

**2011-2012 Emergency Solutions Grants NOFA
Questions and Answers – Comments & Replies**

**“All progress is precarious, and the solution of one problem brings us face to face with another problem.”
Martin Luther King, Jr.**

Introduction

MSHDA began preparing for the Emergency Solutions Grant (ESG) Notification of Funding Availability in March 2011 and presented a summary of NOFA changes to the State Regional Representatives on May 3rd at a convening held in East Lansing, Michigan. On Thursday, May 19th, the draft ESG NOFA was sent to the State Regional Representatives and the CoC Chairs with written comments due to MSHDA on Friday, June 3, 2011.

Please know that we value your questions and comments and changes were made to the final NOFA based upon them.

Program Description	
Question	Answer
1. Regarding the Core Strategy “Creation of a Housing Assessment and Resource Agency (HARA) where prevention and rapid re-housing occur.” More information on this is needed. Will this prevent us from using a network of agencies and create this need for everyone to go through one entity? This is something we dealt with through Single Point of Entry.	Since programs such as Tenant Based Rental Assistance (TBRA), Homelessness Prevention and Rapid Re-housing Program (HPRP), Homeless Assistance Recovery Program (HARP) were using the term Single Point of Entry, MSHDA changed the name of Single Point of Entry for the ESG to Housing Assessment and Resource Agency (HARA) . The HARA is a physical location with consolidated services in a community for homeless individuals/families. The center is the one recognized central point of entry/intake and assessment to ease the process of applying for resources. A HARA often has consolidated human services, housing assistance and other related services as available. The Housing Resource Specialist is often employed at the HARA.
2. Regarding the Core Strategy “Creation of one Grant Fiduciary per Continuum of Care to streamline and better coordinate MSHDA ESG and other housing resources in partnership with the CoC.” So this cements the Fiduciary Agency being the Single Point of Entry too? It sounds like one lead agency.	For the ESG Program each CoC Body must have one Housing Assessment and Resource Agency (HARA). The term Single Point of Entry is obsolete for ESG. The HARA may/may not be the Fiduciary Agency that administers the CoC’s grant. In some communities the Fiduciary Agency acts only as a grant administrator/bank for the CoC; in other communities the Fiduciary Agency is also the HARA.
Collaboration	
3. Is the Fiduciary Agency and the Housing Assessment and Resource Agency (HARA) the same agency?	In Exhibit 1 submitted by the CoC Chairperson, MSHDA is told who the HARA is, the Fiduciary Agency, and the sub-grantees. The CoC might select one agency to do all tasks or may have one HARA, one Fiduciary, and multiple sub-grantees.

Use of the Funds	
4. In reviewing the NOFA, it was observed that of the 40% set aside for prevention, rapid re-housing, and housing stabilization services, 15% must be dedicated to short term leasing assistance. Clarification is requested on this. (Fifteen percent of the total grant amount or 15% of the dollar amount for prevention, rapid re-housing, and housing stabilization?)	Fifteen (15%) of the dollar amount for prevention, rapid re-housing, and housing stabilization must be spent on financial assistance for rapid re-housing, i.e., paying rent for a household that is homeless.
5. Can we use ESG funds as leverage dollars to receive other federal dollars?	Yes.
6. What agency should send out the consumer satisfaction survey, the HARA agency?	All agencies using ESG funds should provide customer satisfaction surveys. Also, CoC Bodies should discuss surveys to determine if they should survey ESG consumers of agencies they recommended for funding.
7. In order to practice shelter diversion, will more money be available for rapid re-housing?	The goal of a Housing Assessment and Resource Agency is shelter diversion through prevention or if homeless, working to rapidly re-house. For example, a mother and daughter are homeless and living with a relative. The HARA Housing Resource Specialist works with the mother to find her and her daughter an apartment before shelter is their only option. One of the main goals of centralized intake and Housing Specialist Resource staff is shelter diversion. If ESG program outcomes are achieved, funds can be re-purposed from sheltering to rapid re-housing.
8. If 15% of the allocation is required to be used for rapid re-housing, how will it affect the salary of the Housing Resource Specialist?	It may increase his/her workload. CoC's should take this into consideration when deciding funding allocation amounts.
Statewide Homeless / Housing Outcomes Matrix	
9. Could we see a definition of "positive housing destination"?	The following " bolded " destinations recorded in HMIS are mapped as positive. Based on the consensus view of our Reports Committee, treatment facilities were included as positive based on the fact that accessing needed treatment was always positive. Deceased was also logged in the "+" column as we determined that programs should not be penalized for this and it is certainly permanent. Finally, those items included in "other defined" are currently included in the formula as they are almost always positive and reflect mapping problems to the HUD Data standards. For example some providers don't identify "Section 8 Vouchers" or HARP as "Rental by client, (non-VASH) housing subsidy." We are working on that. This definition is slightly broader than HUD's definition as they do not make a call on treatment destinations.

