



## **ESG-CV (CARES Act)**

Intro and Review of ESG-CV  
**Prevention & Re-Housing Requirements**

**April 13, 2021 1:00 – 2:00 PM via Webex**

Minnesota Department of Human Services Office of Economic Opportunity  
(Economic Opportunity and Nutrition Assistance Division)

# Welcome

- Thank you for joining us today!
- Participants are muted . . . Unmute during designated question times.
- Can also submit questions via chat (we'll answer as many as we can)
- Recording will be posted, along slides & reference materials.
- Recording will accommodate Deaf or Hard of Hearing
- Recognize varying levels of prior ESG knowledge/experience on the call
  - Unfortunately, we'll need to move quickly thru some complex topics
  - Feel free to follow-up later with questions/clarifications
  - Don't worry -some of this we have to re-learn ourselves!!

# Agenda

- Key differences between “regular” ESG and ESG-CV Prevention & Rapid Re-Housing
- Client File requirements for both Prevention & RRH
- Client File requirements specific to Prevention **or** RRH
- Universal ESG limits/prohibitions (all activities)
- Impact of Eviction Moratoria
- Developing ESG-CV Written Standards

# Overview of ESG and ESG-CV Differences

	ESG (HEARTH Act)	ESG-CV (CARES Act)
<b>Income Limits</b>	<p><b>Prevention</b> (at Entry/every 3 mos.) Below 30% AMI</p> <p><b>Rapid Re-Housing</b> (at 12 month re-evaluation) Under 30% AMI</p>	<p><b>Prevention</b> (at Entry/every <b>6 mos.</b>) <b>Below 50% AMI</b></p> <p><b>Rapid Re-Housing:</b> N/A – RRH limited to 12 mos. under ESG-CV</p>
<b>Short and Medium-Term Rental Assistance</b>	<p><b>Prevention:</b> Up to 24 months</p> <p><b>Rapid Re-Housing:</b> Up to 24 months</p>	<p><b>Prevention:</b> Up to <b>12 months</b></p> <p><b>Rapid Re-Housing:</b> Up to <b>12 months</b></p>
<b>Fair Market Rent</b>	Unit must meet FMR Standard	FMR Requirements Waived
<b>Housing Stability Case Management</b>	Required meeting at least monthly with participants	Requirement waived under ESG-CV. Services strongly encouraged; cannot be a pre-requisite for assistance

# Client File Requirements: Client Proof Of Responsibility and Rental Agreement

File Requirement: Households receiving ESG-CV rental assistance (incl. security deposit) or utility assistance must have proof of responsibility for cost.

Documentation:

*Rent/Housing Assistance = Lease between participant/HH & landlord*

*Utilities = Bill or other document with participant or HH member listed*

Additionally:

*Agencies must have rental assistance agreement in place between agency and owner, including terms for payment, notice requirements, etc.*

# Client File Requirements: Rent Reasonableness

File Requirement: **Prior** to providing rental assistance (Prev. or RRH), document that rent paid is compared to other units of similar location, type, size, and amenities within the community.

**Note:** Rent Reasonableness is *different* than Fair Market Rent and has not been waived under ESG-CV

## Documentation:

*Complete RR Checklist/Certification Template*

*Demonstrate rent is comparable and not inflated for HUD payment.*

# Client File Requirements: Habitability Inspection

File Requirement: **Before** providing financial assistance, document rental unit met ESG Habitability Standards (*different than HUD HQS*)

Documentation:

*Completion of Permanent Housing Standards Checklist*

*Virtual Inspection of Property Allowable*

*Ensure someone is available to “walk-thru” property, inform ahead of time where you will need visual access, video platform to use, etc.*

*Document as you would otherwise*

# Client File Requirements: Lead-Based Paint Assessment

File Requirement: **Before** providing financial assistance, complete the ESG Lead-Based Screening and Visual Assessment (if triggered).

