



## Homeless Action Network of Detroit MSHDA Emergency Solution Grants October 1, 2010 – September 30, 2011

This document gives an overview of information that will be presented at the August 12, 2010 meeting to review the 2010 -2011 MSHDA ESG application and program. More detailed information will be provided at that meeting. **Organizations that intend to apply for 2010 – 2011 MSHDA ESG funds must attend this meeting.**

### **Total Detroit ESG Allocation**

HAND will be informed at some point the first week of August what the ESG allocation will be for the Detroit CoC. Historically, the allocation has been \$450,500; we are anticipating an allocation similar to that once again.

### **Changes to Emergency Solutions Grants for 2010 – 2011**

#### “Renewal” vs. “New” Applicants

Due to the changes being made in how the ESG funds will be allocated, there will be no preference given to agencies that currently are, or have in the past, received MSHDA ESG funds. Historically, HAND has placed a priority on agencies applying for ESG funds to renew a currently-funded ESG program; that will not be the case this year. Each agency applying for ESG funds will be considered equally in terms of how it responds to the questions in the narrative portion of this application.

#### Grant Terms

The term of the grant that HAND will enter in to with MSHDA will be for 12-months: October 1, 2010 – September 30, 2011. The sub-grants that HAND enters into with the Single Point of Entry agencies may either be for this same time period, or may have a slightly later start date. Regardless, all ESG funds must be expended by September 30, 2011.

#### Grant Fiduciary

HAND will be the Grant Fiduciary for the MSHDA ESG funds for 2010 – 2011. This means that HAND will directly receive from MSHDA the entire ESG allocation, and sub-grant these funds to the agencies identified to be Single Point of Entry agencies through a competitive application process. HAND will also monitor the sub-grantees.

#### Use of Funds

MSHDA’s NOFA also allows ESG funds to be used for the following activities:

- Operating Expenses
- Essential Services
- Housing Stabilization Services
- Direct Financial Assistance
- Administrative Expenses

- Continuum of Care Coordinating Expenses

For the 2010 – 2011 funding term, HAND will be allocating funds to:

- Housing Stabilization Services
- Direct Financial Assistance
- Administrative Expenses
- Continuum of Care Coordination Expenses

HAND will not be allocating ESG funds to:

- Operating Expenses, nor
- Essential Services

Greater detail on how these funds can be used will be provided at the meeting.

Agencies currently receiving ESG funds for Operating Expenses or Essential Services may still apply for funds; however, the funds they apply for must be either Housing Stabilization Services or Direct Financial Assistance and must be used as detailed below.

### **Single Point of Entry**

One of the most significant changes with the new ESG is the establishment of “Single Point of Entry” agencies. The intent behind establishing these agencies is to have a “centralized intake & assessment process, thereby assuring a comprehensive service and housing delivery system”. HAND recognizes that transforming our community’s homeless service system into one that is centralized, easily accessible, and consistent will take time and resources. We are viewing this shift in ESG funding as a way to begin the larger process of moving our Continuum in a new direction.

For the purposes of the use the 2010 – 2011 MSHDA ESG funds in Detroit, the Single Point of Entry (SPE) will look as follows:

- The SPE will not necessarily be limited to just one physical location. Instead, there can be multiple agencies using the same process, forms, and procedures in determining eligibility for ESG assistance.
- Service providers will apply to become one of several “Single Point of Entry” agencies. This application process is outlined below.
- From the applications received, HAND identifies a limited number of providers (likely to be 4 – 6) to serve as Single Point of Entry agencies.
- The SPE agency will receive funds to provide direct financial assistance for people who are homeless or at-risk of becoming homeless. The agency may also receive Housing Stabilization funds for staffing costs, if needed.
- The Single Point of Entry agencies will all use the same process to screen and assess people for eligibility for ESG assistance, including the same forms. The policies and procedures for this process are being developed by HAND.
- All SPE agencies will enter into a Memorandum of Understanding (MOU). This MOU will define the role and responsibilities of each agency, including expected communication among agencies (meetings, data sharing, etc.)
- HAND is considering targeting specific geographic areas with these funds.

- All SPE agencies will be required to share their data within HMIS and to provide monthly reports to HAND.

