

Emergency Solutions Grant, Housing Program, &

Homelessness Prevention Program APPLICATION INSTRUCTIONS

# Overview

The Emergency Solutions Grant (ESG), Housing Program (HP), and Homeless Prevention Program (HPP) are collectively referred to as the ETH 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 THP 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 | Rapid Re-Housing |
| Homelessness Prevention |
| Emergency Shelter (includes grandfathered-in transitional housing) |
| Street Outreach |
| HMIS |
| Administration |
| Homeless Prevention Program (HPP) | Wisconsin Statutes § 16.303 | Rapid Re-Housing |
| Homelessness Prevention |
| Administration |
| Housing Program (HP) | Wisconsin Statutes § 16.306 | Transitional or Other 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 apply for funds together in a consolidated ETH 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 ETH funding but are technically 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 for at least one year prior to the application deadline;
* 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 and/or evidence in their funding allocation decisions. HUD and local COCs may choose which data or evidence to use in making these decisions. DEHCR does not mandate the use of any specific data type. The Continuum Performance section of the application explains this requirement in further detail. Each HUD or local COC must complete the Continuum Performance section with input from the entire COC (not just ETH 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)[[1]](#footnote-1)
* Administration

Lead Applicants must complete the Lead Applicant section to apply for Administration funding. Lead Applicants and sub-recipients must complete each project type section for each project type for which they would like to receive funding. See the project type applications for more information about eligible activities.

This “consolidated application” structure means that no two consolidated applications will look exactly the same; each application vary based on which agencies operate in the area and which agencies apply for ETH 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.

There are also several required attachments that each applicant must complete. These are discussed later in this document.

# 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 2017-18 contract year was $3,457,610; DEHCR anticipates a similar award for 2017-18; however, final allotments will reflect available funding in the event of a reduced or increased award. The amount of funding allocated to each Funding Area can be found in the 2018-2019 ETH Allocation Table. See the following page for estimated available funds.

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| 2018-2019 AVAILABLE ETH FUNDS *(estimated)* |
| ESG Funding Formula Allocation | $3,144,345 |
| HPP Funding Formula Allocation | $1,499,782 |
| ESG Special Allocation | $120,000 |
| HP Allocation (see HP Application) | $300,000 |
| TOTAL | $5,064,127 |

## 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 (like regional homelessness, poverty levels, unemployment) and homeless system performance measures. **All applicants are encouraged to read the ESG-HPP Funding Formula Explanation document on the ETH Application website for more information about the ESG/HPP Funding Formula.**

## HP

Housing Program funds are again being 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 HP projects. See the HP Application for more information.

## ESG Special Allocation

DEHCR will make a Special Allocation of an estimated $120,000 in ESG funds available to ESG/HPP applicants, funding contingent on federal award. 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 ETH funds, and their plan to improve performance. The three highest scoring applicants will be awarded a $40,000 special allocation of ESG funds.

Projects funded under the Special Allocation in previous years are not eligible for this year’s Special Allocation unless they have changed significantly.

## 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 the amount listed in Column G of the 2018-2019 ETH Allocation Table may be requested for ESG Administration.
* **HPP Administration:** In the entire consolidated application, no more than ten percent 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 can be found in column I of the 2018-2019 ETH allocation Table. This amount is also equal to sixty percent 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 thirty percent of the Total ESG Allocation and thirty percent of the Total HPP Allocation must be requested for Rapid Re-Housing. These amounts can be found in columns J and K of the 2017-2018 ETH Allocation Table. This is the MINIMUM amount of funding that must be requested for Rapid Re-Housing. Applicants are strongly encouraged to request more than the minimum for Rapid Re-Housing.
* **HMIS:** In the entire consolidated application, no more than $10,000 can be requested for HMIS (including HMIS-equivalent databases).
* **Rapid Re-Housing Housing Services and Housing Payments:** In the entire consolidated application, at least fifty percent of the total Rapid Re-Housing funding request must be requested for Housing Payments.
* **Homelessness Prevention Housing Services and Housing Payments:** In the entire consolidated application, at least fifty percent of the total Homelessness Prevention funding request must be requested for Housing Payments.

