
FISCAL TOPICS

Fiscal Services Division

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Des Moines, Iowa 50319

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Emergency Solutions Grant Program

The [Emergency Solutions Grants \(ESG\) Program](#) is funded through the [U.S. Department of Housing and Urban Development \(HUD\)](#) and administered by the [Iowa Finance Authority \(IFA\)](#). The Program assists people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. The ESG Program provides funding to engage homeless individuals and families living on the street; improve the number and quality of emergency shelters for homeless individuals and families; help operate these shelters; provide essential services to shelter residents; rapidly rehouse homeless individuals and families; and prevent families and individuals from becoming homeless. Recipients of the Program are metropolitan cities, urban counties, territories, and states.

Background

The ESG Program was originally titled the Emergency Shelter Grants Program. The federal [Homeless Emergency Assistance and Rapid Transition to Housing \(HEARTH Act\) of 2009](#) retitled the program to the ESG Program. The change in the Program's name reflected a change in focus from addressing the needs of homeless people in emergency or transitional shelters to assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. The Program provides funding for the following main Program activities:

- **Street Outreach:** 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, transportation, and services for special populations.
- **Emergency Shelter:** Renovation, including major rehabilitation or conversion, of a building to serve as an emergency shelter. The shelter must be owned by a government entity or private nonprofit organization and must serve homeless persons for at least 3 or 10 years, depending on the type of renovation and the value of the building. Shelter operations and hotel/motel vouchers are also eligible activities. Case property acquisition and new construction are ineligible Program activities.
- **Rapid Rehousing:** Housing relocation and stabilization services and short and/or medium-term rental assistance to help individuals or families living in shelters or in places not meant for human habitation move quickly into permanent housing and achieve stability in that housing. Eligible activities include rental assistance, financial assistance for rental application fees, deposits, utility payments, last month's rent, moving costs, and services such as housing searches, legal services, credit repair, and landlord-tenant mediation.
- **Homelessness Prevention:** Housing relocation and stabilization services and short and/or medium-term rental assistance to help individuals or families from moving to an emergency shelter, a place not meant for human habitation, or other defined places. Similar to Rapid Rehousing, except focuses on those already in stable living situations.
- **Homeless Management Information System (HMIS Data Collection):** Participating in and contributing to the [HMIS](#) designated by the [Continuum of Care](#) for the area.

More Information

Emergency Solutions Grant Program: www.hudexchange.info/programs/esg

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Up to 7.5% of a recipient's allocation can be used for administrative activities.

Funding

The ESG Program funding is awarded annually by HUD to [state and local entities](#). In FY 2021, \$323,000 was awarded to the city of Des Moines, \$147,000 was awarded to Sioux City, and \$2.8 million was awarded to the State to disperse to other entities. Due to the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act of 2020](#), the State received \$20.9 million in supplemental ESG funding, which was awarded in two tranches. Also, Des Moines received \$3.2 million and Sioux City received \$1.2 million in CARES Act local funding.

Iowa Related Statutes and Administrative Rules

Iowa Administrative Code [265—42](#)

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