



**Kentucky Balance of State
Emergency Solutions Grant Program
CARES ACT Funding (ESG-CV)**

**NOTICE OF FUNDING AVAILABILITY
for
Emergency Shelter (ES) Component**

**Application Deadline:
Monday, September 14, 2020
5:00 p.m. ET**

Kentucky Housing Corporation
Housing Contract Administration
1231 Louisville Road
Frankfort, KY 40601
(502) 564-7630



Kentucky Housing Corporation prohibits discrimination based on race; color; religion; sex; national origin; sexual orientation; gender identity; ancestry; age; disability; or marital, familial or veteran status.

Table of Contents

Section I: Notice of Funding Availability Purpose	3
Section II: Submission Deadline and Pertinent Dates.....	3
Section III: Eligible Applicants	3
Section IV: Eligible Activities (Use of Funds).....	4
Section V: Examples of Eligible Activities to Prevent, Prepare for, and Respond to COVID-19.....	6
Section VI: Estimated Awards	7
Section VII: Match Requirement.....	7
Section VIII: Grant Term and Expenditure Requirements	8
Section IX: Subrecipient Expectations.....	8
Section X: Application Process and Submission Requirements	9
How to Submit	9
Attachments Required for All Applicants	10
Attachments Required if Applicable.....	10
Bonus Attachment (OPTIONAL).....	11
General Guidance	11
State Clearinghouse Review	12
Section XI: Selection Process	13
Section XII: Resources	13

Section I: Notice of Funding Availability Purpose

In response to the novel coronavirus pandemic (COVID-19), the U.S. Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, in March 2020, which provided a supplemental appropriation of Homeless Assistance Grants under the Emergency Solutions Grant (ESG) Program (24 CFR 576). These funds (ESG-CV) **must be used to prevent, prepare for, and respond to 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 created by the virus.

Kentucky Housing Corporation (KHC) is the recipient of ESG-CV funds for Kentucky's non-entitlement areas. KHC, through this Notice of Funding Availability (NOFA), invites eligible applicants within Kentucky's 118-county Balance of State Continuum of Care (KY BoS CoC) to request funding for activities authorized under the **ESG Emergency Shelter (ES) component** (24 CFR 576.102) of the [ESG Interim Rule](#). This application is not for Rapid Rehousing (RRH), Prevention, or Street Outreach components. As part of this application, applicants may request funds for the Homeless Management Information System component (HMIS) as well as Administrative activities (Admin) to support ES implementation.

All relevant materials relating to this NOFA are posted on the [ESG page](#) of the KHC website.

NOTE: *KHC reserves the right to revise this NOFA as necessary.*

Section II: Submission Deadline and Pertinent Dates

- August 24, 2020 – Application Opens
- August 26, 2020 – Application Overview Webinar (Optional), 10:00 a.m., ET. [Registration required](#). The webinar will be recorded and posted for later review.
- September 14, 2020 – **(DEADLINE)** Application Closes at 5:00 p.m. ET
- September 30, 2020 – KHC intends to make award announcements no later than this date.

Section III: Eligible Applicants

All of the allocation will be made available to:

- Units of local government or
- Private nonprofit organizations

NOTE: *KY Balance of State ESG-CV resources are NOT eligible for projects or activities located in Jefferson or Fayette counties. Organizations located in Jefferson or Fayette counties that wish to provide ES activities in any of the 118-county BoS counties are welcome to apply.*

- Nonprofit organizations must be exempt from taxation under subtitle C of section 501(c), have an accounting system, a voluntary board with at least one member who is currently experiencing homelessness or who has previously experienced homelessness, and practice nondiscrimination in the provision of assistance. Assistance may be provided to primarily religious organizations that agree to provide all eligible activities in a manner that is free from religious influences.
- Applicant must have and include a [DUNS Number](#) as part of the application submission.
- Applicant must register in the [System for Award Management \(SAM\)](#) before a contract can be awarded. Applicants are strongly encouraged to start the registration process as soon as possible.
- Applicant must be in good standing with the Commonwealth of Kentucky.
- Applicant’s proposed activities must not take place in a building not approved for occupancy.
- Applicants include organizations providing shelter for a temporary period (e.g., warming shelters open during the winter months only). Note, in KHC’s regular ESG competition, shelters not available for 12 months (i.e. “year-round”) are not eligible to apply. For this ESG-CV Emergency Shelter Component application, temporary shelters are eligible.