HUD Destination Categories:

- Deceased**
- Don't Know
- Emergency Shelter, including hotel or motel paid for with emergency shelter voucher
- Foster Care / Foster care group home**
- Hospital (non-psychiatric)**
- Hotel or motel paid for without emergency shelter voucher

- Jail, Prison/Juvenile Detention
- Other, _____**
- Owned by client, no housing subsidy**

- Owned by client, with housing subsidy**
- Permanent supportive housing for formerly homeless persons (S+C, SHP, SRO Mod Rehab)**

- Place not meant for habitation

- Psychiatric hospital or other psychiatric facility**
- Refused

- Rental by client, no housing subsidy**
- Rental by client, (non-VASH) housing subsidy**
- Rental by client, VASH subsidy**

- Safe Haven
- Staying or living with family, temporary tenure (room, apartment, house)
- Staying or living with family, permanent tenure**
- Staying or living with friends, permanent tenure**
- Staying or living with friends, temporary tenure (room, apartment, house)

- Substance abuse treatment facility or detox center**
- Transitional Housing for homeless persons (including homeless youth)**

Program Description	
Comment	Reply
10. Regarding the Program Description and "...moving from a shelter based program to a Rapid Re-housing/Housing First ...are key" I cannot see the shelters being completely on board with this through CoC Membership. Shelters are still an important part of the process and needed.	Shelters are needed and important; MSHDA is not disputing this. Equally important are prevention and rapid re-housing. Rapid re-housing skills must be honed so that agencies across the state have the expertise to quickly stabilize households, diverting them from shelters, thereby avoiding the trauma of sheltering and saving money.
11. Regarding better coordination and alignment of resources at the local, state, and federal level, how does MSHDA intend to define and message this "better". While it is clear that all of us are striving to constantly have better coordination and alignment, for this to be an "Expected Outcome" without a more clear definition and explanation of how to measure this makes this an outcome that cannot be achieved. Perhaps it would be better to put this kind of language into the Program Description section so that it is made clear that this is an important value, but not an "expected outcome".	Better was deleted from the sentence is expected outcomes.
12. MSHDA is clearly working hard to hear what their CoC's are thinking and saying. It is important to all of us that we have the kind of relationship that shows mutual respect in this way.	The state of Michigan's 10-Year Plan our Visions states: " <i>It is only through our united efforts that homelessness can be eradicated in Michigan.</i> " Respectful relationships and collaboration will advance the Campaign and end homelessness

Grant Terms	
13. It is commendable that there is funding (\$20,000 bonus) made available to support communities doing an outstanding job on implementing these initiatives.	Ending homelessness requires immediate reaction to prevention and re-housing needs. Data proves Housing First is humane, cost saving and preferred by households near or living in homelessness. Therefore, HUD and MSHDA recognize Housing First as the best use of state and federal housing dollars. Providing bonus dollars an agency who best reaches the outcomes shown in Section X is a good use of public housing dollars.
14. We do not think it is right to offer the incentive.	Rewarding agencies that meet outcomes is a practice that MSHDA adopted with other state and federal programs and a practice used by HUD. In order for the state to continue to draw down funds from HUD, MSHDA must show positive outcomes. MSHDA understands that agencies are working with human beings and unexpected things occur; however, in order to end homelessness, achieving positive housing placement must occur.
Defining Homeless Persons for ESG Funding	
15. I would prefer third party verification of homelessness to the allowable self-declaration by the head of household in the NOFA.	MSHDA is requiring file documentation to verify need and homelessness, even if it is self-declaration by the head of household.
Collaboration	
16. Thank you for hearing our feedback and not requiring the CoC Chair or Coordinator serve as the local regional council reps.	The reason MSHDA was considering requiring the CoC Chair or Coordinator serve as the local regional councils reps is that MSHDA Homeless Assistance Specialist often hear that the CoC Body is not aware what is occurring at the Regional level. MSHDA meets with the State Regional Reps twice a year, the Regions meet bi-monthly during the year; therefore, it is important that CoC Bodies are aware of events/best practices in the Campaign to End Homelessness in Michigan at the Regional and state level.
17. Just as DV agencies do not need to use HMIS, Legal Services agencies should be exempt and allowed to use an alternative system. As we understand it, HUD issued an opinion during HPRP that awarded Legal aid agencies should be permitted to use a comparable database and did not have to supply client confidential information.	You are correct. Legal programs may elect not to participate in the HMIS. However, they must submit aggregated reports and substantiation of services like all other programs.
Defining Roles	
18. Part V - Defining of Roles currently reads: CoC Body will: <ul style="list-style-type: none"> ▪ Maintain a minimum of one Housing Resource Specialist (HRS) at the Housing Assessment and Resource Agency 	The bullet will be changed to: Ensure that a minimum of one Housing Resources Specialist (HRS) who is knowledgeable of housing resources in the community is working at the Housing Assessment and Resource Agency (HARA). Note: the CoC is not

