



2020 ESG-CV Round 2 FAQs

October 13, 2020

Frequently Asked Questions about the 2020 ESG-CV Round Two

	QUESTIONS: COLUMN ONE	ANSWERS: COLUMN TWO
1.	Will the fire impacted jurisdictions also be getting a two-week extension from the November 4, 2020 due date?	The due date will remain as November 4, 2020 for jurisdictions impacted by the 2020 California wildfires.
2.	Can anyone apply for ESG-CV Round 1 still?	The application period for ESG-CV Round 1 is closed. Only those agencies that were awarded in ESG-CV Round 1 may apply for ESG-CV Round 2.
3.	Do ESG-CV Round 2 Applicants need to submit a waiver request to HUD to access the HUD CPD Notice-20-08 ESG-CV waivers?	HCD is responsible for submitting the waivers to HUD for State awarded funds. For ESG-CV1, HCD submitted the Annual Action plan amendment prior to the September 1, 2020 deadline so limitations DO NOT apply to the ESG-CV1 funds. For ESG-CV2, HCD did not submit the amended plan prior to September 1, 2020 so the limitations DO apply to the ESG-CV2 funds. Flexibilities are available for all ESG rounds.
4.	Does the 12-month cap for medium term rental assistance apply to the Rapid Rehousing component?	Rapid Re-housing and Homelessness Prevention have a cap of 24 months on medium term rental assistance for ESG-CV Round 1 and a cap of 12 month for medium term rental assistance for ESG-CV Round 2.
5.	Can a small portion be used for Outreach to support engagement with efforts to Advance Racial Equity and Tribal Nations?	Administrative funds can be used to help pay for provider selection process to engage service providers focusing on racial equity and tribal nations. Street Outreach funds may also be awarded to those service providers to engage individuals in these typically underserved populations.
6.	Will the annual ESG 2020 Awards be released before the ESG-CV Round 2 Budgets are due?	HCD anticipates that the annual ESG 2020 Awards will be announced in late November, after the ESG-CV Round 2 Applications (including budgets) are due.
7.	Is Street Outreach an eligible activity in ESG-CV Round 2?	Yes, Street Outreach is an eligible activity in ESG-CV Round 2.



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8.	Has the deadline to submit the resolution also been extended with the NOFA deadline?	The deadline for the ESG-CV 2 Resolutions is 2 weeks after the application due date (November 12, 2020, due to the holiday).
9.	Is eviction prevention an allowable expense?	Homelessness Prevention activities and eligible costs are outlined in the ESG Regulations (24 CFR 576.103). Please note that Homelessness Prevention funds may be allowed only if the applicant can demonstrate that all homeless individuals (sheltered and unsheltered) within their COC Service Area per the most recent point-in-time (PIT) count are already housed or will be housed with current ESG or other sources of funding. If applicant sufficiently demonstrates need has been met to house all homeless individuals, the applicant may apply for funding for Homeless Prevention.
10.	Can Grantees carry out eligible activities directly or do they have to use service provider partners?	Grantees may choose to carry out some or all services directly and is not required to subgrant all funds to service providers.
11.	Additional funding is needed to continue a non-congregate shelter (Roomkey) program into 2021. Can funds be set aside for ESG-CV for this purpose rather than having it flow through a selection process where the AE selects qualified providers?	Yes, funds can be used directly, rather than having them go to a qualified provider.
12.	Will HCD be providing the waiver documentation for CoCs/AEs?	Each CoC and AE will need to document which waivers they are using in their program files, but do not need to communicate the waivers that they are using to HUD.
13.	Are you able to request additional funds for ESG-CV Round 2?	The allocations have been predetermined and are outlined in Appendix A of the ESG-CV Round 2 NOFA. Additional funding <i>may</i> be available if other



