

ESG-CV ACTION PLAN FOR NASHVILLE-DAVIDSON **COUNTY**

Introduction

On April 2, 2020, Nashville-Davidson County received notification from the United States Department of Housing and Urban Development (HUD) that special Emergency Solutions Grants (ESG) Program funds in the amount of \$1,549,066, as authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) were being allocated to Metro Nashville-Davidson County. These ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19. Exhibit 1 details the allocation of ESG-CV of funds by HUD and includes the specific parameters and guidance regarding eligible activities, implementation, waivers, etc. An additional allocation notice of funds totaling \$8,489,679 was received on June 9, 2020 and Exhibit 2 details that allocation.

As a condition for receipt of the supplemental funding, MDHA prepared this Action Plan for the intended use of the ESG-CV funds. The Plan details the process used to determine the best use of ESG-CV funds, the intended use of funds and the next steps to be taken to use the funds to implement the activities outlined in the Plan.

The Process

Upon notification of the ESG-CV allocation, MDHA reached out to local stakeholders, State and Federal offices, the Metropolitan Homeless Impact Division, the Continuum of Care and homeless shelters and nonprofit agencies for consultation regarding the priority needs of the community to address COVID-19 issues. Additionally, a survey was sent to CoC and ESG funded agencies to gauge the local community needs. A list of priority needs was developed as a result of this community input and verified for eligibility under ESG activities. MDHA then used this priority list to create the list of anticipated activities. Priority needs include, but are not limited to: Increased staffing of outreach and shelter employees across several agencies and programs, PPE and sanitation supplies, transportation and nutrition assistance, health services support, additional emergency shelter facility and other housing opportunities to assist with isolation and social distancing, homeless encampment support, rapid rehousing, prevention, temporary and other housing services. MDHA was also approved for HUD Technical Assistance. Continued discussions with stakeholders, the Mayor's Office, the CoC and community members in conjunction with HUD TA representatives were utilized to further pinpoint a specified housing first approach to allocating the 2nd allocation of HUD funds.

Intended Activities

Project Name	ESG-CV Programs and Services
Target Area	Countywide
Goals Supported	Support for Homeless Persons & Persons with HIV/AIDS
Needs Addressed	Assist Homeless Persons & Persons with HIV/AIDS
Funding	ESG-CV: \$10,038,745.00
Description	Activities to support homeless persons - rapid re-housing and homeless prevention assistance, shelter operations/essential services, and outreach; shelter renovation program and HMIS administration to help prevent, prepare for, and respond to the coronavirus pandemic (COVID-19)
Target Date	5/31/2022
Estimate the number and type of families that will benefit from the proposed activities	<p>-Rapid Re-housing: 325 persons -Homeless Prevention: 75 persons -Shelter Operations/Essential Services: 2,000 -Outreach: 100 persons</p> <p>Numbers are estimates. Due to the unknown nature of the COVID-19 impact, these numbers could be much higher or lower dependent upon final activity programs and outcomes.</p>
Location Description	Countywide
Planned Activities	<ul style="list-style-type: none"> • Up to \$826,906.00 for <u>Administration</u> – retained by MDHA for general management, oversight, and coordination of ESG programs – 10% of ESG-CV allocation allowed under the CARES Act • \$9,211,839.00 for the following eligible activities: <ul style="list-style-type: none"> ○ <u>Rapid Re-housing Assistance</u> – includes, but is not limited to, utilities, rental application fees, security deposits, etc. and other eligible activities as defined in the ESG regulations at 24 CFR, §576.104; §576.105 (Housing relocation and stabilization services) and §576.106 (Short term and medium-term rental assistance) ○ <u>Homeless Prevention</u> includes, but is not limited to, rental assistance (such as arrears) and housing relocation and stabilization services, etc., and other eligible activities as defined in the ESG regulation at 24CFR, §576.103; §576.105 (Housing relocation and stabilization services) and §576.106 (Short term and medium-term rental assistance) ○ <u>Shelter Operations*</u> - include, but are not limited to, maintenance, rent, repair, renovation and/or conversion etc., and other eligible activities as defined in ESG regulations at 24 CFR §576.102

