Preparing to Apply for Emergency Solutions Grants

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Training Presenters

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Questions

- Enter questions into Question panel of GoToWebinar
  - Questions will be addressed at the end of each section
- If have questions after the webinar, email esg@tdhca.state.tx.us

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Training Objectives

- To better understand the scope of effort involved with submitting an application for ESG funding
- To better understand components that make up a successful ESG application
- To better understand the timeline approach to completing your ESG application

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What is the Emergency Solutions Grants Program?

ESG provides shelter and services to help persons experiencing homelessness or persons at-risk of homelessness regain housing stability.

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ESG Regulations

- Code of Federal Regulations, 24 CFR Part 576
  - §576.400-409 —Program Requirements
  - §576.500-501 —Grant Administration
- Texas Administrative Code, 10 TAC §7.2 , §7.8, §7.42, §7.44
- ESG Program Guidance Page: https://www.tdhca.state.tx.us/home-division/esgp/guidance-solutions.htm

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ESG and TDHCA

- Federal funding:
  - U.S. Department of Housing and Urban Development (HUD) Program
- Texas Department of Housing and Community Affairs (TDHCA) funds local organizations to provide services
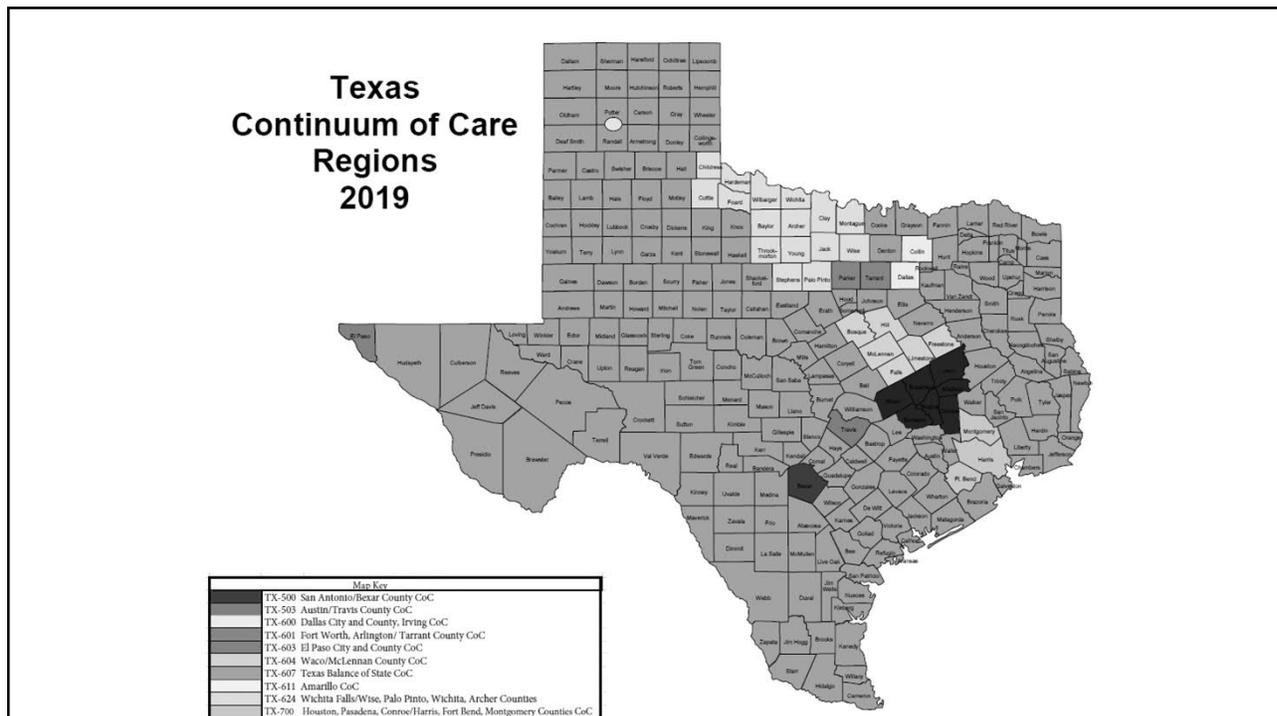 - Program participants do not apply to TDHCA directly

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ESG and TDHCA: Continued

- ESG Annual Allocation:
  - TDHCA receives approximately $9.6 million annually
  - Applications released in the spring/summer yearly
- ESG CARES Second Allocation:
  - TDHCA received approximately $64.5 million in one-time funding to prepare for, prevent, and respond to COVID-19 in the CARES Second Allocation
  - Application process announced soon

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Eligible entities

- Private nonprofit organizations
  - 501(c)(3)
- Units of local governments
  - Cities and counties
- Public housing authorities
  - For ESG Coronavirus Aid, Relief, and Economic Security (CARES) Act only.
  - Not eligible for ESG annual allocation funds