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		jurisdictions are not able to spend their full allocations.
14.	Does the increased income limit to 50% AMI only apply to the Homelessness Prevention component and not Rapid Re-housing?	Yes, the increased income limit only applies to individuals at risk of being homeless category, which falls under the Homelessness Prevention component.
15.	Can the AE for ESG-CV Round 2 be different than ESG-CV Round 1?	The AE for ESG-CV Round 2 must be the same applicant as was used for ESG-CV Round 1. This could be changed or amended after the standard agreement is executed. If needed, an MOU or contract can be entered into to ensure that programmatic requirements can be met.
16.	For column B where it says experiencing homelessness should we include all clients (irrespective of project type) that are in HMIS system or should we include everyone except those in prevention and permanent housing projects (like PSH,OPH,RRH).	Please include all clients in your HMIS system.
17.	What are the new guidelines for Emergency Shelter, including Temporary Shelter?	Please use the guidance outlined in this CPD Notice dated September 1, 2020.
18.	Is it an ESG-CV requirement for the CoC to have a policy regarding addressing racial disparities?	Each CoC is required to uphold Civil Rights and Fair Housing Laws. HCD encourages applicants to make addressing racial inequities central to program design within the homeless response system. Please refer to this resource at HUD Exchange .
19.	Will budget revisions be allowed in ESG-CV Round 2; specifically, would grantees be able to re-budget to an eligible activity that wasn't initially in their budget (e.g. agency applied only for RR and ES, but wants to re-budget to Homelessness Prevention?)	Budget Revisions will be allowed, including moving funds to activities that were not in the original budget; however, moving funds to Homelessness Prevention will not be allowed at this time.
20.	Do CoCs/AEs need to provide a request or notice to HCD if we wish to utilize any waivers?	HCD does not require a request or notice to utilize any waivers. Documentation of waiver usage must be in program files.



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21.	Can diversion services be folded into Rapid Re-housing?	Yes, there are several options on how diversion can be folded into Rapid Re-housing programs (e.g. sending a client to another agency for security deposit money because your agency doesn't provide move in costs, including security deposits or sending a client to another agency for back rents owed because your agency only provides subsidies, etc.) Please email ESG@hcd.ca.gov for further program specific questions.
22.	Are Temporary Emergency Shelter costs only for non-congregate shelters?	Temporary Emergency Shelter costs can be for non-congregate and congregate emergency shelters; however, it is recommended to follow proper health protocols.
23.	Are rehabilitation or renovation costs an eligible expense for Emergency Shelter?	Yes, rehabilitation and renovation costs are an eligible expense for Emergency Shelter and are subject to the ESG Regulations (24 CFR 576.102). If funds are used for acquisition or renovation of a Temporary Emergency Shelter, the property's use and disposition are subject to the real property requirements listed here (2 CFR 200.311).
24.	Can a grantee acquire a Temporary Emergency Shelter and then operate as such for an unidentified amount of time and transition the facility into something else post Coronavirus?	No, the structure or portion of a structure that is in use may be used for the period of time needed for coronavirus response, but no later than January 31, 2022, unless HUD grants an exception. The property is subject to disposition requirements for real property found at 2 CFR 200.311 .
25.	Does Emergency Shelter funding only allow the leasing of property?	The latest HUD CPD Notice dated September 1, 2020 allows for up to \$2.5 million of acquisition of Temporary Shelter.
26.	May Rapid Rehousing funds be used to house persons coming out of institutions such as prison, mental institutions, other locked facilities, hospitals, that would otherwise be homeless?	Please refer to this HUD Waiver (page 11) regarding the homeless definition and institutional stays.
27.	Can Emergency Shelter funds be used to expand Essential Services at existing shelters?	Depending on the type of Essential Services. Emergency Shelter activities and



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		eligible costs are outlined in the ESG Regulations (24 CFR 576.102).
28.	Which category of funding would the hand washing stations fall under? How is reporting to be documented in HMIS for this activity?	Hand washing stations are eligible under Street Outreach. They do not need to be documented in HMIS, but it is recommended to reach out and engage clients.
29.	The ESG Regulations indicate if ESG funds are used for Emergency Shelter rehabilitation or renovation it would need to be used for 10 years as an Emergency Shelter, if the cost is in excess of 75% of the value of the facility being rehabilitated. Is that the case with ESG-CV Round 2?	Yes, the ESG Regulations (24 CFR 576.102) still require that if an emergency shelter rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the minimum period of use is 10 years. Where ESG funds are used for renovation, the minimum period of use is 3 years. Per the CARES Act (Title XII, Homeless Assistance Grants Section) if the funds are used for a Temporary Emergency Shelter as defined in the HUD CPD Notice dated September 1, 2020, the minimum period of use requirements do not apply.
30.	Is the expenditure deadlines for ESG-CV Round 2 different from ESG-CV Round 1?	The deadlines will be the same for both rounds of ESG-CV funding.
31.	Can a sub-recipient request ESG-CV 2 funds to fund an existing street outreach team?	Yes, as long as the team is working on preventing, preparing for and responding to COVID-19.
32.	Is it correct that Rapid Re-housing and Emergency Shelter are the only eligible program components for ESG-CV Round 2?	All components are eligible in ESG-CV Round 2: Emergency Shelter, Street Outreach, Homelessness Prevention, Rapid Re-housing, HMIS, and Admin. Please note that Homelessness Prevention funds may be allowed only if the applicant can demonstrate that all homeless individuals (sheltered and unsheltered) within their COC Service Area per the most recent point-in-time (PIT) count are already housed or will be housed with current ESG or other sources of funding. If applicant sufficiently demonstrates need has been met to house all homeless individuals, the applicant may apply for funding for Homeless Prevention.



