Emergency Solutions Grants Program

Notice of Funding Availability

PROGRAM YEARS 2017 AND 2018

UPDATED JULY 2017

UPDATES ARE IN RED

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
Street Address: 221 East 11th Street, Austin, TX 78701Mailing Address: PO Box 13941, Austin, TX 78711
Main Number: 512-475-3800 Toll Free: 1-800-525-0657
Email: esg@tdhca.state.tx.us Web: www.tdhca.state.tx.us

Table of Contents

I. Overview

In anticipation of receiving approximately $8.4 million in Emergency Solutions Grants funds ("ESG") from the U.S. Department of Housing and Urban Development ("HUD") each year for the Program Years ("PY") 2017 and 2018, the Texas Department of Housing and Community Affairs (the "Department") is pleased to make available to cities, counties and private nonprofit corporations a Notice of Funding Availability ("NOFA") to allocate these funds. The Catalog of Federal Domestic Assistance ("CFDA") number for the ESG program is 14.231. The purpose of this program is to provide funding to local organizations to assist individuals experiencing homelessness or persons at risk of homelessness to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

This NOFA is posted on the Department's ESG NOFA webpage at: http://www.tdhca.state.tx.us/nofa.htm. The Application Guide and Intent to Apply are on the Application Material's at http://www.tdhca.state.tx.us/home-division/esgp/applications.htm. Instructions for submitting the Application are included in the Application Guide.

To promote local decision-making the Department has offered Continuum of Care ("CoC") Lead Agencies the opportunity to administer the Department's local competition of 2017 and 2018 ESG funding. The CoC Lead Agencies interested in doing so were required to apply to administer a local competition. CoC Lead Agencies selected to administer a local competition are called ESG Coordinators, and are listed below.

Entities interested in applying for ESG funding that are within any of these CoC areas must submit an Application to the ESG Coordinator through their local competition to be considered for ESG funding and are not eligible to submit an Application to the Department in response to this NOFA. The counties for which local submissions must be made (and for which Applications cannot be submitted to the Department), and the contact information to apply for funds through the ESG Coordinators are below:

Counties Covered	ESG Coordinators	Contact Information
Collin, Dallas	Metro Dallas Homeless Alliance	Cindy Crain cindy.crain@mdhadallas.org, (817) 991-9127
El Paso	El Paso Homeless Coalition	Camille Castillo ccastillo.epch@elp.twcbc.com, 915-843-2170
Fort Bend, Houston, Montgomery	Coalition for the Homeless of Houston/Harris County	Concetta Scerbo cscerbo@homelesshouston.org, 832-531-6024
Parker, Tarrant	Tarrant County Homeless Coalition	Lauren Helms lauren@ahomewithhope.org, (214) 537-7319

Each of the ESG Coordinators above will release their own ESG NOFA/Application consistent and compliant with the Department's NOFA, accept Applications for their CoC region, recommend to the Department the entities to receive awards of ESG funding, and accept appeals from ESG applicants on a similar timeline to the Department's award and appeal process.

The Department will hold a webinar on the date listed below, during which Department staff will review ESG NOFA and Application requirements and answer general questions regarding completion of an Application. Potential applicants should be familiar with all Application documents prior to the webinar. Details of Application-related issues may be announced via the Department's email distribution list. To join the NOFA e-mail distribution list, subscribe to "TDHCA Community Affairs List."

Questions pertaining to this NOFA may only be submitted in writing to esg@tdhca.state.tx.us. Questions will be either answered in writing or addressed at the ESG NOFA webinar. TDHCA staff cannot assist Applicants in preparing their Application.

II. ESG 2017/2018 NOFA and Application Timetable

Date(s) *	Activity
January 9, 2017	The TDHCA NOFA, Application Guide, and Intent to Apply are available at: http://www.tdhca.state.tx.us/nofa.htm
January 10, 2017	ESG NOFA/Application webinar
July 7, 2017	TDHCA begins application acceptance period
July 26, 2017	Deadline to submit an Intent to Apply, in order to receive an Application, password and username for electronic submission of Application
July 27, 2017	Deadline to submit ESG NOFA/Application questions by 5:00 p.m. Austin local time.
July 28, 2017	**The deadline to submit 2017/2018 ESG Applications by 5:00 p.m. Austin local time, with the exception of Attachment G: Local Government Approval**
August 21, 2017	Attachment G: Local Government Approval due by 5:00 p.m. Austin local time (as applicable)
July – August 2017	Department Review of Applications, Deficiency Process, Previous Participation Review Process, Scoring Notices, and Appeals Process
October 12, 2017	Department's Board to hear Applicant Appeals, if necessary
October 12, 2017	Department's Board approval of PY 2017/2018 ESG awards
October 2017	Department's notification to awarded Subrecipients; Subrecipients that are units of general purpose local government must obligate ESG funds within 120 days of receipt of the TDHCA award letter
November 2017	TDHCA and awarded ESG Subrecipients will execute PY 2017 contracts and contract implementation webinars will be conducted for awarded Subrecipients
November 1, 2017	PY2017 ESG contract start date **
August 31, 2018	PY2017 ESG contract end date; funds are recaptured upon contract end**
August, 2018	TDHCA and awarded ESG Subrecipients will execute PY 2018 contracts**
September 1, 2018	PY2018 ESG contract start date **
	PY2017 recaptured funds are allocated per the NOFA**

Date(s) *	Activity
	PY2018 ESG contract end date**

** The due dates of the application is now due July 21, 2017, following HUD announcement of the final 2017 ESG allocation. The Department requires that Applications to be submitted no sooner than 30 days after Texas's 2017 ESG allocation is announced by HUD.*

***Dates may change depending on TDHCA's actual receipt of HUD Grant Award Notification for 2017 and 2018 ESG funds, the extent of changes in the final ESG regulations, and whether such changes are applicable to 2017 and/or 2018 ESG awards. TDHCA must obligate funds within 60 days of execution of grant agreement by HUD.*

III. Background

The Department is designated by the Texas Legislature to administer the ESG Program. For Program Year PY 2016, the Department received $8,817,205. For each of PYs 2017 and 2018, the Department expects to receive either a similar level of funding or less. Using an allocation formula, the Department is making available a certain percentage of the State's ESG allocation to each CoC region to be awarded on a competitive basis within that region. The ESG funds can be used for the following purposes:

- The rehabilitation or conversion of buildings for use as emergency shelter for the homeless;
- The payment of certain expenses related to operating emergency shelters;
- Essential services related to emergency shelters and street outreach for the homeless; and,
- Homelessness prevention and rapid re-housing assistance.

For details on specific activities allowed under this grant refer to the *Eligible Activities* section of this NOFA.

Prior to submitting an Application, Applicants should read and carefully analyze all NOFA and program requirements. The Department expects Applicants to understand, and if funded, to comply with all the applicable ESG regulations. Capitalized terms in this NOFA are defined in the applicable federal or state regulations or rules. In particular, prior to applying, Applicants must understand the following regulations and program requirements:

- Interim ESG Regulations: 24 CFR Part 576 – The ESG interim rule, published in the *Federal Register* on December 5, 2011, establishes the regulations for the ESG Program.
- HEARTH Homeless Definition Final Rule: 24 CFR Parts 91, 582 and 583 – The final rule, published in the *Federal Register* on December 5, 2011, provides the homeless definition which applies to the ESG Program.
- Defining Chronically Homelessness Final Rule – The final rule, published in the *Federal Register* on December 4, 2015, goes into effect as of January 15, 2017. This rule redefines chronically homeless for use in HUD's CoC Program and Community Planning and Development Programs, including ESG.
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule: 2 CFR Part 200 – sets standard requirements for federal awards and supersedes OMB Circulars A-21, A-87, A-89, A-110, A-102, A-122, A-133 and Uniform Grant Management Standards.
- Texas Administrative Code: Administration and Enforcement – The provisions in Title 10, Part 1, Chapters 1 and 2 apply to administrators of TDHCA programs.

- Texas Administrative Code: General Provisions for Homelessness Programs – The provisions in Title 10, Chapter 7, Subchapter A apply to the Department's Homelessness programs including the ESG Program.
- Texas Administrative Code: ESG Rules – The provisions in Title 10, Chapter 7, Subchapter C, govern the administration of the Department's ESG funds.
- Program Requirements – There are numerous grant requirements that will apply to 2017 and 2018 ESG funds. Applicants should review these and understand the implications of complying with all grant requirements listed in the *Federal Program Requirements* section of this NOFA.[2]

In addition, Applicants are expected to become familiar with all program requirements by watching the available webinars and reviewing all the material published on the ESG program guidance page: http://www.tdhca.state.tx.us/home-division/esgp/guidance-solutions.htm

It should be noted that historically some ESG Subrecipients have found the regulations relating to documenting and calculating income, determining fair market rents, calculating utility allowances and preparing proper procurement to be challenging; it is strongly encouraged that before applying Applicants review the regulations governing these issues and feel confident in their ability to appropriately administer those activities. Webinars for many of these topics can be found online at http://www.tdhca.state.tx.us/home-division/esgp/video-library.htm.

Elements of the ESG program, as identified in this NOFA, are subject to change once final or further interim regulations for 24 CFR Parts 91 and 576 are released by HUD. The most current guidance and rules and regulations issued by HUD for the ESG program will supersede this NOFA. Program requirements may also be subject to change consistent with any changes to the rules for ESG in the Texas Administrative Code. The Department reserves the right, at its sole discretion, to suspend or amend the provisions of this NOFA during the Application period. If such an action occurs, the Department will post revisions to the NOFA on its website (http://www.tdhca.state.tx.us/nofa.htm).

