

**CITY OF HUNTSVILLE, ALABAMA  
DEPARTMENT OF COMMUNITY DEVELOPMENT  
EMERGENCY SHELTER GRANT (ESG) PROGRAM**

**Fiscal Year 2011-2012 Grant Application**

**Introduction**

The Emergency Shelter Grant program is designed to supplement state, local and private efforts to improve the quality and/or the number of emergency shelters and transitional housing facilities and programs for homeless people. More specifically, ESG funds are used for operational cost, essential services and prevention.

Designed as a first step in the Continuum of Care plan of assistance, the ESG program strives to address the immediate needs of persons living in situations that were not designed for permanent human habitation who are in need of emergency shelter and transitional housing, and to assist in their transition to self-reliance and independent living.

While flexible in terms of serving all homeless sub-populations and preventing persons from becoming homeless, the ESG program legislation and implementing regulations do limit the types of activities and amounts of funds that can be spent on different activities.

This application will be used by the City of Huntsville Department of Community Development to determine the eligibility of applicant organizations who apply for funding under the 2011-2012 ESG Program.

Please read the following program description carefully before completing the application. The description contains information regarding the program's purpose, its target beneficiary population, activities that are eligible under the program and the grant recipient's responsibilities.

Questions may be directed to:

Turkessa C. Lacey  
City of Huntsville  
Department of Community Development  
120 E. Holmes Ave.  
Huntsville, AL 35801  
(256) 427-5418  
(256) 427-5431 (FAX)

## **Program Authorization and Administration**

The ESG program is authorized under subtitle B of Title IV of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77, approved July 22, 1987). The Catalog of Federal Domestic Assistance program number for the ESG program is CFDA No. 14.231.

The Secretary of the U.S. Department of Housing and Urban Development (HUD) makes grants to Cities and units of general local government to be used for eligible program activities. The City of Huntsville's ESG program is administered by the Department of Community Development.

## **Program Purpose**

The ESG program is designed to:

- Increase the availability of emergency shelter beds,
- Improve the quality of existing emergency shelters,
- Help meet the cost of operating homeless shelters and transitional housing,
- Provide essential social services to homeless individuals and
- Prevent an increase in homelessness through certain homeless prevention activities.

## **Program Target Beneficiary Population**

According to ESG program regulations a "homeless" person or family must meet one or more of the following criteria; they must be:

- a) an individual or family that lacks a fixed, regular and adequate nighttime residence; or
- b) an individual or family that has a primary nighttime residence that is:
  - I. supervised publicly or privately operated shelter designed to provide temporary living accommodations (including congregate shelters, transitional housing and temporary hotel/motel stays); or
  - II. an institution that provides a temporary residence for individuals intended to be institutionalized; or
  - III. a public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings.

The term does not include any individual imprisoned or otherwise detained pursuant to an Act of Congress or a state law.

Youth who are considered wards of the state (i.e., the legal responsibility of a state agency, such as a Division of Social Services) are not eligible to receive assistance under the McKinney-Vento Act and may not be counted as homeless for purposes of the ESG Program.

All applicants receiving FY 11-12 ESG funds must certify that ESG funds will be used for the benefit of only for those clients meeting the "homeless" definition above and that they will make every reasonable attempt to assure that all clients served meet this definition. Grant recipients are required to document each client's homeless status in a form that will be provided to the City of Huntsville Department of Community Development.

## **Eligible Grant Applicants**

Eligible applicants for ESG grant funds include private nonprofit organizations as described in section 501(c)(3) of the Internal Revenue Code of 1988. In addition, applications for homeless assistance or operations that can show a history of success managing similar activities will be viewed favorably. Related experience may include, but is not limited to the following:

- a) Has operated the emergency and/or transitional shelter for the homeless for which funding is requested for at least one year prior to the date of this application;
- b) Operates the emergency and/or transitional shelter for the homeless for which funding is requested for a minimum of six full months out of the year;
- c) Operates a safe and sanitary facility which has an average daily occupancy rate of at least six (6) homeless persons per night and provides one or more essential services, as defined by HUD, if overnight accommodations are provided or provides shelter and/or one or more essential services as defined by HUD to an average of 30 homeless persons per day, if operated during day hours only;
- d) Has an established accounting system that provides for maintenance of ESG funds in accordance with OMB Circulars A-110 and A-122;
- e) Has a voluntary board consisting of a minimum of five members;
- f) Has the ability to expend ESG funds for Operations, Essential Services, and/or Homeless Prevention within the grant contract time of performance;
- g) Can share the cost of the proposed program by providing matching funds in the same amount as the ESG grant;
- h) Involves, to the maximum extent practicable, homeless persons in maintaining and operating facilities assisted under the ESG Program and in providing services for occupants for these facilities;
- i) Provides for the participation of at least one homeless or formerly homeless individual on its board of directors or equivalent entity that makes policies and decisions regarding the services provided by such facility for which ESG funding may be used.