Section IV: Eligible Activities (Use of Funds)

Applicants may request funds for the eligible activities listed below. If an applicant meets certain threshold requirements, funds may be requested to reimburse costs incurred back to March 6, 2020—the date of Kentucky’s State of Emergency Order. Grant funds awarded through this application can be used for costs incurred through September 30, 2021.

- 1. Emergency Shelter Component (ES) 24 CFR 576.102:** Applicants may request funding for certain activities under the Emergency Shelter component (24 CFR 576.102) of the ESG Interim Rule. All funds must be used for activities to prevent, prepare for, and respond to COVID-19.

For the purpose of COVID-19 preparedness, prevention, and response, “Emergency Shelter” can refer to an existing structure that is requesting funding to adhere to Centers for Disease Control (CDC) guidance, hotel/motel vouchers for the use of non-congregate shelter, and/or temporary structures to be used as shelter while COVID-19 measures are in place.

KHC is limiting ESG-CV Emergency Shelter Component activities to the following:

Essential Services – 576.102 (1), limited to:

- Case Management - 576.102 (1)(i)(A-H)
- Outpatient Health Services - 576.102 (1)(v)
- Transportation - 576.102 (1)(x)

Renovation – 576.102 (2)

- 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). Renovation costs are only allowed in emergency shelters must owned by a government entity or private non-profit organization.

Period of Use Requirement:

While the ESG Interim Rule requires building that are renovated or converted into emergency shelter using ESG funds to be used as emergency shelters for a specified period (3-10 years), the CARES Act waives this requirement. However, KHC will require that 1) renovation or conversion work must be completed by January 30, 2020 and the facility must continue to operate as an emergency shelter at least through September 30, 2021. Waivers to these requirements will be considered on a case-by-case basis.

Shelter Operations – 576.102 (3)

- Eligible costs are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter. Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual.

2. Homeless Management Information System Component (HMIS) 24 CFR 576.107:

- Applicants may request funds to pay for the costs of contributing data to HMIS. Specific uses are outlined in 24 CFR 576.107.

NOTE: Applicants, especially those not currently using the Kentucky Homeless Management Information System (KYHMIS) or a HMIS-compliant comparable database if a Victim Service Provider, are encouraged to request funds to support HMIS activities such as hardware needs, HMIS user licenses, and staff costs (see 576.107 of the ESG Interim Rule). As discussed in this NOFA, ESG-CV-funded projects must participate in KYHMIS, which includes client-level data entry and generation of HMIS data quality and performance reports, regardless of how HMIS activities are funded.

3. Administrative Activities (Admin) 24 CFR 576.108:

- Applicants may request up to 5% of their requested amount for the ES component and HMIS component for Administrative (Admin) activities as outlined in 24 CFR 576.108. For example, if an applicant requests \$50,000 for ES and HMIS activities, they can request an additional 5% for Admin (i.e., \$2,500 in this example). This would make their total request \$52,500.

NOTE: KHC typically limits Admin funds to 3.75 percent for regular ESG allocations. Under the CARES Act, a higher percentage of ESG-CV funds may be used for Admin activities.

Applicants are required to read both the [ESG Interim Rule](#) and the [KHC ESG Policy Manual](#) and administer its ESG projects in a manner consistent with both.

Environmental Reviews and Habitability Standards

The CARES ACT waived certain requirements for Environmental Review and Shelter Habitability Standards typically required by the ESG Interim Rule. KHC will evaluate the applicant's proposal for ESG-CV funds and determine if an Environmental Review is needed. In all circumstances, a facility being used as emergency shelter must still meet all required state and local building codes for occupancy.