	<ul style="list-style-type: none"> ○ <u>Essential Services</u>* – include, but are not limited to, case management, childcare, education services, etc., and other eligible activities as defined in ESG regulations at 24 CFR, §576.102 ○ <u>Street Outreach</u>* – includes, but is not limited to, the cost of engagement, case management, emergency health and mental health, etc. and other eligible activities as defined in the ESG regulation at 24 CFR, §576.101 ○ <u>Shelter Renovation</u> - Eligible costs include labor, materials, tools, and other costs for renovation (including major rehabilitation of an emergency shelter or conversion of a building into an emergency shelter) as defined in the ESG regulation at 24 CFR §576.102 ○ <u>HMIS</u> – for costs associated with providing technical assistance and training, data review, input, and quality control for ESG subrecipients <p>*The cap for Operations, Essential Services and Street Outreach is waived for CARES Act funds. No limitations on these categories.</p> <p>Preference for activities will be given to priorities identified in conjunction with Metropolitan Government and the Office of Emergency Management (OEM) that will contribute to the larger Nashville-Davidson County Homelessness Plan for alleviating COVID-19 concerns.</p> <p>Funding for all activities, except Administration and HMIS, will be awarded via the following potential actions: a competitive Request for Applications process; a direct application process, direct contracting to eligible nonprofit subrecipients, and other methods allowed under the OMB 2 CFR 200 regulations.</p>
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Next Steps

The ESG-CV Action Plan will be posted on Metropolitan Government websites for public information disclosure as required by the CARES Act as Citizen Participation and Consolidated Plan submission requirements are waived for ESG-CV funds. The Plan will then be transmitted to HUD who will develop Grant Agreements to be executed by Metro Nashville-Davidson County as the grantee. Once the grant agreements are executed, MDHA will take the necessary steps to allocate funds via appropriate measures to

projects/activities identified by Metro OEM and nonprofit subrecipients to provide assistance for the homeless community of Metro Nashville-Davidson County.

Exhibit 1



ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

April 2, 2020

The Honorable John Cooper
Mayor of Nashville-Davidson
1 Public Square
Suite 100
Nashville, TN 37201

Dear Mayor Cooper:

I am pleased to inform you of special Emergency Solutions Grants (ESG) Program funds HUD is allocating to your jurisdiction in the amount of \$1,549,066, as authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136. These special ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

President Trump signed the CARES Act on March 27, 2020 to help the Nation respond to the coronavirus outbreak. The CARES Act made available an additional \$4 billion in ESG-CV funds to supplement the Fiscal Year (FY) 2020 ESG funding provided under the Further Consolidated Appropriations Act, 2020 (Public Law 116-94). Of this amount, the Department is immediately allocating \$1 billion for ESG-CV grants based on the FY 2020 ESG formula. The rest of the funding for ESG-CV grants will be allocated directly to States or units of local government by a separate formula developed by the Secretary. Up to \$40 million of the additional funds will be set aside for technical assistance.

Given the immediate needs faced by our communities, the Department has announced the first allocation of funds, which are subject to the following flexibilities and conditions provided by the CARES Act:

- The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19;
- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- Up to 10 percent of funds may be used for administrative costs, as opposed to 7.5 percent as provided by 24 CFR 576.108(a);
- The funds are exempt from the ESG match requirements, including 24 CFR 576.201;
- The funds are not subject to the consultation and citizen participation requirements that otherwise apply to the Emergency Solutions Grants, however each recipient must

publish how its allocation has and will be used, at a minimum, on the Internet at the appropriate Government web site or through other electronic media;

- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3;
- That recipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to coronavirus, notwithstanding 24 CFR 576.407(f) and 2 CFR 200.317-200.326;
- While we encourage you to offer treatment and supportive services when necessary to assist vulnerable homeless populations, individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, notwithstanding 24 CFR 576.401(e).

