



Stanislaus County
Emergency Solutions Grant (ESG)
**ESG Grant Application
Guidelines**

For Fiscal Year 2011-2012

****Each applicant/co-applicant is permitted to submit up to, but no more than, three (3) grant application submissions for the same activity/program type. Please fully review the Public Service Grant Application Guidelines prior to starting the application process.***

Calendar of Events:

Technical Assistance Workshop	November 17, 2010 at 10:00am & 2:00pm
(Applications available at the workshop only)	
Applications Due	December 6, 2010 at 5:00pm
Panel Presentations.....	December 13 & 14, 2010
(Scheduled on a first come first serve basis)	
Draft Awards Approved by BOS.....	February 15, 2011
Award/Denial Notification Letters	Generally in late April - early May

Attendance at the **Technical Assistance** Workshop, held on November 17, 2010 at 10:00am and at 2:00pm, is required to submit grant application. The workshop is provided to help answer any questions you may have about the application, application process, and program. Applications are due Monday, December 6, 2010 by 5:00pm, **any applications submitted after this date and time will not be considered for funding approval.**

Presentations to the grant review panel will be held on December 13 & 14, 2010. The purpose of these presentations is to give applicants the opportunity to give a ten-minute presentation about their proposal and application to the ESG selection committee. After the presentation, the committee will conduct a brief question and answer session with the applicant. You will be allowed to sign up for your presentation appointment at the time of your application submission. Time slots will be given on a first come first serve basis. Notification of tentative grant awards will be available on-line at www.stancounty.com with the February 15, 2011 Board of Supervisors agenda, under the Planning and Community Development Department item to approved the FY 2011-2012 Annual Action Plan. Final award amounts will be verified via mail and is estimated to be sent in late April or early May 2011.

ESG Program Overview

The Emergency Solutions Grant (ESG) Program, formally the Emergency Solutions Grant Program, is to supplement State, local and private efforts to improve the quality and number of emergency shelters and transitional facilities for homeless people. The purpose of ESG funds is to help operate these facilities, to provide essential support services to residents, and to help prevent at-risk families or individuals from becoming homeless.

The U.S. Department of Housing and Urban Development (HUD) has established a list of eligible activities, and allows the local grantee, Stanislaus County (County), to select activities in accordance with its own community development objectives.

Designed as a first step in a Continuum of Care plan of assistance, the ESG program strives to address the immediate needs of persons residing on the street and needing emergency shelter and transitional housing, as well as assisting their movement to independent living.

ESG serves a variety of homeless persons and families, with no restrictions or further targeting. Any targeting of ESG funds results from local service and shelter providers design of programs to address the specific needs of various homeless subpopulations, such as victims of domestic violence, youth, mentally ill, veterans, or families with children. A portion of ESG may be used to serve persons at imminent risk of losing their permanent housing and becoming homeless.

While flexible in terms of serving all homeless subpopulations and preventing persons from becoming homeless, ESG program legislation and implementing regulations do limit the types of activities and amounts of funds that can be spent on different activities. The following four major categories of eligible activities and applicable limitations are discussed in this section of the Guide:

- **Rehabilitation**
- **Essential Services**
- **Homeless Prevention Activities**
- **Operational Costs**

To be eligible for ESG assistance, a public service project **must serve very low, and low income households.** These income categories are defined as those at or below 80% of the area median income. An income table is attached for your reference.

**These Emergency Solutions Grant funds are for Fiscal Year 2011-2012 (July 1, 2011 to June 30, 2012) which is to be the first year to implement the amended program regulations in accordance with the 2009 HEARTH Act. Categories eligible for funding, as well as all referenced regulatory sections are described based off of current ESG regulations. However, categorical funding caps and specific grant program requirements are not known at this time, as ESG regulations for FY 2011-2012 have not yet been finalized by HUD. For more information on the HEARTH Act please visit <http://www.hudhre.info/hearth/>.*

Agency Requirements

All agencies applying for funding must meet the following requirements:

Non-profit: Applicant agencies must be a public or private non-profit agency. Applicants must be established, operating agencies as evidenced through documentation required in the application. Exhibits to show tax exempt status are required.

