



**THE NASSAU COUNTY LEGISLATURE
OFFICE OF LEGISLATIVE BUDGET REVIEW
MAURICE CHALMERS, DIRECTOR
FISCAL IMPACT STATEMENT**

TITLE:

A Local Law to establish a revolving fund for the Nassau County Emergency Solutions Grant (ESG) Program.

SUMMARY OF LEGISLATION:

This proposed local law will establish a revolving fund that is necessary to ensure full compliance with the Department of Housing and Urban Development (HUD) regulations for the ESG program. The regulations of the program specifically note that timeliness is key to the delivery of services to the public. The objective of the ESG is to prevent homelessness for those imminently about to lose their housing as well as to provide rapid re-housing to those who urgently need it. If funds are not paid on time, the County could be liable to pay for any late payment penalties out of non-ESG funds. Establishing a checking account would expedite the Nassau County Office of Housing and Community Development's ability to provide these services.

Previously, the ESG program was called the Emergency Shelter Grant and involved sub-recipient contracts with shelter vendors in the County to provide grants to brick and mortar shelters for operations. In 2009 HUD began an American Recovery and Reinvestment Act (ARRA) stimulus fund grant called Homelessness Prevention and Rapid Rehousing Program (HPRP) and the Nassau County Legislature authorized a revolving fund for that program. The revolving fund was a success, however, it ended in 2012.

The Emergency Solutions Grant has now been implemented and incorporates both the continuation of grants to the physical shelters as well as including the HPRP segment. Currently, the department is not operating the HPRP portion of the ESG because there is no revolving fund in place. According to the Office of Housing, the current program year has \$888,000 in federal funding for the ESG program of which \$788,000 is allocated for shelter vendors. If the local law is approved by the Legislature, the department has earmarked \$100,000 for the HPRP portion of the grant.

EFFECTIVE DATE:

This local law would take effect immediately.

ECONOMIC IMPACT:

The proposed law is not expected to have any economic impact on the local economy.

FISCAL IMPACT:

The purpose of this proposed local law is to establish a revolving fund to ensure full compliance with HUD regulations for the ESG program. The program is 100% funded by the federal government and will have no impact on the County's operating budget.

SOURCES OF INFORMATION:

Nassau County Office of Housing and Community Development

PREPARED BY:

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