In addition, the Act authorizes the Secretary to grant waivers of and specify alternative requirements for statutes and regulations the Secretary administers in connection with the use of ESG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). These waivers and alternative requirements can be issued when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

The Department is developing a notice that will further lay out the CARES Act provisions and other waivers and requirements to enable swift implementation of additional ESG-CV grants. This notice and any subsequent notices of waivers and alternative requirements will be made available on HUD's website and distributed to grantees. The Department will also support grantees with technical assistance.

As your jurisdiction develops its plan to use these grant funds, HUD encourages approaches that prioritize the unique needs of persons experiencing homelessness and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. Your jurisdiction should coordinate with State and local health authorities before undertaking any activity to support state or local pandemic response. HUD encourages you to share successes that may help other grantees. Like other supplemental funding, ESG-CV grants are subject to oversight and tracking, such as requirements to prevent the duplication of benefits. We look forward to working with you to prevent fraud, waste, and abuse and to document the impact of this program for beneficiaries.

Importantly, proper reporting in the Integrated Disbursement and Information System (IDIS) is critical to ensuring grantees are complying with program requirements and policies, providing demographic and income information about the persons who benefit from funded activities, and allowing HUD to monitor recipients. Your jurisdiction's ongoing attention is essential to ensuring complete and accurate reporting of performance measurement data.

HUD's Office of Community Planning and Development (CPD) is looking forward to working with your jurisdiction to successfully meet the urgent and complex challenges faced by our communities. If you or your staff has questions, please contact your local CPD Field Office Director or CPDQuestionsAnswered@hud.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Gibbs', with a stylized, cursive script.

John Gibbs
Acting Assistant Secretary
for Community Planning and Development
U.S. Department of Housing and Urban Development

Exhibit 2



ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

June 9, 2020

The Honorable John Cooper
Mayor of Nashville-Davidson
1 Public Square
Suite 100
Nashville, TN 37201

Dear Mayor Cooper:

I am pleased to inform you of the second allocation of Emergency Solutions Grants (ESG) Program funds HUD is awarding to your jurisdiction in the amount of \$8,489,679, as authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136. These special ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

President Trump signed the CARES Act on March 27, 2020 to help the Nation respond to the coronavirus outbreak. The CARES Act made available an additional \$4 billion in ESG-CV funds to supplement the Fiscal Year (FY) 2020 ESG funding provided under the Further Consolidated Appropriations Act, 2020 (Public Law 116-94). Of this amount, the Department previously allocated \$1 billion for ESG-CV grants based on the FY 2020 ESG formula and set aside \$40 million for technical assistance.

An additional \$2.96 billion in funding for ESG-CV grants is now being allocated directly to States or units of local government by a separate formula developed by the Secretary. The formula approved by the Secretary includes variables that quantify the population currently experiencing and at risk of homelessness, including:

- Total Homeless Population
- Unsheltered Homeless Population
- Total Very Low Income (VLI) Renters
- VLI Renters that are Overcrowded or without a Kitchen or Plumbing

The variables were further weighted to adjust for fair market rents. HUD's formula methodology for this second allocation can be found at https://www.hud.gov/sites/dfiles/CPD/documents/ESG_CARES_Act_Round_2_Allocation_Methodology_rev.pdf

www.hud.gov

espanol.hud.gov

As with the first allocation, this second allocation of ESG-CV funds is subject to the following flexibilities and conditions provided by the CARES Act:

- The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19;
- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- Up to 10 percent of funds may be used for administrative costs, as opposed to 7.5 percent as provided by 24 CFR 576.108(a);
- The funds are exempt from the ESG match requirements, including 24 CFR 576.201;
- The funds are not subject to the consultation and citizen participation requirements that otherwise apply to the Emergency Solutions Grants, however each recipient must publish how its allocation has and will be used, at a minimum, on the Internet at the appropriate Government web site or through other electronic media;
- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3;
- That recipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to coronavirus, notwithstanding 24 CFR 576.407(f) and 2 CFR 200.317-200.326;
- While we encourage you to offer treatment and supportive services when necessary to assist vulnerable homeless populations, individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, notwithstanding 24 CFR 576.401(e).