Faith based Agencies: Faith-based agencies are eligible to apply. HUD issued a final rule amendment allowing faith-based agencies to compete for ESG funding on the same basis as other non-profits, however, ESG funds cannot be used to support worship or religious instruction. Religious activities must be offered separately from the ESG supported activity. Faith based agencies may not use direct ESG funds to support inherently religious activities such as worship or religious instruction. Faith-based agencies that participate in the ESG program shall not discriminate against a program beneficiary on the basis of religion or religious belief. (Reference: CPD Notice 04-10)

Active Governing Body

Governance of the agency should be vested in a responsible and active voluntary board, which meets at least quarterly and establishes and enforces policies. The Board should be structured to be representative of the community it serves.

Personnel

The agency must provide for adequate administration of the program to ensure delivery of the services. If the project is accepted for funding, the agency must provide a copy of its Personnel Policies, Affirmative Action Plan and its Drug-Free Workplace Policy.

Non-Discrimination

Each agency receiving funds from the County is required to assure that it will conduct its business in compliance with the non-discrimination requirements of the County, State and Federal governments, as applicable. Equal Opportunity in Employment policies will be required.

Accounting

Each agency shall maintain accounting records which are in accordance with generally accepted accounting principals and auditing practices, such as described in OMB Circular A-102, "Uniform Requirements for Assistance to State and Local Governments," OMB Circular A-122, "Cost principles for Non-Profit Agencies," OMB Circular A-21 "Cost Principles for Educational Institutions," or in the American Institute of Certified Public Accountants (AICPA) "Accounting and Financial Reporting for Voluntary Health and Welfare Agencies." Agencies may be required to submit their accounting systems to Stanislaus County's Department of Planning and Community Development for approval before any funds are disbursed.

Audits and Financial Reports

An agency must provide a copy of its most recent Independent Audit and Management Letter. Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year. Non-Federal entities that expend less than \$500,000 a year in Federal awards must submit a financial statement and other supporting documents to show how the ESG funds were utilized. Local governments and nonprofit agency are required to comply with OMB Circular A-133 "Audits of States, local governments, and non-profit agencies." OMB Circular A-133 includes Institutions of higher education and hospitals.

Insurance

Once an agency's project has been approved, **at the time of contract signing**, the agency must provide evidence of insurance, including, but not limited to, multi-peril property and liability, medical, workers' compensation, automobile liability, and other coverage as deemed necessary by the County Counsel, with an indemnification and hold harmless acceptable to Stanislaus County. All certificates and endorsements are to be received and approved by Stanislaus County before project commences.

Project Requirements

The following costs are traditionally considered to be eligible under the Emergency Solutions Grant Program:

ESSENTIAL SERVICES (24 CFR 576.3)

Eligible Activities:

ESG funds can be used to provide essential services to address the needs of homeless persons living on the street, in an emergency shelter or in transitional housing. Essential services can address the immediate needs of the homeless and can enable homeless persons become more independent and to secure permanent housing.

Essential services include employment, health, drug abuse, and education and may include (but are not limited to):

1. Assistance in obtaining permanent housing;
2. Medical and psychological counseling and supervision;
3. Employment counseling;
4. Nutritional counseling;
5. Substance abuse treatment and counseling;
6. Assistance in obtaining other Federal, State and local assistance including mental health benefits; employment counseling; medical assistance; Veteran's benefits; and income support assistance such as supplemental security income benefits, Aid to Families with Dependent Children, General

Assistance, and Food Stamps.

7. Other services such as child care, transportation, job placement and job training; and
8. Staff salaries necessary to provide the above services.

Use Restrictions:

- Grant amounts awarded may be used to provide an essential service...only if the service is a NEW service, or is a quantifiable increase in the level of an existing service.

Ineligible Activities:

- Existing services and staff (services must be new or provided to more persons)
- Salary of case management supervisor when not working directly on participant issues
- Advocacy, planning and organizational capacity building
- Staff recruitment and training
- Transportation costs not directly associated with service delivery

HOMELESS PREVENTION (24 CFR 576.21 (a)(4))

Eligible Activities:

Efforts to prevent homelessness such as financial assistance to families who have received eviction notices or notices of termination of utility services if:

- A. the inability of the family to make the required payments is due to a sudden reduction in income; or
- B. the assistance is necessary to avoid the eviction or termination of services;
- C. there is a reasonable prospect that the family will be able to resume payments within a reasonable period of time; or
- D. the assistance will not supplant funding for pre-existing homelessness prevention activities from other sources.