<p>(HARA) who is knowledgeable about housing resources in the community and who meets the qualifications defined within this NOFA.”</p> <p><u>Point of Clarification:</u> The way this point is currently written, it could be interpreted to read that the CoC Body would be the entity responsible for hiring and supervising the HRS staff person at the HARA. While this may be the case in some communities, it may not be the case in others. Perhaps this point could be re-worded to say:</p> <ul style="list-style-type: none"> • “The CoC Body will ensure the Housing Assessment and Resource Agency (HARA) maintains a minimum of one Housing Resource Specialist (HRS) who is knowledgeable about housing resources in the community and who meets the qualifications defined within this NOFA.” 	<p>responsible for hiring and/or supervision of the HRS.)</p>
<p>19. Part V, Defining Roles currently reads: CoC Body will:</p> <ul style="list-style-type: none"> ▪ Ensure the community has a Homeless Assistance Recovery Program (HARP) Lead Agency that refers homeless households to the HARP waiting list and assists them as needed.” <p><u>Point of Clarification:</u> If the HARP waiting list is currently closed, except for people who are on TBRA, perhaps this point could be re-worded to say: “The CoC Body will ensure the community has a Homeless Assistance Recovery Program (HARP) Lead Agency that refers homeless households to the HARP waiting list as the waitlist is open and/or vouchers become available.”</p>	<p>No changes will be made to the NOFA.</p>
<p>20. Part V, Defining Roles currently reads: CoC Body will:</p> <ul style="list-style-type: none"> ▪ Recommend an agency to serve as the Housing Assessment and Resource Agency (HARA) for the community. <p><u>Point of Clarification:</u> Is it MSHDA’s requirement that there be <u>only</u> one HARA for each community? Or will MSHDA be willing to allow more than one</p>	<p>The bullet will be changed to: Recommend one agency to serve as the Housing Assessment and Resource Agency (HARA) for the CoC, with the exception of the City of Detroit CoC who are allowed up to three.</p>

HARA if this is what the community deems necessary?	
21. ESG funds should be available to use for agencies who have never received funding to build capacity.	ESG funds are available to agencies that have never received ESG funding provided the agency meets the bullets outlined in the NOFA.
22. With regards to the CoC Coordinator being at the regional council, we feel that this puts an undue burden on the CoC Chairs as we are all volunteers. This should be left to local design, e.g., we have a shared leadership model that works very well for us.	This comment was expressed at the MSHDA/Regional Council meeting held on May 3, 2011. As a result, MSHDA changed the final NOFA to: "Select two designees from each CoC Body..." Although the CoC Chair or Coordinator is recommended, it is not required.
Use of Funds	
<p>23. The draft NOFA is currently not allowing financial assistance to be used for the following:</p> <ul style="list-style-type: none"> ▪ Short-term leasing assistance (1-3 months) for Prevention Clients ▪ Rental Arrearages for Rapid Re-Housing Clients ▪ Utility Arrearages for Rapid Re-Housing Clients <p>This is an item of concern, as this wording represents a significant change in how the funds are currently allowed to be used for ESG. For the current ESG funds, short-term leasing assistance, rental arrearages, and utility arrearages are available to <u>both</u> Prevention and Rapid Re-Housing clients.</p>	<ul style="list-style-type: none"> • Rental arrearage is available for up to three months under prevention and capped at \$1,800. • Rapid Re-housing is available for <u>new</u> leases, not to make a lease whole at a prior address. • Utilities arrearages is available for re-housing only if it enables utilities to be turned on at a new address, capped at \$1,500 per household. The chart in the NOFA now reflects this.
<p>24. Section VII - Use of Funds Part currently reads: "This NOFA requires CoC Body's to award a minimum of 40% of their allocation to provide prevention, rapid re-housing activities, and housing stabilization services. The remaining 60% of the funds can be used for Essential Services, Operating Expenses, Administration Expenses, and Continuum Expenses. Out of the 40%, 15% must be dedicated to rapid re-housing, i.e., short-term leasing assistance."</p> <p><u>Point of Clarification:</u> The last sentence of this paragraph seems to indicate that rapid re-housing and short-term leasing assistance are the same, or are interchangeable terms. Rapid re-housing refers to services provided to people who are already homeless, while short-term leasing assistance refers to the 1–3 months of rental assistance a person could receive. A person could be a prevention client (not yet homeless) and receive short-term rental assistance. Clarifying this point is related to the request given above regarding the use of funds.</p>	<p>"Short-term leasing assistance" will be deleted from the last sentence.</p>