Section V: Examples of Eligible Activities to Prevent, Prepare for, and Respond to COVID-19

As previously stated, the purpose of ESG-CV funds is to prevent, prepare for, and respond to COVID-19 in order to prevent and mitigate the spread of COVID-19 among people experiencing homelessness and the staff that provide services to these people. This requires existing shelters to implement public health protocols such as social distancing, isolation space (especially for residents suspected of having COVID-19, those with confirmed cases, and high-risk residents such as elderly and people with pre-existing health conditions), the use of personal protective equipment (PPE), and cleaning/disinfecting of shared and living spaces. In many communities where existing shelter is not available or where current shelters are not able to implement these safety protocols, additional space may need to be identified to allow people to have shelter while staying as healthy as possible. This may be space within an existing shelter (e.g., an office not being used) that could be temporarily converted into a quarantine space for someone who has tested positive or is awaiting test results or it could be an entirely separate building.

In addition, permanent housing is the most effective way to mitigate the spread of COVID-19 by allowing people to be "healthy at home" – their own home. ESG ES funds may be used to support staff costs to help shelter residents obtain permanent housing. These costs are eligible under the "Case Management"--24 CFR 576.102(1)(i). Applicants, regardless of whether ESG funds are provided to support the staff costs, are expected to connect residents as quickly as possible to permanent housing. This allows residents to be safe in their own housing and protects staff and residents remaining in shelter by reducing overcrowding.

Below is a list of some eligible uses of ESG-CV ES funding applicants. This list is not necessarily exhaustive but should give applicants an idea of reasonable COVID-19 related requests.

- Cleaning supplies such as bleach, disinfectant wipes, scrubbers, mops, etc.
- Personal protective equipment such as masks and gloves (for staff and residents)
- Thermometers
- Bed linens, towels, alcohol-based hand sanitizer, soap, tissue
- Cots, room dividers, plexiglass "sneeze" guards to create physical barriers between people
- If meals are served, to-go boxes and utensils
- Washers, dryers, portable handwashing stations
- Mobile shower units (to expand bathroom facilities to allow for better social distancing/quarantining)
- Transportation costs including agency-provided transportation, bus, taxi, or rideshare costs for participant travel to and from medical care, including testing.

- Expanding staff hours and/or hiring new staff (e.g., a shelter may want to expand its hours to operate 24 hours per day so participants do not have to leave during the day or a shelter may need additional staff to oversee expanded spaces or to provide back-up for staff that may need to quarantine at home)
- Hotel/motel vouchers
- Rent, utility costs, insurance costs of new space to temporarily expand shelter capacity
- Minor renovation costs such as putting up walls to create space within an existing shelter for social distancing/isolation/quarantine or major renovation through the conversion of a building into an emergency shelter*
- Ventilation repair, maintenance, or new equipment that is compliant with recommendations of public health officials
- Staff training on how to deliver services during the COVID-19 pandemic
- Staff costs to move people quickly out of shelter and into permanent housing

***Note:** Renovation costs are only eligible if the building is owned by a government entity or non-profit organization. Additional restrictions and requirements may apply.

Section VI: Estimated Awards

Funding will be awarded based on the quality and quantity of applications received. The maximum amount an applicant may request is \$100,000. However, KHC anticipates awarding funding in amounts of \$20,000 to \$50,000 due to the volume of applications and the need anticipated. The minimum request amount is \$10,000.

It is extremely important that applicants request only the amount of funds it needs to quickly and effectively prevent, prepare for, and respond to COVID-19 and that it can reasonably spend within the grant period.

Only one application may be submitted per agency unless the agency is proposing to provide emergency shelter in more than one county. In general, a separate application should be submitted for each separate county in which shelter will be provided (i.e., if an agency has a physical shelter in one county and a physical shelter in another, it can and should submit two applications). However, if an applicant intends to provide temporary shelter through only hotel/motel vouchers in multiple counties, just one application should be submitted. Applicants should contact KHC to discuss further if it is unclear whether one or more applications are necessary.

