



# Emergency Solutions Grants (ESG) Program

U.S. Department of Housing and Urban Development, Office of Community Planning and Development  
Office of Special Needs Assistance Programs, 451 7th Street SW, Room 7262 Washington, DC 20410

## OBJECTIVES

The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families and individuals from becoming homeless.

## GRANT AMOUNTS

- FY 2011 Allocation: \$250 million
  - First Allocation: \$160 million
  - Second Allocation: \$90 million
- Minimum allocation for entitlements: \$125,258
- Maximum allocation for entitlements: \$12,357,063

### Eligible Recipients (360)

- States: 51 (including Puerto Rico)
- Metropolitan Cities: 202
- Urban Counties: 103
- U.S. Territories: 4

## RECIPIENTS

**Metropolitan cities, urban counties and territories** may provide ESG funds to projects operated by units of general purpose local government or private nonprofit organizations.

**State** recipients must provide all of their ESG funds (except for up to 7.5% for administrative costs) to units of general purpose local government or private nonprofit organization subrecipients. ESG funds are paid to recipients, who reimburse subrecipients for eligible project costs.

**All recipients** must consult with local Continuums of Care within the jurisdiction in determining how to allocate ESG funds.

## CITATIONS

**Statute:** Stewart B. McKinney Homeless Assistance Act of 1987, Title IV, as amended (U.S. Code: 42 *USC* 11371 *et seq.*) **Regulations:** *Code of Federal Regulations* at 24 *CFR* Part 576.

## ELIGIBLE PROGRAM COMPONENTS

### 1. Street Outreach

Essential Services related to reaching out to unsheltered homeless individuals and families, connecting them with emergency shelter, housing, or critical services, and providing them with urgent, non-facility-based care. Eligible costs include engagement, case management, emergency health and mental health services, and transportation.

### 2. Emergency Shelter

Major Rehabilitation, Conversion, or Renovation of a building to serve as a homeless shelter. Site must serve homeless persons for at least 3 or 10 years, depending on the cost. Note: Property acquisition and new construction are ineligible ESG activities.

Essential Services such as case management, childcare, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and services for special populations.

Shelter Operations, including maintenance, rent, repair, security, fuel, equipment, insurance, utilities, relocation, and furnishings.

### 3. Prevention

Housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to prevent the individual or family from becoming homeless if:

- Annual income of the individual or family is below 30 percent of median family income
- Assistance is necessary to help program participants regain stability in their current permanent housing or move into other permanent housing and achieve stability in that housing.

Eligible costs include utilities, rental application fees, security deposits, last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, tenant legal services, and credit repair.

#### 4. Rapid Re-Housing

Housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to help individuals or families living in shelters or in places not meant for human habitation move as quickly as possible into permanent housing and achieve stability in that housing. Eligible costs also include utilities, rental application fees, security deposits, last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, tenant legal services, and credit repair.

#### 5. Data Collection (HMIS)

Grant funds may be used for the costs of participating in an existing HMIS of the Continuum of Care where the project is located.

#### 6. Administration

Up to 7.5 percent of a recipient's allocation can be used for general management, oversight, coordination, and reporting on the program. State recipients must share administrative funds with their subrecipients who are local governments and may share their subrecipients who are nonprofit organizations.

### ALLOCATION FORMULA

HUD will set aside for allocation to the territories up to 0.2 percent, but not less than 0.1 percent, of the total amount of each appropriation in any fiscal year. The remainder will be allocated to States, metropolitan cities, and urban counties. The percentage allocated to States, metropolitan cities, and urban counties will be equal to the percentage of the total amount available under the Community Development Block Grant for the prior fiscal year. If an allocation to a metropolitan city or urban county would be less than 0.05 percent of the total fiscal year appropriation for ESG, the amount is added to the allocation of the State in which the city or county is located.

### MATCH

**Metropolitan city and urban county** recipients must match grant funds with an equal amount of funds from cash or the following in-kind sources: new staff or volunteer time, the donation of materials and buildings, or the value of any lease on a building.

**States** are exempt from matching the first \$100,000 of their awards, but must provide the benefits of that exemption to their recipient local governments and nonprofit organizations that are least capable of providing the State with matching amounts.

**Territories** are exempt from the match requirement.

### OBLIGATION & EXPENDITURE DATES

**Metropolitan cities, urban counties and territories** must obligate all funds, except for the amount for administrative costs, within 180 days after HUD signs the grant agreement and spend the ESG grant funds within 24 months of grant agreement.

**States** must obligate all funds, except the amount for administrative costs, to subrecipients within 60 days of the date that HUD signs the grant agreement. Each subrecipient must obligate its grant funds within 120 days after the date the State obligates its funds, and spend the entire grant within 24 months of grant award.

### CONSOLIDATED PLAN

Jurisdictions apply for ESG funds through the Consolidated Plan. This planning document contains and describes the community's homeless assistance needs, details available resources, and sets 3-5 year strategies and provides an annual plan identifying the ESG projects. Plan preparation must include citizen participation and consultation with organizations that serve the homeless or persons at risk of homelessness.

Each jurisdiction must submit its Consolidated Plan to the local HUD field office no later than 45 days before the start of its consolidated program year in accordance to the regulations at 24 *CFR* Part 91.

### REPORTS

Annual performance reports are due 90 days after the close of the recipient's consolidated program year. Recipients request ESG payments using the Integrated Disbursement and Information System (IDIS).

### CONTACT INFORMATION

For local information about the ESG program in your jurisdiction, contact the state or local government agency responsible for distributing ESG funds. You may also contact your local HUD Field Office, listed at <http://www.hud.gov/offices/cpd/about/local>.

For general information and resources about ESG (and HUD's other programs to prevent and end homelessness), go to HUD's Homelessness Resource Exchange at [www.hudhre.info](http://www.hudhre.info).