Homeless prevention means activities or programs designed to prevent the incidence of homelessness, including (but not limited to):

1. Short-term subsidies to defray rent and utility payments for families that have received eviction or utility termination notices;
2. Security deposits or first month's rent to permit a homeless family to move into its own residential unit;
3. Mediation programs for landlord-tenant disputes;
4. Legal services programs for the representation of indigent tenants in eviction proceedings;
5. Payments to prevent foreclosure on a home; and
6. Other programs and activities designed to prevent the incidence of homelessness.

Ineligible Activities:

Ineligible homeless prevention costs include:

- Housing/services to homeless persons
- Direct payments to individuals
- Assistance beyond six (6) months
- Application for Federal Funds

OPERATIONAL COSTS (24 CFR 576.3)

Eligible Activities:

The term "operating costs" means expenses incurred by a recipient that include:

1. Maintenance, operation, insurance, utilities and furnishings, except that not more than 10% of the amount of any grant received under this statute may be used for costs of staff.

2. Payment for shelter maintenance, operation, rent, repairs, security, fuel, equipment, insurance, utilities, food and furnishings. Not more than 10% of the grant amount may be used for staff costs.

Ineligible Activities:

Ineligible operating or maintenance costs include:

- Recruitment or on-going training of staff
- Depreciation
- Costs associated with the organization rather than the supportive housing project (advertisements, pamphlets about organization, surveys, etc)
- Staff training, entertainment, conferences or retreats
- Public relations or fund raising
- Bad debts/late fees
- Mortgage payments

RENOVATION, REHABILITATION & CONVERSION (24 CFR 576.3)

Eligible Activities:

1. Conversion: a change in the use of a building to an emergency shelter for the homeless under this part, where the cost of conversion and any rehabilitation costs exceed 75% of the value of the building after conversion.
2. Major Rehabilitation: rehabilitation costs in excess of 75% of the value of the building before renovation.
3. Renovation: rehabilitation that involves costs of 75% or less of the value of the building before renovation.

Use Restrictions:

1. Certifications on Use of Assistance 42 U.S.C.11375 (c)- Each grantee shall certify that it will:
 - a.) in the case of assistance involving major rehabilitation or conversion, maintain any building for which assistance is used under this part as a shelter for homeless individuals and families for not less than a 10 year period; or
 - b.) in the case of assistance involving rehabilitation (other than major rehabilitation and conversion), maintain any building for which assistance is used under this part as a shelter for homeless individuals and families for not less than a 3 year period.
 - Any renovation carried out with assistance under this statute shall be sufficient to ensure that the building involved is safe and sanitary.
 - Major rehabilitation and conversion are defined as the costs of improvement that are more than 75% of the value of the building before rehabilitation. A shelter receiving this level of improvement must be used as a shelter for at least 10 years.
 - Renovation is defined as the costs of improvements that are less than 75% of the value of the building before rehabilitation. A shelter receiving this level of improvement must be used as a shelter for at least 3 years.
2. Lead-Based Paint Requirements- Any ESG housing or services sites regularly frequented by children less than 6 years of age are encouraged to use ESG funds for testing and may use ESG rehabilitation funds for necessary abatement procedures.

Ineligible Activities:

Ineligible rehabilitation or renovation costs include:

- Acquisition of real property
- New construction

- Property clearance or demolition
- Rehabilitation administration
- Staff training or fund raising activities associated with rehabilitation
- Building maintenance and repairs

Match Funding:

In accordance with 42 U.S.C. 576.51, all agencies awarded ESG funds, must provide evidence of match funds with each Request for Funds. Federal funds are not eligible to be used as evidence of match funding. A grantee may comply with this requirement by showing evidence of matching funds obtained (such as donations, local or state grant funds allocated, etc.), or through matching funds or voluntary efforts provided by any State recipient or nonprofit recipient (as appropriate). In calculating the amount of matching funds, in accordance with 42 U.S.C. 11375(a)(3), the time contributed by volunteers shall be determined at the rate of \$5 per hour. For purposes of this paragraph, the grantee will determine the value of any donated material or building, or of any lease, using a method reasonably calculated to establish a fair market value.