<p>25. Rental arrearages documentation may be either a copy of a Notice to Quit, Demand for Possession or Summons & Complaint. While this is still vague enough to satisfy us, we hope that it will not change and become language that requires that the process in applying for SER have been completed before the household can be assisted. Our experience is that households have had to wait anywhere from three weeks to a month to get a decision on their SER application and this puts them in greater danger of imminent homelessness.</p>	<p>The first sentence under VII. Use of Funds says “These funds cannot be used to supplant existing mainstream resources and services.”</p>
<p>26. Regarding legal assistance a \$100 cap is an arbitrary and unreasonable limit that does not come close to the cost of legal assistance in some eviction cases. A more realistic number is encouraged. Perhaps the Legal Aids could give us a better sense of what is appropriate. We believe, as does the National Alliance to End Homelessness, that legal intervention is an important and critical part of our community’s eviction prevention efforts. We need to be able to continue this kind of work.</p>	<p>MSHDA does not diminish the importance of eviction prevention efforts. Unfortunately, with minimal ESG funds and over 100,000 homeless people in Michigan, the cap of \$100 per household will not be changed.</p>
<p>27. As most people know, mediation in landlord/tenant disputes is rarely a successful venture. While the mediating assistance of case managers and other support staff can often result in a positive intervention for households, formal mediation is wasteful, expensive, and entirely too time consuming. Usually, the unequal power found between landlord and tenant gets in the way of a mutually useful result. In our experience, when attorneys have been brought in, they have been able to find defenses for the household that may not have been apparent to those of us without legal training. Additionally, the added weight of having an attorney working on behalf of the household, especially when up against a large, well-endowed landlord, usually allows a settlement to be reached that would not otherwise happen with less weighty advocacy.</p>	<p>Your comment is not disputed. The \$100 can be used to pay an attorney; however, the cap remains because of the large number of households needing assistance statewide.</p>
<p>28. Regarding hotel/motel vouchers: We have no motel/hotel voucher money in our community and have not for many years. We understand the need to not ignore the use of other mainstream resources, but since we do not have them to use for this kind of intervention, we would appreciate the ability, even if limited, to utilize some ESG monies for motels when the emergency is of significantly dire circumstances. We would be happy to craft some language about this to include in our contracts</p>	<p>There is motel funding available through the DHS statewide shelter contract with the Salvation Army. Motel funding must be requested through your Salvation Army Zone Manager with justification.</p>