Facilities funded by the City of Huntsville's ESG Program must be permanent structures providing safe, decent shelter for humans and must be owned or properly leased by the applicant organization.

## **Eligible Activities**

Each organization may only apply for funds to support one program category. Please refer to the Eligible Activities section for more specific information. Each of the three categories of eligible activities are further defined below:

**Operations:** Costs associated with the overall operation and general maintenance of the shelter include, but are not limited to:

- a) **Administrative Staff Costs:** (salaries and fringe benefits) are limited to 10% of total ESG grant amount. Administrative staff includes only those persons directly responsible for the operation and management of the homeless facility for which funding is sought. Such staff could include the applicant organization executive director, the homeless facility director and weekend or night managers of the homeless facility. ESG funding *may not* be used to pay the costs of staff that provide support services such as cooks, janitors, secretaries, bookkeepers, administrative assistants, etc. Staff members whose salaries are paid, in whole or in part, with ESG funds must maintain time sheets delineating ESG hours worked during each pay period.
- b) **Communications:** telephone, postage and printing.
- c) **Equipment:** Equipment/furniture items with a unit value of \$500 or more. Adequate justification for equipment items must be provided by the sub-recipient.
- d) **Food:** When food is served to people who use the sleeping accommodations of an emergency shelter, the food is considered an operational cost. When food is served to homeless people who do not reside in the shelter, the food is considered an essential service. If the sub-recipient organization serves food to both residents of the homeless facility and to homeless persons not residing in the homeless facility the costs of the food should be prorated and charged accordingly to the approved Operations and Services budget. Since only 1 category will be approved, if the above applies, the agency is to charge that cost to other NON-ESG funds.
- e) **Space Cost:** Rent, utilities, routine maintenance; minor building repairs; insurance on facility building and contents; security systems. If ESG funds are used to pay rent, the applicant organization must have a current lease agreement on file.
- f) **Supplies and Materials:** Food costs (for facility residents); paper products; office supplies; equipment/furnishings with unit value of less than \$500.
- g) **Contractual Services (under Operations)** would include laundry services, cleaning services, security system monitoring, pest control, and bookkeeping. Costs charged to the ESG Program must be supported by contracts between the vendor and the ESG sub-recipient organization. OMB Circular A-133 prohibits federal financial participation in audit cost for entities that do not expend \$300,000 or more in federal funds for that fiscal year.

**Essential Services** include direct client services in areas such as employment, health, drug and alcohol abuse, and education. Essential services can also include:

- a) Assistance in obtaining permanent housing
- b) Medical and psychological counseling and supervision
- c) Employment counseling
- d) Nutritional counseling
- e) Substance abuse treatment and counseling

- f) Assistance in obtaining other federal, City, and local assistance including mental health benefits, employment counseling, medical assistance, Veteran's benefits, and income support assistance including food stamps.
- g) Other services for the client including childcare, transportation, job placement, and job training
- h) Staff salaries necessary to provide the above services
- i) Contractual costs necessary to provide the above services

Funding for essential services is available to allow the applicant organization to assist an increased number of clients with a previously offered service. This increase must be quantifiable and documented by the applicant organization. ESG grant recipients will be required to maintain written documentation of the services they provide to each client and documentation of services provided by other agencies as a result of the grant recipient's referrals. This documentation must include the type of service provided, the duration of the service, date(s) of service and the name of the staff member or outside entity providing the service.

Funding for Essential Services is limited to 30% of the total ESG funding awarded which is set in the funding allocation.

**Homeless Prevention** means activities or programs designed to prevent the incidence of homelessness including:

- a) Short-term subsidies to defray rent and utility arrearages for individuals or families that have received eviction and/or utility termination notices.
- b) A security deposit of first month's rent to permit a homeless individual or family to move into an apartment or house.
- c) Legal service fees for the representation of indigent tenants in eviction proceedings.
- d) Other payments to prevent the incidence of homelessness If funds requested for homeless prevention are to be used to assist families that have received eviction notices or notices of termination of utility services, the following conditions must be met:

If funds requested for homeless prevention are to be used to assist families that have received eviction notices or notices of termination of utility services, the following conditions must be met:

- The inability of the family to make the required payments must be the result of a sudden reduction in income.
- The assistance must be necessary to avoid eviction of the family or termination of services to the family.
- There must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time and
- The assistance must not replace funding for preexisting homeless prevention activities from any other sources.

