COSCDA

**Council of State Community
Development Agencies**

Emergency Solutions Grants
State Actions and Recommendations
October 2021

Homelessness support has been severely limited due to recent widespread challenges including ongoing recovery from the COVID-19 pandemic, lack of available housing units, and organizational capacity. Homelessness assistance providers face immense pressure to deploy resources though HUD waivers have provided additional flexibility needed at this critical time. State administrators of the Emergency Solutions Grants (ESG) are seeking accommodation on the following requests pertinent to management and accountability of program funds.

- ESG-CV expenditure deadlines
    - ESG grantees are directing CV funds against two upcoming deadlines:
        - a HUD-directed deadline to expend at least 80% of grant amount by March 31, 2022
        - a congressional-directed deadline to expend all grant funding by September 30, 2022
    - States have partnered with local governments and organizations to distribute resources however deadlines put additional stress on administrators to apply funds to activities sooner and without an assurance of the ability to support activities further in the future.
    - Landlords are uncommitted to accepting funds unless there is certainty of rent provided further out. Resources have been deployed instead to other outlets such as emergency shelters.
    - Additional time is needed for funding to reach populations equitably in states while ensuring capacity is available for housing and related needs to be accompanied.
    - We request removal of the March 30 deadline to allow grantees sufficient opportunity to deliver aid for homelessness prevention and support. COSCDA also asks HUD to urge Congress for a suspension of the September 2022 deadline to expend all funding.

- Guidance on defining expenditures
    - Uncertainty exists for grantees in determining how to meet the aforementioned expenditure deadlines. Ex. if funds are direct to an activity such as lease agreement for future housing costs, does this represent expended funds?
    - COSCDA requests further clarification on how grantees can adequately expend funds

- Make permanent waivers/flexibilities provided by HUD during the pandemic
    - ESG administrators have engaged extensively to respond to the COVID-19 pandemic; HUD's series of waivers and flexibilities have been an important piece to streamlining aid for clients
    - Homeless assistance providers would be better positioned to accommodate further resources if similar waivers are extended in the future
    - Waivers sought include:
        1. State ability to use 100 percent of grant funds awarded to carry out activities directly
        2. State ability to sub-award grants to public housing agencies and local redevelopment authorities
        3. No match requirement for ESG recipients
        4. Greater flexibility to use program income as grantees determine can best meet homelessness needs.
        5. Enhanced incentives offered to landlords
        6. Allowance of funds for emergency shelter costs
        7. Update medium-term rental assistance to allow for up to 12 months
        8. Remove limits on rental assistance beyond fair market rent
        9. Additional costs related to hotel/motel stays should be eligible expenses
        10. Waived time limits of 24 month assistance on homelessness services and rental assistance during a 3-year period
        11. HMIS lead activities with expanded eligibility of costs
        12. Consultation with Continuum of Care and targeted homeless services – encouraged but not required consultation until further review is conducted to ensure effectiveness of coordination efforts
        13. Centralized or coordinated Assessment, written Standards for administering assistance, and HMIS – similar to the aforementioned request, additional flexibility needed until review is completed to determine effectiveness of current policy
        14. Housing stability case management; an updated policy which requires quarterly meetings instead of the monthly meeting requirement between grantee and sub-grantee

15. Alternative procurement standards permitted when applicable with deference to the grantee's internal procedures
16. Provision on supportive services (Exemption on qualification for assistance having received treatment or performed prerequisite activities before assistance can be provided); further review is warranted with flexibilities in place until this can be completed

- Data Coordination
  - COSCDA requests guidance on enhanced coordination of data between homelessness assistance and other supportive services
  - Increased access of datasets presents opportunities to connect clients to available support including healthcare and food
  - Assistance on integration between various software and data collection systems also helps to facilitate this goal

- Violence Against Women Act (VAWA) Guidance
  - Access to client information has been restricted for due to limitations posed under VAWA if person is a domestic violence victim
  - ESG requires verification in order to ensure eligibility and services being accommodated accordingly for homeless aid recipients
  - COSCDA requests guidance on how to navigate moving forward with coordination from the Department of Justice on how to approach issue while satisfying the ESG standard

ESG administrators recognize the difficulty in justifying additional accommodations for the program in light of flexibilities that have been installed since the pandemic began early 2020. However, due to several factors and continuing changes in homeless response, homeless service providers are moving forward as well as possible amid uncertainty in carrying out program activities. Recently cited issues include: applying ESG while increased funding has been made available from other sources, staffing challenges from state and local grantees to sub-recipients, sub-grantees experiencing significant learning curves in carrying out new and unfamiliar activities, and time constraints in targeting funds by noted deadlines.

COSCDA encourages consideration of the recommendations shared and offers our support in providing further context and details to this request.