<p>29. This cap on rental arrearages is too low. FMR's are considerably higher in our county. We would like to ask that the three month rent cap be based on FMR for the needed household sized unit for the community, NOT an arbitrary cap. By inserting an upper limit that is not based on FMR we are leaving households in continued jeopardy of eviction and will not allow us to utilize the Housing First policy you intend to see implemented throughout the state.</p>	<p>Rents are based on Payment Standards which are generally seven percent (7%) higher than FMR's. The \$1,500 cap per household has been increased to \$1,800 per household.</p>
<p>30. The 40% set-aside comes at the expense of shelters that are greatly needed.</p>	<p>Sixty Percent of the funding is available to sheltering, with only 40% to prevent rapid re-housing, and housing stabilization on services. Prevention and re-housing end homelessness which is the goal of the Campaign and HUD.</p>
<p>31. The HARA needs to recognize that a number of programs are supposed to receive referrals directly to them and not have to be routed to a HARA first (domestic violence, mental health, youth shelters, e.g.)</p>	<p>The goal of the HARA is to be the recognized housing intake agency for the CoC Body. Consumers may need other services such as SOAR, DV counseling, overnight shelter, but the HARA has a Housing Resource Specialist who has knowledge of housing programs, other funding/service programs, and has worked with landlords to assist with re-housing.</p>
<p>Central Intake & Housing Assessment Process</p>	
<p>32. Regarding Intake and Assessment and "All households will be screened either by phone or in person." We appreciate the changes that have been made here over last year. Not requiring an immediate in person meeting makes sense as does the fact that you are no longer requiring 24 hour phone coverage. We all know that very few people experience a housing crisis, for the first time, in the middle of the night. Except in certain situations involving DV and youth, the language you have instituted here makes sense and is appreciated. Protocol must be developed between the Housing Assessment and Resource Agency and a crisis line, e.g. 211, taking calls during non-traditional work hours. The crisis line, e.g. 211, must make callers aware that he/she should contact the Housing Assessment and Resource Agency when their office reopens.</p>	<p>Since a CoC may not have an agency that is open through the weekend and after 5:00 p.m., 211 is an acceptable first response to let people in need know who/where the Housing Assessment and Resource Agency is where to go for assistance during regular working hours.</p>
<p>33. We think that the placement of the HARA agency should be a local decision and based on local needs as to how it is to be designed.</p>	<p>The NOFA calls for the CoC to have one HARA agency that employs a HRS, with the exception of the City of Detroit, who is allowed up to three. Local thought and decision making is important for designing a HARA. Although the HARA agency must be one designated agency, the Housing Resource Specialist (HRS) can travel to county locations to meet with people in need. For example, in a CoC Body with six counties, the Housing Resource Specialist might have an arrangement with the Department of Human Services (DHS) to use office</p>

	space in their building and travel to that location on assigned days of the week to meet with people. If you need assistance in structuring your HARA or have questions, please contact your MSHDA Homeless Assistance Specialist.
Statewide Homeless / Housing Outcomes Matrix	
34. We are optimistic that continued technical assistance will be made available in redesigning systems in our Region and across the state (to meet outcomes).	Outcomes will be measured on HMIS, aggregated, and made available quarterly to your MSHDA Homeless Assistance Specialist. Training is always available and requests should be made to your MSHDA Homeless Assistance Specialist.
35. Section X Statewide Homeless/Housing Services Outcomes Matrix: We have created our own shared community-wide outcomes which we would like you to examine to see if you are willing to allow us to report on in place of some of yours. They are close and we believe based on best practices, and would appreciate the opportunity to discuss this with you.	While we encourage you to have local customized outcomes, we require standardized outcomes with standardized analytical procedures to insure that all CoCs/Programs across the State are evaluated against a common “yard stick.” In many cases, Statewide Outcomes will be more generous in their definition of success than your local measures. Additionally, the Outcome Reports are developed and based on existing data entry protocols and are very basic. We are excited that you are engaged in an existing and hopefully more aggressive outcomes process. As we gain experience with the existing measures, we anticipate that we will be "fine-tuning" the measures and perhaps adding measures. That process will be planned and CoCs will be solicited for input and ideas. Please feel free to talk with Barbara Ritter at britter@mihomeless.org if you have additional questions.

General Comments:

- Limiting the households’ income to at or below 40% is an okay standard.
- Assistance for mortgage arrearages was taken out.
- Strengths-based Case Management – I like it.
- It is gratifying to see in this draft that many of the comments, suggestions and concerns that were raised by the representatives at the Statewide Regional Leadership meeting last month have been considered and responded to. MSHDA is clearly working hard to hear what their CoC’s are thinking and saying. It is important to all of us that we have the kind of relationship that shows mutual respect in this way.
- Thank you for the pre-conference session (Michigan Affordable Housing Conference) on centralized intake systems. We have been actively working on completely reforming our system of care, collaborating with our colleagues in Grand Rapids as we continue to re-shape our new centralized response system.
- Michigan continues to struggle and its families are facing greater challenges this fall with the recently enacted four-year limit on DHS assistance. We all need to be ready for this “next wave” of crisis which this “welfare reform” will cause, and having the flexibility to respond in professional, caring, and efficient manner is all we are looking for.