IV. TDHCA's ESG Strategic Goals

The Department has developed strategic goals to guide the use of ESG funds in the state of Texas. These priorities are based on HUD's programmatic framework, as outlined in the HEARTH Act, the ESG Interim Rule, the Continuum of Care ("CoC") Interim Rule, as well as the priorities in Texas as outlined in the Pathways Home: A Framework to Address Homelessness in Texas and in the 2015-2019 State of Texas Consolidated Plan. The Department will prioritize Applications that align with these goals. These goals are embedded in the Application scoring criteria and Applications will score higher if they are designed to address these goals. ESG Planning is listed in the One Year Action Plan, which is released for public comment in the winter of each year, and, once approved by HUD, is posted online at http://www.tdhca.state.tx.us/housing-center/pubs-plans.htm.

V. Eligible Applicant Organizations

All Applicants seeking funding under this NOFA must have a Dun and Bradstreet Universal Numbering System ("DUNS") number. The Application document will provide instructions on where to list the Applicant's DUNS number.

[2] The applicant will be required to comply with program requirements as they exist at the start of the contract term.

Units of general purpose local government
Eligible units of general purpose local governments include cities, counties, and include metropolitan cities and urban counties that receive ESG funds directly from HUD and a consolidation of units of general purpose local governments, like a Council of Governments ("COG"). Other instrumentalities of a city or a county, like a Local Mental Health Authority ("LMHA"), may be eligible and may seek guidance from the Department before submitting an Application. Public Housing Authorities ("PHAs") or their instrumentalities are not eligible due to the definition in the HEARTH Act and cannot apply directly for ESG funds. However, PHAs may be eligible to serve as a partner in a Collaborative Application but may not serve as the lead entity in that Application.

Private nonprofit organizations
Eligible Applicant organizations also include private nonprofit organizations that are secular or religious organizations described in section 501(c) of the Internal Revenue Code of 1986, are exempt from taxation under subtitle A of the Code, have an accounting system and a voluntary board, and practice non-discrimination in the provision of assistance.

To be considered as a private nonprofit organization, an Applicant organization must document existing status as a 501(c) tax-exempt entity. Private nonprofit organizations applying for ESG funds must be established for charitable purposes and their activities include, but are not limited to, the promotion of social welfare and the prevention or elimination of homelessness. The entity's net earnings may not benefit any individual(s) affiliated with the organization or its governing board.

Pursuant to 24 CFR §576.202(a)(2), private nonprofit organizations that plan to conduct emergency shelter activities must obtain a certification of approval from the unit of general purpose local government for the geographic area in which the ESG emergency shelter activities are to be carried out. The Application document of the NOFA includes the form called *Local Government Approval for Private Nonprofit Organizations Conducting Emergency Shelter Activities.* <u>This is the only document that is permitted to be submitted after the other Application materials in order to allow local governments time to review the Application materials as needed.</u> Selected Subrecipients may only use shelter funds in geographical areas where the unit of general purpose local government has provided this certification by the deadline or if a Subrecipient wishes to expand its shelter activities after contract execution where an updated certification is submitted to the Department before funds are spent.

Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.

Domestic Violence Services Provider
A Domestic Violence Services Provider means a private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. This term includes rape crisis centers, battered women's shelters, domestic violence transitional housing programs, and other programs.

VI. Service Areas

The allowable service area is no smaller than one or multiple counties in Texas. ESG funds will not be permitted to be awarded within boundaries smaller than the boundaries of a county, unless the geographical area of the CoC is smaller than a county. In that case, the allowable service area is that of a COC.

A subrecipient may not use its ESG award for client activities outside the COC region it applied in, except for subcontracted goods or services, and rapid re-housing funds may be used in any geographical area (if allowed for in a Subrecipients written standards).

VII. Single and Collaborative Applications

An applicant may decide to apply for funds either as a Single Applicant or Collaborative Applicant, as described below.

Single Applicants

Eligible applicant organizations can decide to apply for ESG by submitting an Application on their own. If selected for funding, the single agency will have the ability to subcontract some of the services to be offered during the contract term with other agencies. Subcontracted services should preferably be identified in the Application; however changes post-award, in this regard will be permitted. In all cases subcontracts and contractors must be appropriately procured. Agencies that are considering applying as single applicants should keep in mind that the NOFA places a high priority on Collaborative Applications by awarding more points for higher outputs and outcomes and that the award amounts for a single applicant are less than the amounts available for Collaborative Applications.

Collaborative Applicants

A lead entity or Applicant can submit a Collaborative Application by partnering with up to five other separate organizations (for a total of six organizations) that bring other expertise to the proposal. Each Collaborative Application must designate one organization as the lead organization. During the preparation of the Application, the lead entity is responsible for gathering all necessary information from its partners and submitting a single Application for the entire group. If selected, the lead entity will be the entity that executes the contract with the Department and is responsible for all activities under the contract with the State.

A lead entity may not choose a partner who is a for-profit entity. However, an agency may choose to subcontract some of the services to be offered during the contract term with a for-profit entity.

Only agencies considered separate organizations can be partners in a Collaborative Application. The Department will evaluate, on a case by case basis, whether two organizations are considered separate organizations. Factors that the Department will consider to determine whether two entities are separate organizations include but are not limited to:

- Having separate board of directors;
- Having board members appointed by separate individual or individuals;
- Having the operations of the entities independent of each other, *e.g.,* each entity has its own management and offices; each entity has its own budgeting and financial systems; and
- The organizations require procurement to do business with each other.

An instrumentality of a city or county cannot be a partner agency for that city or county, and the reverse also applies. Additionally, lead entities that wish to partner with units of general purpose local governments must use appropriate procurement processes.

If the Department determines that one of the partner agencies is not a separate organization from another partner agency or from the lead entity, then funds requested in the Application award amount will be limited to the amount that is allowed without that partner included in the calculation.

The Department has placed a high priority on funding Collaborative Applications by developing scoring criteria which award more points for higher outputs and outcomes. Since Collaborative Applications are composed of multiple services provided by multiple partners, they are more likely to obtain a higher score by producing greater outputs and outcomes than an Application submitted by a single organization.

The Department recommends, but does require, that Collaborative Applications limit the number of organizations that provide each component: Street Outreach, Emergency Shelters, Homelessness Prevention and Rapid Re-housing or limit the number of organizations that serve different subpopulations. If a Collaborative Application is proposing multiple organizations to provide the same component, an explanation of the coordination to take place and efforts to reduce duplication of benefits is required. The Department is aware that there may be exceptions for Victims Service Providers/Legal Service Providers or other innovative collaborative efforts.

The lead organization will assume responsibility for the award on behalf of the group. The lead organization will be responsible for ensuring that partners are knowledgeable and adhere to ESG, federal, and state regulations; for identifying which services will be provided by each partner; for monitoring the performance of partners and ensuring compliance with the ESG program; and for providing training and technical assistance to partners or ensuring that partners receive such from the Department or the HMIS administrator. The lead agency in a collaborative contract will be responsible for submitting monthly financial and performance reports to TDHCA. The reports submitted by the lead agency include a compilation of information from the different collaborative agencies that make up the partnership.

For Collaborative Applicants proposing activities to establish or operate an HMIS-comparable database under 24 CFR §576.107(a)(3), where the lead agency is not a victim services or legal services provider, the Department will contract separately and directly with the victim services provider or a legal services provider that is part of the Collaborative for up to two such cases per Collaborative Application. However, the activities relating to the HMIS-comparable database should be submitted and will be scored along with the rest of the collaborative Application.

Ultimately, the lead Applicant will be responsible for complying with all ESG requirements and will be financially liable for any disallowed ESG program costs. Given these responsibilities, the Department highly recommends that the lead organization in a Collaborative Application develop a Memorandum of Understanding with its partners and budgets for a full-time or part-time position to assume oversight responsibilities as well conduct periodic monitoring of its partners. The Department also recommends that one of the partners in the Collaborative Application assigns a full-time or part-time position to assume responsibilities to oversee HMIS reporting for all partners.

Collaborative Partners vs. Contracting of Services

- A collaborative partner is an organization listed in a Collaborative Application that will provide homeless services that complement the lead entity and the Application.
- The collaborative partner can be either subgranted or subcontracted.
- A lead entity can only subgrant funds to a partner if the partner is a private nonprofit organization. The subgrant to a private nonprofit organization does not require competition or procurement. The lead entity may have a legally binding contract or other written arrangement to subgrant funds to its private nonprofit partners.
- ESG Subrecipients may award funds to private nonprofit organizations without conducting procurement procedures, unless prohibited by applicable Local Government Code. For all other transactions, procurement procedures must be conducted.

- For profit entities cannot be a partner in a Collaborative Application and their involvement requires a contractor relationship with competition and procurement.
- The number of partners in an Application is one of the factors used to determine the amount of funds the collaboration can request ($200,000 per partner per year, up to $600,000 per year outside Balance of State CoC; $150,000 per partner per year, up to $600,000 per year for the Balance of State CoC).

Applicants may choose to subcontract (after competition and procurement) the provision of goods and services to organizations outside of their Application group. Entities subcontracted in this manner would not appear in the Application and would not increase the amount of funds that can be requested in the Application.