The applicant organization must provide active case management which precludes the client's continued dependence on emergency assistance funds. Evidence of such case management must be maintained in individual client files by the organization receiving ESG funds.

Funding for Homeless Prevention activities is limited to 30% of the total ESG funding awarded which is set in the funding allocation.

### **Matching Funds Requirements**

Each grant recipient must share in the cost of the program by matching all ESG funds received dollar for dollar and spending that match money within the period of the grant on related program activities. Eligible matching funds are those received by the grant recipient organization from other, non-federal sources such as foundations, church donations, and/or individual donations.

The value of time donated by volunteers (valued at \$5.00/hour for unskilled labor or at market value for skilled professionals) may also be used to meet this requirement as long as such time is documented. Work time donated by beneficiaries/clients to the applicant organization in return for shelter and/or services may not be counted as volunteer time against the match.

The value of any donated materials or buildings or of any lease (valued using a method reasonably calculated to establish a fair market value) may also be used as a source of match for ESG funding as long as appropriate documentation is submitted and accepted by the City of Huntsville prior to the execution of the grant contract.

Documentary evidence of matching funds and matching funds expenditures must be provided with each request for payment submitted to the Department of Community Development, and payments against the grant fund will be released only to the extent that the match requirements have been met.

### **Limitations on the Use of ESG Funding by Religious Organizations**

Program funding may be provided to a religious organization that meets the eligibility criteria as long as that organization agrees to provide all eligible activities in a manner that is free from religious influences.

Organizations receiving ESG funds may conduct religious services and/or instructional sessions in their facilities, but may not require clients to attend such services or sessions as a condition of the client receiving shelter or services paid for, in whole or in part, with ESG funds. Client attendance at religious services or sessions must be strictly voluntary.

Clients must be informed in writing that their attendance at religious services or sessions is not required to receive shelter and/or services from the organization.

### **Federal Outcome Performance Measurement System**

Effective October 1, 2006, HUD developed a new Community Development Outcome Performance Measurement System. The system is designed to measure and report program costs and achievements and was implemented as a direct result of the public's growing concern for government accountability.

The Performance Measurement System (PMS) requires that the Grantee (City of Huntsville) create an organized process for gathering information to determine how well programs and activities are meeting established priorities, goals and needs.

Recipients of ESG funding are participants in this process; your progress reports must provide us with the information we need to report to HUD. There are three main components to the Performance Measurement System:

- Objectives;
- Outcomes; and
- Indicators

**Objectives** – Grant recipients must choose to satisfy one of the following objectives: When selecting an objective, ask: What is the purpose of the activity?

- a) Creating Suitable Living Environments relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment.
- b) Providing Decent Housing covers the wide range of housing activities that focus on meeting individual, family or community housing needs.
- c) Creating Economic Opportunities applies to activities related to economic development, revitalization, or job creation.

**Outcomes** – Grant recipients must determine what the primary benefit of their program will be. When selecting an outcome, ask: What type of change or result am I seeking?

- a) Availability/Accessibility applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low and moderate income people, including persons with disabilities.
- b) Affordability applies to activities that provide affordability in a variety of ways to low and moderate income people.
- c) Sustainability applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to low and moderate income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

**Indicators** – are benchmark achievements that help to determine how the grant recipient is progressing toward achieving the intended results.

### **Reporting Requirements**

ESG grant recipients will be required to submit monthly performance and expenditure reports to the City of Huntsville. These reports must provide demographic information about each beneficiary and activity and expenditures source documents such as copies of client intake forms, descriptions of services or activities, and copies of payroll ledgers, cancelled checks, invoices and timesheets. Additional

information may also be required. A template that is appropriate for the program will be developed and provided to each agency.

### **Selection Criteria**

ESG applications will be evaluated based on proof of past success with programs similar to those being proposed, the financial and staff capacity of the organization, the anticipated outcome and benefit of the proposed program compared to other proposals, and an evaluation of the past performance of the applying agency. Priority will be given to organizations whose missions are to serve homeless individuals and families.

### **Application Submission Requirements**

One (1) complete copy of the application for FY 11-12 ESG funding must be received by the City of Huntsville Department of Community Development no later than 4:00 p.m. on Wednesday, October 19, 2011.

