

ESG FACT SHEET



Emergency Solutions Grants (ESG) Program

U.S. Department of Housing and Urban Development, Office of Community Planning and Development
Office of Special Needs Assistance Programs, 451 7th Street SW, Room 7262 Washington, DC 20410
CFDA Number: 14.231

OBJECTIVES

The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents; (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless.

For more information and resources about ESG, go to HUD's OneCPD website at www.OneCPD.info.

RECIPIENTS & SUBRECIPIENTS

Eligible recipients generally consist of metropolitan cities, urban counties, territories, and states, as defined in 24 CFR 576.2.

Metropolitan cities, urban counties and territories may subgrant ESG funds to private nonprofit organizations.

State recipients must subgrant all of their ESG funds (except the amount for its administrative costs and HMIS costs, if applicable) to units of general purpose local government and/or private nonprofit organizations.

Each recipient must consult with the local Continuum(s) of Care operating within the jurisdiction in determining how to allocate ESG funds.

CITATIONS

Statute: Stewart B. McKinney Homeless Assistance Act of 1987, Title IV, Subtitle B, as amended (42 U.S.C. 11371 *et seq.*) **Regulations:** 24 CFR Part 576.

ELIGIBLE PROGRAM COMPONENTS

1. Street Outreach

Essential Services necessary to reach out to unsheltered homeless individuals and families, connect them with emergency shelter, housing, or critical services, and provide them with urgent, non-facility-based care. Component services generally consist of engagement, case management, emergency health and mental health services, and transportation. For specific requirements and eligible costs, see 24 CFR 576.101.

2. Emergency Shelter

Renovation of a building to serve as an emergency shelter. Site must serve homeless persons for at least 3 or 10 years, depending on the cost and type of renovation (major rehabilitation, conversion, or other renovation). Note: Property acquisition and new construction are ineligible.

Essential Services for individuals and families in emergency shelter. Component services generally consist of 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, and transportation.

Shelter Operations, including maintenance, rent, security, fuel, equipment, insurance, utilities, and furnishings.

Relocation assistance for persons displaced by a project assisted with ESG funds.

For specific requirements and eligible costs, see 24 CFR 576.102.

3. Homelessness Prevention

Housing relocation and stabilization services and/or short- and/or medium-term rental assistance necessary to prevent the individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless" definition in § 576.2.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.103, 576.105, and 576.106.

ESG FACT SHEET

4. Rapid Re-Housing

Housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help individuals or families living in an emergency shelter or other place described in paragraph (1) of the “homeless” definition move as quickly as possible into permanent housing and achieve stability in that housing.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.104, 576.105, and 576.106.

5. HMIS

Grant funds may be used for certain Homeless Management Information System (HMIS) and comparable database costs, as specified at 24 CFR 576.107.

Administration

Up to 7.5% of a recipient's fiscal year grant can be used for administrative activities, such as general management, oversight, coordination, and reporting on the program. State recipients must share administrative funds with their subrecipients who are local governments and may share with their subrecipients who are nonprofit organizations. For specific requirements and eligible costs, see 24 CFR 576.108.

ALLOCATION FORMULA

HUD will set aside for allocation to the territories up to 0.2%, but not less than 0.1%, of the total amount of each appropriation in any fiscal year. The remainder will be allocated to States, metropolitan cities, and urban counties. The percentage allocated to each State, metropolitan city, and urban county will be equal to the percentage of the total amount available under section 106 of the Housing and Community Development Act of 1974 for the prior fiscal year that was allocated to the State, metropolitan city or urban county. If an allocation to a metropolitan city or urban county would be less than 0.05% of the total fiscal year appropriation for ESG, the amount is added to the allocation of the State in which the city or county is located. For more on the ESG formula, see 24 CFR 576.3.

MATCH

Metropolitan city and urban county recipients must match grant funds with an equal amount of cash and/or

noncash contributions, which may include donated buildings, materials and volunteer services.

States must match all but \$100,000 of their awards, but must pass on the benefits of that \$100,000 exception to their subrecipients that are least capable of providing matching amounts.

Territories are exempt from the match requirement

For the specific match requirements, see 24 CFR 576.201.

OBLIGATION & EXPENDITURE DEADLINES

Metropolitan cities, urban counties and territories must obligate all funds, except for the amount for administrative costs, within 180 days after HUD signs the grant agreement.

States must obligate all funds, except the amount for administrative costs, within 60 days after the date that HUD signs the grant agreement. Within 120 days after the date the State obligates its funds to a local government, the local government must obligate all of its grant funds.

All grant funds must be expended within 24 months after HUD signs the grant agreement with the recipient.

Further obligation and expenditure requirements are specified at 24 CFR 576.203.

CONSOLIDATED PLAN

Eligible recipients apply through the Consolidated Planning process. Among other things, this process helps communities assess their homeless assistance and housing needs, examine available resources, set 3-5 year strategies, and develop an annual action plan to meet priority needs. Plan preparation must include citizen participation and consultation with various organizations, including the local Continuum(s) of Care. Each jurisdiction should submit its Consolidated Plan to the local HUD field office no later than 45 days before the start of its consolidated program year in accordance with the regulations at 24 CFR Part 91. For the specific planning and submission requirements, see 24 CFR part 91 and 576.200.

REPORTS

Annual performance reports must be submitted in accordance with 24 CFR 91.520 and are due 90 days after the close of the recipient's consolidated program year. Recipients also have other reporting requirements, as specified in 24 CFR 576.500(aa).