

**THE STATE OF MISSOURI  
FY 2011  
CONSOLIDATED PLAN  
ACTION PLAN  
SUBSTANTIAL AMENDMENT**

**Emergency Solutions Grant Program (ESG)  
(formerly Emergency Shelter Grant)**

**Prepared By  
The Department of Social Services**

**March 2012**



# **2011 Consolidated Plan**

## **Action Plan Substantial Amendment State of Missouri Jeremiah W. (Jay) Nixon, Governor**

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## **Introduction**

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) revises the Emergency Shelter Grant Program administered by HUD under the McKinney-Vento Homeless Assistance Act. The change in the program's name from Emergency Shelter Grant to Emergency Solutions Grant reflects the change in the program's focus from addressing the needs of homeless individuals and families staying in emergency or transitional shelters to assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness, broadening existing emergency shelter and homelessness prevention activities, and emphasizing rapid re-housing.

This substantial amendment also addresses the changes required to expend Missouri's second FY 2011 allocation of \$803,446 and any funding reallocated from the first FY 2011 \$1,428,349 allocation. In addition to the funding received by the State, HUD also distributed Emergency Solutions Grant Program funds directly to three urban cities and metropolitan counties in FY 2011 as follows:

- St. Louis County \$379,650
- St. Louis City \$1,352,317
- Kansas City \$579,513

Missouri anticipates receiving \$2,569,400 in ESG funding from HUD for FY 2012.

### ***Definitions:***

- “**Missouri**” or “**the State**” as used in this substantial amendment is defined as the Missouri Department of Social Services (DSS) or its designated representative acting on behalf and in consort with DSS.
- “**Grantee**” refers to the sub-recipients awarded Missouri's Emergency Solutions Grant Program funds.
- “**Sub-grantee**” refers to not-for-profit agencies' grantees who they sub-contract with for the provision of ESG Program funded services.

### ***Changes with the implementation of the Emergency Solutions Grant:***

- Redefines the terms “Homeless” (see CFR 582.5) and adds a new definition for “At Risk of Homelessness” (see CFR 576.2).  
NOTE: Any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions in the individual's or family's current housing situation, including where the health and safety of children are jeopardized, and who have no other residence and lack the resources or support networks to obtain other permanent housing are considered homeless (42 USC 11302 Sec. 103(b)).
- Mandates coordination with local Continuum of Care (CoC) bodies;
- Mandates participation in the Homeless Management Information System (HMIS);
- Expands eligible activities to include:

- Adding family support services for homeless youth, victim’s services, and mental health services;
- Expanding homeless prevention activities and adding rapid re-housing targeting 30% Area Median Income (AMI) or less;
- Adding housing relocation and stabilization services;
- Increases the amount allowed for administration from 5% to 7.5%;
- Explicitly includes street outreach as an essential service, includes short and medium term rental assistance and housing relocation and stabilization services; and
- Reconfigures activity and reporting categories per the following table:

<b>Old ESG Eligible Activity Categories</b> (FFY 2011 first allocation and before)	<b>New ESG Eligible Activity Categories</b> (FFY 2011 second allocation and beyond)
<ul style="list-style-type: none"> <li>● Shelter renovation, rehabilitation, and conversion;</li> <li>● Emergency Shelter Operations (maximum 10% for staffing);</li> <li>● Essential Support Services (maximum 30% of state grant);</li> <li>● Prevention (targeting households with a sudden reduction in income – maximum 30% of state grant).</li> </ul>	<ul style="list-style-type: none"> <li>● Street Outreach               <ul style="list-style-type: none"> <li>○ Essential Services</li> </ul> </li> <li>● Emergency Shelter Operations               <ul style="list-style-type: none"> <li>○ Essential Services</li> <li>○ Shelter Activities                   <ul style="list-style-type: none"> <li>▪ Operations</li> <li>▪ Renovation, Rehabilitation and Conversion</li> </ul> </li> </ul> </li> <li>● Prevention (must target households below 30% AMI which includes means testing to determine eligibility, requires documentation that participants lack sufficient resources and support networks to retain housing without ESG assistance, requires documentation of efforts to connect participants with other resources, and adds a new definition “at risk of homelessness”)</li> <li>● Rapid Re-Housing Removes previous caps on Prevention and Operations staffing, and adds a new cap on total funds to be used for Street Outreach and Emergency Shelter of 60%; requires a minimum of 40% to be used for Prevention and Rapid Re-Housing (with a hold harmless provision based on 2010 funding).</li> </ul>

The HEARTH Act also redefined the term “homeless” and added a new definition of “at risk of homelessness” for all Emergency Solutions Grant activities and defined who can be served by activity per the table below:

Component/Activity	Serving:	
	Those who are homeless	Those who are at risk of homelessness
Street Outreach	X	
Emergency Shelter	X	
Homelessness Prevention		X
Rapid Re-Housing	X	
	<b>Collecting Data on the above via:</b>	
Homelessness Management Information Systems (HMIS)	X	X
Administration		

