MSHDA™

EMERGENCY SOLUTIONS GRANT

Office of Homeless Solutions

ESG FY2026-2027 MOU

October 1, 2026, to September 30, 2027

Application Due: Friday, July 31, 2026

Emergency Solutions Grant (ESG)

735 E Michigan Ave
P.O. Box 30044
Lansing, MI 48909

EQUAL HOUSING OPPORTUNITY

Clear Form

THIS DOCUMENT IS INTENDED TO ASSIST YOUR COMMUNITY IN EXECUTING A MEMORANDUM OF UNDERSTANDING BETWEEN KEY PARTNERS PARTICIPATING IN THE EMERGENCY SOLUTIONS GRANT. COMMUNITIES ARE REQUIRED TO USE THIS DOCUMENT AND CAN ADD ADDITIONAL INFORMATION.

Memorandum of Understanding

Between

_____

_____

_____

_____

_____

_____

This **Memorandum of Understanding (MOU)** is to establish the roles entered into between; the Continuum of Care (CoC) or Local Planning Body (LPB) as represented by the CoC/LPB chairperson; the Fiduciary Agency; the Housing Assessment and Resource Agency (HARA), and the Subgrantee/s (hereafter referred to as "Subgrantees"). The CoC/LPB Chair, Fiduciary Agency, HARA, and Subgrantees are collectively referred to as "Key Partners" and the administrative offices and authorized representatives of the Key Partners are listed in the attached document labeled "**Attachment-A: Participating Organizations**", which is incorporated by reference into this **MOU** and made a part hereof.

WHEREAS, the sole purpose of this **MOU** is to encourage cooperation between the Key Partners, and to further detail and separate the distinct roles and responsibilities of each party; and

WHEREAS, the CoC/LPB has selected _____ as the Fiduciary Agency. The CoC/LPB Coordinator and/or Chair agree to oversee the administration of services as specified in the attached document labeled "**Attachment B: Roles and Responsibilities**"; and

WHEREAS, the CoC/LPB has selected _____ as the HARA to facilitate housing assessment and agrees to provide the services as specified in the attached document labeled "**Attachment B: Roles and Responsibilities**"; and

WHEREAS, the CoC/LPB has selected _____

_____ as a Subgrantee/s who agree to provide services as specified in the attached document labeled "**Attachment-B: Roles and Responsibilities**"; and

WHEREAS, the Key Partners understand that the individuals served may require case management which is unique and specialized; and that the coordination of housing, supportive services and funding is critical to helping the individuals attain and sustain housing; and,

WHEREAS, individuals voluntarily participate in the services provided by the HARA and Sub-grantees; and

THEREFORE, the Key Partners agree that it is in the best interests of all concerned to enter into this **MOU**.

GUIDING PRINCIPLES. These funds cannot be used to supplant existing mainstream services. Key Partners to this **MOU** must be mindful of positive housing destinations and outcomes, based on HMIS (Domestic Violence agencies excluded). Individuals eligible for services through domestic violence, mental health, and substance use disorders delivery systems must have services funded through existing budgets. ESG funds are used for services that are **directly related to obtaining or sustaining housing**.

The funding categories listed below can be more stringent but cannot be broadened. These funds cannot be used for construction or rehabilitation of shelters. Fiduciary Agencies cannot issue subgrants less than $10,000.

A minimum of 40% of the CoC/LPB allocation must be awarded to the HARA. At least 40% of all rental assistance (Homelessness Prevention and Rapid Re-Housing) must be allocated to Rapid Re-Housing. Emergency shelter funding, including operations and essential services, cannot exceed 30% of the total grant amount.

A household's income must be below 30% AMI to be eligible for Homelessness Prevention or Rapid Re-Housing funds.

Key Partners to this **MOU** jointly recognize that individuals with very low-income are diverse in terms of their strengths, motivation, goals, backgrounds, and needs:

- They are members of the community with all the rights, privileges, opportunities accorded to the greater community;
- They have a right to privacy, and the right to determine for themselves matters affecting their lives; and
- In designing and implementing services, the input of those with lived expertise shall be sought.