KHC reserves the right to modify the maximum amount of funds awarded to an applicant, to award partial funding to applicants, and to negotiate with an applicant regarding award amount and use of funds. KHC also reserves the right to allow an organization to submit more than one application for a certain county if the request is justified given the need.

Section VII: Match Requirement

Under the CARES Act, the typical ESG Match Requirement is waived for ESG-CV funding. Therefore, no match is required for funds awarded through this application process.

Section VIII: Grant Term and Expenditure Requirements

All ESG-CV grant funds awarded through this application must be expended by September 30, 2021. In addition to costs incurred through this date, funds may also be requested for costs incurred back to March 6, 2020—the date of Kentucky’s State of Emergency Order—if certain threshold requirements are met.

If funds are awarded for previously incurred costs, the grant term will begin at the time the costs were originally incurred.

ESG-CV subrecipients will be required to submit requests for reimbursement (i.e., “draws”) on a monthly basis. KHC staff will monitor expenditures and reserves the right to recapture funds at any time if the subrecipient is not able to spend funds as planned. Recaptured funds will be reallocated to other ES projects or to other ESG components.

Thresholds for requesting reimbursement for costs incurred between March 6, 2020 and September 1, 2020.

1. Applicant must have been using KYHMIS (or a VSP HMIS-comparable database) to enter client level data during the time frame for which funds are being requested, or;
2. Applicant must have collected ALL of the required data elements required for HMIS data entry and obtain consent to enter data into HMIS for clients served during the time period for which funds are being requested. This information must be entered into HMIS retroactively.
3. Previous eligible costs must have proper documentation and must not have already been paid for through another grant.

Section IX: Subrecipient Expectations

ESG-CV subrecipients are required to adhere to the following requirements. KHC reserves the right to add other requirements not included in this list.

- **Homeless Management Information System (HMIS) participation**

ESG-CV projects must use the Kentucky Homeless Management Information System (KYHMIS). This includes client-level data entry and data-quality and performance reporting requirements.

- **KY BoS Coordinated Entry System participation**

ESG-CV projects are required to participate in the Any Door Kentucky Coordinated Entry System (CES) in accordance with the [KY BoS CoC Coordinated Entry Policies and Procedures](#) as it relates to emergency shelters.

- **ESG Record Keeping Requirements** as detailed in the [KHC ESG Compliance Toolkit](#)

- **ESG-CV Certifications and Assurances for Emergency Shelter Activities**

- **Subrecipient Grant Agreement** (i.e., “contract” between KHC and agency) provisions

- **Low-barrier shelter**

The CARES Act explicitly states “none of the funds may be used to require people experiencing homelessness to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services.” This means ESG-CV shelters cannot require potential or current residents to complete or commit to programs or services as a condition of shelter. Examples include participating in life skills or budgeting classes or needing to complete a substance use recovery program prior to entering the shelter.

In addition, KHC expects shelters funded with ESG-CV to operate, to the greatest extent possible, using a Housing First approach that includes low-barrier access to shelter. This low-barrier orientation means shelters do not have unnecessary requirements for who can access the shelter (e.g., blanket criminal background checks, having income, sobriety) and reduces requirements for being able to stay in the shelter. For example, while it is appropriate for a shelter that serves households with children to not allow registered sex-offenders to stay, shelters should work to screen people “in”, not “out”. In addition, being a low-barrier shelter means the shelter works to keep the person in shelter while a permanent housing solution is found, not setting up so many rules that people simply return to being unsheltered. The National Alliance on Ending Homelessness has an entire [learning series](#) dedicated to making the shift to low-barrier shelter. Applicants are strongly encouraged to evaluate their current policies and procedures for entry into the shelter and expectations of people staying in the shelter to eliminate any arbitrary requirements that do more to keep people out than actually helping them to resolve their homelessness. Furthermore, since ESG-CV funds are specifically to help mitigate the spread of COVID-19, shelters should be focusing on keeping people safe from the virus and moving them as quickly as possible into their own permanent housing, not setting up barriers or requirements that are counter to this priority.