**Continuum of Care Consultation Process**

DSS held a conference call with representatives of Missouri’s eight (8) Continuums of Care (CoC) regarding allocation of ESG Program funds for eligible activities, developing performance standards for ESG funded activities, and developing funding, policies, and procedures for the operation and administration of HMIS. DSS also presented a draft of the Substantial Amendment to the Missouri Interagency Council on Homelessness (formerly, the Governor’s Committee to End Homelessness) whose statewide membership is comprised of a wide array of representatives from each CoC and state, federal, and local agencies who have a stake in homeless and homelessness prevention services. Based on these conversations, DSS will proceed as follows.

**Area Wide Systems Coordination Requirements (CFR 576.400)**

Missouri's ESG Program application will include a requirement for local grantees (units of government) and/or their sub-grantees to participate in their local Continuum of Care and its community planning process by attending CoC meeting/Housing Team meetings to make sure collaboration and planning take place locally. Missouri will also require applicants to consult with the CoCs in the development of their application and to obtain a letter of support for their application. This requirement is based on HUD’s new mandate to coordinate with CoCs and to prevent duplication and waste, and assure grantees that can best provide eligible services are identified and funded. Coordination includes how to allocate ESG Program funds, develop performance standards for and evaluate outcomes of projects and activities assisted with ESG Program funds. The application will require communities to use the most appropriate method for more localized planning including participation from a broad group of stakeholders. Grantees will be required to coordinate with existing programs such as the Community Services Block Grant (CSBG), Emergency Food and Shelter Grant Program (EFSGP), Low-Income Home Energy Assistance Program (LIHEAP), Community Development Block Grant (CDBG), HOME Investment Partnership Program, United Way funds, Missouri Housing Trust Fund (MHTF), Housing Choice Voucher, and Victim Services/Domestic Violence Programs.

Missouri expects grantees to conduct local community planning that prevents duplication of services and aligns ESG Program activities with the Continuum of Care strategies to

prevent and end homelessness and encourage links to employment and other programs that support economic self-sufficiency. Local planning efforts are expected to coordinate with and complement the overall state plan. Local plans must not conflict with the state plan. This expectation will be identified in Missouri's Emergency Solutions Grant Program Request for Application and grantee contract documents.

### **Allocation of ESG Program Funds**

Prior to developing the ESG Program Substantial Amendment, representatives of the State met with individuals with expertise and involvement in homelessness and housing and drafted the following guiding principles for the effective use of ESG Program resources to prevent and end homelessness:

1. Resources should be targeted to homeless households and households with the highest likelihood of becoming homeless.
2. Programs should provide just enough assistance to prevent or end an episode of homelessness and collaborate with other mainstream resources thus stretching resources as far as possible.
3. Distribution of funds should achieve maximum access while minimizing administrative costs as much as possible.
4. Other federal, state and local funds, including other ARRA funds, must be coordinated with ESG funds.
5. Funds should supplement and compliment existing programs. Sub-grantees should have the infrastructure, capacity and experience to distribute funds rapidly to Missourians with housing needs that have been caused by the down turn in the economy.
6. Each participating program should be working toward the goal that homeless individuals and families should be moved to permanent housing within 30 days of becoming homeless.

Missouri used these same guiding principles when designing the Homelessness Prevention and Rapid Re-housing Program. They will continue to be the guiding principles for the Emergency Solutions Grant Program with the additional HUD HEARTH Act goal to move homeless individuals to permanent housing within 30 days of becoming homeless.

Missouri plans to distribute funds by soliciting competitive proposals from units of local government (cities and counties) and/or, if time permits, from not-for-profit agencies, including victim services/domestic violence providers, that have the support of their local government and their local CoC. In certain situations, if a CoC is set up to receive funds and has the capacity to administer grants, DSS may consider allowing a CoC to participate in the proposal process. Local governments may in turn use the funds to contract with qualified not-for-profit organizations to help meet the community's needs related to the homeless and those at risk of imminent homelessness.

After extensive conversation on the different challenges faced by Missouri's extremely rural areas versus the metropolitan/urban areas and the varying capacities of Missouri's eight (8) CoCs, it became clear that one size does not fit all when contracting for homeless

services, therefore Missouri reserves the right to utilize different but comparable methods of distribution for these vastly different geographic/political areas. Applicants will have to demonstrate a willingness and capacity to be accountable for any funds received through monitoring and oversight of any proposed sub-contracted not-for-profit agency.

Applicants must have established written procedures in place to ensure accountability for both their staff and any sub-grantees. Potential grantees must demonstrate they have the experience and capacity to administer the funds they receive and the accountability and established written procedures and standards in place to ensure that funds are only used for ESG Program eligible activities with ESG Program eligible clients. Applicants will be required to collaborate and show a history of collaboration with other state, federal, and local resources.