[61 FR 51552, Oct. 2, 1996, as amended at 73 FR 75325, Dec. 11, 2008]

Income Eligibility Limits:

Total household income cannot exceed 80% of median for Stanislaus County, based on household size. Total combined household income for the number of people living in a household cannot exceed the Moderate-income amount. Income eligibility is determined by **family size**. HUD defines Family as all persons living in the same household who are related by birth, marriage or adoption (24 CFR 570.3). Low- and moderate-income families are defined as those at or below 80% of the area median income. These numbers are updated annually by HUD. See the following table for the current limits.

2010 Income Limits			
Percentage of Median Income for Stanislaus County			
Number in Family	Very Low (Not greater than 30%)	Low (Not greater than 50%)	Low/Moderate (Not greater than 80%)
1	\$12,550	\$20,850	\$33,350
2	\$14,300	\$23,800	\$38,100
3	\$16,100	\$26,800	\$42,850
4	\$17,850	\$29,750	\$47,600
5	\$19,300	\$32,150	\$51,450
6	\$20,750	\$34,550	\$55,250
7	\$22,150	\$36,900	\$59,050
8	\$23,600	\$39,300	\$62,850

HUD March 2010

Client Data:

The agency is required to obtain, update, and maintain individual client files documenting program eligibility and statistical data including but not limited to income eligibility verification, HUD race and ethnicity breakdowns, disability, female head of household, and clients 62 and older.

Consolidated Plan & National Objectives
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Consolidated Plan Executive Summary 2007-2012:

The Stanislaus County Consolidated Plan, is the result of a planning process for grant programs administered by the U.S. Department of Housing and Urban Development's (HUD) Division of Community Stanislaus County

Planning and Development (CPD): Community Development Block Grant (CDBG) Program, and Emergency Solutions Grant (ESG) Program. This process considered the needs of the community and how the various grant programs could respond to those needs. In May 2002, Stanislaus County received HUD entitlement certification for its first five (5) year Consolidated Plan for the Stanislaus County CDBG Consortium. This current document will serve as the 2007-2011 Consolidated Plan update for the Stanislaus County CDBG Consortium. It also serves as the County's basis for Entitlement funds from the above programs for the upcoming five program years, which start on July 1, 2007 and ends June 30, 2012.

As of July, 1, 2010, the Consortium will consist of: Stanislaus County and the Cities of Ceres, Hughson, Newman, Oakdale, Patterson, and Waterford.

The Consortium's Consolidated Plan outlines the goals and policies for utilizing CDBG/ESG funds to assist low income households and persons in the areas of housing, associated infrastructure and economic development.

The general goal of the CDBG/ESG programs are to strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, to enable them to provide decent housing, establish and maintain a suitable living environment, and expand economic opportunities for every American, particularly for very low- and low-income Americans (meaning those with incomes below fifty percent and eighty percent of the area's median income, respectively). The purpose of ESG funds are to help operate these homeless facilities, to provide essential support services to residents, and to help prevent families or individuals who are immediately at-risk of becoming homeless and to re-house those that are experiencing homelessness. HUD has established a list of eligible activities, and allows the local grantee, to select activities in accordance with its own community development objectives.

The goals of the CDBG & ESG grant programs are also consistent with the Stanislaus County Board of Supervisors Priorities. The priorities are to strive for:

- A safe community
- A healthy community
- A strong local economy
- Effective Partnerships
- A strong agricultural economy/heritage
- A well planned infrastructure system
- Efficient delivery of public services

The Stanislaus County Consolidated Plan Planning Area is comprised of the unincorporated communities of Stanislaus County and the cities of Ceres, Newman, Oakdale, Patterson, and Waterford. The Planning Area is located just south and east of the San Francisco-Oakland metropolitan region and east of the San Jose/Silicon Valley area. It is bordered to the north by San Joaquin County, the east by Tuolumne and Calaveras Counties, and the south by Merced County.