Section X: Application Process and Submission Requirements

Applicants will submit all application materials via email. KHC’s Universal Funding Application System (UFA) will not be used for the application phase of the funding process.

Applicants should carefully read the instructions below to ensure they attach all required documents to their submission email.

How to Submit

Applicants will submit their applications by email. The application is comprised of various documents that will be attached to the email. Required attachments must be included in one email per project application. Each required document below should be named with the specific naming convention shown below for each document type. Do not submit all documents in one attachment.

Submit application documents to Shaye Rabold at srabold@kyhousing.org by 5:00 p.m. ET on Monday, September 14, 2020. You will receive an email confirming the receipt of your application within 24 hours of submission.

Attachments Required for All Applicants

- **Application Cover Sheet** (form available on ESG page of KHC website)
Document Naming Convention: [Agency Name] Application Cover Sheet
- **Narrative Responses** (form available on ESG page of KHC website)
Document Naming Convention: [Agency Name] Narrative Responses
- **Proposed Budget** (form available on ESG page of KHC website)
Document Naming Convention: [Agency Name] Proposed Budget
- **Signed copy of ESG-CV Certifications and Assurances** (form available on ESG page of KHC website)
Document Naming Convention: [Agency Name] Certifications and Assurances
- **Evidence of Submission to State Clearinghouse** via www.dlgweb.ky.gov.
Document Naming Convention: [Agency Name] State Clearinghouse Submission

Attachments Required if Applicable (READ CAREFULLY)

- **Proof of 501(C) Status** (Only required if not already a current KHC ESG subrecipient; this attachment is not required for local government applicants),
Document Naming Convention: [Agency Name] Non-Profit Status
- **Certification of Local Approval** (if applicable-see list below to determine if this applies to the proposed project). The subrecipient must obtain a certification of approval from the unit of general-purpose local government for the geographic area in which the emergency shelter activities are to be carried out. See 24 CFR §576.202

This attachment **IS** required for applicants who meet at least one of the following criteria:

- Nonprofit Applicant does not currently receive ESG funding for the ES component (emergency shelter), including if the applicant is only requesting funds for hotel/motel vouchers.
- A current KHC ESG ES component subrecipient proposing to use ESG-CV funds for a separate building not part of its current shelter property. This includes hotel/motels that are being used as actual, on-going emergency shelter—not just on an as-

needed basis (see note below about hotel/motel vouchers being used only as needed).

This attachment **IS NOT** required for applicants who meet the following criteria:

- Government applicant
- Nonprofit Applicant that currently receives ESG funding for the ES component (emergency shelter) and plans to use ESG-CV funding for its existing facility.
- Current ESG ES subrecipient that is requesting ESG-CV funds for hotel/motel vouchers to be used on an as-needed basis when their existing shelter capacity is exceeded.

Document Naming Convention: [Agency Name] Certification of Local Approval

- **Board Roster or Letter from Board Chair** (required for nonprofit applicants only)
 - KHC requires that non-profit applicants have at least one person on its Board of Directors that is homeless or previously experienced homelessness. The Board Roster must indicate which person or persons meets this criteria. If the seat is currently vacant, applicants must indicate this and will be required to submit a plan or how it will fill the seat/if it has filled the seat, prior to grant agreement. If the organization does not currently include a seat for someone who is homeless or previously experienced homelessness, the organization must submit a letter signed by the Board Chair in addition to the current Board Roster stating that its Board policies (e.g., bylaws) will be amended to include this seat.

