Budget

- Street Outreach – Essential Services
- Emergency Shelter – Essential Services
- RRH – Services
- HP – Services

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New Activity: Cell Phones and Hot-Spots for Program Participants

Eligibility

- Lend cell phones and/or wireless hotspots to Program Participants
- Cell Phone and wireless service plan must be under the Subrecipient's name
- Eligible under:
 - Persons experiencing homelessness under ESG, COC, Youth Homeless Demonstration Program (YHDP)
 - Rapid Re-housing through ESG, CoC, YHDP
 - Homeless Prevention through ESG
 - Permanent Supportive Housing through CoC or YHDP

Budget

- ESG Program Participants
 - Street Outreach – Essential Services
 - Shelter – Essential Services
 - RRH – Services
 - HP – Services
- COC/YHDP
 - New Street Outreach COVID-19 Line Item

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New Activity: Vaccine Incentives for Persons Experiencing Homelessness

Eligibility

- Direct, cash payments of up to **\$50 per dose** to people experiencing homelessness or as an incentive for receiving a coronavirus vaccine
- May only be used to the extent other vaccine incentives are inaccessible or unavailable.
- **Only allowable for persons who meet the Homeless Definition (Category 1, 2, 3, and 4)**

Budget

- Street Outreach – Vaccine Incentives
- Emergency Shelter – Vaccine Incentives
- RRH – Vaccine Incentives
- HP – Vaccine Incentives
 - Homeless Definition Cat. 2, 3, and 4 only

Subrecipients that are subject to UGM's (Units of Local Gov't) cannot use these incentives

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New Activity: Laundry for Persons who are Unsheltered

Eligibility

- Costs of providing laundry services to prevent spread of coronavirus for unsheltered persons experiencing homelessness
- Can include paying for mobile laundry trucks

Budget

- Street outreach: handwashing stations

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New Activity: Furniture and Household Furnishings

Eligibility

- Rapid re-housing and homeless prevention funds may be used to buy furniture and household furnishing for Program Participants **while they are receiving assistance**
- Subject to requirements for equipment at 2 CFR §200.313 and 10 Texas Administrative Code §1.407

Budget

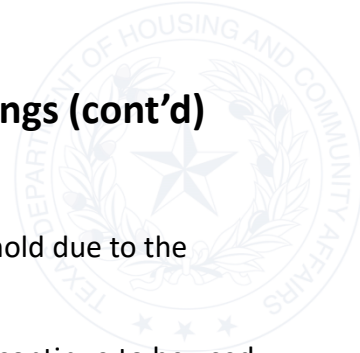
- RRH – Services
- HP – Services



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New Activity: Furniture and Household Furnishings (cont'd)

- Equipment Disposition Policy considerations
 - Property that is determined to have a useful life per household due to the health/hygienic reasons for sharing with others
 - e.g. Mattresses
 - Property that is not considered to retain sufficient value to continue to be used for the program
- Other resources:
 - CPD Monitoring Handbook, Exhibit 28-10 - Guide for Review of ESG Equipment and Equipment Disposition Requirements
<https://www.hud.gov/sites/documents/65092E2810CPDH.DOCX>



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New Activity: Coordinated Entry Expansion

Eligibility

- Additional cost to update, enhance or operate centralized or coordinated assessment under 24 CFR §576.400(d)
- Documentation of costs must show the use of ESG CARES funds is limited to increase due to coronavirus
- Funds used for the most critical CE needs

Budget

- Street outreach (COVID-19) - Coordinated Entry Expansion



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New Activity: Sponsor Based Rental Assistance

Eligibility

- Subrecipient executes a sponsor-based rental assistance agreement with a sponsor to subsidize the rent of a program participant referred to be housed in units owned or leased by the sponsor
- Agreement cannot commit ESG funding beyond the contract period.

- Please send any requests for SBRA to esg@tdhca.state.tx.us



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New Waivers in HUD Notice 21-08

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New Waivers in HUD Notice 21-08

1. Waiver for rental assistance and service costs time limit
2. RRH re-certification of income limit increased
3. Housing Stability Case Management allowed 60 days before move-in *
4. Subleases Allowed
5. Shelter and Housing Standards Waivers
6. Project-Based Rental Assistance flexibility*

*Currently no ESG CARES Subrecipients using PBRA, so please contact us directly for this flexibility.

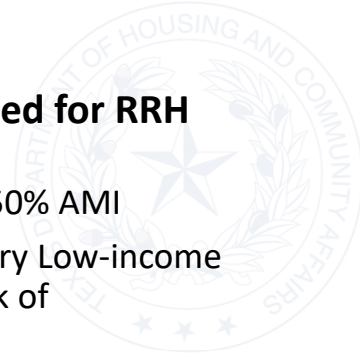
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Limit on Rental Assistance and Service Costs Waived for RRH/HP

- Limit on the maximum amount of rental assistance and service costs waived
 - No longer 24 months of assistance within 3 years
 - Limit on 6 months of arrears remains
- Utility assistance remains at 24 months within a 3 year period

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New Waiver: Area Median Income Limit Increased for RRH

- RRH annual re-certification of income is increased to 50% AMI
- **No change:** Area Median Income limit increased to Very Low-income limit for the area (50% AMI) in the definition of “at risk of homelessness” for HP

Program Component	Initial Evaluation	Re-evaluation	Re-evaluation timeline
Rapid Rehousing	No income determination	50% AMI ESG CARES	12 Months ESG CARES
Homeless Prevention	50% AMI ESG CARES	50% AMI ESG CARES	6 Months ESG CARES

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New Waiver: Housing Stability Case Management allowed 60 days before move-in

- Subrecipients may provide housing stability case management 60 days prior to move in (formerly 30 days)

