



ESG-CV Notice CPD-21-08 Summary

All items listed here are retroactive back to the date Kentucky started responding to the Coronavirus outbreak (March 6, 2020)

Effective July 19, 2021, CPD-Notice-21-08 **REPLACES** the previous ESG CV CPD-Notice-20-08.

New Eligible Activities in ESG-CV Notice CPD-21-08 (In addition to those already allowed in the original ESG-CV Notice CPD-20-08)

Sponsor-Based Rental Assistance

In addition to tenant-based and project-based rental assistance, funds may now be used for sponsor-based rental assistance (see p. 22–23 of the Notice for more information). Subrecipients must request prior approval from KHC to incur costs for Sponsor-Based Rental Assistance.

Renter's Insurance

Funding for renter's insurance for rapid re-housing and homelessness prevention program participants. Must be necessary to obtain/maintain housing (e.g., landlord requirement). Payment must be made directly to the insurance company on behalf of the program participant.

Laundry Services

Street Outreach funds may be used to provide laundry services (e.g., laundry trucks to outdoor locations where people reside) to people experiencing unsheltered homelessness. This activity is limited to those subrecipients currently funded with ESG CV Street Outreach.



Furniture & Household Furnishings

Rapid re-housing and homelessness prevention funds may be used to buy furniture and household furnishings for participant use while they are receiving assistance. The furniture/furnishings must belong to the program, not the participant. Subrecipients should develop policies and procedures for proper inventory and disposal of these items in compliance with 2 CFR 200.313.

Essential Services

Services available to those receiving rapid rehousing or homelessness prevention assistance are expanded to include all services currently available under the Emergency Shelter component listed at 24 CFR 576.102(a)(1).

Personal Protective Equipment (PPE)

Purchase of PPE (e.g., masks, hand sanitizer, etc.) for program participants as an essential service under emergency shelter and street outreach and for program participants receiving homelessness prevention and rapid rehousing.

Vaccine Incentives

Cash payments of up to \$50/dose to people **experiencing homelessness** as an incentive to receive the coronavirus vaccine, when no other vaccine incentives are available to the participant. Once a client moves into housing through RRH, they are no longer eligible for a vaccine incentive payment.

Expanded Use of Cell phones & Internet

Costs to provide temporary cell phones for individuals and families experiencing homelessness, receiving rapid rehousing (CoC, YHDP, ESG) receiving ESG homelessness prevention, or residing in permanent supportive housing (CoC or YHDP). Cell phones must be owned by the subrecipient and loaned to participants. Wireless service plans must be the subrecipient's.

Duplication of Benefits

“Duplication of benefits” occurs when federal financial assistance is provided to a person or entity through a program to address losses resulting from a federally declared emergency or disaster, and the person or entity receives or would receive financial assistance for the same costs from any other source, and the total amount received exceeds the total need for those costs. **Until KHC issues standardized forms/policy guidance subrecipients must establish and maintain adequate procedures to prevent any duplication of benefits with ESG-CV funds.**

Waivers & Alternative Requirements (Flexibilities)

*New in CPD-Notice-21-08

***Converting Temporary Emergency Shelter into Emergency Shelter**—May convert temporary emergency shelter acquired or improved with ESG-CV funds into emergency shelter (defined at 24 CFR 576.2) without triggering disposition requirements. This applies to a limited number of ESG CV funded Shelter projects. Contact KHC for any clarification.

At Risk of Homelessness Definition—Income limit raised from 30 percent to the Very Low-Income (50 percent) limit of the area.

Income Limits—Income limit of 30 percent raised to the Very Low-Income (50 percent) limit of the area for eligibility of homelessness prevention ***AND** to continue to receive homelessness prevention or rapid re-housing at re-evaluation.

***Homeless Definition-** An individual may qualify as homeless under paragraph (1)(iii) of the homeless definition in 24 CFR 576.2 so long as the individual is exiting an institution where the individual resided for **120 days** or less and the individual resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.



Fair Market Rent Limit—Waived. Units must still meet rent reasonableness standards.

Hotel/Motel Costs—When hotel rooms are needed to either decongregate shelters or when a program participant needs to isolate to keep from spreading the virus to other shelter occupants or household members, funds may be used to pay for the following hotel/motel costs for 1) individuals and families experiencing homelessness; 2) households receiving rapid rehousing assistance under the CoC or ESG programs; 3) households receiving homelessness prevention assistance under the ESG program; or 4) persons residing in PSH:

- Hotel or motel rooms, directly or through a voucher.
- Cleaning of hotel and motel rooms used by program participants.
- Repair damages caused by program participants above normal wear and tear of the room.

***Extension of RRH and HP Assistance**—Waived the maximum amount of rental assistance and services costs (24 months within 3 years) while receiving ESG-CV assistance, not to exceed September 20, 2022.

Program Income (PI)—Defined at 2 CFR 200.80, PI includes: 1) any amount of a security or utility deposit returned to recipient/subrecipient and 2) costs incidental to generating PI and not charged to the ESG-CV grant/subgrant may be deducted from gross income to determine PI. PI may be treated as an addition to the recipient's/ subrecipient's grant/subgrant, provided PI is used in accordance with the purposes and conditions of that grant/subgrant. PI otherwise must be deducted from allowable costs as provided by 2 CFR 200.307(e)(1).

Shelter Standards—Waived for temporary emergency shelter activities used to prevent, prepare for, and respond to coronavirus.

***Habitability Requirements for Permanent Housing**—

- Waives the habitability requirements for permanent housing to the extent that Housing Quality Standards (HQS) may also be used to meet this requirement.
- Waives the requirement that a recipient must conduct habitability or HQS prior to providing housing relocation or stabilization services under homelessness prevention. This would include Security Deposit only assistance.



Housing Stability Case Management—Waived. The requirement to provide monthly case management to program participants receiving rapid rehousing or homelessness prevention is waived. *Additionally, extends the 30-day limit to 60 days to provide housing stability case management while the program participant is seeking housing.

***Homelessness Prevention Re-evaluations** – The requirement to re-evaluate homelessness prevention participants every three months is waived so long as recipients and subrecipients providing HP assistance re-evaluate the program participant’s eligibility, and the types and amounts of assistance needed, not less than once every six months.

CPD NOTICE 21-08 AT A GLANCE

New Eligible Activity	Component Expanded To	Notes
Temporary Emergency Shelter	ES	Can be converted into permanent emergency shelter.
Training	Stand-Alone	For COVID related safety procedures
Hazard Pay	SO/ES/HP/RRH	For staff working directly with clients or in high risk areas
Handwashing Station/Portable Bathroom	SO	For unsheltered homeless only.
Landlord Incentives	HP/RRH	
Volunteer Incentives	SO/ES/HP/RRH	
*Cell Phones & Internet	SO/ES/HP/RRH	Must be property of the agency/project.
*Personal Protective Equipment (PPE)	HP/RRH	Already eligible under SO and ES
*Furniture and Household Furnishings	HP/RRH	Items belong to the Agency/Program. Inventory & disposition policies are necessary.
*Essential Services	HP/RRH	See 576.102 (a)(1) for details. Already eligible under SO and ES.
*Renters Insurance	HP/RRH	Only if required by the lease. Must be paid directly to the insurance company.
*Vaccine Incentives	SO/ES/HP/RRH	Up to \$50 per dose
*Laundry	SO	Only for unsheltered homeless
*Sponsor-Based Rental Assistance	HP/RRH	In no case may a recipient or subrecipient execute a sponsor-based rental assistance agreement with itself or its parent or subsidiary organization.