

Emergency Solutions Grant Overview

The Emergency Solutions Grant (ESG) is a federal grant program designed to provide emergency assistance to persons who are currently homeless, very low-income persons at imminent risk of homelessness, and persons fleeing domestic violence. This grant is allocated based on a population formula by the federal Department of Housing and Urban Development (HUD). It is granted first to Missouri's Department of Social Services (DSS) who then sub-grants it to the Missouri Housing Development Commission (MHDC) to administer to a network of service providers across the state of Missouri.

Service providers operate in geographic regions called Continuums of Care (CoC). CoC's are self-governing bodies with volunteer boards and governance charters. They are tasked with coordinating homeless service efforts within their respective regions. In Missouri, there are eight such regions (please see the provided map); St. Louis City, St. Louis County, St. Charles (3 county region), KC/Jackson and Wyandotte County, St. Joseph (3 county region), Joplin (2 county region), Springfield (3 county region) and the remaining 101 counties fall under what is called the Balance of State.

*ESG provides funding for five basic components;

- Rapid Rehousing- rental and financial assistance for persons who are homeless or fleeing domestic violence
- Homelessness Prevention- rental or financial assistance for persons who are at imminent risk of homelessness or fleeing domestic violence. Must be below 30% Area Median Income
- Street Outreach- funds for locating, identifying, and engaging homeless persons and connecting them to housing services
- Emergency Shelter- operations expenses for shelters and funds for services provided within the shelter
- Homeless Management Information System (HMIS)- Data collection and reporting costs in a system called HMIS designated by HUD (each CoC selects their own HMIS service provider).
- Additionally a small percentage may be used for admin expenses

*by regulation no more than 60% of the total amount of funding may be awarded to the Emergency Shelter and Street Outreach Component

More information regarding eligible expenses can be found here:

<http://www.mhdc.com/ci/esg/fad/documents.htm> in the FY2020 ESG Desk Guide

Federal grants must operate on a reimbursement basis. Additionally, all ESG funds must be matched dollar for dollar. MHDC awards funds by funding component. Invoices are submitted to MHDC on a monthly basis. MHDC reviews each invoice to verify expenses are eligible and updates each individual agency budget. At least one time per grant year MHDC completes a monitoring visit for each grantee and reviews files for accuracy, completeness, eligibility of clients and expenses.

The CARES Act

The CARES Act provides additional funding for ESG. At this time, the eligible expenses for the grant program remain the same as the typical ESG program with only a few differences. It will continue to operate as a reimbursement process. HUD has indicated that it will provide further guidance, so change may occur. As of the time of this notice these are current key differences:

- No match requirement
- No 60% cap on Shelter and Street Outreach allocations
- Income caps are raised to 50% area median income
- Loosened case management requirements and income recertification requirements

As more information becomes available, MHDC will publish additional guidance.

Applying

All service providers interested in applying should thoroughly review this guide, the approved Notice of Funding Availability (NoFA), and Allocation Plan posted to MHDC's website.

Letter of Intent

In order to apply, all interested service providers who meet the eligibility requirements outlined in the NoFA and Allocation Plan must first submit a Letter of Intent (LOI) outlining their anticipated request. LOI's must be submitted in MHDC's online Grant Interface. LOI's in any other form will not be accepted.

The LOI will collect information on anticipated funding amounts, anticipated uses, service area and allow interested service providers to describe the needs of their area. Each interested service provider must submit a separate LOI for each CoC in which they intend to utilize funds.