## Maximums and Minimums in Each Project Application

There are also minimums and maximums that each project application must abide by.

* **Shelter & Outreach Projects:** There is a $25,000 cap for each shelter and outreach project.
* **Rapid Re-Housing & Homelessness Prevention Projects**: There is no cap for the amount that may be spent on Homelessness Prevention or Rapid Re-Housing Programs. There is only a minimum (explained in the prior section).

## Activity Types and ETH Payment Request Forms

In prior years, each project applicant applied for funding by “activity.” These activities were then carried over to the ETH Payment Request Form, and grantees requested funding from each activity line each month. When grantees wished to move funding from one activity to another, they would submit a budget amendment that had to be approved by DEHCR.

Again this year, applicants will apply for funding in each project by “activity type.” On the ETH Payment Request Form, funding will be separated by “activity type.” Grantees will then request funding in each of the activities under each activity type, BUT because the total funding is requested at the “activity type” level, grantees will have discretion as to which activity to spend funding on under each activity type. For example, Rapid Re-Housing applicants will apply for “Housing Payments” funding. Then, they will be able to spend this funding on any of the eligible activities under “Housing Payments.” Please see the “Example Payment Request Form” on the ETH Application website. Budget amendments will still need to be submitted and approved by DEHCR to move funding from one activity type to another and one project type to another.

# ETH Certifications

Language describing minimum fiscal standards and general ETH requirements can be found in the ETH Certifications section.

# Contract Renewal

To better accommodate the federal budgeting process, DEHCR may choose to renew some or all parts of each applicant’s 2017-18 contract for the 2018-19 grant year.

# Statutory and Regulatory Rules

* Coordination with homeless services and mainstream resources (24 CFR § 576.400 (b) and (c))
* Centralized or Coordinated Assessment (24 CFR § 576.400 (d))
* Written Standards (24 CFR § 576.400 (e))
* Client Eligibility (24 CFR § 576.401 Evaluation of program participant eligibility and needs)
* Rent Assistance and Lease Standards (24 CFR § 576.105 Housing relocation and stabilization services)
* Participation in WISP and Data Collection (24 CFR § 576.400 (c))
* Evaluation of Program Participant’s Need (24 CFR § 576.401 Evaluation of program participant eligibility and needs)
* Rent Reasonableness (24 CFR 982.503 and 982.507)
* Terminating Assistance (24 CFR 576.56 (a)(3))
* Confidentiality (24 CFR § 576.500 (v) Sub-recipients and contractors)
* Involuntary Family Separation (24 CFR § 576.102 Prohibition against involuntary family separation)
* Shelter and Housing Standards (24 CFR 576.403 Shelter and housing standards)
* Lead Safety (24 CFR § 576.403 (a)Lead-based paint remediation and disclosure and §35, subparts A, B, H, J, K, M, & R)
* Major Rehabilitation (24 CFR § 576.102(i) Major rehabilitation)
* Conflict of Interest (24 CFR § 576.404 Conflicts of interest)
* Homeless Participation Involvement (24 CFR § 576.405 Homeless Participation)
* Faith-Based Activities (24 CFR § 576.406 Faith-based activities)
* Non Discrimination and Equal Opportunity (24 CFR § 5.105 (a) Non-discrimination and equal opportunity)
* Anti-Lobbying (24 CFR § 5.105 (b) Disclosure requirements)
* Debarred or Suspended Sub-recipients (24 CFR § 5.105 (c) Debarred, suspended, or ineligible participants)
* Drug Free Work Place (24 CFR § 5.105 (d) Drug-free workplace)
* Affirmative Outreach (24 CFR § 576.407 (b) Affirmative outreach)
* Section 3 (24 CFR § 135 Section 3)
* Uniform Administration (24 CFR part 84 and 85)
* Financial Management (24 CFR §84.21 Standards for financial management systems)
* Payment Request Criteria (24 CFR §84.22(d) and (e) Payment.)
* Environmental Review (24 CFR § 576.407 (d) Environmental review responsibilities)
* Match (24 CFR § 576.201 Matching requirement)
* Record Keeping (24 CFR § 576.500(y) Period of record retention)
* Procurement (24 CFR 84.42 for private nonprofit organizations and 85.36 for governments)
* WBE/MBE(24 CFR 84 and 85 and Section 16.75(3m)(b) Wis. Stats)
* Program Income (24 CFR § 84.24 and § § 576.200 (f) Costs paid by program income)
* Transitional Housing (24 CFR § 576.2 Definitions)
* Local Unit of Government (24 CFR §576.202 (a)(2))