Stanislaus County and the Cities of Ceres, Newman, Oakdale, Patterson, and Waterford identified their ESG program area through several combined methods. For the development of the Consolidated Plan, the participating jurisdictions used population information derived from the U.S. Census regarding median household income, housing tenure, housing occupancy, disability status, employment status and poverty status, and surveys where necessary and appropriate. Information was also compiled from the County's Continuum of Care annual report, state-certified Housing Element (2003), and California State Department of Finance reports. The City of Hughson will be joining the Consortium as of July 1, 2011. An updated Consolidated Plan will be drafted over the next year, to become effective as of July, 1, 2012. The target areas for the County and the Cities of Ceres, Hughson, Newman, Oakdale, Patterson, and Waterford are the very low, low and moderate-income areas of the jurisdictions. Although funds are used

for all residents of the Consortium's participating jurisdictions, priority is given to programs and projects in the target areas.

WEB ADDRESS for reference of Annual Action Plan, Consolidated Plan, & CAPER:
<http://www.stancounty.com/planning/cdbg/esg-program.shtm>

Scoring Criteria

HUD allows Stanislaus County, to select activities in accordance with its own community development objectives. The ESG Grant Review Panel, made up of representatives of the 5 consortium cities and Stanislaus County, will score your applications during the panel presentation. The cumulative scores will be used to determine recommendations for funding approval by the Stanislaus County Department of Planning and Community Development.

Scoring Criteria: Stanislaus County has adopted criteria by which to judge funding requests:

1. **Organizational Capacity & Experience** - How capable is the agency of managing the proposed project?
2. **Need/Extent of the Problem** - Does the proposal meet the needs of the community described in the consolidated Plan? Does it help the population that most needs homeless assistance or homeless prevention services?
3. **Soundness of Approach** - Is the program self sufficient and sustainable?
4. **Outputs** – Is there a solid methodology in place for determining client eligibility and for tracking numbers served?
5. **Accomplishments/Outcomes** - What will be accomplished in measurable terms so performance and outcomes can be evaluated?
6. **Leveraging Resources** - Will the ESG grant pay for the whole program? If there is outside funding, from whom, what kind, and is the outside funding committed? ESG assistance to agencies is not intended to provide ongoing support.
7. **Achieving Results & Program Evaluation** - How has the agency performed in past ESG grant awards (if applicable)?

Requirements For Agencies Awarded Funding

Agencies awarded ESG funding, will have to follow these program requirements:

Pre-Award Workshop: Agencies will be required to attend a pre-award workshop to assist them in compliance with program regulations and requirements. Agencies will be instructed on how to submit reports and draw request forms to the county.

Documents Needed: Funded agencies will be required to execute a contract with Stanislaus County and provide the required insurance certificates and endorsements at the time of contract signing. Agencies must provide a copy of its Personnel Policies, Affirmative Action Plan and its Drug-Free Workplace Policy and other required documents before incurring expenses.

Reporting and records: Stanislaus County and HUD shall have access to program records. Agencies will be required to obtain and provide individual client data including but not limited to ethnicity, income, disability, race, female head of household, clients 62 years and older and accomplishment data. If Limited Clientele -Client Based option was selected individual client income verification documents need to be obtained. If Limited Clientele -Presumed Benefit option was selected individual income data is not required, but other client data is. If Area Benefit option is used than individual income data is not required but area income information and other client data will be required. Quarterly and year end performance reports are required. Grant files and individual client files must be maintained for a minimum of 4 years after the program has ended.

Draw Requests: Invoicing for ESG funds is required on a quarterly basis. A draw request form will be provided by the County. ESG funds are provided on a reimbursement basis and supporting documentation must be approved by County staff prior to payment.

Monitoring and Technical Assistance: The program will be monitored by the County for compliance with County and HUD requirements and regulations. HUD staff may also monitor the program for compliance. Program requirements including performance, accomplishments, eligibility, and expenditures will be included in monitoring desk and site reviews. The County will provide technical assistance as needed or requested to assist with the project progress and success. If the agency is not following the program requirements and regulations funding may be terminated and funding reimbursement required.