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New Waiver: Subleases Allowed

- Participants may enter into subleases when receiving RRH or HP assistance
- Valid Subleases should also be accompanied by written permission from the landlord to allow the original Lessee to sublease the unit
- Original Lessee (person subleasing the unit to program participant) will be listed as the landlord on applicable forms/agreements



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New Waiver: Habitability or HQS

- Housing Quality Standards can be used in place of habitability inspection
- Additional waiver for Program Participants receiving HP/RRH Services only (i.e. no Financial Assistance or Rental Assistance)
 - Providers may provide services without habitability or HQS inspection



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Summary



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New Activities

- Shelter Essential Services Expansion to Rapid Re-housing and Homeless Prevention
 - Allows for many more supports including, but not limited to, child care, outpatient healthcare costs, transportation.
- Renters Insurance
 - Eligible when required by landlord.
- Personal Protection Equipment expansion
 - PPE eligible for purchase for all ESG staff and program participants.
- Cell Phones and Hot-spots for Program Participants
 - Eligible to loan cell phones and wireless hot-spots for Program Participants

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New Activities (con't)

- Vaccine Incentives for Persons Experiencing Homelessness
 - Up to \$50 in incentive per dose
- Laundry for Unsheltered Persons experiencing Homelessness
 - Mobile laundry truck for street outreach
- Furniture and Household Furnishings for Program Participants
 - Can furnish units, but will be subject to recapture and disposition.
- Coordinated Entry Expansion
 - Can work to enhance Coordinated Entry
- Sponsor Based Rental Assistance
 - A sponsor may subsidize the rent of a program participant referred to be housed in units owned or leased by the sponsor

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New Waivers

- Waiver for rental assistance and service costs time limit
 - No longer a limit of 24 months within a 3 year period for rent or service costs
 - Limit of 6 months of rental arrears is still in place
 - Utility assistance remains 24 months.
- RRH Re-certification of income limit increased
 - 50% AMI instead of 30% AMI
- Housing Stability Case Management extended
 - allowed 60 days before move-in instead of 30 days

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New Waivers (con't)

- Subleases Allowed
 - May assist persons in subleases or help persons enter into a sublease
- Shelter and Housing Standards
 - Housing Quality Standards acceptable in lieu of habitability

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Final Suggestions

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Next Steps

- Posting & Updating the following:
 - ESG CARES Budget Amendment Form
 - ESG CARES Supplemental Monthly Report
 - ESG CARES Monthly Reporting Guide
 - Landlord Incentive Form
- Announcement of posted documents will be emailed to ESG CARES Primary Contacts

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New Budget Line Items

Item #	Category
1	Administration
2	Data Collection (HMIS)
3	Homeless Prevention - Financial
4	Homeless Prevention - Project-based rental
5	Homeless Prevention - Services
6	Homeless Prevention - Tenant-based rental
7	HP (COVID-19) - Hazard Pay
8	HP (COVID-19) - Landlord Incentives
9	HP (COVID-19) - Training on Disease Prev./Mit.
10	HP (COVID-19) - Volunteer Incentives
★	11 HP (COVID-10) - Vaccine Incentives
12	Rapid Re-Housing - Financial
13	Rapid Re-Housing - Project-based rental assistance
14	Rapid Re-Housing - Services
15	Rapid Re-Housing - Tenant-based rental assistance
16	RRH (COVID-19) - Hazard Pay
17	RRH (COVID-19) - Landlord Incentives
18	RRH (COVID-19) - Training on Disease Prev./Mit.
19	RRH (COVID-19) - Volunteer Incentives
★	20 RRH (COVID-19) - Vaccine Incentives
21	Shelter - Conversion
22	Shelter - Essential Services
23	Shelter - Major Rehab
24	Shelter - Operations

25	Shelter - Renovations
26	Shelter - URA Assistance
27	Shelter (COVID-19) - Hazard Pay
28	Shelter (COVID-19) - Training on Disease Prev./Mit.
29	Shelter (COVID-19) - Volunteer Incentives
★	30 Shelter (COVID-19) - Vaccine Incentives
31	Shelter Temp (COVID-19) - Acquisition
32	Shelter Temp (COVID-19) - Essential Services
33	Shelter Temp (COVID-19) - Hazard Pay
34	Shelter Temp (COVID-19) - Lease
35	Shelter Temp (COVID-19) - Operations
36	Shelter Temp (COVID-19) - Other Shelter Costs
37	Shelter Temp (COVID-19) - Renovations
38	Shelter Temp (COVID-19) - Training on Disease
39	Shelter Temp (COVID-19) - Volunteer Incentives
★	40 Shelter Temp (COVID-19) - Vaccine Incentives
41	Street Outreach - Essential Services
42	Street Outreach (COVID-19) -
43	Street Outreach (COVID-19) - Hazard Pay
44	Street Outreach (COVID-19) - Training on Disease
45	Street Outreach (COVID-19) - Volunteer Incentives
46	Street Outreach (COVID-19) - Vaccine Incentives
★	47 Street Outreach (COVID-19) - Cellphones CoC/YHDP
★	48 Street Outreach (COVID-19) - Coordinated Entry

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Final Suggestions

- Please make sure to update your written standards to reflect the items listed in the HUD Notice that affect your programs
- Please make sure all staff are aware of the changes to programming required in the CARES Act and HUD Notice 21-08
- Please let all partners (funding partners, client referral partners, landlords, non ESG funded community partners) know about the changes to your program related to the HUD Notice
- Please continue to reach out to TDHCA for questions on eligible uses and to your CoC program design questions

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THANK YOU

Questions?

EMAIL US AT: ESG@TDHCA.STATE.TX.US