### **Citizen Participation**

The State of Missouri's draft substantial amendment was posted for public review and comment on the Department of Social Services' website on April 6, 2012. In addition, requests were made to the Governor's Committee to End Homelessness (GCEH) members to post links to the draft amendment on their websites, include in newsletters, and/or distribute for comment to their constituents in any other way they deemed appropriate and effective. Missouri also distributed the plans through the ten (10) Regions of the Balance of State Continuum and their regional housing coalitions and sent copies of the amendment to local units of government and current and past ESG Program grantees and sub-grantees

Written comments were accepted until May 6, 2012. Submitted comments and DSS responses follow:

**Comment:** This amendment to Missouri's Community Development Block Grant (CDBG) Consolidated Plan correctly calls for increased coordination and prioritization of resources and services in order to better address the issue of homelessness. However, the amendment counter intuitively indicates that individual non-profits may be allowed to apply directly to DSS for ESG funding. While I certainly understand the plight of non-profits in rural counties in which the local units of government do not have the capacity to administer ESG funds, this change is at odds with the overall goal of coordination/prioritization of services/resources as it may strip units of local government of their ability to best allocate resources in meeting this goal. In addition, many units of local government have an intimate knowledge of the quality and performance of non-profits in their communities.

Therefore, I would respectfully suggest that units of local government be given the first right of refusal for ESG funding. If they decline, certainly non-profit businesses in those communities should be given the opportunity to apply for ESG funding.

Thank you for your consideration.

**Response:** *Cities/counties will be allowed to apply or, at minimum, will be required to sign off on applications that fall within their boundaries.*

**Comment:** We know the trend is towards “Housing First”, but our experience has shown that many (not all) of the clients that we serve (primarily young mothers) need a lot of support and education in the areas of parenting, life-skills, education and employment. Placing them in “Housing First” before they have learned some skills, and shown some responsibility, has previously not worked. When the word gets out that you can go into a shelter and they will help you get housing within 30 days or so, the shelters become a gateway for housing and the number of calls for housing will go up. This is what happened in the 80’s when people in shelters were given priority for public and subsidized housing through the St. Louis Housing Authority. We would get calls and it was very hard to determine if the clients were really in need, or if they were just trying to get their own housing. There were two major housing complexes that many of the women went to. I know that at least one of those, if not both, were major failures with one having to be torn down, even after social services were located on site within the housing complex. The clients we serve are pregnant and we have comprehensive services we can offer at the shelter level to help them have a healthy birth, learn parenting and life skills, be referred for treatment, education and employment services, if needed. We also help them learn budgeting skills.

We are glad to hear that the plan will not be one size fits all in terms of rural versus urban locations, and we hope that this same consideration will be made for special populations such as homeless pregnant women, especially teen moms. We are also concerned that if there are major cuts to funding for shelters, shelters will have to reduce their staffing. Many of the shelters are safety nets for individuals who are seriously mentally ill, abused, and addicted, and if there are not enough “Housing First” slots for those in need, and the shelters do not have the staff or programs needed to serve these types of clients, then there will be even more individuals on the streets homeless and at risk.

We also have received information that the number of days that a client can be in-patient for treatment is also going to be cut dramatically from 20-30 days to 4 or 5 days with the emphasis being on out-patient treatment. If this holds true, this will make the jobs of the shelter staff much more difficult as people released from treatment programs frequently end up in shelters. The consolidated plan may want to take these coming changes in treatment stays into consideration as to the needs of the client populations.

**Response:** *As stated in the plan, there is no intent to try to make this program one size fits all. To the contrary, the intent is to allow as much flexibility as possible in program design to meet the needs of the individual communities/special populations, and to avoid the pitfalls discussed in this comment. We understand that there will always be a need for shelters, particularly for certain populations. While 30 days to permanent housing is a HUD defined goal, HUD as well as the State understands that it is a “general” goal that communities will be working towards and for some populations, may not be appropriate. In general, limiting the time people spend in a shelter and moving them quickly to permanent housing is a positive and reasonable expectation as long as we are sensitive that the true needs of the various populations/individuals are being met.*

**Comment:**

1. Street Outreach should not be a target due to lack of proof of identity of client. How would you prove it?
2. Thirty days is not a realistic target to get a client into a stable house. It takes longer as is more expensive than paying for shelter operations. 60 days is better.
3. For small operations the record keeping and providing it on a monthly basis is not conducive to strengthening the funds for actual clients.
4. I am glad the committee sees the difference between rural and urban settings.