**Staff person must have completed HUD [Visual Assessment Training](#)**

## Documentation:

- *Answer Part 1: Is Unit Subject to Inspection? Part 2: Additional Exemptions?*
- *If Unit must be inspected for deteriorated paint, schedule Lead Pain Inspection*
- *Visual Assessments / Inspections using virtual video services are allowable*
- *Ensure someone is available to “walk-thru” property, inform ahead of time where you will need visual access, video platform to use, etc.*
- *Document as you would otherwise.*



# Client File Requirements: HMIS Data Privacy Notice & Release of Information

- You must have one before entering into HMIS
- Copy of Forms found here:

<https://www.hmismn.org/news/hmis-release-of-information-roi-and-verbal-consent>

- HMIS Notice is *different* from state Data Privacy Notice (Tennessee).
- Agency should have own Data Privacy Notice (lists use of gov't data and who is authorized by law to see data)

# Client File Requirements: Documentation of Assistance Provided

File should contain the following:

- Type of Assistance provided (e.g. Arrears, Rent, Utilities, etc.)
- Number of months of assistance provided (each type)
- Documentation (case notes) that participant did not receive other subsidy for that type (e.g. rent) or time (month)

# Rapid Re-Housing Only: Client File Requirement: Eligibility Evaluation: Literal Homelessness (Category 1)

**Participants may receive ESG Rapid Re-Housing (RRH) if they are:**

HUD Literal Homelessness (Category 1):

- (1) living in a public or private place not meant for human habitation,
- (2) living in temporary shelter, which includes congregate shelters and transitional housing, or
- (3) exiting an institution where the individual or family has resided for 90 or fewer days and was living in shelter or in a place not meant for habitation before entering the institution.

**Documenting Category 1 Homelessness:**

- Third-party verification (another housing or service provider, HMIS, etc.)
- Written observation by intake worker or other staff of homelessness status
- Self-certification that participant is living on the streets or in shelter (document good-faith effort by staff to obtain 3<sup>rd</sup> party verification)

# PREVENTION Only: Client File Requirement: Eligibility Evaluation: “At-Risk of Homelessness”

## At-Risk of Homelessness:

1. Household has income below 50% of Area Median Income **and**
2. Does not have resources/networks to avoid emergency; **and**
3. Meets **ONE** of the following criteria:
  - Multiple Moves (*moved 2+ times due to economic reasons during 60 days prior to application*)
  - Doubled-Up due to economic hardship.
  - Hotel/Motel (*fees not paid for by non-profit or federal/state/local government program*)
  - Overcrowded Housing (*SRO/efficiency apartment where 2+ persons reside*)
  - Exiting Institutions (*e.g. jail, prison, psychiatric hospital, etc.*)
  - A household’s right to occupy housing will be terminated within 21 days. A court-ordered eviction is not required. **(See later slide on eviction moratorium);**

# PREVENTION Only : : Documenting At-Risk of Homelessness (Option 1)

## At-Risk of Homelessness Documentation:

- 1. Income:** Third-party verification *or* self-certification of zero income
- 2. Lacks Resources to Maintain Housing/Avoid Crisis:** Self-certification statement accompanying household budget/income verification. Could include past-due notices
- 3. At-Risk Criteria Documentation:**
  - Third Party Documentation strongly encouraged but not required (bills, discharge papers, etc.)
  - For households in a legally-binding lease and 21-day notice to vacate, written notification from the landlord or property owner is recommended.
  - Signed statements by participants or others that support the facts (overcrowding, notice to vacate private residence, etc.) are acceptable. Must document good-faith effort by staff to obtain more.

# PREVENTION Only: Client File Requirement Eligibility Evaluation: Homeless (HUD Category 2-4)

1. Household has income below 50% of Area Median Income and
2. Does not have resources/networks to avoid housing emergency; and

## Homeless under HUD Categories 2 - 4

Category 4: Fleeing Domestic Violence (but not in shelter, street or car)

Category 3: Hard to document/redundant of Category 2 (most circumstances)

Category 2: Doubled Up, *provided the following*:

- The household will imminently lose their primary nighttime residence within 14 days of application for homeless assistance (**see later slide on eviction moratorium**); **and**
- No subsequent residence has been identified;