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Texas Continuum of Care Regions 2019

Map Key	
TX-500	San Antonio/Bexar County CoC
TX-503	Austin/Travis County CoC
TX-600	Dallas City and County, Irving CoC
TX-601	Fort Worth, Arlington/ Tarrant County CoC
TX-603	El Paso City and County CoC
TX-604	Waco/McLennan County CoC
TX-607	Texas Balance of State CoC
TX-611	Amarillo CoC
TX-624	Wichita Falls/Wise, Palo Pinto, Wichita, Archer Counties
TX-700	Houston, Pasadena, Conroe/Harris, Fort Bend, Montgomery Counties CoC

ESG Grant Development Timeline

Three phases:
- Planning Phase
- Program Development Phase
- Budget Development Phase

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Planning Phase

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Planning Phase

Goal: This phase of the ESG application allows the applicant to review all the requirements for application, understand the selection and scoring of the grant and collect needed documentation.

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Objectives of Planning Phase

- Collecting or creating threshold documents
- Understanding uniform selection criteria
- Understanding scoring criteria

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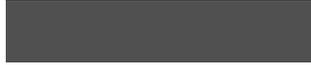
Threshold Requirements

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Threshold Requirements

- CoC Consultation
- Written standards that comply with 24 CFR §576.400(e)
  - If proposing to provide homelessness prevention or rapid re-housing, the written standards must also include an occupancy standard which does not conflict with Texas Property Code §92.010.
- Termination of assistance policy that complies with 24 CFR §576.402

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Threshold Requirements: Continued (1)

- A service area of at least one county in the assigned Continuum of Care regions
  - If crossing CoC regions, need to apply to each CoC
  - Service area may be less than one county, if CoC is smaller than one county
- 100% match commitment (for ESG annual applications only)

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Threshold Requirements: Continued (2)

- Unique Entity Identifier Number (UEIN)
  - Previously referred to as a Data Universal Number System or DUNS
  - https://www.dnb.com/duns-number.html
  - The process to request a UEIN is short and free of charge
- Registration with System for Award Management (SAM)
  www.sam.gov

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Threshold Requirements: Continued (3)

- 501(c)3 Documentation, if a nonprofit
  - A copy of a letter from the IRS which includes the organization's name and the entire Federal Tax Identification Number.
- Texas Secretary of State registration, if nonprofit
  - Register to do business in Texas
  - https://www.sos.state.tx.us/

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Threshold Requirements: Continued (4)

- Documentation of local government approval
  - Needed for shelter activities and dated within 12 months of submission of the application

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Threshold Requirements: Continued (5)

A resolution from the governing body of the applicant that includes
• Authorization of the submission of the grant application
• Title of the individual being authorized to represent the agency with signature authority to execute a Contract
• Date the resolution was passed the by governing body

Cannot be over 12 months old at the time of the Application due date.

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Selection Criteria

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Uniform Selection Criteria

- Homeless Participation
  - Consultation of a person who has experienced/experiencing homelessness in policy-making entity, such as your Board
  - Person who has experienced/experiencing homelessness in position to construct, renovate or maintain your facilities
- Organization or Management experience
  - State or federal programs

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Uniform Selection Criteria – continued (1)

- Percentage of Prior ESG Awarded funds expended
  - Previous ESG Subrecipient only
- Contract history on reporting and outcomes
  - Previous ESG Subrecipient only

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Uniform Selection Criteria – continued (2)

- Monitoring history
  - Household eligibly findings
  - Procurement requirements findings
  - Disallowed costs in excess of $5,000

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Uniform Selection Criteria – continued (3)

- Priority designation for service areas with colonias
- Priority designation for underserved areas

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Scoring Criteria: Street outreach, emergency shelter, homeless prevention, rapid re-housing

- Approval rating from the CoC
- Matching funds at or greater than 110% (for ESG annual only):
- Percentage of subpopulations served (for ESG annual only):
- (A) Children of Parenting Youth;
- (B) Parenting Youth;
- (C) Persons Experiencing Chronic Homelessness;
- (D) Persons Experiencing Severe Mental Illness;
- (E) Persons with Chronic Substance Use Disorder;
- (F) Persons with HIV/AIDS;
- (G) Unaccompanied Youth;
- (H) Veterans; and
- (I) Victims of Domestic Violence.

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Scoring Criteria: Street outreach, emergency shelter, homeless prevention, rapid re-housing (continued)

- Positive outcomes:
  - Percentage of exits to temporary or permanent housing
  - Percentage of persons maintaining housing for 3+ months after exit
- Number of services provided
- Number of years of experience providing activity

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Scoring Criteria: Street Outreach Services

- Engagement
- Case management
- Emergency health services
- Emergency mental health services
- Transportation services

Emergency health services and emergency mental services may only be provided by ESG funds if these services are inaccessible or unavailable within the area.