**Response:**

1. *The goal is to ensure that eligible services are provided to eligible clients without creating barriers to services for those in need. HUD provides examples of potential documentation.*
2. *Thirty days is a HUD defined goal and therefore non-negotiable. However, please refer to the response to the previous comment that this is a “general” goal that HUD and the State are working toward. It is not an immediate, one size fits all goal.*
3. *While we understand that this could be perceived as a burden particularly to smaller operations, the requirements for recordkeeping and processes to strengthen accountability and being good stewards of funding are increasing across the board at both state and federal levels. We will try to maintain at a reasonable level.*
4. *We appreciate this positive comment and it is one we have heard from many sources.*

**Comment:**

1. Emergency Shelter Grant (ESG) needs to have a clear exemption and clarification for domestic violence programs that receive funding. Domestic violence programs can instead document a process that outlines how the domestic violence program guarantees grant requirements are met through documentation. There should be additional language *or* a new section clarifying data collection responsibilities on pages 13-14.  
As required by state law which was upheld by a Missouri Supreme Court decision, federal law and several other grant requirements, domestic violence programs cannot participate in HMIS other than providing aggregate data. Domestic violence programs cannot provide to grant administrators information that would personally identify clients.
2. ESG should identify that part of the HEARTH changes clearly define domestic violence as “homeless.” This clarification is missing from multiple sections of the proposed regulations (page 3, 12, 16).
3. MCADSV is working with its national partner, the National Network to End Domestic Violence, to clarify performance standards and whether they are appropriate when serving victims of domestic violence who are homeless. For example, it is common

that a survivor moves from one emergency shelter to another while seeking a community s/he identifies as safe (i.e. their abuser will not locate her/him). This dynamic makes it difficult for domestic violence programs to meet certain performance measures on a consistent basis.

4. The proposed regulations need to clarify on page 5 that “area-wide systems coordination” could include domestic violence programs in the case that the domestic violence is not the grantee.

See three email attachments providing more details:

- 2005 Letter issued from Missouri DSS former Director Denise Cross stating the need for a clear exemption regarding domestic violence programs in the ESG program.
- MCADSV Confidentiality Memo explaining a domestic violence program’s confidentiality requirements (pages 2-3 regarding “funders”).
- Draft of language that Missouri DHSS will use to administer the USDA nutrition and food program. The draft language outlines their process for a clear exception of domestic violence programs.

**Response:** *Incorporated comments into substantial amendment language.*

**Comment:** Because counties are not always aware of changes made to a grant and do not feel comfortable/capable of writing a grant, it would be beneficial to local agencies and the clients we serve if we (the individual agencies) are the recipients of the funding instead of the subrecipient, taking full responsibility of writing and submitting the grant, completing required reimbursement reports and annual reports.

**Response:** *While we feel it is important that the county be involved in grant planning and committed to projects funded under ESG, we have allowed for this option if time and resources permit.*

**Comment:** Requested set-aside for a particular program.

**Response:** *While it appears this program is meeting the unique needs of a certain geographic area/population, we do not feel that it is appropriate to single out and exempt a specific program from the competitive bid process, nor would state procurement laws allow it in this situation. We welcome their participation in the upcoming application process.*

### **Match Requirements**

Local governments/grantees or their not-for-profit sub-contracted agencies are required to provide dollar for dollar matching funds (cash or non-cash) equal to the amount of any grant they receive. Funds must be provided after the State signs the contract. Funds must be used in accordance with HUD requirements and must be used for HUD defined ESG Program eligible activities. Match funds may be local, state, or federal (except for other ESG funds) as long as they are used for otherwise ESG Program eligible activities, and as long as it is allowable by the local, state or federal program.

### **Activities to be Funded**

Missouri is considering combining the 2011 second allocation and the 2012 allocation and moving the Missouri ESG Program funding cycle to coincide with the state fiscal year (July 1 – June 30) to allow for more efficient and effective grant management depending on the timing of the receipt of the federal program funds. No funds from the 2011 second allocation will be used for Street Outreach or Emergency Shelter, but since they will be combined with 2012 funding, both are discussed in this amendment. Specific activities to be funded are identified in the tables beginning on page nine (9).

The ESG Program requires local governments/grantees to include detail on one or more performance indicators, projected accomplishments (in accordance with each indicator) to be made within one year, and projected accomplishments (in accordance with each indicator) to be made over the period for which the grant will be used for that activity. Missouri's CoCs have drafted performance indicators to guide all eight Continuums' efforts. Their drafts are under review. As an example, the Balance of State CoC Draft Action Plan includes the following goals, strategies, action steps, designation of person(s)/organization(s) responsible, and timeframes:

1. Improve CoC governance and structure
2. Improve CoC plan and planning process
3. Performance Improvement
4. Improve Data Collection Methods
5. Improve and increase access to CoC prevention and housing resources
6. Improve employment rate and income/benefits amount of families and individuals who are homeless
7. Prevent homelessness and achieve independent living in permanent housing for families and youth defined as homeless under other federal statutes
8. Reduce number of families and individuals who are homeless (and first time homeless)
9. Prevent and end homelessness among Veterans in 5 years
10. Finish the job of ending (chronic) homelessness in 5 years
11. Prevent and end homelessness for families, youth, and children in 10 years

The goals identify the related HUD CoC Check-Up Elements, USICH Federal Strategic Plan Goal(s), and HEARTH Performance Measure(s). Missouri expects each CoC to have similar plans once finalized, that are consistent with Missouri's plan. The State expects any applicants for ESG Program funds to be actively involved in the performance planning process through the CoC and to incorporate these goals in their strategic plan and identify how they will work toward meeting these goals.