## Documenting Option 2: Homeless (HUD Category 2-4)

### Homelessness (Option 2) Documentation:

- Income Eligible & Lacks Resources: (Same as for “At-Risk” documentation)
- Homeless Category 4: Fleeing Domestic Violence:
  - **Victim Service Providers**: *An oral statement by participant seeking assistance which states:*
    - *they are fleeing domestic violence; they have no subsequent residence ; they lack resources.*
    - *Statement must be documented by self-certification or a certification by the intake worker.*
  - **Non-Victim Service Providers**: Same documentation as above, except
    - *Where the safety of the participant is not jeopardized, the oral statement must be verified.*
- Homeless Category 2: Imminent Risk of Literal Homelessness (street, car or shelter)
  - Court Order notifying they must leave within 14 days of application for assistance, **or**
  - Documented and verified oral or written statement from private residence; **and**
  - Certification: No subsequent residence identified; Lacks financial resources to obtain housing.

# PREVENTION Only: Additional Documentation Requirements

## For households receiving ESG-CV Prevention Assistance:

1. Your program must re-evaluate eligibility every 6 months to determine if participant is still eligible to receive assistance.
2. This includes **Income Limit (50% AMI)** and **Still Lacks Resources to Maintain Housing**

## Remember: With *ESG-CV Prevention*, you can:

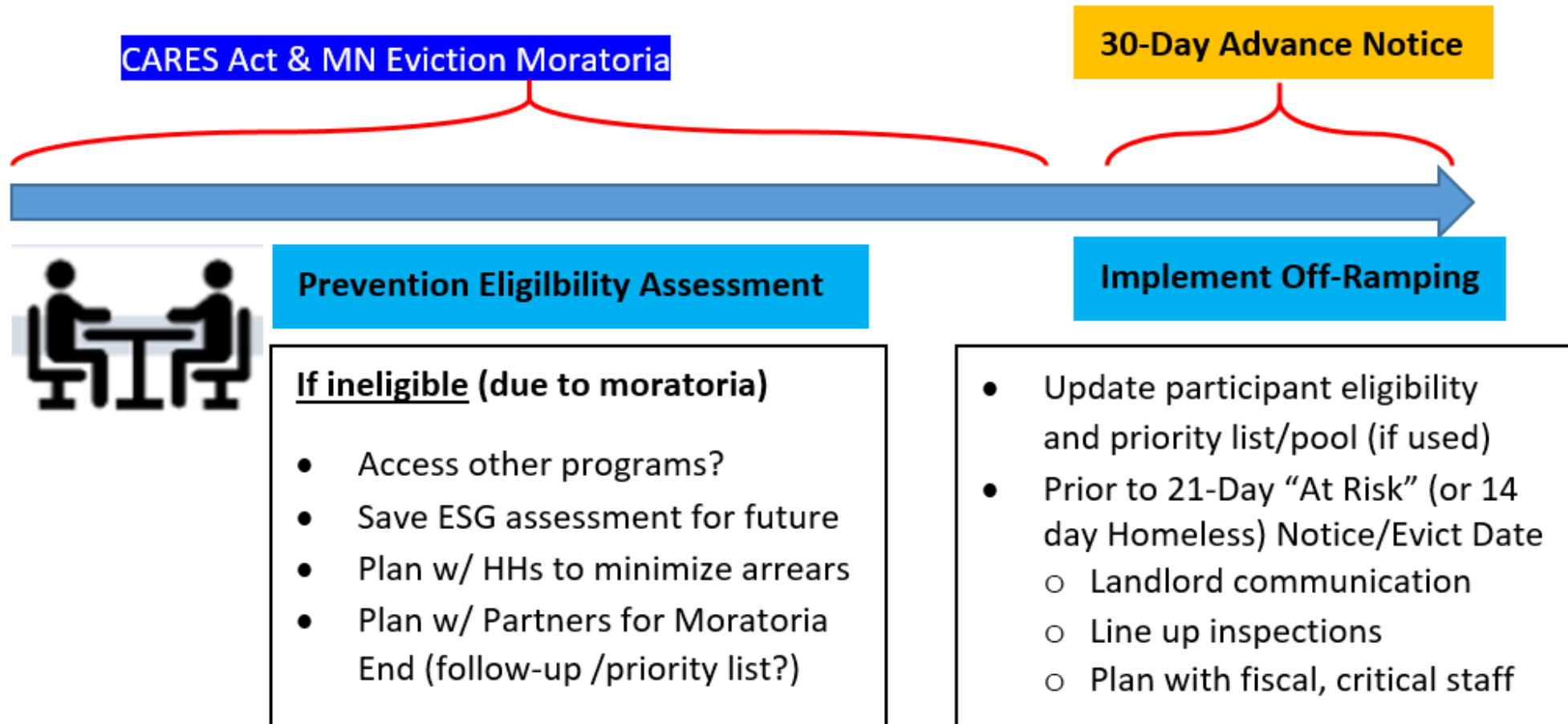
- Pay up to 6 months of **rent arrears** (counts towards 12 month rent assistance limit)
- Pay up to an **additional** 6 months of rental assistance to stabilize housing (or 12 months if no rental arrears have been paid)
- Unique chance to more effectively stabilize people in existing housing.