VIII. Award Period and Contract Period[3]

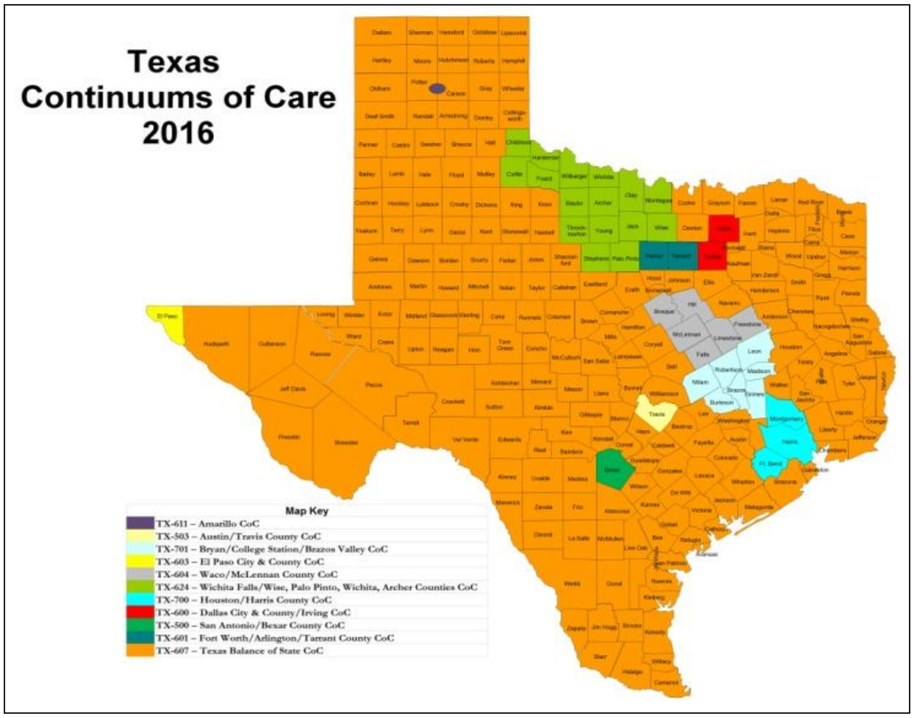
The award period for the funds awarded under this NOFA is for two years, and is intended to run from September 1, 2017 to August 31, 2019. For this Application, Applicants should set performance measures and budgets for a twenty-four-month cycle for PY 2017 and PY 2018 between September 1, 2017 and August 31, 2019. When TDHCA receives notice of ESG funding from HUD for PY 2018, TDHCA will reaffirm budgets and performance measures and execute new PY 2018 contracts with its Subrecipients based on the Subrecipients' PY 2017 performance.

The contract period will be divided into two contracts between September 1, 2017 and August 31, 2019. Each contract will start September 1 and end on August 31 (12 months).

IX. Award Amounts

The amount of funds that can be requested varies depending on whether the Applicant is a single or Collaborative Applicant and on the amount of funds available in the CoC region in which they are geographically located. The geographic boundaries of each CoC, are reflected in the map below.

[3] As reflected in the update to Section II in June 2017, the Department has not yet received its official award letter from HUD for 2017 ESG funds. 2017 ESG Contracts are now anticipated to begin in November 2017, but that date could be delayed depending on the Department's ability to access the 2017 ESG funding.



The following table depicts the available allocation for each CoC Region, based on the Texas 2017 and 2018 estimated ESG allocation. The amount of funds available will be confirmed once the Department receives its award announcement from HUD, and if that announcement arrives by March 15, 2017, the Department will amend the NOFA to reflect the award amounts If the amount is decreased after March 15, 2017, but before awards are selected by the Board, the Department will downwardly adjust recommendation amounts, or make up a de minimis amount of funding through TDHCA's administrative funds. If the amount is increased after March 15, 2017, but before awardees are selected by the Board, the Department may choose to adjust the recommendation amounts upward, may choose to put the remaining funding into a not fully funded Application, or may choose to keep de minimis funding for the Department's administrative activities.

The four factor allocation formula includes:

(1) Renter cost burden for households with incomes less than 30% Area Median Family Income ("AMFI") - HUD releases the Comprehensive Housing Affordability Strategy ("CHAS") datasets

(2) Number of persons in poverty -- from the five-year estimates of the American Community Survey ("ACS") as released by the U.S. Census Bureau

(3) Point-in-Time ("PIT") counts - annual counts of sheltered and unsheltered persons experiencing homelessness within the last two weeks of January required by HUD for CoC agencies.2016 ESG funding -- the amount of ESG funding received both by federal and state funding streams in the past year.

The PIT numbers for Montgomery County has been moved from Balance of State to the Coalition of the Homeless of Houston/Harris County/Fort Bend County/Montgomery County.

<u>Weights</u>: All factors are given equal weight of 50%. The 2016 ESG funding is given -50% weight in order to balance the positive weight of 150%.

<u>Minimum amounts:</u> Each CoC region is provided a minimum amount (a.k.a. "floor") of $100,000. This is accomplished by taking the amounts of all the regions with over $100,000 during the initial allocation, and

redistributing a proportional share to the regions with less than $100,000. Under the anticipated Allocation, no CoC regions were less than $100,000, so no reallocation occurs.

<u>Table Calculations:</u>

Cost Burdened Renters—Column B, C & D:

Column B—Cost Burdened Renter Households with Income less than 30% AMFI provided by CHAS data for 2008-2013

Column C—Percentage of Cost Burdened Renters with Income less than 30% AMFI is calculated by dividing each row in Column B by the total of Column B.

Column D—50% Funding Distribution Cost Burdened Renters is calculated by multiplying the total proposed funding for 2017 by 50%, then multiplying by the Cost Burdened Renters Percent [($8,464,517 x 50%) x Column C}.

Poverty—Column E, F & G:

Column E—Person in Poverty 2010-2015 numbers provided by CHAS data

Column F—Percentage of Poverty is calculated when dividing each row in Column E by the Total of Column E.

Column G—is calculated by multiplying the total proposed funding for 2017 by the 50%, and then multiplying by the Poverty 2010-2015 percent [($8,464,517 x 50%) x Column F}.

PIT—Column H, I & J:

Column H— 2016 PIT count provided by HUD

Column I— Percentage 2016 PIT is calculated when dividing each row in Column H by the Total of Column H.

Column J—is calculated by multiplying the total proposed funding for 2017 by the 50%, and then multiplying by the PIT percent [($8,464,517 x 50%) x Column I].

2016 ESG—Column K, L & M:

Column K—2016 ESG funds from federal and state sources

Column L—Percentage 2016 ESG funds is calculated when dividing each row in Column K by the Total of Column K.

Column M—is calculated by multiplying the total proposed funding for 2017 by the -50%, and then multiplying by the 2016 ESG percent [($8,464,517 x -50%) x Column L}.

Total Proposed for 2017:

Column N—The addition of Column D, Column G, Column J, and Column M. No CoC regions were less than $100,000, so no reallocation occurs.

CoC	(A) CoC	(B) Cost Burdened Renters w/income < 30% AMI (2008-2013)	(C) % Cost Burdened Renters w/income < 30% AMI (2008-2013)	(D) 50% Funding - Cost Burdened	(E) Poverty (2010-2015)	(F) % Poverty (2010-2015)	(G) 50% Funding - Poverty	
TX500	San Antonio/ Bexar County	40,625	7.16%	$304,684	312,088	6.98%	$296,736	Spread-sheet continued on next page
TX503	Austin/Travis County	37,120	6.55%	$278,397	180,220	4.03%	$171,355	
TX600	Dallas City & County/ Irving	84,975	14.99%	$637,305	537,750	12.02%	$511,297	
TX601	Fort Worth/Arlington/ Tarrant County	46,880	8.27%	$351,596	295,049	6.60%	$280,535	
TX603	El Paso City & County	15,975	2.82%	$119,811	185,728	4.15%	$176,592	
TX604	Waco/McLennan County	7,710	1.36%	$57,824	70,768	1.58%	$67,287	
TX607	Texas Balance of State	184,960	32.62%	$1,387,185	1,848,599	41.33%	$1,757,664	
TX611	Amarillo	4,950	0.87%	$37,125	33,058	0.74%	$31,432	
TX624	Wichita Falls/Wise, Palo Pinto, Wichita, Archer Counties	5,159	0.91%	$38,692	49,077	1.10%	$46,663	
TX700	City of Houston/Harris County	126,750	22.35%	$950,614	888,185	19.86%	$844,494	
TX701	Bryan/College Station/Brazos Valley	11,895	2.10%	$89,212	71,929	1.61%	$68,391	
Grand Total		**566,999**	**100%**	**$4,252,445**	**4,472,451**	**100%**	**$4,252,445**	

CoC	(A) CoC		(H) 2016 PIT	(I) % PIT	(J) 50% Funding - PIT	(K) 2016 ESG Awards	(L) % 2016 ESG	(M) Negative - 50% Funding - 2016 ESG	(N)Total anticipated allocation Funding for 2017
TX500	San Antonio/ Bexar County	Spread-sheet continued from previous page	2,781	12.03%	$511,463	$2,136,753	11.21%	$(476,831)	$636,052
TX503	Austin/Travis County		2,138	9.25%	$393,207	$1,215,068	6.38%	$(271,151)	$571,808
TX600	Dallas City & County/ Irving		3,810	16.48%	$700,710	$2,824,026	14.82%	$(630,201)	$1,219,112
TX601	Fort Worth/Arlington/ Tarrant County		1,938	8.38%	$356,424	$1,703,315	8.94%	$(380,106)	$608,449
TX603	El Paso City & County		1100	4.76%	$202,305	$949,991	4.99%	$(211,997)	$286,711
TX604	Waco/McLennan County		267	1.15%	$49,105	$101,142	0.53%	$(22,571)	$151,646
TX607	Texas Balance of State		5,687	24.60%	$1,045,915	$4,733,472	24.84%	$(1,056,306)	$3,134,458
TX611	Amarillo		592	2.56%	$108,877	$143,324	0.75%	$(31,984)	$308,381[4]
TX624	Wichita Falls/Wise, Palo Pinto, Wichita, Archer Counties		256	1.11%	$47,082	$-	0.00%	$-	$132,437
TX700	City of Houston/Harris County		4392	18.99%	$807,748	$5,248,771	27.54%	$(1,171,299)	$1,431,557
TX701	Bryan/College Station/Brazos Valley		161	0.70%	$29,610	$-	0.00%	$-	$187,212
Grand Total			**23,122**	**100%**	**$4,252,445**	**$19,055,862**	**100%**	**$(4,252,445)**	**$8,504,891**

[4] This number reflects an additional, one time allocation of $162,932 allocated by Congress to be spent in the Amarillo Continuum of Care. This additional allocation will not be used to determine the amount of 2018 ESG funds in the Amarillo Continuum of Care and applicants should adjust their funding requests and performance measures accordingly.