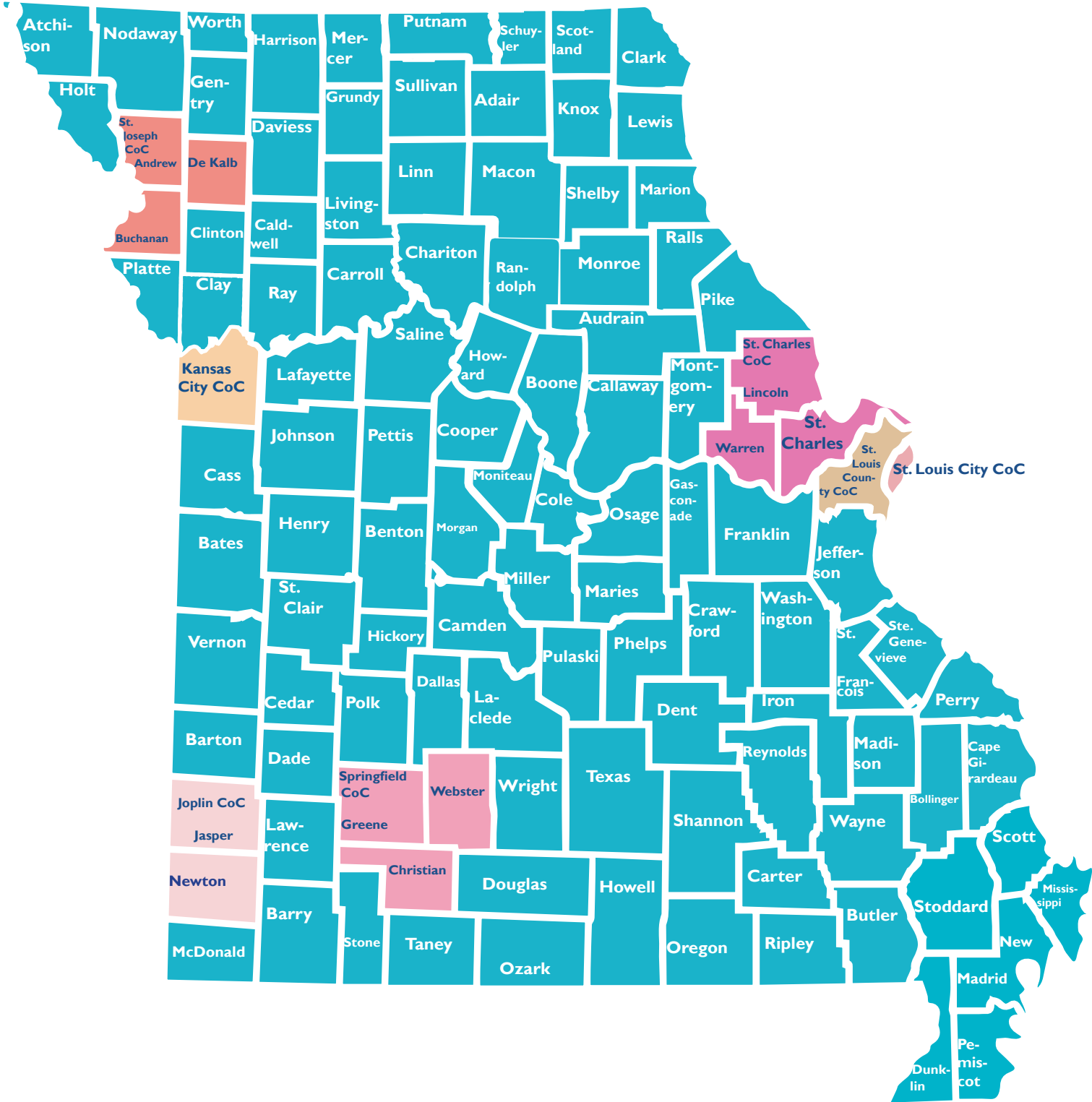
Submission of a LOI does not imply a guarantee of funding.

Application

MHDC will review all submitted LOI's and once the application becomes available, all eligible service providers will be notified. An application must be completed in order to be approved for funding.

Included below is a map of the CoC's and a HUD info sheet with a general overview of the ESG program.

MISSOURI CoCs





Emergency Solutions Grants (ESG) Program

U.S. Department of Housing and Urban Development, Office of Community Planning and Development
Office of Special Needs Assistance Programs, 451 7th Street SW, Room 7262 Washington, DC 20410

CFDA Number: 14.231

OBJECTIVES

The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless.

For more information and resources about ESG, go to the HUD Exchange website at HUDEXchange.info

GRANT AMOUNTS

FY 2019 Allocation: \$280 million

- States total: \$139,063,295
- Urban Counties total: \$36,269,433
- Metro Cities total: \$104,107,272
- Territories total: \$560,000

Eligible Recipients (366)

- States: 51 (including Puerto Rico)
- Metropolitan Cities: 196
- Urban Counties: 115
- U.S. Territories: 4

RECIPIENTS & SUBRECIPIENTS

Eligible recipients generally consist of states, metropolitan cities, urban counties, and territories, as defined in 24 CFR 576.2.

Each recipient must consult with the local Continuum(s) of Care operating within the jurisdiction in determining how to allocate ESG funds.

State recipients must subgrant all of their ESG funds (except the amount for its administrative costs and HMIS costs, if applicable) to units of general purpose local government and/or private nonprofit organizations.

Metropolitan cities, urban counties and territories may subgrant ESG funds to private nonprofit organizations.

