

Emergency Solutions Grant, Housing Assistance Program, &

Homelessness Prevention Program APPLICATION INSTRUCTIONS

# Overview

The Emergency Solutions Grant (ESG), Housing Assistance Program (HAP), and Homeless Prevention Program (HPP) are collectively referred to as the EHH Program. ESG is federally administered by the United States Department of Housing and Urban Development (HUD). HUD awards ESG funding to the State of Wisconsin, Department of Administration, Division of Energy, Housing, and Community Resources (DEHCR) to distribute to eligible applicants. HPP and HAP are State of Wisconsin funding sources. These three sources of funding are combined and distributed to one lead applicant in each HUD or local continuum of care (COC).

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| --- | --- | --- |
| Program | Authorized By | Eligible Project Types |
| Emergency Solutions Grant (ESG) | 1991 McKinney-Vento Homeless Assistance Act. Amended in 2009 by Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009  24 CFR 576 | Rapid Re-Housing |
| Homelessness Prevention |
| Emergency Shelter (includes grandfathered-in transitional housing) |
| Street Outreach |
| HMIS |
| Administration |
| Homelessness Prevention Program (HPP) | Wisconsin Statutes § 16.303 | Rapid Re-Housing |
| Homelessness Prevention |
| Administration |
| Housing Assistance Program (HAP) | Wisconsin Statutes § 16.306  Wisconsin Admin Code § 87.03 | Housing |
| Administration |

# Consolidated Application

There are four HUD Continua of Care in Wisconsin: The Milwaukee, Dane/Madison, Racine Continua of Care (each cover one county each) and the Balance of State Continuum of Care (BOSCOC) which covers the other 69 counties. The BOSCOC is divided into groups of counties and these groups are referred to as local continua. Homeless service agencies in the Milwaukee, Dane/Madison, Racine, and local continua each apply for funds together in a consolidated EHH Application.

Each application has a lead applicant who acts as the fiscal agent and is DEHCR’s grantee. Lead applicants are designated by the HUD or local COC; they can be any public or private not-for-profit agency participating in the COC planning process. The lead applicant will beresponsible for implementation of the grant and the proper use of grant funds. Most applications also have sub-recipient applicants who also apply for EHH funding but are grantees of the lead applicant.

## Eligibility

All lead applicants and sub-recipient applicants must be eligible to apply. All applicant agencies must have current, direct experience in delivering services to people who are homeless. Agencies must meet the following eligibility criteria:

* They must be an active/participating member of the local COC having served the homeless with housing related activities;
* They must be a local unit of government OR a public or private not-for-profit agency providing housing related services and/or shelter specifically targeted to people who are homeless;
* Applicants which are not-for-profit agencies must be incorporated as a public or private not-for-profit agency in the State of Wisconsin as of the application date;
* Applicants which are faith-based not-for-profit agencies are eligible to apply but must comply with rules and restrictions regarding religious institutions established in HUD’s governing regulations;
* Applicant agencies must have the capacity to either offer or connect clients to services that will increase their stability and link them to safe, affordable, and permanent housing.

## Continuum Performance

Each HUD or local COC will decide how best to allocate funding to participating agencies by considering local needs and project performance. HUD and local COCs are required to use data in their funding allocation decisions. No specific data type is mandated. The Continuum Performance section of the application explains this requirement in further detail. Each HUD or local COC should complete the Continuum Performance section with input from the entire COC (not just EHH-funded agencies).

## Project Type Applications

Using the Consolidated Application structure, lead applicants and sub-recipients may apply for funding under six Project Types. These project types are:

* Rapid Re-housing
* Homelessness Prevention
* Street Outreach
* Emergency Shelter (grandfathered-in transitional housing programs also apply under this section)
* Homelessness Management Information Systems (HMIS)
  + May also fund HMIS-equivalent databases
* Administration

Lead Applicants must complete the Lead Applicant section to apply for Administration funding. Lead Applicants and sub-recipients must complete separate project applications for every project requesting funding.

This “consolidated application” structure means that no two consolidated applications will look exactly the same; each application varies based on which agencies operate in the area and which agencies apply for EHH funding. For example:

* Agency A may be the Lead Applicant and also apply for Rapid Re-Housing funding for its Rapid Re-Housing program, and HMIS funding to pay HMIS fees. They would apply under the Lead Applicant, Rapid Re-Housing, and HMIS application sections, and receive funding for each of these project types.
* Agency B is a shelter in the same local COC as Agency A, the Lead Applicant for that COC. Agency B may apply under the Emergency Shelter section and receive funding for this project type. Agency B would be a sub-recipient of Agency A.
* Agency C is an emergency shelter and a street outreach provider in the same local COC as Agency A, the Lead Applicant for that COC. Agency C may apply under the Emergency Shelter and Street Outreach sections and receive funding for both project types. Agency C would be a sub-recipient of Agency A.