Single Applicants outside of the Balance of State

- Within each CoC region outside the Balance of State, Applicants may request no less than $200,000 per year unless the amount available in the region reflected in the table above is less than $200,000 per year. In those cases, Applicants must request an amount no less than the available allocation for that region. The budget and performance measures should be correlated to the aggregate two-year amount requested. If the second year award amount is significantly more or less than the first year amount, the Department may subsequently adjust performance measures accordingly in the second year budget.
- Single applicants may request a maximum of $250,000 per year, which would be $500,000 for two years.

Collaborative Applicants outside of the Balance of State

- For a Collaborative Application, the minimum request for a Collaborative Application is $200,000 per year, unless the amount available in the region reflected in the table above is less than $200,000 per year. In those cases the Collaborative Applicant may request an amount no less than the available allocation for that region. The maximum request amount is $200,000 per year times the number of partners in the Application, with a maximum request of $600,000 per year, which would be $1,200,000 for two years. The budget and performance measures should be correlated to the aggregate two-year amount requested.
- In a Collaborative Application, each partner is not limited to budgeting only $200,000 each per year; the total grant amount may be budgeted among all partners as agreed upon. For example, a Collaborative Application made up of 3 partners may apply for a total grant amount of $600,000 per year ($200,000 x 3), but can decide to budget $300,000 for Agency 1, $250,000 for Agency 2, $50,000 for Agency 3. In another example, a Collaborative of 2 agencies can request any amount over $200,000 per year and equal/ less than $400,000 per year ($200,000 X 2 partners= $400,000). A third example may be a Collaborative Application that requests $300,000 per year, which could be budgeted as follows: $150,000 for Agency 1, $150,000 for Agency 2.

Single Applicants within of the Balance of State CoC

- Within the Balance of State CoC region, Applicants may request no less than $100,000 per year, unless the amount available in the region is less than $100,000 per year, or $200,000 for two years. In those cases, Applicants must request an amount no less than the available allocation for that region. The budget and performance measures should be correlated to the aggregate two-year amount requested.
- Single applicants may request a maximum of $150,000 per year, which would be $300,000 for two years.

Collaborative Applicants within of the Balance of State CoC

- For a Collaborative Application, the minimum request for a Collaborative Application is $100,000 per year, unless the amount available in the subregion reflected in the table above is less than $100,000 per year. In those cases the Collaborative Applicant may request an amount no less than the available allocation for that region. The maximum request amount is $150,000 per year times the number of partners in the Application, with a maximum request of $600,000 per year, which would equal $1,200,000 for two years. The budget and performance measures should be correlated to the aggregate two-year amount requested.
- In a Collaborative Application, each partner is not limited to budgeting only $150,000 each per year; the total grant amount may be budgeted among all partners as agreed upon. For example, a Collaborative Application made up of 4 partners may apply for a total grant amount of $600,000 per

year ($150,000 x 4), but can decide to budget $300,000 for Agency 1, $200,000 for Agency 2, $50,000 for Agency 3 and $50,000 for Agency 4 per year. In another example, a Collaborative of 3 agencies can request up to $450,000 per year ($150,000 X 3 partners= $450,000). The $450,000 per year can be budgeted among all partners as agreed by all partners.

Award Restrictions

- The same organization can choose to submit multiple Applications in different CoCs in Texas, as long as the organization has a physical presence (*e.g.,* an office or a case manager doing street outreach) in each CoC, and conducts the initial intake of program participants in each CoC.
- An organization can only submit one Application as lead agency per COC region. For example, if the area served by the Applicant includes areas falling within two CoC regions, they may apply for funds in both CoCs (*i.e.,* submit two different Applications), once as a lead and once as a partner, or once as a partner and once as a partner.
- Single Applicants and Collaborative Applicants are limited to requesting no more than 60% of their annual budget for Street Outreach and Emergency Shelter activities. Within a Collaborative Application, the 60% limit applies to the entire Application per year and not to each partner within the Collaborative Application. This restriction does not apply to Applicants within a local competition as long as the ESG Coordinator ensures the total award recommendations do not exceed 60% of funding per year for Street Outreach and Emergency Shelter.
- If not using an Indirect Cost Rate, ESG Administrative Funds cannot exceed 3.0% of the total budget for Single Applicants and 3.5% of the total budget for Collaborative Applicants. If using an Indirect Cost Rate, ESG Administrative Funds cannot exceed 1.0% of the total budget.

Funds during the two-year contract cycle

Applicants will be requesting budget funds for two years as noted in the limits above. For example, if a Collaborative Application requests $500,000 per year, the budget and performance measures should reflect performance over 24 months based on an award of $1,000,000.

The amount awarded for the first contract is based on the competition outlined in this NOFA. Before entering into the second contract, TDHCA will determine how much funding is received by HUD and distribute the funding based on the proportion share that award received in the first year of the award cycle. For example, if the total received by TDHCA in year one is $8,000,000, and in year two is $8,500,000, the amount available to each Subrecipient before performance is considered will be approximately 105% adjusted proportionally. If the amount received by TDHCA for PY 2018 is less than PY2017, the amount available to each Subrecipient before performance is considered will be reduced proportionally from the first year award.

Any funds remaining in first year contracts will be recaptured ninety days after August 31, 2018 or the original end date in the 2017 ESG Contract. The recaptured funds, along with any disallowed costs, will be pooled options for awards as follows. The first step is to increase the award of Subrecipients that received a partial award in 2017 award cycle. Once the partial award is increased to the amount requested, the remaining funds will be pooled. The next step depends on the amount of funding available. If the remaining funds are over $50,000, the funds will be used to fund the highest scoring Applicant that was not originally funded. If the remaining funds are less than $50,000, the funds will be distributed to awarded Subrecipient(s) that have had the highest amount of success in meeting their PY 2017 performance measures.

Performance or benchmarks that could result in loss of some or all 2018 ESG funding include, but are not limited to, the following:

1. Delinquent submission of Audit Certification Form or Audit.
2. Failure to expend 60% of 2017 funding by July 1, 2018 or nine months after the start date in the 2017 ESG Contract.
3. Failure to meet performance measurements by more than 25%.

Funds as Grants

Funds awarded under this NOFA will be primarily distributed as grants. However, if an Applicant elects to renovate a building, the funds for that activity may be distributed as a deferred forgivable loan requiring a land use restriction agreement with the Department for the applicable use period. Refer to the ESG Interim Rule for information on eligible activities including renovation.

X. Match Requirements (24 CFR §576.201)

The Department will limit the total amount of match waivers for the application cycle to $100,000 plus the amount pledged above 100% of the awarded applications, minus the Department's administrative funds. ESG Subrecipients must match their award amount with an equal or greater amount of resources from other than ESG funds, unless a waiver is requested and approved by the Department. ESG Applicant organizations must demonstrate access to resources that may be used as match after the start date of the grant award. Matching funds used for this ESG project may not be used to match any other project or grant.

The Department will consider match waivers based on the size of the community, funds currently held by the ESG Applicant organization, losses of essential services from other funding sources, and other factors to determine which organization(s) will benefit from the match waiver. Applicants with an annual budget in excess of $600,000 are not eligible for a match waiver. Applicants that do not receive the waiver and that do not have a source of match funding will be ineligible for an ESG award.

Eligible Sources of Match

Matching contributions may be obtained from any source, including any Federal source other than the ESG program, as well as state, local, and private sources. However, the following requirements apply to matching contributions from a Federal source of funds:

- The Subrecipient must ensure the laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match ESG funds; and
- If ESG funds are used to satisfy the matching requirements of another Federal program, then funding from that program may not be used to satisfy the matching requirements as described in 24 CFR §576.201.

The funds may come from other public or private sources. Applicants, including the Lead Applicant and Collaborative Partners, may comply with this requirement by providing matching funds directly through cash or non-cash contributions. Note that the match requirement may be satisfied by one Collaborative Partner or all partners.

Recognition of Matching Contributions

- In order to meet the matching requirement, the matching contributions must meet all requirements that apply to the ESG funds provided by HUD, except for the expenditure limits in 24 CFR §576.100.
- The matching contributions must be provided after the start of the date that TDHCA receives the grant agreement from HUD.
- To count toward the required match for the Applicant's contract period, contributions must be expended during the contract period.

- Contributions used to match a previous ESG grant may not be used to match a subsequent ESG grant.
- Contributions that have been or will be counted as satisfying a matching requirement of another Federal grant or award may not count as satisfying the matching requirement of this section.
- Match can only be provided for activities in which the applicant received ESG funds plus administrative activities.

Calculations for Non-Cash Benefits

Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work within the Applicant's organization or if not available then at rates consistent with those paid by other employers for similar work in the same labor market.

If a non-cash contribution is real property, equipment, goods, or services that, if the Applicant had to pay for them, would have been paid for with indirect costs, then they may only be used as match if the Applicant has established a special rate for allocating the value of the contribution to individual programs.

1. **Donated Supplies (Non-Cash):** donated goods such as clothing, furniture, equipment, etc. Include the source and an estimated value for all donated goods.

2. **Value of Donated Building (Non-Cash)**: To determine the value of any donated material or building, or of any lease, the Applicant must use a method reasonably calculated to establish the fair market value.

   2 CFR §200.306(d) establishes that the value of the donated property (for the ESG Match), for cost sharing or matching must be **THE LESSER OF**:

   (1) The value of the remaining life of the property recorded in the Applicant's accounting records at the time of donation or
   (2) The current fair market value.