Applications received after the deadline date and time will be returned without review and the applicant will be determined ineligible to apply for FY 11-12 ESG funding. Applications that do not contain all requested supporting documentation or are otherwise incomplete will be returned and the applicant will be deemed ineligible to apply for ESG funding. Faxed or emailed applications will not be accepted under any circumstances.

**Completed application may be mailed or hand-delivered to:**

**120 E. Holmes Ave.**

**Huntsville, AL 35801**

**Or**

**P.O. Box 308**

**Huntsville, AL 35804**

**ATTN: 2011-2012 ESG Program**

**FY2011-2012  
APPLICATION**

**EMERGENCY SHELTER  
GRANTS PROGRAM**

**CITY OF HUNTSVILLE, ALABAMA**

**PLEASE SUBMIT ONE (1) ORIGINAL COPY TO THE  
ADDRESS BELOW BY OCTOBER 19, 2011.**

**City of Huntsville  
Department of Community Development  
Attn: 2011-2012 ESG Program  
Turkessa Coleman Lacey  
120 E. Holmes Ave.  
Huntsville, AL 35801  
Post Office Box 308  
Huntsville, AL 35804  
Telephone (256) 427-5418**

**FY2011-2012  
EMERGENCY SHELTER  
GRANTS PROGRAM  
APPLICATION**

**A.1. Applicant's Name:** \_\_\_\_\_

**Applicant's Address:** \_\_\_\_\_  
\_\_\_\_\_

**Telephone:** \_\_\_\_\_  
**Fax:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_  
**Federal Tax ID:** \_\_\_\_\_

**A.2. Declaration of Debt:**  
Does the applicant owe money to the state or federal government?  Yes  No  
If the answer is "yes", please attach an explanation.

**A.3. ESG Funds Requested:** \$ \_\_\_\_\_

Operations \_\_\_\_\_  
Essential Services \_\_\_\_\_  
Homeless Prevention \_\_\_\_\_

**A.4. Brief description of the project:**  
Provide the amount of ESG funds requested and the problem area(s) addressed. Provide the location and type of project, the estimated number of beneficiaries, the number of beneficiaries served during the last calendar year, amount and source of other funds, etc.)

**A.5. Verification of Tax-Exempt Status:**  
Provide the IRS Determination Letter(s) as well as the tax- exempt number(s).

**B.1. Identification of Homeless Assistance Needs (20 POINTS)**  
**Maximum of 4 text pages (graphs/charts not included in page limit).**

- Define and describe the service area and identify homeless individuals or families specific to the area to be served.
- Discuss thoroughly the homeless needs in the jurisdiction and/or service area.
- Use quantifiable data to the greatest extent possible from objective sources such as the Census or other relatively objective sources. It is recognized that, given the nature of

homelessness and abuse cases, it will sometimes be necessary to use other sources and estimates. Data should include the number of clients actually served by each sub-recipient during the last calendar year.

- Please complete the attached “Continuum of Care Point-in-Time Homeless Population and Subpopulations Chart”.

**B.2. Applicant’s Strategy to Address Homeless Problems (25 POINTS)**

**Maximum of 5 text pages.**

- Describe the strategy as well as the reasons for the approach used to address the homeless needs and problems previously identified.
- Describe the system for monitoring and analyzing homeless needs.
- Explain the strategy for targeting funds to the neediest persons, or to the geographic or functional areas where funds may have the greatest impact. Project the number of persons to be served by services to be provided. Indicate the subpopulation of individuals as well as families with children.
- Describe each sub-recipient’s program(s) and the importance of ESG funds to the operation of these programs.

**B.3. Timely and Effective Expenditure (15 POINTS)**

**Maximum of 4 text pages (graphs/charts not included in page limit).**

- Describe the impact achieved by previous or current grants, to include clients served and services provided. Explain how the impact relates to the goals of the local continuum of care.
- Applicants will also indicate expenditure rates for previous or current grants. This may be expressed as the percentage of funds spent over time. This may also be expressed as a summary of funds spent on specific activities (Essential Services, Homeless Prevention, etc.). Include any explanation(s) needed to support why some funds are spent at a slower rate while other funds may be spent at a faster rate. Capacity points will include a determination as to whether accurate source documentation demonstrates an ability to manage the project efficiently.