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Scoring Criteria: Emergency Shelter services

- Case management
- Child care
- Education services
- Employment assistance and job training
- Outpatient health services
- Legal services
- Life skills training
- Outpatient mental health services
- Outpatient substance abuse treatment services
- Transportation.

Outpatient health services, mental services, and substance abuse treatment services should only be provided by ESG funds if these services are otherwise inaccessible or unavailable within the Service Area.

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Scoring Criteria: Homelessness Prevention/Rapid Re-housing Services

- Rental application fees
- Security deposits
- Last month's rent
- Utility payments/deposits
- Moving costs
- Housing search and placement
- Housing stability case management
- Mediation
- Legal services
- Credit repair
- Rental assistance

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Program Development Phase

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Components of Program Development Phase

- Data collection
- Stakeholder involvement
- Program selection
- Program design

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Program Development Phase: Data

- Most grant applications begin with the need for data
- Data is where you support the community need for your program/service
- Data can be both qualitative and quantitative

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Where do you find this data?

- Point In Time Count Data
- Local United Way Needs Assessments
- CoC data
- Data collected by regional authorities (ex: Council of Governments)
- Data collected by your agency staff
- HMIS data

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Stakeholder Involvement: Governing Body

- Your board should be notified of your intent to apply to gain their input and support
- ESG/ESG CARES is a reimbursement grant so funds will only be reimbursed after funds are expended so your board should be made aware of the financial obligation related to applying for ESG funds
- The board will also have to grant to Executive Director signature authority to represent the agency and sign documents on behalf of the organization

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Program Development Phase: Program Selection

- ESG has four program components for which most agencies apply
  - Street Outreach
  - Emergency Shelter
  - Homelessness Prevention
  - Rapid-Rehousing
- Administration and Homeless Management Information System (HMIS) funds may be requested within each component

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How do you know what services to provide?

- You may talk with your local CoC to see what gaps exist in your community
- You may focus on services in your agency's areas of expertise
- You may get input from staff and current program participants on services they feel your community needs or needs more of

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Program Development Phase: Program Design

- Your program design for each component may explain how your program will work in your community
- The program design may address the community need your data supports
- Set realistic performance targets for what you plan to accomplish
- Best practice: You may include current Program Participants in the design of your programs
- Develop written standards that detail how the program will operate in your agency

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Budget Development Phase

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Budget Development Phase

Key components in this phase:
- ESG/ESG CARES Budget
- Indirect Cost Rate
- Match Commitment (ESG annual only)

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Budget categories	Administration
	Data Collection (HMIS)
	Homeless Prevention - Financial
	Homeless Prevention - Project-based rental assistance
	Homeless Prevention - Services
	Homeless Prevention - Tenant-based rental assistance
	Rapid Re-housing - Financial
	Rapid Re-housing - Project-based rental assistance
	Rapid Re-housing - Services
	Rapid Re-housing - Tenant-based rental assistance
	Shelter - Conversion
	Shelter - Essential Services
	Shelter - Major Rehabilitation
	Shelter - Operations
	Shelter - Renovation
	Shelter - Uniform Relocation Assistance (URA)
	Street Outreach

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Administration: General management, oversight and coordination 24 CFR §576.108

- Preparing/amending program budgets and schedules
- Developing systems for assuring compliance;
- Developing interagency agreements and contractors to carry out program activities;
- Monitoring program activities;
- Preparing reports;

- Coordinating the resolution of audit and monitoring findings;
- Evaluating program results against stated objectives; and
- Managing or supervising persons performing monitoring, third-party contracts (e.g., audit services), costs for goods and services.

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HMIS/HMIS comparable database: 24 CFR §576.107(a)(1)*

- Purchasing or leasing computer hardware, software, or software licenses;
- Purchasing or leasing equipment or office space;
- Obtaining technical support;
- Electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS;
- Paying participation fees charged by the HMIS Lead.

- Paying salaries for operating HMIS, including:
  - Completing data entry analysis;
  - Monitoring and reviewing data quality;
  - Reporting to the HMIS Lead;
  - Training staff on HMIS; and
  - Implementing and complying with HMIS requirements;
- Paying staff travel costs to conduct intake; and

*Is expanded for ESG CARES.

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HP/RRH Financial: 24 CFR §576.105 (a)

- Rental application fees
- Security deposits
- Last month's rent

- Utility deposits
- Utility payments
- Moving costs
- Broken lease due to an emergency transfer

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Project Based Rental Assistance vs Tenant Based Rental Assistance

PBRA

- ESG Subrecipient enters into a rental assistance agreement with the owner to reserve the unit and subsidize its rent.
- Uncommonly used.
- Risk: If no Program Participant moves in by the end of the month, rent is ineligible.