   Remaining Life of the Property

   To determine the remaining life of the property recorded in the Applicant's accounting records at the time of match to the ESG program, the agency would look at its latest Single Audit or if a Single Audit was not required to be performed, the Applicant's audited Financial Statements. Once the value of the remaining life of the property is determined, the agency can use a portion of such value as ESG Match based on cost allocation principles. *Applicants using the remaining life of the property as part of its ESG match must submit the accounting records as part of the Application to show the property's value. It must also show the calculation on how a portion of the value was estimated to be used by the ESG grant.*

   Current Fair Market Value

   To obtain the current fair market value, the Applicant must submit as part of the Application a letter from a licensed real estate salesperson, broker or licensed appraiser that specifies the location of the building, habitable square footage, value per square foot, and total fair market value for the building. The letter must be current as of the year 2017. Once the value is determined, the Applicant can use a portion of such value as ESG Match based on cost allocation principles.

3. **Fair Rental or Lease Value (Non-Cash)**:–To determine the Fair Rental or Lease Value of a space that you rent for below market value obtain a letter from a licensed real estate salesperson, broker or licensed appraiser that specifies the location of the building,

habitable square footage, value per square foot, and total lease or rent value based on 12-month occupancy. *The letter must be current as of the year 2017.* Once the rental value is determined, the Applicant can use a portion of such value as ESG Match based on cost allocation principles.

An Applicant may use the actual value of rent as Match as long as it is reasonable as defined by 2 CFR §200.404.

4. **Volunteers (Non-Cash):** Volunteers are person not paid for their time or services provided to the Applicant organization. Time and services contributed by volunteers must be valued at rates consistent with those ordinarily paid for similar work in the Applicant's organization. If the Applicant does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market.

XI. Application Review Process

A. The Department or ESG Coordinator Review

The table below, consistent with Section I, identifies all of the CoC regions and shows whether ESG applicants in that region will follow the Department's Application Process under this NOFA or respond to the local competition of an ESG Coordinator (*i.e.*, a CoC Lead Agency selected to run a local competition on behalf of the Department). The remainder of this section relating to the Review Process is applicable only to those applicants in areas noted below as "TDHCA" and who are applying directly to the Department for ESG funds.

Counties Covered	ESG Coordinator	Contact Information
Collin, Dallas	Metro Dallas Homeless Alliance	Cindy Crain cindy.crain@mdhadallas.org, (817) 991-9127
El Paso	El Paso Homeless Coalition	Camille Castillo ccastillo.epch@elp.twcbc.com, 915-843-2170
Fort Bend, Houston, Montgomery	Coalition for the Homeless of Houston/Harris County	Concetta Scerbo cscerbo@homelesshouston.org, 832-531-6024
Parker, Tarrant	Tarrant County Homeless Coalition	Lauren Helms lauren@ahomewithhope.org, (214) 537-7319

B. Eligibility, Threshold Documents and Deficiencies

All Applications must be submitted using the electronic submission process. Failing to submit the Application documents through the electronic submission process specified in the Application Guide will cause the Application to be considered ineligible and cannot be remedied through the deficiency process. After the Application receipt deadline, the Department will not consider any unsolicited information that an Applicant submits.

After the Department receives an Application, the Department will review project Applications to determine if they meet eligibility and threshold requirements. The Department may contact the Applicant to clarify items in its Application or issue a deficiency notice for documents. The time period for responding to a deficiency notice starts on the first business day following the deficiency notice date. If a response is not received until after 5:00 pm Austin local time on the fifth business day, then one (1) point will be deducted from the selection criteria score for each additional business day the deficiency remains unresolved. If a response is not by 5:00 pm Austin local time on the seventh business day following the date of the deficiency notice, then the Application will be terminated.

Deficiency notices will be e-mailed to the Applicant's chief executive and the person specified as the "person to contact with ESG Application questions" in the Application document. For threshold items, if the Applicant does not provide the requested information in the time period requested in the notice, the Applicant will be notified of the termination of the Application.

During the review process, Applicants and collaborative partners will be reviewed to determine that they are legally eligible to be awarded ESG funding. Reasons for possible ineligibility include, but are not limited to, debarment, not being an eligible lead entity, or issues that arise as the Department's Previous Participation review occurs as outlined in 10 TAC §1.5. For Collaborative Applications, the Department may determine one or more partners ineligible. The Application may only remain in the competition if the remaining partners can compensate for the removed partner by providing the services and meeting the targets as described in the submitted Application.

C. Scoring of Applications

TDHCA will not score Applicants higher than their self score for each individual scoring item. Upon Department determination of scores, the Department will notify each Applicant via email of their score, identifying any specific scoring criterion in which the score awarded is lower than the self-score, and providing notification of a right to appeal a score.

Scoring will be conducted on the following items:

Part I - Program Description and Capacity

Part I. #	Question Overview	Scoring Mechanism
B4	Transition: Helping persons or households make the transition to permanent housing and independent living.	• Description with processes used, titles identified, and key events included = 25 • Description with processes used = 10 points
B5	Shorten and Prevent: Shortening the period of time and prevention of repeated homelessness for individuals and families experiencing homelessness.	• Description with processes used, titles identified, and key events included = 25 • Description with processes used = 10 points
B6	Avoidance: Help avoid homelessness for persons being discharged from publicly-funded institutions and systems of care, and low-income individuals and families who are receiving public or private assistance.	• Description with processes used, titles identified, and key events included = 25 • Description with processes used = 10 points
C1	Involvement of clients	• 3 clients in i, ii, or iii = 25 pts • 2 clients in i, ii, or iii = 15 pts • 1 client in i, ii, or iii = 10 pts • No client with any involvement = 0 pts
D1	Experience administering federal, state and homelessness programs.	• Avg. 6+ years = 25 pts • Avg. 1-5 years = 15 pts • less than 1 year = 0 pts

Part I. #	Question Overview	Scoring Mechanism
D2	Management experience possessed by CEO, fund accounting experience possessed by CFO, and program management experience possessed by homeless program director.	• Avg. 6+ years = 25 pts • Avg. 1-5 years = 15 pts • less than 1 year = 0 pts

Part II – Contract History and Budget

Part II. #	Question Overview	Scoring Mechanism
Ch1	Percentage of 2015 ESG funds unexpended, as of December 31, 2016	• 0-3% not expended = 0 points • 4-10% not expended = -10 points • 11%+ not expended = -20 points
Ch2	Submission of Late Reports (October 1, 2015 - December 31, 2016)	• 0-1 late report = 0 points • 2-3 late reports = -10 points • 4+ Reports Late = -20 points
CH3	Percentage of targeted clients not served with Street Outreach funds.	• 0%-4% = 0 points • 5-15% clients not served = -10 points • 16%+ clients not served = -20 points
Ch4	Percentage of targeted clients who did not achieve the outcome of being placed in temporary or transitional housing destination as a result of ESG Street Outreach Assistance	• 0-4% = 0 points • 5-15% did not achieve outcome = -10 points • 16%+ did not achieve outcome = -20 points
CH5	Percentage of targeted clients not served with Emergency Shelter funds.	• 0-4% = 0 points • 5-15% clients not served = -10 points • 16%+ clients not served = -20 points
CH6	Percentage of targeted Emergency Shelter clients who did not achieve the outcome of exiting into a permanent housing destination	• 0-4% = 0 points • 5-15% did not achieve outcome = -10 points • 16%+ did not achieve outcome = -20 points
CH7	Percentage of targeted clients not served with Rapid Re-Housing funds.	• 0-4% = 0 points • 5-15% did not achieve outcome = -10 points • 16%+ did not achieve outcome = -20 points
CH8	Percentage of targeted Rapid Re-Housing clients who did not achieve the outcome of maintaining housing for 3 months or more.	• 0-4% = 0 points • 5-15% did not achieve outcome = -10 points • 16%+ did not achieve outcome = -20 points

Part II. #	Question Overview	Scoring Mechanism
CH9	Percentage of targeted clients not served with Homeless Prevention funds.	• 0-4% = 0 points • 5-15% of the clients not served = -10 points • 16%+ of the clients not served = -20 points
CH10	Percentage of targeted Homelessness Prevention clients who did not achieve the outcome of maintaining housing for 3 months or more	• 0-4% = 0 points • 5-15% did not achieve outcome = -10 points • 16%+ did not achieve outcome = -20 points
C7	**Matching funds:** Are the total matching funds 110% or more of the total ESG request for year 1?	Yes = 25 points No = 0
C8	**Matching funds:** Are the total matching funds 110% or more of the total ESG request for year 2?	Yes = 25 points No = 0

Part III – Performance

Part III. #	Question Overview	Scoring Mechanism
T1 - Persons	**Street Outreach:** Unduplicated number of persons served with street outreach funds	710+ = 40 points 241-709 = 30 points 111-240 = 20 points 1-110 = 10 points
T3 - %	**SO Temporary Housing Destination:** Percent of unduplicated number of persons placed in temporary or transitional housing destinations or permanent housing destinations as a result of ESG street outreach assistance	70%+ = 50 points 36-69% = 40 points 6-35% = 30 points 1-5% = 20 points
U4 - Persons	**ES Essential Services:** Unduplicated number of persons served with essential services	1150+ = 40 points 501-1149 = 30 points 171-500 = 20 points 1-170 = 10 points
U5 - %	**ES Temporary Housing Destination:** *Percent of* unduplicated number of persons exiting to temporary or transitional housing destinations as a result of receiving ESG emergency shelters services	35%+ = 50 points 21-34% = 40 points 11-20% = 30 points 1-10% = 20 points
U6 - %	**ES Permanent Housing Destination:** *Percent of* unduplicated number of persons exiting to Permanent Housing destinations* as a result of receiving ESG emergency shelters services	40%+ = 50 points 31-39% = 40 points 11-30% = 30 points 1-10% = 20 points