Document Naming Convention: [Agency Name] Board Roster

Bonus Attachment (OPTIONAL)

- **Memorandum of Understanding (MOU) with Public Health Department**
 - Applicants are expected to work closely with the public health department(s) in the area where ESG-CV funds will be used for emergency shelter activities. This includes, but is not limited to, establishing communication protocols for who from both entities should be contacted and when someone should be contacted relating to confirmed or suspected COVID-19 cases; consulting on shelter screening, social distancing, and isolation/quarantine protocols; the provision of staff training to ensure staff are knowledgeable about how to serve residents during the pandemic.
 - Applicants will be awarded bonus points for attaching a Memorandum of Understanding (MOU) outlining this partnership and collaboration.

General Guidance

Applicants should provide responses in the following manner:

- When writing narrative responses, do not assume that the KHC application reviewer already knows your program based on previous knowledge or responses to questions earlier in the application, which populations you serve (e.g., victims of domestic violence only). Make sure to

write responses to each question as if the reviewer does not know anything about your program or your processes.

- Pay attention to the instructions listed in this NOFA and the application itself. You might provide a lengthy response, but if you are not being responsive to the specific information requested, you will not receive full points.
- Review the sample scoresheet to fully understand the criteria used to score your project and use that information to complete your responses.

State Clearinghouse Review

To comply with Executive Order 12372, all applicants must complete the online Kentucky State Clearinghouse application. This application is available on the Department for Local Government's Web site, www.dlg.ky.gov, under [Kentucky State Clearinghouse](#).

You will not submit to the State Clearinghouse the application documents that you will provide to KHC. Instead, you will complete a brief online questionnaire and provide details about your application.

You will be asked for the CFDA Number for the ESG Program. **The ESG CFDA Number is 14.231.**

Once you have submitted the online information required by the State Clearinghouse, you will be given a State Application Identification Number (SAI). This is how you will know your application was successfully submitted.

For purposes of KHC's application submission, proof of submission can be either:

1. A screenshot or applicants eClearinghouse "Workbasket" showing that the State Clearinghouse application has been submitted (this must include the SAI number)
2. A confirmation email from the State Clearinghouse
3. A letter from the State Clearinghouse stating the application was received and passed the state's review requirements.

If you have any questions about how to submit the application, please contact:

Ms. Lee Nalley
Department for Local Government
Office of the Governor
KY State Clearinghouse, Office of Federal Grants
1024 Capital Center Dr., Ste, 340
Frankfort, KY 40601
(502) 573-2382 ext. 274

Section XI: Selection Process

KHC will make every attempt to award limited resources as prudently as possible and will award those agencies with the greatest capacity to effectively administer the funds in accordance with the goal of preventing, preparing for, and responding to COVID-19. In general, the amount of funds awarded will depend on how well a particular application scores and the availability of funding based on total request for funds. KHC intends to fund projects based on project need, viability, applicant capacity, and previous performance with other grants. It is KHC's goal to achieve as much geographic distribution as possible, while ensuring that the strongest applications receive funding based on their total scores. KHC reserves the right to consider factors in addition to how an applicant scores such as the lack of similar resources available in an area when making funding determinations.

Funding recommendations are made by the application review team within KHC's Housing Contract Administration Department.

Approved projects will receive a conditional award letter. A grant agreement will not be executed, and funds will not be released until all contracting documents are submitted to KHC and any additional terms and conditions are met. This is part of the "Technical Submission" phase of the grant process.

Section XII: Resources

If you have any questions, contact the Housing Contract Administration (HCA) [Help Desk](#).

Please find below some useful resources in developing your ESG-CV Emergency Shelter project. Applicants should also refer to the ESG section of the HCA Help Desk for additional resources.

[Shelter Management During an Infectious Disease Outbreak](#)

[Interim Guidance for Homeless Service Providers to Plan and Respond to COVID-19](#)

[KHC Help Desk \(refer to the COVID-19 section at the top of page and ESG section\)](#)

[KHC ESG Program Policy Manual](#)

[ESG Interim Rule \(24 CFR 576\)](#)

[Homeless Definition Rule \(HEARTH\)](#)

[Environment Review Notice](#)

[CARES ACT](#) (see pages 328-330 for language related to ESG)

[NAEH Emergency Shelter Learning Series](#)