Key partners must comply with the MSHDA grant agreement executed between the fiduciary and MSHDA. The fiduciary will provide copies of the corresponding grant agreement to ensure all subgrantees comply with the signed grant agreement.

FUNDING. The Fiduciary, HARA, and Subgrantees have been awarded ESG funds to provide Street Outreach, Emergency Shelter, Homelessness Prevention, Rapid Re-Housing, HMIS, and Administration Expenses as described in the corresponding NOFA. Each are committed to providing appropriate and exceptional services to the individuals and are committed to doing so throughout the grant term.

TERM. This **MOU** Agreement will begin effective the date of October 1, 2026 and will continue through September 30, 2027. This Agreement may be terminated in accordance with the section on Termination below.

TERMINATION. Key Partners may terminate their participation with this Agreement for any reason by giving the other parties ninety (90) days prior written notice. All remaining ESG funds held by the terminating agency must be returned to the CoC/LPB for redistribution or returned to MSHDA.

CONFIDENTIALLY. The Key Partners agree that by virtue of entering into this Agreement they will have access to certain confidential information regarding each other's operations related to this program. The Key Partners agree that they will not disclose confidential information and/or material. Key Partners must sign a Qualified Services Organization Business Associates Agreement (QSOBBA) to share local information to assist Individuals in sustaining or securing housing. Confidential information will be handled with the utmost discretion and judgment.

NONDISCRIMINATION. There shall be no discrimination of any individual on account of race, color, creed, religion, sex, marital status, sexual orientation, age, handicap, ancestry, or national origin in the administration of this program.

SEVERABILITY. In the event any provision of this Agreement shall be found to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity, legality and enforceability of the remainder of the **MOU**.

AMENDMENTS. This **MOU** may be amended only with the mutual consent of the Key Partners.

CERTIFICATION OF AUTHORITY TO SIGN MOU. The persons signing this **MOU** on behalf of the Key Partners hereto certify by said signatures that they are duly authorized to sign this document.

Signatures in Attachment-A: Participating Organizations

ATTACHMENT-A

Participating Organizations (The Fiduciary and HARA may be the same agency)

Funding Agreement/Memorandum of Understanding Michigan State Housing Development Authority (MSHDA) 735 E Michigan Ave Lansing, MI 48909 Grant Term: 10/01/2026-09/30/2027	U.S. Department of Housing and Urban Development (HUD) Emergency Solutions Grant (ESG) Program CFDA Number: 14.231 Federal Award Identification Number: Federal Award Date:

CoC/LPB Information

Name of CoC/LPB:
Counties included in CoC/LPB:
Chairperson Name and Title:
Telephone and Email:
Signature and Date:

Fiduciary Information

Legal Name of Organization:
SAM.gov Unique Entity ID Number:
Address:
Authorized Official Name and Title:
Telephone and Email:
Effective Date:
End Date:
Amount of Funds Obligated by this Agreement:
Signature and Date:

HARA Information

Legal Name of Organization:
SAM.gov Unique Entity ID Number:
Address:
Authorized Official Name and Title:
Telephone and Email:
Effective Date:
End Date:
Amount of Funds Obligated by this Agreement:
Signature and Date:

Subgrantee Information

Subgrantee:

Legal Name of Organization:
SAM.gov Unique Entity ID Number:
Address:
Authorized Official Name and Title:
Telephone and Email:
Effective Date:
End Date:
Amount of Funds Obligated by this Agreement:
Signature and Date:

Subgrantee:

Legal Name of Organization:
SAM.gov Unique Entity ID Number:
Address:
Authorized Official Name and Title:
Telephone and Email:
Effective Date:
End Date:
Amount of Funds Obligated by this Agreement:
Signature and Date:

Subgrantee:

Legal Name of Organization:
SAM.gov Unique Entity ID Number:
Address:
Authorized Official Name and Title:
Telephone and Email:
Effective Date:
End Date:
Amount of Funds Obligated by this Agreement:
Signature and Date:

Subgrantee:

Legal Name of Organization:
SAM.gov Unique Entity ID Number:
Address:
Authorized Official Name and Title:
Telephone and Email:
Effective Date:
End Date:
Amount of Funds Obligated by this Agreement:
Signature and Date:

Subgrantee:

Legal Name of Organization:
SAM.gov Unique Entity ID Number:
Address:
Authorized Official Name and Title:
Telephone and Email:
Effective Date:
End Date:
Amount of Funds Obligated by this Agreement:
Signature and Date:

Subgrantee:

Legal Name of Organization:
SAM.gov Unique Entity ID Number:
Address:
Authorized Official Name and Title:
Telephone and Email:
Effective Date:
End Date:
Amount of Funds Obligated by this Agreement:
Signature and Date:

ATTACHMENT-B

Roles and Responsibilities (The Fiduciary and HARA may be the same agency)

The following is an explanation of the minimum duties performed by the CoC/LPB, Fiduciary, HARA, and Subgrantees. As in previous ESG NOFAs, the CoC/LPB recommends to MSHDA agencies to receive funding in accordance with MSHDA ESG NOFA parameters. The CoC/LPB-recommended Fiduciary will be awarded the funds; therefore, the Fiduciary is the only agency billing MSHDA for reimbursement.

NOTE: MSHDA reserves the right to alter any/all recommendations based on issues of prior applicant performance, applicant capacity, eligibility of project activities, and consistency with the criteria and standards discussed in this NOFA.

Continuum of Care (CoC) or Local Planning Body (LPB)
While a Continuum of Care (CoC) and a Local Planning Body (LPB) are considered similar structures under MSHDA. A CoC is a HUD-recognized independent jurisdiction and can apply directly to HUD for its CoC Program funds. A LPB is in fact part of the larger, HUD-recognized Michigan Balance of State CoC. Both CoCs and LPBs are responsible to the following as outlined in federal regulation, the MSHDA ESG program, and accepted best practices:

- Implement and maintain a homeless crisis response system that is routinely monitored and evaluated based on HUD's System Performance Measures and MSHDA's Pay for Performance.
- Regularly engage, support, employ and compensate people with lived experience and expertise of homelessness (PLEE).
- Evaluate the Coordinated Entry System (access, assessment, prioritization, and referral) and housing outcomes with a racial equity lens.
- Develop a culture that teaches and makes decisions based upon outcomes.
- Analyze the local portfolio of grants to determine if the right mix of housing and services is available to meet the needs of the homeless households that present for assistance. Determine whether funding for some projects, in whole or in part, should be reallocated to make resources available for new efforts.
- Prioritize the use of MSHDA funds for proven strategies.
- Solidify and enhance partnerships within the following areas:
    - Behavioral health
    - Domestic violence and human trafficking
    - Education and employment
    - Healthcare
    - Law enforcement
    - Veteran, aging, and youth services
- Further the application and implementation of best practices and guiding principles among grantees.
- Confirm and support the identified agency(s) that will function as Fiduciary and Housing Assessment and Resource Agency (HARA), and other grantees.
- Monitor services provided by all grantees to ensure they meet the needs of the local community and that any critical issues are addressed.
- Provide MSHDA with annual PIT count meeting minutes, notices, and agendas to the designated MSHDA Homeless Assistance Specialist.
- Ensure that all funded agencies-including domestic violence service providers- participate in CoC or LPB meetings.
- Ensure completion of HMIS sharing agreement (Qualified Services Organization Business Associates Agreement - QSOBAA) between all relevant CoC/LPB agencies.