**B.4. Participation in a Continuum of Care (10 POINTS)**

**Maximum of 4 text pages (charts not included in page limit).**

- Demonstrate a thorough understanding of the “Continuum of Care” concept. Explain how the services provided by the sub-recipient(s) are in line with this concept.
- Include information about your membership and each sub-recipient’s membership in an existing Continuum of Care.
- Explain the level of participation by the applicant and the sub-recipient(s) (meetings attended, surveys completed, etc.).
- Detail the strategies of your Continuum of Care to include both short and long-term strategies and goals.
- Demonstrate how each sub-recipient collaborates with other service providers in their local areas.

**B.5. Match (10 POINTS)**

**Maximum of 3 text pages (graphs/charts not included in page limit).**

- Clarify the proposed match by explaining how the match (in-kind or cash) relates to the scope of the project. Verify the match by detailing the source of funds to include resolutions and letters. If the match comes from the city or county, the source of funds (general fund) must be identified. Letters from banks, organizations or donors specifying donated items should be attached. Volunteer hours will need to be discussed in enough detail to establish validity. Include the service areas benefiting from the hours and any anticipated donations. The value of donated space should be documented and must not exceed fair market value.
- Include a Resolution that commits local match and states that the applicant recognizes it is responsible for all match regardless of source.

**B.6. Budget (20 POINTS)**

**Budget narrative is limited to 5 text pages (graphs/charts not included in page limit).**

- The budget narrative must consist of an explanation of activities involved with the request. Each budget category (Administration, Essential Services, Homeless Prevention, Rehabilitation, and Operations) must give a detailed description of costs.
- The budget for the local unit of government should be documented on a Grantee Form. Each shelter/sub-recipient's budget must itemize each activity within each category. Any administration services provided by the applicant should be documented on a Shelter Form. The budget for the local unit of government must be the aggregate of the sub-recipients' budgets and any administration services. Complete the attached budget forms.
- Each sub-recipient should submit an annual budget that documents the source and amount of other funds received by the agency during the last year.

**B.7. Schedule**

Provide a flow chart or timeline showing the schedule of necessary project elements with starting and ending dates for each. Activities applied for must be completed and closed out within eighteen (18) to twenty-four (24) months.



3. **HUD Performance Measures:** Identify both ESG Objective and Outcome for the proposed program. See information below for assistance in selecting an appropriate Objective and Outcome.

<b>OBJECTIVE (check one)</b>	<b>OUTCOME (check one)</b>
<input type="checkbox"/> Create a suitable living environment <input type="checkbox"/> Provide decent affordable housing <input type="checkbox"/> Create economic opportunity	<input type="checkbox"/> Availability/Accessibility <input type="checkbox"/> Affordability <input type="checkbox"/> Sustainability
<p><b>Objectives:</b></p> <p><i>Creating suitable living environments</i> relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment (i.e., crime prevention, literacy, child care, elderly services).</p> <p><i>Providing decent housing</i> focuses on housing activities whose purpose is to meet individual family or community housing needs.</p> <p><i>Creating economic opportunities</i> applies to activities related to economic development, commercial revitalization, or job creation</p>	<p><b>Outcomes:</b></p> <p><i>Availability/Accessibility</i> applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low and moderate-income people, including person with disabilities.</p> <p><i>Affordability</i> applies to activities that provide affordability in a variety of ways to low and moderate-income people. Affordability is an appropriate objective whenever an activity is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low income household.</p> <p><i>Sustainability</i> applies to activities that are aimed at improving communities or neighborhoods, helping to make them viable by providing benefit to persons of low and moderate-income or by removing or eliminating slums or blighted areas</p>

4. Types of Programs and Services you will provide (check all that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> Emergency Shelter Facilities | <input type="checkbox"/> Transitional Shelter           |
| <input type="checkbox"/> Vouchers for Shelters        | <input type="checkbox"/> Outreach                       |
| <input type="checkbox"/> Drop-in Center               | <input type="checkbox"/> Soup Kitchen/Meal Distribution |
| <input type="checkbox"/> Food Pantry                  | <input type="checkbox"/> Health Care                    |
| <input type="checkbox"/> Mental Health                | <input type="checkbox"/> HIV/AIDS Services              |
| <input type="checkbox"/> Alcohol/Drug Program         | <input type="checkbox"/> Employment                     |
| <input type="checkbox"/> Child Care                   | <input type="checkbox"/> Homeless Prevention            |
| <input type="checkbox"/> Other                        |   |

**CERTIFICATION**

This application for Emergency Shelter Grant Program funds has been reviewed and approved by the applicant governing board or by a duly appointed board committee.

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Name of Governing Board President/Chairperson

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Signature

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Date Approved (Month/Day/Year)

\*If signed by anyone other than board chairperson, please attach a resolution of the applicant organization's board authorizing the signatory.