# ESG Prevention: Complicating Factor: Eviction Moratoria

- May impact ESG Prevention eligibility if based on landlord-initiated eviction (moratorium prevents evictions solely for non-payment of rent)
- May become eligible once eviction moratorium ends **OR**
  - If criteria for **“At-Risk”** or **“Homeless”** are met **and** household needs re-housed
  - **See “Prevention Eligibility” slides** for all criteria not based on past-due rent.
- Monitor status of Fed/State moratorium and any off-ramps planned.
- Strategize use of ALL prevention resources in community: Are households eligible for Emergency Rent Assistance (MHFA) or FHPAP, but not ESG-CV?

# ESG Prevention: Preparing for End of Eviction Moratoria



# Client File Requirements & Eligibility

Questions?

Answers ?

*We **Might** Have Answers* 😊

# Written Standards (RRH & Prevention)

- Required for all ESG activities
  - Established by sub-recipient (not DHS)
- Documented standards intended to:
  - Set community-wide expectations
  - Provide transparency to the users/operators of the homeless service system
  - Establish minimum set of standards for services
  - Formalize local priorities
  - Create consistency among homeless service providers

# Written Standards (RRH & Prevention)

- Evaluating individuals' and families' **eligibility** for assistance under ESG;
- **Coordination** among emergency shelter providers, essential services providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers;
- Determining and **prioritizing** which eligible families and individuals would receive homelessness prevention assistance and which eligible families and individuals would receive rapid re-housing assistance;
- Determining what **percentage or amount of rent and utilities costs each program participant must pay** while receiving homelessness prevention or rapid re-housing assistance;
- Determining how **long** the program participant will be provided with rental assistance and whether and how the **amount of that assistance would be adjusted over time**;
- Determining the **type, amount, and duration** of housing stabilization and/or relocation services to provide to the program participant; and
- Participation in **HMIS (or comparable database)** to ensure all persons served and activities assisted under ESG are documented.

# Written Standards (RRH & Prevention)

- What does this mean for YOU?
  - Required component of ESG-CV proposal application – refer to original answers.
  - If you need to modify what you proposed in application – discuss Workplan Modification with OEO Staff for approval.
  - Compare your policies – make sure in alignment with your CoC Written Standards/Coordinated Entry Process for assessment, prioritization, etc.
  - If they are not, discuss alignment options with CoC and OEO staff. Will work with providers and CoC to find solutions.
  - Be prepared to review/discuss with OEO staff during monitoring.

Questions?

Answers ?

*We **Might** Have Answers* 😊

# Additional ESG/ESG-CV Resources

## Additional Resources

- **Today's Materials** (incl. documentation/file tools): **Link Will Be Sent** to grantees
- HUD: SNAPS [COVID-19 Daily Digest](#) (sign up if you haven't)
- HUD Area Median Income Limits: [https://www.huduser.gov/portal/datasets/il/il2021/select\\_Geography.odn](https://www.huduser.gov/portal/datasets/il/il2021/select_Geography.odn)
- HUD: <https://www.hudexchange.info/programs/esg/>  
*(remember chart outlining ESG and ESG-CV differences – HUD documents not updated for ESG-CV yet)*
- ICA/HMIS Website: [www.hmismn.org](http://www.hmismn.org)