Fiduciary
The Fiduciary is an agency selected and affirmed by the CoC or LPB to receive and distribute ESG funding as allocated by the approved budget. The Fiduciary agrees to the following responsibilities:

- Execute grant documents for the community's allocation, including:
    - Completion of all Memorandum of Understanding (MOU) signatures with the CoC or LPB and with all Key Partners.
    - Sign grant agreement and applicable documents required by MSHDA.

Note: The completed MOU is sufficient to document the subgrantee relationship with the Fiduciary, but Fiduciaries can choose to initiate and execute subgrantee grants if desired.

- Assure use of funds in accordance with the grant agreement, communicating knowledge of any fraudulent activity to MSHDA and the CoC or LPB.
- Submit quarterly Financial Status Reports (FSRs) in the grant management system.

- Advise the CoC or LPB of agencies not using dollars in a timely manner to avoid loss of funds to the community and possible recapture by MSHDA.
- Evaluate the quality of services and provide oversight to funding grantees based upon documented outcomes and in partnership with the CoC or LPB.
- Collect and submit quarterly and annual Consolidated Annual Performance and Evaluation Reports (CAPERs) that address specific performance outcomes supported by HMIS data (domestic violence service providers must use a comparable database). CAPERs are submitted to MSHDA, with a copy to the CoC or LPB for review.
- Monitor ten percent (10%) of all participant files, as well as the financial records, of all grantees except emergency shelters. Emergency shelters are monitored directly by MSHDA and do not require additional monitoring by the Fiduciaries.

Housing Assessment Resource Agency (HARA)

The Housing Assessment and Resource Agency (HARA) is an agency selected and affirmed by the CoC or LPB to facilitate the prioritization and referral of households within the homeless crisis response system or Coordinated Entry System. CoCs or LPBs may also support the HARA to complete primary entry functions such as access and assessment. Other agencies may also be identified by the CoC or LPB to provide access and assessment, but MSHDA funds require recognition of one HARA per CoC or LPB. The HARA agrees to the following responsibilities:

- Implement the prioritization process for literally homeless households as developed by the CoC or LPB.
- Complete referrals based on prioritization, eligibility, and participant choice to all CoC- or LPB-identified housing resources within the geographic area of the CoC or LPB.
- Provide routine reports to the CoC or LPB on the prioritization and referral processes, including number of households identified and served by the CoC or LPB.
- Employ staff as Housing Resource Specialists to provide Housing Relocation and Stabilization Services and Rental Assistance dollars for Homelessness Prevention and Rapid Re-Housing.
- Employ staff to oversee the Housing Choice Voucher Homeless Preference waiting list.
- Employ staff to act as Housing Navigators to perform outreach to landlords, develop lists of available rental units, and assist households in identifying available housing units.
- Maintain knowledge of MSHDA housing developments within the CoC or LPB, the availability of Project Based Vouchers within any developments, and at least quarterly contact with each development regarding availability of units.
- Assist developers to ensure that case management services are available to new units made available through the Low-Income Housing Tax Credit (LIHTC) Program, and if applicable, refer applicants to the Project Based Voucher waiting list.
- Ensure accessibility in each county served through established office hours.

All Grantees

All grantees are selected and affirmed by the CoC or LPB agree to the following responsibilities:

- Collaborate with the CoC or LPB to align funding and address any gaps in system design to end homelessness.
- Provide eligible services as defined within this policy and as specified in their grant agreement with the Fiduciary.
- Enter client information on HMIS (domestic violence service providers must use a comparable database).
- Coordinate with the HARA to ensure the required assessment tool and/or process is completed for literally homeless households.
- Routinely review and correct HMIS/comparable database data quality issues and monitor outcome performance.
- Maintain financial and client level records to support billings, retaining records for five years.
- Request payment and provide necessary supportive documentation to the Fiduciary on at least a quarterly basis.
- Submit quarterly and annual CAPERs that address specific performance outcomes supported by HMIS data to the Fiduciary.
- Ensure compliance with grant terms and provide the Fiduciary and MSHDA access to financial and programmatic records when requested.