In addition, the Act authorizes the Secretary to grant waivers of and specify alternative requirements for statutes and regulations the Secretary administers in connection with the use of ESG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). These waivers and alternative requirements can be issued when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus. HUD has made available the following waivers that are applicable to ESG-CV funding:

- [CPD Memo: Availability of Additional Waivers for CPD Grant Programs to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19 \(5/22/2020\)](#)
 - **Waiver Applicability to ESG-CV** - Made all ESG waivers provided in 3/31/2020 memo applicable to ESG-CV

- **Housing Stability Case Management** – Original waiver (see below) is extended an additional 3 months beginning on the date of the memorandum (5/22/2020)
- [CPD Memo: Availability of Waivers of CPD Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19 for CoC, ESG, and HOPWA \(3/31/2020\)](#)
 - **HMIS Lead Activities** - Allows any recipient to use ESG funds to pay costs of upgrading or enhancing its local HMIS to incorporate data on ESG Program participants and ESG activities related to COVID-19
 - **Re-evaluations for Homelessness Prevention Assistance** - For up to the 2-year period beginning on the date of the waiver memorandum (3/31/2020), the required frequency of re-evaluations for homelessness prevention assistance under section 576.401(b) is waived
 - **Housing Stability Case Management** - For the 2-month period beginning on the date of the waiver memorandum (3/31/2020), the required frequency of housing stability case management for homelessness prevention and rapid re-housing assistance is waived
 - **Restriction of Rental Assistance to Units At or Below FMR** - For the 6-month period beginning on the date of the waiver memorandum (3/31/2020), the FMR restriction is waived for any individual or family receiving Rapid Re-housing or Homelessness Prevention assistance who executes a lease for a unit

The Department is developing a notice that will further lay out the CARES Act provisions and other waivers and requirements to enable swift implementation of ESG-CV grants. This notice and any subsequent notices of waivers and alternative requirements will be made available on HUD's website and distributed to recipients. The Department will also support recipients with technical assistance.

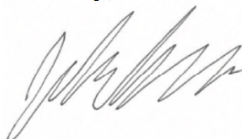
As your jurisdiction continues to develop its plan to use these grant funds, HUD encourages approaches that prioritize the unique needs of persons experiencing homelessness and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. Your jurisdiction should coordinate with State and local health authorities as you support state or local pandemic response. HUD encourages you to share successes that may help other recipients. Like other supplemental funding, ESG-CV grants are subject to oversight and tracking. We look forward to working with you to achieve the best possible outcomes for people experiencing and at risk of homelessness and to prevent fraud, waste, and abuse.

Importantly, proper reporting in the Integrated Disbursement and Information System (IDIS) and Homeless Management Information Systems (HMIS) is critical to ensuring recipients are complying with program requirements and policies, providing demographic and income information about the persons who benefit from funded activities, and allowing HUD to monitor recipients. Your jurisdiction's ongoing attention is essential to ensuring complete and accurate reporting of performance measurement data.

All ESG recipients must ensure they maintain active Dun and Bradstreet Numbering System (DUNS) numbers in the System for Award Management (SAM) system. Entities must have an active and unexpired DUNS before execution of grant agreements to avoid delays in the obligation of funds which will delay your ability to drawdown funds in IDIS. Recipients are required to maintain an active SAMs registration by re-activating their DUNS number annually in the SAM system for the entire drawdown period of their grants. DUNS numbers can be registered and renewed each year at the following website: <https://www.sam.gov/SAM/>.

HUD's Office of Community Planning and Development (CPD) is looking forward to working with your jurisdiction to successfully meet the urgent and complex challenges faced by our communities. If you or your staff have questions, please contact your local CPD Field Office Director or CPDQuestionsAnswered@hud.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Gibbs', is positioned above the typed name.

John Gibbs
Acting Assistant Secretary
for Community Planning and Development
U.S. Department of Housing and Urban Development