## Activities to be Funded

\* **MO Annual Action Plan Priorities:** 1. Affordable housing for low-income families; 2. Affordable housing for homeless families and families with other special needs; 3. Affordable homeownership for low and moderate income families; 4. Preservation of affordable housing for low-income persons and families; 5. Affordable housing for the elderly.

\*\* **ESGP Standard Objective:** 1. Decent Housing; 2. Suitable Living Environment; or 3. Economic Opportunity

**ESGP Standard Outcomes:** 1. Available/Accessible Housing; 2. Affordable Housing; 3. Sustainability

Program Component	Eligible Activities	MO Annual Action Plan Priority*	No. and Types of Persons Served	Standard Objective/ Outcome Category**	Start and Completion Date	ESG Funding
Street Outreach (CFR 576.101)	<ul style="list-style-type: none"> <li>• Essential Services               <ul style="list-style-type: none"> <li>○ Engagement</li> <li>○ Case Management</li> <li>○ Emergency Health Services</li> <li>○ Emergency Mental Health Services</li> <li>○ Transportation</li> <li>○ Services for Special Populations</li> <li>○ Assistance in Obtaining Permanent Housing</li> </ul> </li> </ul>	2	0 Homeless individuals and families	Objective 1, 2 Outcome 1,	July 1, 2012 through June 30, 2013	No additional ESG funding from 2 <sup>nd</sup> allocation for 2011, but will be included in 2012
Emergency Shelter (CFR 576.102)	<ul style="list-style-type: none"> <li>• Essential Services               <ul style="list-style-type: none"> <li>○ Case Management</li> <li>○ Child Care</li> <li>○ Education Services</li> <li>○ Employment Assistance and Job Training</li> <li>○ Outpatient Health Services</li> <li>○ Legal Services</li> <li>○ Life Skills Training</li> <li>○ Mental Health Services</li> <li>○ Transportation</li> <li>○ Services for Special Populations</li> </ul> </li> </ul>	2	0 Homeless individuals and families in shelters	Objective 1, 2 Outcome 1,	July 1, 2012 through June 30, 2013	No additional ESG funding from 2 <sup>nd</sup> allocation for 2011, but will be included in 2012

	<ul style="list-style-type: none"> <li>● Shelter Operations</li> <li>● Renovation, Rehabilitation, or Conversion</li> <li>● Assistance Required Under the Uniform Relocation and Real Property Acquisition Act of 1970 (URA)</li> <li>● Assistance in Obtaining Permanent Housing</li> </ul>					
Homelessness Prevention (CFR 576.103)	<ul style="list-style-type: none"> <li>● Short and Medium Term Rental Assistance <ul style="list-style-type: none"> <li>○ Short and/or Medium Term Rental Assistance (CFR 576.106)</li> <li>○ Maximum 24 months of total rental assistance in 3 year period (per individual whether received as an individual or as part of a family unit) <ul style="list-style-type: none"> <li>▪ Short-term – maximum 3 months</li> <li>▪ Medium-term – more than 3 months but not more than 24 months</li> <li>▪ Arrears – one-time payment of up to 6 months including late fees</li> </ul> </li> <li>○ May set cap (amounts; months eligible to receive; or number of time participant may receive) and require participants to share in cost</li> <li>○ Other than one-time payment of tenant’s portion of arrears may not pay in conjunction with any other rental subsidy</li> <li>○ Rent must be Fair Market Rent as determined by HUD</li> <li>○ Rent includes any fees, and may include utilities (only if housing authority requires)</li> <li>○ Grantee/subgrantee must establish a rental assistance agreement with any landlords and must make timely payments as spelled out in the agreement</li> <li>○ Participants must have a legally binding written</li> </ul> </li> </ul>	1,2,5	611 Individuals and families at risk of homelessness, below 30% AMI, moved frequently 2 or more times in 30 days, doubled up, and will be evicted.	Objective 1, 2 Outcome 1, 2,3	July 1, 2012 through June 30, 2013	\$214,158 ESG Funding