Local governments (whether recipients or subrecipients) may also subgrant ESG funds to public housing agencies and local redevelopment authorities.

CITATIONS

Statute: Stewart B. McKinney Homeless Assistance Act of 1987, Title IV, Subtitle B, as amended (42 U.S.C. 11371 *et seq.*) **Regulations:** 24 CFR Part 576.

ELIGIBLE PROGRAM COMPONENTS

1. Street Outreach

Essential Services necessary to reach out to unsheltered homeless individuals and families, connect them with emergency shelter, housing, or critical services, and provide them with urgent, non-facility-based care. Component services generally consist of engagement, case management, emergency health and mental health services, and transportation. For specific requirements and eligible costs, see 24 CFR 576.101.

2. Emergency Shelter

Renovation of a building to serve as an emergency shelter. Site must serve homeless persons for at least 3 or 10 years, depending on the cost and type of renovation (major rehabilitation, conversion, or other renovation). Note: Property acquisition and new construction are ineligible.

Essential Services for individuals and families in emergency shelter. Component services generally consist of 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, and transportation.

Shelter Operations, including maintenance, rent, security, fuel, equipment, insurance, utilities, and furnishings.

Relocation assistance for persons displaced by a project assisted with ESG funds.

For specific requirements and eligible costs, see 24 CFR 576.102.

3. Homelessness Prevention

Housing relocation and stabilization services and/or short-and/or medium-term rental assistance necessary to prevent the individual or family from moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in § 576.2.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.103, 576.105, and 576.106.

4. Rapid Re-Housing

Housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to help

individuals or families living in an emergency shelter or other place described in paragraph (1) of the “homeless” definition move as quickly as possible into permanent housing and achieve stability in that housing.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.104, 576.105, and 576.106.

5. HMIS

Grant funds may be used for certain Homeless Management Information System (HMIS) and comparable database costs, as specified at 24 CFR 576.107.

Administration

Up to 7.5% of a recipient's fiscal year grant can be used for administrative activities, such as general management, oversight, coordination, and reporting on the program. State recipients must share administrative funds with their local government subrecipients and may share administrative funds with their nonprofit subrecipients. For specific requirements and eligible costs, see 24 CFR 576.108.

ALLOCATION FORMULA

HUD will set aside for allocation to the territories up to 0.2%, but not less than 0.1%, of the total fiscal year appropriation. The remainder will be allocated to States, metropolitan cities, and urban counties. The percentage allocated to each State, metropolitan city, and urban county will equal the percentage of the total amount available under section 106 of the Housing and Community Development Act of 1974 for the prior fiscal year that was allocated to the State, metropolitan city or urban county. If an allocation to a metropolitan city or urban county would be less than 0.05% of the total fiscal year appropriation for ESG, the amount is added to the allocation of the State in which the city or county is located. For more on the ESG formula, see 24 CFR 576.3.

MATCH

Metropolitan city and urban county recipients must match grant funds with an equal amount of contributions, which may include cash, donated buildings or materials, and volunteer services.

States must match all but \$100,000 of their awards, but must pass on the benefits of that \$100,000 exception to their subrecipients that are least capable of providing matching amounts.

Territories are exempt from the match requirement.

For the specific match requirements, see 24 CFR 576.201.

OBLIGATION & EXPENDITURE DEADLINES

Metropolitan cities, urban counties and territories must obligate all funds, except funds for administrative costs, within 180 days after HUD signs the grant agreement.

States must obligate all funds, except funds for administrative costs, within 60 days after HUD signs the grant agreement. Within 120 days after the State obligates funds to a local government, the local government must obligate all its funds.

All grant funds must be expended within 24 months after HUD signs the grant agreement with the recipient.

Further obligation and expenditure requirements are specified at 24 CFR 576.203.

CONSOLIDATED PLAN

Eligible recipients apply through the Consolidated Planning process, which requires jurisdictions to assess homeless assistance and housing needs, examine available resources, set 3-5 year strategies, and develop annual action plans. Plan preparation must include citizen participation and consultation with the local Continuum(s) of Care and other organizations. Each jurisdiction should submit its Consolidated Plan to HUD at least 45 days before the jurisdiction's program year begins as provided under 24 CFR Part 91. For specific planning and submission requirements, see 24 CFR part 91 and 576.200.

REPORTS

Annual performance reports must be submitted in accordance with 24 CFR 91.520 and are due 90 days after the jurisdiction's program year ends. Recipients also have other reporting requirements under 24 CFR 576.500(aa).