**Detailed Use of Funds**

The ESG funds allocated to the Detroit Continuum of Care will be used for the following activities:

Housing Stabilization Services

Eligible activities:

- Housing stabilization services include arranging, coordinating, linking and monitoring the delivery of services that assist participants to obtain and sustain housing stability;
- Monitoring program participant progress;
- Assuring that the rights of participants are protected;
- Development of individualized Housing Plans for each program participant;
- Housing search and placement activities designed to assist participants in locating, obtaining and retaining housing which may include credit counseling, when needed;
- Costs associated with completing Housing Quality Standard (HQS) inspections and determining payment standards, if leasing assistance is provided

Direct Financial Assistance

All types of direct financial assistance are available for both prevention and rapid re-housing clients.

<b>Type of Financial Assistance</b>	<b>Maximum Amount Allowed Per Household</b>
Utilities (Arrearage, Deposits, Payments)	\$1,500
Rent Arrearage	3 months and only if it prevents eviction
Mortgage Arrearage	\$1,500 and only if it prevents foreclosure
Security Deposit	Cannot exceed one month's rent
Leasing Assistance	One month's rent only

CoC Coordinating Expenses

HAND is the only agency that will receive these funds. The funds will be used to cover expenses related to Continuum of Care costs as well as HAND's role as the Grant Fiduciary.

Administrative Expenses

Eligible Activities:

- Accounting
- Administration

- HMIS data entry
- Bookkeeping costs associated with the administering of direct financial assistance.

### **Ineligible Expenses**

Please see page 11 of MSHDA's Draft NOFA for ineligible activities for ESG funds. Also, note that HAND will not be allocating funds to Operating nor Essential Services.

### **Eligibility Criteria**

In order to be eligible to apply for ESG funds, an organization must meet the following criteria:

- Be a 501 (c) 3 non-profit agency or a local unit of government that operates its principle place of business in Michigan
- Experienced using the HMIS
- Must have at least one year experience providing services to people who are homeless or at-risk of becoming homeless.
- Must have been an active member of HAND for at least one year. For the purposes of this funding competition, "active" is defined as:
  - Attendance at bi-monthly meeting or other events
  - Currently have up-to-date membership dues
- A representative from the organization must have attended the HAND meeting on Thursday, August 12<sup>th</sup> and have submitted a letter of intent at that time.

### **Applicant Narrative Requirements**

To assist potential applicants as they considering applying for ESG funds, the following are questions applicants will be asked to respond to in their application:

- 1) Describe your organization's experience in either rapidly re-housing people who are homeless and/or preventing homelessness for people who are at risk of homelessness.
- 2) What types of partnerships does your organization have with other service providers in the community? Please describe the nature of these partnerships.
- 3) Describe successes your organization has seen in the past year in providing prevention and/or rapid re-housing activities. Specifically, please provide information on the following:
  - a) If providing Rapid ReHousing assistance:
    - Percentage of clients who leave shelter or another homeless situation for permanent housing placement
    - Average length of time it takes to re-house someone who is homeless. "re-housing" indicates the person is leaving the shelter for a permanent housing opportunity – not leaving the shelter due to timing out, being asked to leave, leaving for another shelter, etc.

- b) If providing Prevention assistance
    - Percentage of households that were prevented from becoming homeless (such as through landlord/tenant mediation)
    - Average length of time it takes to resolve the situation causing the person to be at-risk of homelessness
  - c) Provide data, from ServicePoint when possible, that supports these outcomes.
- 4) Describe the process by which a client accesses prevention or rapid re-housing services from your organization. The reviewers will want to understanding of how a client “flows” through the program: from the time when he/she first makes with contact your organization to when the assistance is provided.
  - 5) Describe how your organization helps a client address additional needs he/she may have (such as mental health treatment, job training, health referrals, etc) in addition to the need for financial assistance.
  - 6) Describe your organization’s experience in providing direct financial assistance to landlords, utility companies, or other entities on behalf of clients. Also indicate the source of these funds (i.e., HUD SHP, HPRP, City of Detroit ESG, foundation funds, private donations, etc.)
  - 7) Describe the internal process your organization uses to produce a check that is sent to a landlord, utility company, or other entity to which the financial assistance is approved. Also give the average turn-around time within your organization to produce the payment, once all of the required documentation and paperwork has been collected.

## **Timeline**

- August 12: Mandatory NOFA Workshop
- August 27: Applications Due
- Early/Mid-September: Applicants notified of funding recommendations/contracts out for signing
- Late September: Training will be provided to the agencies that will be administering the ESG program