	<p>lease; except in certain circumstances for rental arrears when an oral agreement is acceptable</p> <ul style="list-style-type: none"> <li>• Housing Relocation and Stabilization Services (CFR 576.105) <ul style="list-style-type: none"> <li>○ Financial Assistance Costs</li> <li>○ Rental Application Fees</li> <li>○ Security Deposits</li> <li>○ Last Month's Rent</li> <li>○ Utility Deposits</li> <li>○ Utility Payments</li> <li>○ Moving Costs</li> <li>○ Services Costs <ul style="list-style-type: none"> <li>▪ Housing Search and Placement</li> <li>▪ Housing Stability Case Management – Requires at minimum monthly meetings with case manager and the development of a plan to assist participant in retaining housing after ESG ends (does not apply to certain victim services providers – see 576.401(e)(2))</li> <li>▪ Mediation</li> <li>▪ Legal Services</li> <li>▪ Credit Repair</li> </ul> </li> </ul> </li> </ul>					
Rapid Re-Housing (CFR 576.104)	<ul style="list-style-type: none"> <li>• Housing Relocation and Stabilization Services (see above)</li> <li>• Rental Assistance (both tenant and project based-see above)</li> </ul>	1,2,5	280 Homeless individuals and families	Objective 1, 2 Outcome 1,2,3	July 1, 2012 through June 30, 2013	\$214,158 ESG Funding
*HMIS (CFR 576.107)	Cost for HMIS services and activities including participation fees charged by the HMIS Lead and HMIS Lead agency expenses.	1,2,3, 4,5	N/A	Objective 1, 2 Outcome 1,2,3	July 1, 2012 through June 30, 2013	\$219,668 ESG Funding
Administration	General Management, Oversight, and Coordination	1,2,3,	N/A	Objective	July 1, 2012	\$155,462

(CFR 576.108)		4,5		1, 2 Outcome 1,2,3	through June 30, 2013	ESG Funding
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**\*Homelessness Management Information System (HMIS)**

With the implementation of the Emergency Solutions Grant Program under HEARTH, all ESG grantees/sub-grantees will be required to use their local HMIS for data collection and reporting. Victim Services/Domestic Violence (VS/DV) providers, while not required to use HMIS, must utilize an HMIS “comparable database” that meets HUD data collection and reporting standards and allows for adequate oversight and monitoring by tying data back to specific services through a unique identifier. VS/DV providers will be required to work with their local HMIS agency and receive a letter of certification from their local HMIS agency stating that their system meets HUD data collection and reporting requirements and is thus an “HMIS comparable database”. Funding set aside for HMIS may be used for both HMIS systems and HMIS comparable databases for system modifications, ongoing operation, training, data integrity and quality assurance processes. Funding may also be used for development of HMIS comparable databases for VS/DV providers only. All other grantees/sub-grantees must utilize their existing local HMIS. Confidentiality for victim services/domestic violence providers must be protected as required by statute. Nothing in this substantial amendment shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking.

## **Discussion of Funding Priorities**

Missouri proposes to fund all activities allowed under the ESG Program, with the exception of further defining “at risk of homelessness” as allowed under this amendment, to afford communities the greatest local control and flexibility in establishing programs that meet the needs of homeless or at risk of homelessness individuals and families, recognize and fund local resource needs, and address barriers to permanent housing in their specific communities and CoCs. The proposed levels of funding identified in the detailed budget are based on previous ESGP and HPRP expenditures and spending in similar programs such as Supportive Housing Program (SHP) and Shelter Plus Care. Missouri expects all activities to address the funding priorities established in “Missouri’s Ten Year Plan to End Homelessness” and in “Opening Doors: Federal Strategic Plan to Prevent and End Homelessness”:

- Finish the job of ending homelessness in 5 years
- Prevent and end homelessness among Veterans in 5 years
- Prevent and end homelessness for families, youth, and children in 10 years
- Set a path to ending all types of homelessness.

In addition, communities will be expected to use federal, state, and locally relevant data to drive their programs, funding decisions, and local priorities.

Missouri reviewed previous HPRP and ESG Program numbers as well as other housing program data and as a result, determined the following formulas for awarding of the second 2011 allocation:

- Approximately 50% for prevention and 50% for rapid re-housing
- Under prevention – Approximately 13.4% for housing relocation and stabilization and 86.6% for rental assistance
- Under rapid re-housing – Approximately 25% for housing relocation and stabilization and 75% for rent
- Under both prevention and rapid re-housing – Approximately 90% for tenant-based rent and 10% for project-based rent.

Prior to consulting with the CoCs, Missouri intended to allocate 60% of the ESG Program funding for prevention and 40% for rapid re-housing based on the numbers served through HPRP. During discussions however, it was noted that many agencies may have chosen to provide HPRP prevention services because it was easier and required less time and resources than rapid re-housing. In addition, while agencies receive far more calls for prevention assistance than for rapid re-housing assistance, rapid re-housing requires more intensive staff time and resources than prevention, making rapid re-housing typically more costly than prevention. Based on these conversations, Missouri is choosing to allocate 50% of ESG Program funds for prevention and 50% for rapid re-housing.

Additional discussion concluded that Missouri should allocate the 60% maximum for shelter operations and street outreach and 40% for prevention and rapid re-housing for 2012 and beyond. The 40% would then be allocated by the percentages noted above.