Provide Recognition of funding: The agency is required to provide recognition for the role of the County in services provided through this grant. All activities and items utilized pursuant to this grant shall be prominently labeled as to funding source. In addition, the applicant will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement. Example wording: This publication was made available through funding from Stanislaus County's ESG Program.

Budget: Agencies will be required to follow application budget line item amounts in draw requests. Ensure line items are feasible and give the agency flexibility in program expenditures.

Match Funding: In accordance with 42 U.S.C. 576.51, all agencies awarded ESG funds, must provide evidence of match funds with each Request for Funds.

Expenses (Costs): Applicants shall administer their programs in conformance with the applicable OMB Circulars:

- A-122 "Cost Principles for Non-Profit Agencies"
- A-21, "Cost Principles for Educational Institutions"
- A-87, "Cost Principles for State, Local, and Indian Tribal Governments"

Costs must be necessary and reasonable for proper and efficient performance and administration of the grant. Costs must be adequately documented.

Eligible Expenses Include but are not limited to: ESG funds may be used to pay for labor, supplies, and material as well as to operate and/or maintain the portion of a facility in which the public service is located. This includes the lease of a facility, equipment, and other property needed for the public service. Costs incurred for telephone services, local and long distance telephone calls, postage, messenger, electronic or computer transmittal services and the like are allowable.

Salaries: Salary and fringe benefits (fringe is limited to 20% of total salary costs) in the form of regular compensation paid to employees during periods of authorized absences from the job, such as vacation leave, sick leave, military leave, and the like, are allowable, provided such costs are absorbed by all agency activities in proportion to the relative amount of time or effort actually devoted to each. Time sheets will be required to document expenses for staff and allowable time should be adjusted by the staff percentages of time allocated on the project as listed in the application. **Overtime and bonuses are not allowable expenses.**

Ineligible Expenses Include but are not limited to: In addition to the ineligible expenses listed above, ESG funds may not be used to pay for food/meals for staff, fund raising, entertainment, alcoholic beverages, deposits on equipment, incentives to clients (gift cards, raffle prizes, holiday gifts, prizes for social activities), and late fees or penalties.

Promotion of Agency: Costs of advertising and public relations designed solely to promote the non-profit agency including costs of promotional items and memorabilia, including models, gifts, and souvenirs, are not allowed.

Contributions or donations: Contributions or donations, including cash, property, and services, made by the agency, regardless of the recipient, are unallowable.

Entertainment costs. Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable.

Fund raising: Costs of organized fund raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions, are unallowable.

Goods or services for personal use. Costs of goods or services for personal use of the organization's employees are unallowable.

Applications

Application Submittal Requirements:

Application Original and Copies needed: Your complete application needs to be submitted as follows:

(1) Original Application with and all exhibits

(10) Copies of the Application with exhibits A, B, C, D, E and R only.

(1) Digital format of the Application (in Word only) and Exhibits A, B, C, D, E and R only (acceptable formats must be in Microsoft Word or Excel, and must be sent via e-mail, or copied to a CD or USB Drive)

Submit one application per project. The application must be typed and kept in the original format. Proposals submitted with the format altered will not be accepted. Faxed applications will not be accepted. The application and exhibits and required copies must be submitted in a hardcopy and in digital format and should be submitted on standard letter size paper (8-1/2 x 11). To hold copies together please use staples or binder clips. Please do not bind, add tabs, or secure in folders or binders. Do not include extraneous material, unnecessary packaging, or a letter of transmittal, as they will be discarded.

Late applications: Late applications will not be accepted. Any applications received after the due date will not be considered for funding. Postmarks in lieu of delivery will not be accepted.

Incomplete Applications: All sections must be filled out or the application will be considered incomplete. The budget must be filled out on the form provided. "See attached" will not replace the budget form or sections of the application. Any missing required documentation will render the application incomplete. If the requested number of copies are not made the application will be considered incomplete. Incomplete applications will not be considered for funding.

Due Date of Application:

All applications are due by Monday, December 6, 2010 by 5:00pm to Stanislaus County's Department of Planning & Community Development located at 1010 Tenth Street Place, 3rd Floor, Suite 3400, Modesto, CA 95353.

If you have any questions or concerns please contact:

Kristin Doud at doudk@stancounty.com or call 209-525-6330.