# Funding

## Available Funds

ESG funding is contingent on HUD’s award to DEHCR. DEHCR anticipates the funding award to be released after grantee applications are due. HUD’s ESG award for the 2018-19 contract year was $3,459,721. DEHCR retained 4.5% of that total for administrative costs, leaving $3,304,033 to be allocated to grantees; DEHCR anticipates a similar award for 2019-20; however, final allotments will reflect available funding in the event of a reduced or increased award. The amounts of ESG and HPP funding allocated to each Funding Area can be found in the 2019-2020 EHH Allocation Table. See the following chart for estimated available funds.

|  |  |
| --- | --- |
| 2019-2020 AVAILABLE EHH FUNDS *(estimated)* | |
| ESG Funding Formula Allocation | $3,304,033 |
| HPP Funding Formula Allocation | $1,515,000 |
| HAP Allocation | $300,000 |
| TOTAL | $5,119,033 |

## ESG/HPP Funding Formula

The ESG/HPP Funding Formula distributes funds between HUD and local COCs. The ESG/HPP Funding Formula is allocated based on need factors and performance measures.

## Housing Assistance Program (HAP)

HAP funds are allocated to each of the HUD COC’s. Each COC is responsible for distributing the funds to eligible sub-recipients as they best determine. The HUD COC or its fiscal agent is the lead for the HAP projects. See the HAP Application for more information.

## ESG Special Allocation

DEHCR may make a Special Allocation of an estimated $120,000 in ESG funds available to ESG/HPP applicants. HUD and local COCs which are interested in being considered will be asked how they would use this special allocation in the Continuum Performance section. Interested applicants will be scored based on their use of performance data and evidence in allocating EHH funds, and their plan to improve performance. The highest scoring applicants may be awarded a special allocation of up to a $40,000 of ESG funds.

Applications for new projects will be given preference in the competitive process.

## Maximums and Minimums in the Consolidated Application

All ESG and HPP funding requests (except for the ESG Special Allocation) must be included in the Consolidated Budget chart. There are several minimums and maximums that each Consolidated Application must abide by. (These are also explained in the Consolidated Budget chart.) The chart has been formatted to automatically sum the project types into a summary chart at the top of the page, which should make it easier to ensure your consolidated application stays within the minimums and maximums.

* **ESG Administration:** In the entire consolidated application, no more than 2.5% of the total ESG allocation may be requested for ESG Administration.
* **HPP Administration:** In the entire consolidated application, no more than 10% of the HPP allocation may be requested for HPP Administration.
* **Shelter and Outreach:** The maximum amount of ESG that can be requested for Shelter and Outreach is 60% of the total ESG allocation.
* **Rapid Re-Housing:** Every consolidated application is required to have at least one Rapid Re-Housing project application. At least 30% of the total ESG allocation and 30% of the total HPP allocation must be requested for Rapid Re-Housing. This is the minimum amount of funding that must be requested.
* **HMIS:** In the entire consolidated application, no more than $10,000 may be requested for ESG HMIS.

## Activity Types and EHH Payment Request Forms

Applicants will apply for funding in each project by activity type. Grantees will have discretion as to which activity to spend funding on under each activity type. For example, Rapid Re-Housing applicants may apply for “Housing Payments” funding; they will then be able to spend this funding on any of the eligible activities under “Housing Payments.” Budget adjustments will need to be submitted and approved by DEHCR to move funding from one activity type to another or one project type to another.

# Contract Renewal

To better accommodate the federal budgeting process, DEHCR may choose to renew some or all parts of each applicant’s 2018-19 contract for the 2019-20 grant year.

# Appeals Process

## The HUD or Local Continuum Level

If a sub-recipient feels that the local process for allocating funding unfairly eliminated them from receiving funding or adequate funding, they may appeal that decision to the appropriate body of their local COC lead agency (e.g. the local agency’s executive director or board of directors).

Local COCs may request that DEHCR review an appeal. DEHCR is not otherwise involved in the local allocation appeals process.

## The HUD COC Certification Process

If a HUD COC denies certification to a potential applicant, the HUD COC is required to submit a letter explaining the reasons why the potential applicant was not certified to the potential applicant and the DEHCR EHH Program Manager.

If a potential applicant is denied certification by the HUD COC and feels that the HUD COC Certification process was not fair to their agency, the potential applicant may submit an appeal to the appropriate body of the HUD COC. This appeal must contain the following:

* A letter explaining the grievance with the process.
* Two letters of support from other members of their HUD or local COC.

The HUD COC will either approve or deny the appeal.