**FY 2011 Detailed Budget Table**

First Allocation		\$1,428,349	FY 2011			
Second Allocation		\$803,446	<u>Emergency Shelter Grants/Emergency Solutions Grants</u>			
Grant Amount		\$2,231,795	<u>Program Allocations</u>			
Total Administration		\$167,384.63				
		First Allocation		Second Allocation	Total Fiscal Year 2011	
	Eligible Activities	Activity Amount	Reprogrammed Amount	Activity Amount	Activity Amount	
Emergency Shelter Grants Program	Homeless Assistance	\$1,098,022.18	\$0.00		\$1,098,022.18	
	<i>Rehab/Conversion</i>				\$0.00	
	<i>Operations</i>				\$0.00	
	<i>Essential Services</i>				\$0.00	
	Homelessness Prevention	\$318,404.06			\$318,404.06	
	Administration	\$11,922.76			\$11,922.76	
<b>Emergency Shelter Grants Subtotal</b>		<b>\$1,428,349.00</b>	<b>\$0.00</b>		<b>\$1,428,349.00</b>	
Emergency Solutions Grants Program	Emergency Shelter**			\$0.00	\$0.00	
	<i>Renovation**</i>			\$0.00	\$0.00	
	<i>Operation**</i>			\$0.00	\$0.00	
	<i>Essential Service**</i>			\$0.00	\$0.00	
	<i>URA Assistance**</i>			\$0.00	\$0.00	
	Street Outreach - Essential Services**			\$0.00	\$0.00	
	HMIS		\$0	\$219,668.00	\$219,668.00	
	Rapid Re-housing		\$0	\$214,158.00	\$214,158.00	
	• <i>Housing Relocation and Stabilization Services</i>				\$54,986.00	
	• <i>Tenant-Based Rental Assistance</i>				\$143,255.00	
	• <i>Project-Based Rental Assistance</i>				\$15,917.00	
	Homelessness Prevention		\$0	\$214,158.00	\$214,158.00	
	• <i>Housing Relocation and Stabilization Services</i>				\$28,698	
	• <i>Tenant-Based Rental Assistance</i>				\$166,914	
	• <i>Project-Based Rental Assistance</i>				\$18,546	
	Administration			\$155,462.00	\$155,462.00	
	<b>Emergency Solutions Grants Subtotal</b>			<b>\$0</b>	<b>\$803,446</b>	<b>\$803,446</b>
				<b>Total Grant Amount:</b>		<b>\$2,231,795</b>

\*\*Allowable only if the amount obligated for homeless assistance activities using funds from the first allocation is less than

## **Written Standards for Provision of ESG Assistance**

Grantees in consultation with CoCs will be required to establish and implement written standards for the following:

- Policies and procedures for evaluating individuals' and families' eligibility for assistance that are consistent with the definitions for homeless and at risk of homelessness as well as with recordkeeping requirements (see "Record Keeping and Reporting" on p. 16);
- Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers including maintaining a list of these programs/providers;
- Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance in order to serve as many homeless families as possible with rapid re-housing including those with multiple barriers (note: the ability to sustain housing should be a program goal, not a threshold requirement for eligibility);
- Standards for determining what percentage, or amount, of utilities and rent costs each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance, taking into account local challenges (lack of resources or existing housing, and community economic issues);
- 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 taking into account regulatory provisions and local challenges;
- Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide 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 receives assistance, or the maximum number of times the program participant may receive assistance, taking into account 24 months in 3 years maximum and considering a wide range of options.
- Standards Victim Services/Domestic Violence Providers will follow to ensure confidentiality.

For any funds reallocated from the second 2011 allocation and thereafter for Emergency Shelter or Street Outreach, grantees will be required to establish and implement written policies for the following:

- Standards for targeting and providing any essential services related to street outreach;
- Policies and procedures for admission, diversion, referral and discharge by any emergency shelters, including standards for length of stay, safeguards for special populations, and serving individuals/families with highest barriers to housing;

- Policies and procedures for assessing, prioritizing, and re-assessing individual/family needs for essential services related to shelter.

In addition:

- Grantees will have to provide written policies and procedures regarding how and when they will monitor any sub-grantees.