Part III. #	Question Overview	Scoring Mechanism
V5 - %	**HP Maintaining Housing:** Percent of unduplicated number of persons who after program exit maintained their housing for 3 months or more as a result of receiving ESG homelessness prevention assistance	75%+ = 50 points 46-74% = 40 points 31-45% = 30 points 1-30% = 20 points
V6 - %	**HP Permanent Housing Destination**: Percent of unduplicated number of persons who at program exit had a Permanent Housing destinations as a result of receiving ESG homelessness prevention assistance	85% = 50 points 51-84% = 40 points 31-50% = 30 points 1-30% = 20 points
V7 - persons	**V.7 Higher Income Persons -** Unduplicated number of persons with higher income at program exit than at program entry as a result of receiving ESG homelessness prevention assistance	125+ = 40 points 31-124 = 30 points 21-30 = 20 points 1-20 = 10 points
W5 - %	**W.5: Maintaining Housing:** Percent of unduplicated number of persons who after program exit maintained their housing for 3 months or more as a result of receiving ESG rapid re-housing assistance	70%+ = 50 points 36-69% = 40 points 16-35% = 30 points 1-15% = 20 points
W6 - %	**W.6: Permanent Housing Destination:** *Percent of* unduplicated number of persons exiting to Permanent Housing destinations as a result of receiving ESG rapid re-housing assistance	85%+ = 50 points 71-84% = 40 points 41-70% = 30 points 1-40% = 20 points
W7 - persons	**W.7: Higher Income:** Unduplicated number of persons with higher income at program exit than at program entry as a result of receiving ESG Rapid Re-housing assistance	140+ = 40 points 41-139 = 30 points 16-40 = 20 points 1-15 = 10 points
High Barriers - %	**Serving Persons with Higher Barriers** (i.e. persons with serious mental illness, OR persons being recently released from an institution, OR person with substance-use disorder; OR veterans OR survivors of domestic violence OR youth aging out of foster care; OR persons transitioning out of incarceration)	• 41%+ = 50 points • 21-40% = 40 points • 6-20% = 30 points • 1-5% = 20 points
Rural	**Rural Counties:** The percentage of clients to be served that live in rural counties	• 41%+ = 80 points • 21-40% = 60 points • 11-20% = 40 points • 1-10% = 20 points
Colonia	**Colonia clients:** Clients to be served live in colonias?	Yes = 10 points; No = 0 points

Attach A #	Question Overview	Scoring Mechanism
A1	Agency's participation in CoC planning meetings in 2016	• Attended at least half or more of the total meetings = 30 pts • Less than half of meetings attended = 0 pts To score for collaborations, take the total number of points earned by lead or partners, and divide by number of organizations in the application.
A2	Agency was involved in the 2017 Point-in-Time Count	• Yes = 30 pts • No = 0 pts To score for collaborations, take the total number of points earned by lead or partners, and divide by number of organizations in the application.
A3	Consulted with the CoC on proposed ESG project	• Yes = 30 pts • No = 0 pts To score for collaborations, take the total number of points earned by lead or partners, and divide by number of organizations in the application.
A4	CoC Alignment: Do the proposed ESG activities align with the CoC's priorities?	• Yes = 30 pts • No = 0 pts To score for collaborations, take the total number of points earned by lead or partners, and divide by number of organizations in the application.
A5	Coordinated Entry: Does the ESG applicant uses the Coordinated Entry process established by the CoC	• Yes = 30 pts • No or N/A = 0 pts To score for collaborations, take the total number of points earned by lead or partners, and divide by number of organizations in the application.

D. Ranking of Applications

The Department will evaluate, determine eligibility and satisfaction of threshold criteria and then score Applications in accordance with the Scoring Instrument in the Application.

The ESG Application will be assessed based on a 1,000 point scale. Applicants' scores will be determined by adding their scores in the following sections:

- Part I: Program Description and Capacity – 150 points
- Part II: Contract History and Budget – 50 points
- Part II: Performance – 650 points
- Attachment A: CoC Participation – 150 points

Self-Scoring

Application Reviewers will not score an Applicant higher than their self score. As part of the Application documents, the Applicant must complete a self-scoring instrument indicating the scores it is requesting for each item and that it believes are supported through the Application's supporting documentation. The scoring instrument submitted by the Applicant will assist the Department in its review of the Application, and will demonstrate to the Applicant the competitiveness of their proposal. Department staff will determine the final points to be awarded based on the questions answered in the Application and the evidence provided through supporting documentation as applicable. The Department's final points are independent of the score the Applicant assigned itself on the scoring instrument submitted as part of the Application.

XII. Selection of Awardees and Allocation of Funds

The Department will use the following steps in determining which Applicants will be recommended for funding. In the unlikely event of a tie score, the Department will fund the Applicant with the highest score in Part III of the Application.

Step 1: Previous Participation Review

- Prior to possible recommendation of an award of ESG funds to the Department's Board, all Applications and the parties associated with the Application, must be reviewed in accordance with the Department's Previous Participation review process outlined in 10 TAC §1.303.

Step 2: Assigning award amounts using the Applicant's score ranking in the region

- Eligible Applications will be ranked in descending order by score within the CoC region in which they are geographically located. ESG funds reserved for each region will be obligated starting with the Applicant with the highest score, until funds available in Year One (anticipated 9/1/2017-8/31/2018) and projected funding for Year Two (anticipated 9/1/2018-8/31/2019) are fully obligated or until an Application cannot be fully funded. While awards will be made for two years during this NOFA process, the funding amount the second year will be proportionally adjusted based on the funding amount of ESG funding received by TDHCA, minus the Department's administrative funds.

Step 3: Allocating remaining funds[5]

- Remaining funds from all regions with too few qualifying Applications will be pooled together along with any remaining funds from all regions that were not able to completely fund the next qualified Application, in an effort to fully fund as many Applications as possible. Remaining funds will be allocated starting with the region with the greatest proportional share of its allocation still unallocated, and proceeding to award in that region with the next highest scoring Application.

Step 4: Allocating remaining funds

- Any funds still remaining after Step 3 will be allocated to the region with the greatest proportional share of the state's renters with cost burden.

Step 5: Allocating remaining funds

- If there are not enough eligible applicants to be funded and there are still funds remaining, the Department may award recommended Applicants with an award amount in excess of the funds requested and in excess of the award amount limits identified in the NOFA, starting with the regions

[5] Except for the first $162,932 from the Amarillo CoC, which if there are insufficient qualifying Applications in the Amarillo COC the Department will directly award to a qualified Subrecipient in the area.

with the greatest proportional share of the state's renters with cost burden, awarding Applications in rank order by score.

If, subsequent to announcement of awards made under the PY2017/2018 NOFA, additional funds become available either through a supplemental appropriation, return of funds, recapture of prior year funds, will be distributed as follows. The first step is to increase the award of Subrecipients that received a partial award in the 2017 award cycle. Once the partial award is increased to the amount requested, the remaining funds will be pooled. The next step depends on the amount of funding available. If the remaining funds are over $50,000, the funds will be used to fund the highest scoring Applicant that was not originally funded. If the remaining funds are less than $50,000, the funds will be distributed to awarded Subrecipient(s) that have had the highest amount of success in meeting their PY 2017 performance measures (if prior year funds are received by as of March 31, 2018), or 2018 performance measures (if funds received by March 31, 2019). If the funds are less than $5,000 the Department may retain it for its administrative activities.

Adjustments to Funding

After the Department has scored and ranked all Applications, it will present its recommendations of the PY 2017 and 2018 awards to the Executive Award and Review Advisory Committee ("EARAC") which authorizes any and all recommendations presented to the Board. The Department may require selected Applicants to adjust specific terms of the funding agreement and budget to ensure compliance with rules and regulations or recommendations made in accordance with the Previous Participation process as outlined in 10 TAC §1.302. In cases where the Applicant does not wish to accept the adjustments or conditions imposed by the Board, thereby not accepting their award, or if a selected Applicant fails to provide the Department with requested information, an award will not be made to that Applicant. In such an instance, the Department may offer an award to the next Applicant in line to receive funding.

To ensure the fair distribution of funds and enable the purposes or requirements of a specific program to be met, the Department reserves the right to fund less than the full amount requested in an Application. The Department will not fund any portion of an Application that: (1) is not eligible for funding under specific ESG program statutory or regulatory requirements; or (2) does not meet the requirements of this NOFA.

XIII. Award Information

Funding Decision

The Department staff will present its award recommendation to its Board at a duly posted Board meeting expected in **October, 2017**. Prior to the Board meeting the award recommendations will be posted on the Department's website. The award recommendations will request Board approval of the PY2017 and 2018 funds, conditioned on receipt of 2018 ESG funds from HUD, and continued compliance on ESG regulations.

Appeal Process

Applicants may appeal the results of the Department's review and selection process if they believe an error has occurred. Appeals must be submitted in writing by following the procedures stated in 10 TAC §1.7 and 1.8 relating to Staff and Board Appeals in the *Grounds to Appeal Staff Decision* section. Appeals will be heard at one or more of the Board meetings prior to the meeting at which the award recommendations will be made.

Contracts and Reporting Requirements

Proposed Application outputs and outcomes for each year will be incorporated into each year's contract as performance measures for applicants selected as Subrecipients. With the exception of extraordinary circumstances (to be determined by TDHCA) that may affect a Subrecipient's ability to meet the proposed targets, awardees that receive an allocation equal to or greater than the amount requested in their Applicants may request changes to their performance measures, which will be reviewed by the Department. Scores are in part based on the proposed performance measures, and Applicants are expected to meet those targets by the end of the contract period. Subrecipients that receive an allocation smaller than the one originally requested may be allowed to adjust the performance targets in proportion to the reduced funding.