* The HUD COC may request that DEHCR review an appeal. DEHCR is not otherwise involved in HUD COC certification.

# Grant Agreement Period

The grant agreement period for these funds is expected to be twelve months. Grants will likely begin on July 1, 2019 and end June 30, 2020. Please note that DEHCR reserves the right to amend, modify, or withdraw the application and any of the grant program rules, instructions, or procedures contained herein and may exercise such right at any time and without notice and without liability to any applicant or other parties for their expenses incurred in the preparation of a proposal or otherwise.

# Consolidated Match

ESG requires a one hundred percent match commitment ($1 of match for every $1 of ESG funds granted). All consolidated applications must submit a Consolidated Match chart that contains each match source, including HPP. All match besides HPP match must also be documented in an attachment to be counted as match.

Match categories include: Other Non-ESG HUD Funds; Other Federal Grants; State Governments; Local Governments; Private Funds; Other; Returned Utility or Security Deposits.

In general, federal, state, local, or private funds may be used to satisfy the requirement that the recipient provide matching contributions to ESG, so long as the following conditions are met.

* The matching funds are contributed to the ESG program and expended for the recipient or sub-recipients allowable ESG costs and clients.
* The matching funds must be used in accordance with all requirements that apply to ESG grant funds, except for the expenditure limits in 24 CFR 576.100, AND if the matching funds are from another federal program, they must also be used in accordance with that program’s requirements.
* Matching funds must be spent by the expenditure deadline that applies to the ESG funds being matched.

The matching funds may not be used to match any other Federal program’s funds nor any other ESG grant. HAP used for COC match cannot be used for ESG match. Conversely, match funds used for ESG may not use ESG for any of its match requirements.

Match may include the value of any donated material and/or building or the value of any lease on a building. Match may include the time and services contributed by volunteers and/or staff to carry out the program that will be funded by the grant. The volunteer rate is currently $10 per hour or if the service is professional – the hourly rate charged by that professional. Match may also include donations, participant fees or contributions and grants.

Match may be provided from another agency if that match applies to the agency and program requiring match.

## Documentation of Match

For the application attachment and agency files, document match accordingly:

* If funds received from units of local government, churches, foundations, United Way, or state government agencies will be used to match ESG funds, copies of funding award and/or commitment letters from these sources must be on their official letterhead and signed by their authorized official.
* If the value of donated volunteer hours, donations from businesses or individuals, client rent/boarding fees or client program service fees will be used to match ESG funds, the applicant agency must provide a letter on its official letterhead signed by its board chairperson describing the records which will be maintained on these match sources, the total amount of the match expected to be received and, in the case of volunteer hours, the number of hours expected to be donated.
* If the value of a donated building or any lease will be used to match ESG funds, provide documentation of the fair market value of the building or lease.
* If staff salaries are used, the source of the funds for these salaries should be identified by the applicant agency in a letter on its’ official letterhead with the exact amount of match available and signed by its’ board chairperson.

# Attachments

For each consolidated application, append each of the following attachments as appendices to the end of the application proposal:

* **ESG Certification**All agencies requesting funding must submit this form.
* **Determination of Exemption Form or Environmental Review Questions**All agencies requesting funding must submit the applicable form. See Environmental Review Requirements/Instructions for guidance.
* **Documentation of Match**

All match sources must be documented, as explained in the above Consolidated Match section.

* **Certification from a Local Unit of Government***This needs to be submitted only for new emergency shelter projects***.** This certification does NOT need to be completed annually for the same project funded the previous year.
* **Certification of the HUD COC**

Each HUD COC will submit to DEHCR a listing of all projects certified for the 2019-2020 EHH application cycle. Individual agencies do not need to submit certification documentation, unless requested by DEHCR.

# Application Submission

**SUBMIT: ONE ELECTRONIC COPY** of each section by 4:00 PM on **Friday, March 22, 2019** to[sarah.isaak@wisconsin.gov](mailto:sarah.isaak@wisconsin.gov). The Consolidated Budget and Match forms must be submitted in EXCEL. Either WORD or PDF is acceptable for all other sections. Attachments to the Application must also be submitted electronically. If you are not able to submit electronically, contact Sarah Isaak, EHH Program Manager at the above email address or at 608-261-6256 to make other arrangements.

## Required Application Sections

* Lead Applicant Page
* Consolidated Budget & Match (must be submitted in excel)
* Rapid Re-Housing Project Application(s)
* Homelessness Prevention Project Application(s)
* Emergency Shelter Project Application(s)
* Street Outreach Project Application(s)
* HMIS Project Application(s)
* Continuum Performance
* Attachments
* ESG Certification
* Documentation of Match
* Environmental Review Form(s)
* Certification from a Local Unit of Government for new shelter projects