TBRA

- A Program Participant selects a housing unit in which to live.
- Commonly used.

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HP/RRH Project Based Rental Assistance: 24 CFR §576.106

- Rental assistance up to 24 months for ESG annual
- Rental assistance up to 12 months for ESG CARES Second allocation

- Rental arrears in one-time payment for up to six months of arrears with late fees
  - Counts toward 24 months of assistance on ESG annual
  - Available in addition to 12 months of rental assistance for ESG CARES Second allocation

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HP/RRH Services: 24 CFR §576.105(b)

- Housing search and placement
  - Assessment
  - Action plan to locate housing
  - Housing search
  - Outreach/negotiation with owners
  - Assistance with applications/leases
  - ESG/ESG CARES unit compliance
  - Help with utility/moving arrangements
  - Tenant counseling

- Housing stability case management
  - Coordinated assessment
  - Counseling
  - Securing benefits
  - Monitoring/evaluating Program Participant progress
  - Housing and Service Plan
  - Re-evaluations
- Mediation
- Legal services
- Credit repair

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Shelter conversion, renovation, rehabilitation, uniform relocation assistance: 24 CFR §576.102(a)(2), (4)

- Conversion is converting existing building into emergency shelter.
- Renovation/rehabilitation
  - Ask: "Is drywall or concrete being disturbed?"
  - "Minor or routine repairs" are considered maintenance and are charged under shelter operations – a different line item.

- Uniform relocation assistance:
  - relocation payments and other assistance to persons displaced by a project assisted with ESG funds.

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Shelter essential services: 24 CFR §576.102(a)(1)

- Case management
- Child care
- Education services
- Employment assistance and job training
- Outpatient health services
- Legal services

- Life skills training
- Mental health services
- Substance abuse treatment services
- Transportation

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Shelter operations: 24 CFR §576.102(a)(3)

- Maintenance (including minor or routine repairs)
- Rent
- Security
- Fuel
- Equipment
- Insurance
- Utilities

- Food
- Furnishings
- Supplies necessary for the operation of the emergency shelter
- Hotel/motel costs when shelter not available

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Street Outreach: 24 CFR §576.101

- Engagement
- Case management
- Emergency health services
- Emergency mental health services
- Transportation

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ESG CARES/COVID-19 Line Items

- Landlord Incentives
- Hazard Pay
- Volunteer Incentives
- Infectious Disease Prevention and Mitigation Training

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ESG CARES/COVID-19 Line Items – Landlord Incentives

- Landlord Incentives
  - Eligible in the amount of up to 3 months of rent:

(i) Signing bonuses equal to up to 2 months of rent;

(ii) Security deposits equal to up to 3 months of rent;

(iii) Paying the cost to repair damages incurred by the program participant not covered by the security deposit or that are incurred while the program participant is still residing in the unit; and,

(iv) Paying the costs of extra cleaning or maintenance of a program participant's unit or appliances.

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Indirect costs

- 2 CFR §200.56
- Per HUD Notice 16-04:

  "indirect costs can more plainly be defined as any costs incurred by a grant recipient or subrecipient that cannot be identified directly with a HUD award, project, or activity (without disproportionate effort)."

- May include some administrative cost. Not the same as administrative costs.
- There is no list that defines specific items of costs as indirect since costs are not intrinsically direct or indirect.

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Indirect costs: Continued

- Consult your financial manager/accountant.
- Rare to charge Indirect Costs.
- Eligible to take Indirect Costs of up to 10%.
- Over 10%, ESG/ESG CARES Applicant must negotiated Indirect Cost Rate letter or appropriate approval must, the date the IDR became effective, and the date the IDR expires.

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Match (ESG Annual only)

- Match funds are funds that your organization is expected to have to leverage the work of the ESG grant funds in your community
- ESG Annual requires a dollar for dollar match
- Accepted match sources include:
  - Volunteer Hours
  - Donated goods/services
  - Office space rental costs
  - Financial contributions
  - Other grant awards

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Sign up for our email list

- Sign up for our email list to be notified when applications are available
- https://www.tdhca.state.tx.us/

🌐 Language
En Español
Notices of Funding Availability
✉ Join Our Email List
TDHCA Public Comment Center
File a Complaint
File a Public Information Request (PIR)
TDHCA Rules and Regulations
Bond Disclosure
Information Security and Privacy Agreement

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Final Submission Tips and Guidance

- Start on your application early
- Request any needed items (ex. UEIN number) as soon as possible
- Design your application to address community needs that are unmet
- Collect data to support your application
- Be an active member of your local CoC
- Check and double check if your budget to ensure you placed funding under appropriate line items

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THANK YOU

Questions?

EMAIL US AT: ESG@TDHCA.STATE.TX.US