Subrecipients are required to submit monthly reports on the accomplished outputs and outcomes as well as on financial expenditures. Specific information on the format and due dates of required reports will be provided to Subrecipients at the time of contract execution. The Department may terminate the contract with a Subrecipient if any Subrecipient, including partners in a collaborative effort, is not complying with the contract and program requirements. ESG contracts will be signed electronically and ESG monthly reports will be submitted electronically. Subrecipients must have access to an internet-connected computer to sign the ESG contract and submit monthly reports. Subrecipients must be able to operate software such as Microsoft Word, Excel, and Acrobat PDF and exchange information with the Department via e-mail, electronic surveys and electronic forms.

Subrecipients may request reimbursement on a monthly basis for the ESG expenses incurred and submitted during the previous month. In the cases of collaborative Subrecipients, the lead agency will receive the funds as reimbursement and they would in turn disburse the funds to its partners.

XIV. Eligible Program Participants

ESG funds may used to serve persons that are either at risk of homelessness or experiencing homelessness as defined in 24 CFR §576.2.

XV. Eligible Activities

ESG funds may be used for six program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, HMIS, and administrative costs as defined in 24 CFR §576.100-109. Pursuant to 24 CFR §576.100(b), the total amount of an Applicant's budget for street outreach and emergency shelter cannot exceed 60% of their total grant amount per year. Within a Collaborative Application, the 60% limit for Street Outreach and Emergency Shelter applies to the entire Application and not to each partner within the Collaborative Application. Administrative funds for a Single Applicant cannot exceed 3.0% of the total budget; Administrative funds for a Collaborative Applicant cannot exceed 3.5% of the total budget.

XVI. Federal Program Requirements

All Applicants are expected to carefully read and analyze the following requirements and corresponding citation before completing an Application. Applicants selected to become Subrecipients must comply with all applicable federal requirements and are specifically advised of the following requirements:

1. **Area-wide systems coordination requirements - 24 CFR §576.400**
   Coordination with other Targeted Homeless Services - 24 CFR §576.400(b)
   Subrecipients must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by the Continuum of Care or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area.

System and Program Coordination with Mainstream resources - 24 CFR §576.400(c)
Subrecipients must coordinate and integrate, to the maximum extent practicable, ESG funded activities with mainstream housing, health, social services, employment, education, and youth programs for which families and individuals at risk of homelessness and homeless individuals and families may be eligible. Refer to 24 CFR §576.400(b) for a list of mainstream resources to coordinate ESG activities.

Centralized or Coordinated Assessment - 24 CFR §576.400(d)
CoCs are required to establish a centralized or coordinated assessment system. Subrecipient will be required to participate in the centralized system. Subrecipient must maintain evidence of the use of, and written intake procedures for, the centralized or coordinated assessment systems(s) developed by the Continuum of Care. If the Subrecipient's CoC does not yet have a centralized or coordinated assessment system or procedures or if Subrecipient is a legal or a victim service provider choosing not to use the CoC centralized or coordinated assessment system, Subrecipient must have and consistently apply written standards for assessment.

2. Written Standards for Providing ESG assistance - 24 CFR §576.400(e)
Subrecipients must establish and consistently apply within the Subrecipient's program, written standards for providing ESG assistance. If an Applicant is awarded funds, the selected Subrecipient must provide to the Department a copy of the written standards for providing ESG assistance prior to contract execution. Refer to 24 CFR §576.400(d) for a discussion of the written standards. The standards must include at a minimum:

- Standard policies and procedures for evaluating individuals' and families' eligibility for ESG assistance;
- Standards for targeting for persons experiencing homelessness and providing essential services related to street outreach;
- Policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG, including standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, *e.g.*, victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the longest;
- Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter;
- Policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers; other homeless assistance providers; and mainstream service and housing providers listed on 24 CFR §576.400(b) and (c);
- Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and rapid re-housing assistance;
- Standards for determining what percentage or amount of rent and utilities costs each program participant must pay, when applicable, while receiving homelessness prevention or rapid re-housing assistance;
- Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time;
- Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to be provided to a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant may receive assistance; or the maximum number of times the program participant may receive assistance; and
- The utilization of a Limited English Proficiency Plan.

3. **Participation in HMIS 24 CFR §576.400(f)**
   Subrecipients will be required to ensure that data on all persons served and all activities provided under ESG are entered into the community-wide HMIS system designated by the CoC for the area in which those persons and activities are located, or a comparable database, in accordance with HUD's standards on participation, data collection, and reporting under a local HMIS. Subrecipients are required to enter into an agreement with the local HMIS Administrator for reporting.

   If the Subrecipient is a victim service provider or a legal services provider, it may use a comparable database that collects client-level data over time (*i.e,* longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into HMIS or provided to an HMIS administrator.

   The comparable database must comply with all current HMIS standards including data information, security, data quality, and processing standards, as established by HUD in its latest HMIS Data Standards guide. Victim Service Providers or Legal Services Providers that are awarded ESG funds must consult with the CoC and the HMIS administrator for the continuum of care area to ensure that the comparable database uses all the HMIS standards.

4. **Evaluation of Program Participant Eligibility and Needs - 24 CFR §576.401**
   Subrecipients must conduct an initial evaluation to determine the eligibility of each individual or family's eligibility for ESG assistance and the amount and types of assistance the individual or family needs to regain stability into permanent housing. These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under 24 CFR §576.400(d) and the written standards established under 24 CFR §576.400(e) and all the guidelines outlined on 24 CFR §576.401(a).

   Subrecipients must re-evaluate the program participant's eligibility and the types and amounts of assistance the program participant needs according to the requirements outlined in 24 CFR §576.401(a). Furthermore, each program participant receiving homelessness prevention or rapid-re-housing assistance is required to meet regularly with a case manager (except where prohibited by Violence Against Women Act ("VAWA") and the Family Violence Prevention and Services Act ("FVPSA")) and the assistance provider must develop an individualized plan to help that program participant retain permanent housing after the ESG assistance ends. These requirements are intended to help ensure that the ESG-funded emergency, short-term or medium-term assistance will be effective in helping program participants regain long-term housing stability and avoid relapses into homelessness.

5. **Terminating Assistance - 24 CFR §576.402**
   If a program participant who receives ESG assistance violates program requirements, the Subrecipient may terminate the assistance in accordance with a formal process established by the Subrecipient that protects the rights of the individuals affected. Therefore, a formal process must be in place. This applies to all forms of ESG assistance. For more information, refer to the guidelines outlined in 24 CFR §576.402.

6. **Shelter and Housing Standards - 24 CFR §576.403**
   Subrecipients are responsible for the performance of inspections to ensure that shelter and housing occupied by ESG participants meets the following standards.

   Lead Based Paint Act - 24 CFR §576.403(a)
   Lead-based paint remediation and disclosure applies to all ESG-funded shelters and all housing occupied by ESG participants. The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the

Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C 4851-4856), and the relevant subparts of the implementing regulations at 24 CFR Part 35, Subparts A, B, H, J, K, M and R apply to activities under this grant program. The Subrecipient must also comply with the Lead, Renovation, Repair, and Painting Program Final Rule, 40 CFR Part 745, where applicable.

Minimum Standards for Emergency Shelters and for permanent housing 24 CFR §576.403(b)&(c)
Emergency shelters that receive assistance for shelter operations are required to meet habitability standards. If ESG funds are used to help a program participant remain in or move into permanent housing, that housing must also meet habitability standards. The minimum standard for emergency shelters and permanent housing include standards for structure and material, access, space and security, interior air quality, water supply, sanitary facilities, thermal environment, illumination and electricity, food preparation, sanitary conditions and fire safety. Shelters renovated with ESG funds are also required to meet state or local government safety and sanitation-standards as applicable, and use energy-efficient materials including Energy Star and WaterSense products and appliances. Refer to 24 CFR §576.403 for details on the housing standards.

Access
Shelters receiving ESG funds must also meet the accessibility standards under Section 504 of the Rehabilitation Act of 1973 (5 U.S.C. 794), The Fair Housing Act (42 U.S.C. 3601 et seq.) and Titles II and III of the Americans with Disabilities Act (42 U.S.C. §§ 12131-12189; 47 U.S.C. 155, 201, 218 and 255).

A Subrecipient shall operate each program or activity so that the program or activity, when viewed in its entirety, is readily accessible to and usable by individuals with disabilities. Subrecipients are also required to provide reasonable accommodations for persons with disabilities in order to enable program participants with a disability to have an equal opportunity to participate in the program or activity. Subrecipients that undertake alterations to shelters may be subject to additional accessibility requirements in accordance with 24 CFR Part 8. In certain instances, Subrecipients undertaking alterations may be required to ensure that 5 percent of the total sleeping areas, such as 5 percent (or at least one) of the sleeping rooms where a number of sleeping rooms are provided, and 5 percent (or at least one) of the total number of sleeping areas, such as beds, where a number of beds are provided in a room, are accessible for persons with mobility impairments and that an additional 2 percent of the total individual sleeping areas are accessible for persons with visual impairments. The 2010 Americans with Disabilities Act Standards apply and require an additional level of accessibility in certain shelters.

7. **Conflicts of Interest - 24 CFR §576.404**
   Subrecipients will be expected to follow the conflict of interest standards outlined in 24 CFR §576.404 related to the provision of ESG assistance, and procurement of goods and services. All contractors of the Subrecipient must comply with these same requirements.

8. **Homeless Participation - 24 CFR §576.405**
   The provisions requiring homeless participation on boards or in an advisory capacity do not apply to a recipient that is a State and the State may choose to pass down the requirement to its Subrecipients. For PY2017/2018 ESG funds, TDHCA is opting to not pass this requirement to its Subrecipients.

   However, to the maximum extent practicable, Subrecipients should involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted with ESG.