### **Recordkeeping and Reporting (CFR 576.500)**

Written policies will be required to be in place and implemented, written narrative recorded, and supporting documentation maintained in the case file to ensure consistent program administration for at minimum the following:

- Policies and procedures to ensure that ESG Program funds are used in accordance with requirements;
- Determination and documentation of homeless status or “at risk” of homelessness status;
- Regularly evaluate determinations of eligibility and ineligibility;
- Evaluation of participant needs;
- Determination of annual income (based on standard for calculation at CFR 5.609);
- Documentation of services provided and compliance with all requirements including recording of due process when terminating assistance;
- Utilization of a centralized or coordinated assessment system/process once the CoC final rule is published or when established by the local CoC;
- Documentation of rental assistance agreements and rent and utility payments;
- Documentation of compliance with shelter and housing standards including inspection reports;
- Documentation of expenses and other records relating to emergency shelter facilities;
- Documentation and recording of services and assistance provided including supporting documentation and need for services;
- Coordination with CoCs and other programs
- Documentation verifying match requirements are met;
- Documentation of participation in HMIS or a comparable database for all projects and recipients;
- Documentation of any potential conflict of interest;
- Documentation explaining how current or past homeless persons participate in decision making or operations;
- Documentation of compliance with faith-based requirements;
- Documentation related to any other federal requirements including, but not limited to relocations, financial record keeping, confidentiality, record retention, access to records, public rights, and reporting;
- Re-certification to determine eligibility of program participants not less than once every 3 months for participants receiving Homelessness Prevention; and not less than once annually for participants receiving Rapid Re-Housing services.

- Documentation that the agency attempted to connect participant with other resources.

### **Habitability Standards and Inspection Requirements (CFR 576.403)**

All housing paid for with ESG Program funds, either new or existing, will have to meet inspection requirements and habitability standards spelled out in CFR 576.403 including

- Federal, State, or Local requirements
- Lead-based paid remediation and disclosure (CFR 576.103a)
- Minimum standards for emergency shelters (CFR 576.103b)
- Minimum standards for permanent housing (CFR 576.103c)

### **Grantee/Sub-grantee Awards**

Missouri plans to distribute ESG Program funding through a competitive bid process (see Allocation of ESG Program Funds Section). Missouri plans to use the 7.5% of funds allowable for administration, with the option to share a portion of the percentage with grantees, who in turn may share with their sub-grantees. Awarding the funding to, or with the support of, cities, counties and CoC's will ensure ESG Program funding to the widest population of low-income and homeless families, the elderly, and families with other special needs.

Missouri elects to provide a lesser cap on funding to the HUD direct funded communities of St. Louis County, St. Louis City, and Kansas City.

The State will prepare an announcement and requirements for the application and award of ESG Program funds. Missouri reserves the right to reallocate any unobligated funds remaining at the end of each fiscal year to ensure funds are reaching the widest population of ESG Program eligible persons and to expend the entire grant. The amount of funding available and the need to allocate funds quickly, while keeping administrative costs low, will be among the factors considered when a final decision is made on the method for reallocating funds.

Missouri will prepare and distribute a request for proposal/application. All potential grantees will be required to consult with their local CoC, identify their sub-grantees, their proposed use of the funds within the required guidelines, and information on how they intend to meet the accountability, monitoring, and reporting requirements.

Missouri will conduct at least one training/pre-bid meeting with potential grantees and sub-grantees to provide ESG Program and grant application information, answer questions and share best practices.

### **Homeless Participation (576.405)**

Grantees/Sub-grantees must include homeless or formerly homeless persons in their decision making process and/or program operations. For recipients who cannot meet the

participation requirement in 576.405(a), they must have a plan that meets the requirements under 576.405(b).

### **Performance Standards**

Missouri's performance measures were created in consultation with CoCs and include indicators that provide a measure to evaluate the following:

- Targeting those who can most benefit and utilize the assistance
- Ensuring assistance provided is effective at reducing housing barriers and housing stability risks
- Reducing the length of time individuals and families remain homeless\*
  - Average length of time individuals and families remain homeless\*
  - Average number of additional episodes of homelessness\*
- Thoroughness of grantee in reaching homeless individuals and families in geographic area\*
- Reduction in number of homeless individuals and families\*
  - Average number of homeless individuals in the county at Point in Time Count\*
- Number of homeless individuals that obtain jobs or increase income\*
- Reduction in number of individuals and families that become homeless\*

\*Section 427 of the McKinney-Vento Act, as amended by HEARTH

We anticipate that these performance measures will continue to evolve taking into consideration, to the extent possible, the dynamics of special populations such as domestic violence providers.

### **Certifications**

Grantees/sub-grantee must meet other federal requirements as spelled out in the corresponding CFR including:

- Conflict of Interest (CFR 576.404)
- Homeless participation (CFR 576.405)
- Faith-based activities (CFR 576.406)
- Displacement, relocation, and acquisition (CFR 576.408)

See attached certifications for the State of Missouri.

### **Definition of Certain Families/Individuals “At Risk of Homelessness”**

For a state to consider persons “at risk of homelessness” under paragraph (1)(iii)(G) of the “at risk of homelessness” definition which states “*Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness*”, the state must further define these characteristics. Missouri opts to not utilize this additional definition.

## **Monitoring**

Missouri will review invoices with supporting documentation as received for compliance and will annually monitor, either on-site or remotely, ESG Program grantees based on a standardized risk assessment. Missouri will use ESG Program administrative funding to provide adequate monitoring and oversight of ESG Program funded grantees either through State or contracted staff.