**EMERGENCY SOLUTIONS GRANTS PROGRAM**

**METHOD OF DISTRIBUTION AMENDMENT**

**FOR FY2020**

**CARES ACT (ESG-CV)**

Under the CARES Act, Congress provided $4 billion in supplemental funding to the Emergency Solutions Grants (ESG-CV) Program for activities to prevent, prepare for and respond to the coronavirus. The first $2 billion was distributed using the same formula HUD used to award funds to entitlements and states for federal fiscal year 2020. The State of Delaware was awarded $807,114 for the non-entitlement communities. The remainder of the $2 billion will be provided at a later date using formulas to be developed by HUD.

To ensure that the grant activities are used to prevent, prepare for and respond to the coronavirus crisis, Delaware State Housing Authority (DSHA) has chosen to limit the uses of these funds to certain activities. The eligible activities can be implemented immediately. All activities must be able to demonstrate that they are addressing coronavirus needs.

These funds will be awarded to emergency shelters for eligible activities such as Shelter Operations Support and Essential Services. These funds will also be awarded to rapid re-housing for eligible activities such as Rental and Financial Assistance (which includes 10% of awarded funds for program delivery) and Case Management Support for hotel/motel voucher recipients that are homeless due to COVID-19.

In order to receive funding, applicants must complete a brief application that clearly describe needs, solutions, and proposed benefits and accomplishments. Applicants must identify funding sources available or unavailable for activities. Taking into consideration the quality and number of applications received, priority in awarding ESG-CV funding shall be given first to Emergency Shelter eligible activities in Kent and Sussex Counties. Second priority shall be given to any eligible Rapid Re-Housing agency that has been approved by Housing Alliance of Delaware for Rapid Re-Housing eligible activities in the State of Delaware and third for Homeless Prevention rental and utility assistance activities for agencies that have been approved previously with DSHA similar programs.

As Congress and HUD have mandated that funds must be spent in a timely manner, the projects will be evaluated on their readiness and ability to proceed.

The highest rated applications are recommended for funding until the available funding for the second and third round is exhausted. DSHA reserves the right to reduce requested amounts or to not fund specific projects identified in an application.

A maximum of $641,403 (79% of the State’s allocation) will be used for emergency shelter activities. A separate maximum of $85,000 (11% of the State’s allocation) will be used for eligible rapid re-housing activities. A maximum of $80,711 (10% of the State’s allocation) will be used for administration funds. The remainder of the ESG-CV CARES Act future funding rounds distributed by HUD will be allocated at DSHA’s discretion at a later date. DSHA reserves the right to distribute future funding based on need in accordance with the CARES Act ESG-CV eligible activities.

The Director of DSHA will decide on allocating ESG-CV funds based upon the staffs’ and/or the evaluators’ recommendations and/or any additional information obtained subsequent to those recommendations.

Method of Distribution

Page Two

Upon project selection, an award letter and grant agreement or grant amendment will be forwarded to each awarded applicant. The grant agreement or grant amendment will indicate the activities and the corresponding approved funding amounts. Execution of the grant agreement or grant amendment is to be completed by a representative of the applicant and DSHA. Grant funds will be considered obligated once the grant agreement has been executed.

The effective date of the ESG-CV Program contracts for the second and third round of funding will be announced at a later date. If you have any questions, please contact Alice Davis of the Community Development Section at (302) 739-4263 ext. 268, or via e-mail at alice@destatehousing.com.

The ESG-CV application is available online at: www.destatehousing.com/Other Programs/Emergency Solutions Grants Programs/COVID-19. The ESG-CV application process will be an electronic application process. The application must be submitted to DSHA electronically to comdev@destatehousing.com .  Applications will not be accepted in any other format.

The completed and signed fillable application must be submitted to DSHA via email at comdev@destatehousing.com. Please label file “Application-Program Name”. For confirmation purposes, please send emails with a “Read Receipt” request.