9. **Faith-Based Activities 24 CFR §576.406**

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to receive ESG funds. The State will not discriminate against an organization on the basis of the organization's religious character or affiliation.

Organizations that are directly funded under the ESG program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under ESG. If an organization conducts these activities, the activities must be offered separately, in time or location, from the programs or services funded under ESG, and participation must be voluntary for program participants.

Any religious organization that receives ESG funds retains its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that the religious organization does not use direct ESG funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide ESG-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, an ESG-funded religious organization retains its authority over its internal governance, and the organization may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

An organization that receives ESG funds shall not, in providing ESG assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief. When using ESG funds for the rehabilitation of structures, faith-based organizations will be expected to follow the guidelines outlined in 24 CFR §576.406.

10. **Environmental Review Responsibilities - 24 CFR §576.407(d)**
The ESG Interim Rule required using 24 CFR Part 50 to comply with environmental requirements and guidance was initially issued by HUD using 24 CFR Part 50. However, after the passage of legislation on July 5, 2012 that amends certain provisions of the HEARTH Act, 24 CFR Part 58 must be followed by all ESG subrecipients to comply with environmental requirements.

All ESG activities will require some level of environmental review & clearance. Subrecipients, or any contractor of the subrecipient, will not be able to commit or expend any ESG funds until an environmental review that meets the standards outlined in 24 CFR Part 58 has been reviewed and approved by TDHCA. Based on the level of review, some activities may be environmentally cleared quickly, and the funds budgeted for those activities can then be expended after clearance. Other eligible activities will require a more in depth review and will require more time to obtain clearance. Subrecipients will not be able to expend any ESG funds or any matching funds on these activities until the Department clears these activities.

11. **Procurement of Recovered Materials - 24 CFR §576.407(f)**
Subrecipients and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired in the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

12. Displacement, Relocation, and Acquisition 24 CFR §576.408

Consistent with the other goals and objectives of ESG, the Subrecipient must assure that it has taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted under ESG. Subrecipients must follow the requirements in 24 CFR §576.408 related to temporary relocation (not permitted), relocation assistance for displaced persons and real property acquisition requirements, and appeals, and the requirements identified in the Department's Consolidated Plan. ESG funds must comply with Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (49 CFR Part 24) and policy guidance in Real Estate Acquisition and Relocation Policy and Guidance (HUD Handbook 1378).

13. Recordkeeping and Reporting Requirements - 24 CFR §576.500

Subrecipients will be required to show compliance with the program's regulations through the appropriate records, including documentation of homeless status, at risk of homelessness status and program participants' income. The Subrecipient must have policies and procedures to ensure the requirements outlined in 24 CFR §576.500 are met. In addition, sufficient records must be established and maintained for a minimum of five years to enable the Department and HUD to determine whether ESG requirements are met.

14. Applicability of OMB Circulars

Subrecipients must follow the policies, guidelines and requirements established in 2 CFR Part 200.

15. Single Audit Requirement

For fiscal years that begin after December 26, 2014, the audit requirements of 2 C.F.R 200.501 apply to the audit performed for that fiscal year including the higher federal audit threshold of $750,000. If a single audit is required for an organization, a portion of the audit cost may be included in the proposed ESG budget.

An Applicant organization that *does not exceed* the required Single Audit threshold in federal expenditures is exempt from federal single audit requirements; however they are still required to submit audited financial statements as part of the Application. In this case, audit costs may **not** be included in the proposed ESG budget.

An Applicant organization must certify that its recent complete audit report and if applicable, a management letter has been submitted to the Federal Audit Clearinghouse as part of the financial documentation for this Application. If your agency is not required to have a single audit performed, the Application must include the end-of-the-year financial statements (balance sheet, income statement, and statement of cash flow). For details on financial attachments to include as part of the Application, follow instructions in the Application document.

16. Financial Accountability 2 CFR Part 200

Selected awardees will be expected to have a functioning accounting system that provides for each of the following:

- Accurate, current, and complete disclosure of the financial results of each federally sponsored project;
- Records that identify adequately the source and Application of funds for federally sponsored activities;
- Effective control over and accountability for all funds, property, and other assets;
- Comparison of outlays with budget amounts;
- Written procedures to minimize the time elapsing between the transfer of funds to the recipient from the U.S. Treasury and the use of the funds for program purposes;

- Written procedures for determining the reasonableness, allocability, and allowability of costs; and
- Accounting records, including cost accounting records, which are supported by source documentation.

17. Program Income

Program income includes any amount of a security or utility deposit returned to the Subrecipient. Program income received during the contract period must be applied as match. Program income received by the Subrecipient during the two years following the end of the contract period must be returned to the Department. Except for income received from the sale of an Emergency Shelter during the use restriction period, income received by the Subrecipient two years after the end of the contract period is not program income.

18. Compliance with Fair Housing and Civil Rights in ESG Programs

ESG Subrecipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a), including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II and Title III of the American With Disabilities Act of 1990; Executive Order 13166 – Improving Access to Persons with Limited English Proficiency, the Equal Access to Housing Rule in HUD Programs Regardless of Sexual Orientation or Gender Identity, the Architectural Act of 1968, and the Age Discrimination Act of 1975.

- **Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity**. On February 3, 2012 HUD revised its program regulations (77 FR 5662) to ensure that individuals and families have access to HUD assisted and insured housing programs, regardless of sexual orientation, gender identity, or marital status. Applicants are encouraged to become familiar with this rule.

  Under the Equal Access Rule, ESG Subrecipients are not allowed to limit ESG assistance to only women and children, regardless of whether or not the Subrecipient is a Domestic Violence or Faith-Based provider. HUD has clarified that while it is acceptable for a shelter or housing program to limit assistance to households with minor children, it may not limit assistance to only women with children. To be in compliance with the Equal Access Rule, a shelter/program serving only households with minor children must also serve the following family types, should they present: 1) single male head of household with minor child(ren); and 2) any household made up of two or more adults, regardless of sexual orientation, marital status, or gender identity, presenting with minor child(ren). ESG-funded emergency shelters serving families with children are also prohibited from denying assistance to or separating members of a family with children based on gender or age. Gender separation is only acceptable in ESG-funded single-sex shelter environments which only serve individuals.

- **Economic Opportunities for Low and Very-Low Income and Homeless Persons (Section 3) - 24 CFR §576.407(a)**

  To the extent that any housing assistance funded through this NOFA is used for housing rehabilitation or housing construction or other public construction, then it is subject to Section 3 of the Housing and Urban Development Act of 1968, and the implementing regulations at 24 CFR Part 135.

  Section 3 requires that employment, training, and contracting opportunities generated by certain HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

  The requirements in 24 CFR Part 5, subpart A are applicable, including the nondiscrimination and equal opportunity requirements at 24 CFR §5.105(a). Section 3 of the Housing and Urban

Development Act of 1968, 12 U.S.C. § 1701u, and implementing regulations at 24 CFR Part 135 apply, except that homeless individuals have priority over other Section 3 residents in accordance with 24 CFR §576.405(c).

- **Affirmative Outreach - 24 CFR §576.407(b)**
  Subrecipient must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis and must take appropriate steps to ensure effective communication with persons with disabilities. Affirmative outreach activities may include: (a) marketing programs to groups living in or receiving services in your service area that are under-represented as shown by your program data, (b) creating partnerships with community based agencies or non-profits that work with underrepresented and non-majority groups in your service area, and (c) translating documents advertising assistance, services and contact information into other languages prevalent in the community. Subrecipients must follow the requirements outlined in 24 CFR §576.407(b).

- **Improving Access to Services for Persons with Limited English Proficiency (LEP) - 24 CFR §576.407(b)**
  Executive Order 13166 seeks to improve access to federally assisted programs and activities for individuals who, as a result of national origin, are limited in their English proficiency. Organizations obtaining ESG funds shall take reasonable steps to ensure meaningful access to their programs and activities by individuals with limited English proficiency, regardless of the language spoken. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. Subrecipients must follow the requirements outlined in 24 CFR §576.407(b). HUD published Final Guidance to Federal Financial Assistance Requirements Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons in the Federal Register on January 22, 2007 (72 F.R. 2732).

- **Violence Against Women Act 2013**
  Applies for all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation, and which must be applied consistent with all nondiscrimination and fair housing requirements. Regulations were published in the Federal Register on November 16, 2016 (81 FR 80724).

Appendix A: Website and Best Practice References

- Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH ACT)
  https://www.hudexchange.info/resource/1717/s-896-hearth-act/

- Interim ESG Regulations: 24 CFR Part 576
  https://www.hudexchange.info/resource/1927/hearth-esg-program-and-consolidated-plan-conforming-amendments/

- HEARTH Homeless Definition Final Rule: 24 CFR Parts 91, 582 and 583
  https://www.hudexchange.info/resource/1928/hearth-defining-homeless-final-rule/

- Uniform Grant Management Standards (Units of local government only)

- Texas Administrative Code found at
  http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=3&ti=10&pt=1
  - Administrative Policies and Procedures for TDHCA, Chapter 1
  - Compliance Enforcement Rules, Chapter 2
  - ESG Rules, Chapter 7

- Texas Continuum of Care Contact List
  http://www.thn.org/resources

Best Practices Resources

- Solutions and Best Practices to Ending Homelessness
  http://www.endhomelessness.org/pages/solutions

- The Solutions Database
  https://www.usich.gov/solutions

- Federal Strategic Plan to Prevent and End Homelessness
  https://www.usich.gov/opening-doors

- Pathways Home: A Framework to Address Homelessness in Texas
  http://www.tdhca.state.tx.us/tich/pathways-home.htm

- What Gets Measured, Gets Done: A Toolkit on Performance Measurement for Ending Homelessness
  http://www.endhomelessness.org/content/article/detail/2039