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33.	Does the investment plan require every agency in the CoC to provide their financial information? Or is it just CoC, ESG and ESG-CV funding?	We ask that you coordinate to the maximum extent feasible with all agencies within the CoC to coordinate all local, state, federal and philanthropic funding.
34.	Do you need to accept the ESG-CV Round 1 Award before applying for ESG-CV Round 2?	No, that is not a condition of application for ESG-CV Round 2.
35.	Is it acceptable to submit a draft resolution by the application due date, not a final board approved resolution?	A draft resolution is required to be submitted by the application deadline. The board approved resolution is required two weeks after the deadline. If an emergency board meeting is possible, please pursue this option. <i>(If it is absolutely not possible to get a board approved resolution within 2 weeks of the application deadline, please communicate your expected resolution timeline to HCD as soon as possible.)</i>
36.	Is this funding separate from the Emergency Solutions Grant Coronavirus (ESG-CV) program to assist persons experiencing or at-risk of homelessness?	This is the same funding. The priorities shifted from ESG-CV Round 1 to ESG-CV Round 2. Emergency Shelter and Rapid Re-housing are the priorities for ESG-CV Round 2.
37.	Do you have an information guide on how to complete the CoC 2019 Outcomes by Race and Ethnicity Worksheet?	Yes, an instructions tab has been added to the existing worksheet in eCivis Grants Network labeled "Using HMIS -Continuum of Care Outcomes by Race and Ethnicity Worksheet". If you have already started your worksheet using HMIS reports, you may submit the original worksheet, but we encourage any applicant who has not yet started the process or who is having difficulty using the original worksheet, to use the alternative Stella option outlined in the instruction tab.
38.	Will HCD be providing guidance on the governance processes or best-practice policies for jurisdictions who have not yet started the racial equity analysis/implementation?	Please refer to this HUD Exchange regarding racial equity resources, data toolkits, and research reports that relate to identifying disparities and implementing responses to address the overrepresentation of people of color in the homeless system. CoCs, jurisdictions and providers could utilize these resources to help support their advancement of racial equity policies and actions.



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<p>39.</p>	<p>On the Resolution, we should include an amount that is \$500,000 greater than our listed award? Or can it be 2-3 times the awarded amount per previous instruction?</p>	<p>To provide flexibility in accepting additional funds without having to go back to your board, including \$500,000 more than the NOFA amount is what HCD recommends though it would be legally sufficient to include any amount above or equal to your allocation.</p>
<p>40.</p>	<p>In the application, there are references to the “ESG Grantee funding application review panel/body.” Can you provide more clarification on who this body is? Specifically, regarding the following two questions: 1) Does your ESG Grantee funding application review panel/body include permanent seats for individuals with lived experience of homelessness? 2) Does your ESG Grantee funding applications review panel/body include permanent seats for representatives from Black, Latinx, Asian, Pacific Islander, Native and indigenous communities?</p>	<p>This question was meant to refer generally to any advisory body that helps make funding decision. The goal of the question is to find out if governing or advisory bodies have seats set aside for: 1. People experiencing homelessness and/or 2. Representatives from Black, Latinx, Asian, Pacific Islander, Native and indigenous communities – communities that often experience homelessness disproportionately to the population at large. If this description does not meet any of your advisory bodies, you can skip down to the “Other Advisory Body” questions and enter the names of the bodies that your jurisdiction does use for decision making and a public process.</p>
<p>41.</p>	<p>Can ESG-CV funds be used to purchase trailers or mobile homes?</p>	<p>Grantees are not permitted to purchase or acquire permanent housing. It might be possible if it were being purchased as temporary emergency shelter (but you would then need to be prepared to follow the disposition rules, including payback after January 31, 2022). No ESG-CV funds can be used to acquire permanent housing.</p>