# 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 ETH 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, 2018 and end June 30, 2019. 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). HPP must be used as ESG match. Therefore, the total required match for each consolidated application is the request for ESG funding minus the request for HPP funding. All consolidated applications must submit a Consolidated Match chart that contains each match source. 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. Recipients must be able to report on the clients served and the kinds of services in the HMIS that were served through match dollars.
* 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. THP 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 $5 per hour or if the service is professional – the hourly rate charged by that professional.

Match may 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:

* **Certification from a Local Unit of Government***This needs to be submitted only for new projects***.** This certification does NOT need to be completed annually for the same project funded the previous year.
* **ESG Certification**All agencies requesting funding must submit this form.
* **Certification of the HUD COC**

All agencies requesting funds must submit a form or letter indicating that the project for which they are requesting funds has been certified by the HUD COC to which they geographically belong. If an agency was not certified by the HUD COC, they may submit an appeal.

* **Environmental Review of ESG Program Activities Exemption Form**All agencies requesting funding for exempted activities must submit this form – this includes agencies asking for funding only for financial subsidy and service activities.
* **Termination Procedures**All agencies requesting Rapid Re-Housing, Homelessness Prevention, Emergency Shelter, and Street Outreach funding must submit the agency termination procedures. The procedure must be in accordance with HEARTH regulations.
* **Written Standards**All agencies requesting funding must submit Written Procedures, whether at a subrecipient, local Continuum, or HUD Continuum level (see the instructions on the Written Standards form). Milwaukee, Madison and Racine continua must submit written standards that apply to each ETH sub-recipient.
* **Documentation of Match**

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

# Application Submission

**SUBMIT: ONE ELECTRONIC COPY** of each section by 4:00 PM on **Friday, April 20, 2018** todoadehcr@wisconsin.gov. Both the Budget and the 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. *NOTE: Signatures are not required for the electronic copies.*

AND

**ONE PAPER COPY** of your application postmarked or hand delivered by 4:00 PM on **Friday, April 20, 2018** to:

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| --- | --- |
| (Via US Postal Service):ETH Applicationc/o Landon WilliamsDivision of Energy, Housing, and Community ResourcesPO Box 7970Madison, WI 53707-7970 | (Via Hand Delivery):ETH Applicationc/o Landon WilliamsDivision of Energy, Housing, and Community ResourcesDepartment of Administration101 E. WilsonMadison, WI 53703 |

Applications received or postmarked after the deadline will not be considered.

## REQUIRED APPLICATION SECTIONS AND FORMAT

* LEAD APPLICANT PAGE (word or PDF)
* CONSOLIDATED BUDGET (excel)
* CONSOLIDATED MATCH (excel)
* RAPID RE-HOUSING (word or PDF)
* HOMELESSNESS PREVENTION (word or PDF)
* EMERGENCY SHELTER (word or PDF)
* STREET OUTREACH (word or PDF)
* HMIS (word or PDF)
* CONTINUUM PERFORMANCE (word or PDF – any attachments to this section may be word or excel)
* ATTACHMENTS
* ENVIRONMENTAL REVIEW FORMS OR ENVIRONMENTAL REVIEW EXEMPTION FORM (word or PDF)
* ESG CERTIFICATION (word or PDF)
* CERTIFICATION FROM A LOCAL UNIT OF GOVERNMENT (word or PDF)
* CERTIFICATION OF LOCAL HUD CONTINUUM OF CARE
* WRITTEN STANDARDS (COC or FOR EACH AGENCY SUBMITTING A PROJECT) (word or PDF)
* TERMINATION PROCEDURES (word or PDF))
* DOCUMENTATION OF MATCH (word or PDF)
1. Applications under this subtype may also fund HMIS-equivalent databases for agencies required to use them. [↑](#footnote-ref-1)