



# 2026 ALLOCATION PLAN

## Emergency Solutions Grants

*DRAFT Pending HUD Approval*



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This recipient does not discriminate in admission or access to, or treatment or employment in, its federally assisted programs and activities. Accommodations: Individuals who require accommodations including translated documents, an alternate format, or to request a copy of the plan may contact:

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## SECTION 1: PROGRAM OVERVIEW

This document provides a brief overview of the ESG Program and the process to apply for funds from the FY 2026 ESG allocation. Applicants should review the ESG Interim Rule found at [24 CFR Parts 91 and 576](#) for complete program information. To the extent that anything contained in this document does not meet the requirements of the final ESG Program rule, to be published at a later date, such final rule or regulation will take precedence over this document.

## SECTION 2: 2026 FUNDING LEVELS

For FY 2026, an approximate amount of \$486,494 in federal funds will be made available. NDHFA will use ND Homeless Grant funding to provide 100 percent of the match requirement to allocate as state ESG match funding. For FY 2026 it is estimated that the match liability will be \$386,494. The total required for state match is dependent on the final FY 2026 ESG allocation from HUD. Federal funds allocated to street outreach and shelter operation activities are limited to up to 60% of the federal allocation. The state match ESG funding may be used for any eligible ESG component and will be allocated to recipients as part of the overall ESG award. Requests for funds from the FY 2026 ESG allocation are limited to a minimum of \$50,000. Successful applicants may receive less ESG funds than requested based on the Selection Criteria on pages 8 and 9 and a priority to renew performing projects.

## SECTION 3: ELIGIBLE APPLICANTS

Applicants must be federally recognized non-profits or units of local government. Governmental organizations such as public housing agencies and local housing finance agencies are not eligible applicants under the ESG Program. Applicants must be in compliance with the [ESG Interim Rule](#) (Final Rule when published), the Written Standards for the CoC and ESG programs, and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws.

By virtue of submitting an application, applicants agree to adopt and consistently apply the Written Standards for the CoC and ESG programs for the administration of the ESG program; and maintain standard accounting practices including internal controls and fiscal accounting procedures; track agency and program budgets by revenue sources and expenses; and have an available cash flow to effectively operate their program(s) since ESG funding is provided on a reimbursement basis.

Applicants with outstanding monitoring or audit findings issued by the Internal Revenue Service, HUD, or NDHFA are not eligible ESG applicants and will not be eligible to receive an allocation of ESG funding. Applicants are encouraged to contact NDHFA to ensure no unresolved monitoring findings exist or to work to resolve any outstanding items.

Eligible applicants must be able to demonstrate prior experience serving individuals and households at-risk of or experiencing homelessness. Also, applicants must have staff with demonstrated expertise in case management skills.

Applicants will be required to utilize the HMIS and the statewide Continuum of Care's coordinated entry system. Domestic violence service providers must establish and operate a CoC approved comparable database that collects client level data over time and can generate unduplicated aggregate reports based on the data.

Applicants must be active members of the North Dakota Continuum of Care.

## SECTION 4: STATUTORY DEFINITIONS

Emergency Solutions Grants statutory definitions can be found at [24 CFR Part 576.2](#).

## SECTION 5: PROGRAM COMPONENTS AND ELIGIBLE ACTIVITIES

Emergency Solutions Grants will be utilized to provide services to individuals experiencing homelessness and those at risk of becoming homeless in the following eligible activities. Applicants should refer to [24 CFR Part 576.100-576.109](#) for further clarification on the following eligible activities:

- Street Outreach
- Emergency Shelter
- Homelessness Prevention
- Rapid Re-housing Assistance
- Homeless Management Information System

A. **Street Outreach** ([24 CFR Part 576.101](#)) – Funds may be used for costs of providing essential services to reach out to unsheltered homeless; connect them with emergency shelter, housing, or critical services; and provide urgent non-facility-based care to unsheltered homeless who are unwilling or unable to access emergency shelter, housing or an appropriate health facility. Eligible activities include the following:

1. Engagement Activities
2. Case Management
3. Emergency Health Services
4. Emergency Mental Health Services
5. Transportation
6. Services for Special Populations

B. **Emergency Shelter Component** ([24 CFR Part 576.102](#)) – Funds may be used for costs of providing essential services to individuals and households in emergency shelters, renovating buildings to be used as emergency shelters, and operating emergency shelters. Eligible activities include the following:

1. Essential Services – Essential services provided to individuals and households who are in emergency shelters can include case management, childcare, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and services for special populations.
2. Renovation Activities – Eligible costs include labor, materials, tools, and other costs for renovation (including major rehabilitation or conversion of a building into an emergency shelter). The grantee must comply with all sections of the Uniform Relocation Act (URA) contained in 49 CFR Part 24. The emergency shelter must be owned by a government entity or private nonprofit organization.
3. Shelter Operations – Eligible costs are the costs of maintenance (including minor or routine repairs), insurance, utilities, rent, food, furnishing/appliances, and supplies necessary for the operation of the emergency shelter.

C. **Homelessness Prevention Component** ([24 CFR Part 576.103](#)) – Funds may be used to provide relocation and stabilization assistance and rental assistance to prevent an individual or household from becoming homeless. Applicants can assist individuals and households who meet the following qualifications under homelessness prevention:

1. Individuals or households who have an income below 30% of Area Median Income (AMI) as determined by HUD, with adjustments for smaller and larger household size. An individual's or family's annual income must be compared to area income limits posted on the ESG webpage found at: [ndhousing.nd.gov](http://ndhousing.nd.gov).
2. Individuals or households who qualify as a homeless or at-risk of becoming homeless as specified in [\(24 CFR Part 576.103\)](#) and [576.2](#). See Attachments A and B.

D. **Rapid Re-Housing Assistance Component** [\(24 CFR Part 576.104\)](#) – ESG funds may be used to provide relocation and stabilization assistance and rental assistance to help a homeless individual or household move as quickly as possible into permanent housing and achieve stability in that housing. Rapid Re-Housing Assistance may be provided to individuals or families lacking a fixed, regular, and adequate nighttime residence or any individual or family who is fleeing or attempting to flee domestic violence, assault, or other life-threatening conditions that relate to violence.

**Housing Relocation and Stabilization Services** [\(24 CFR Part 576.104\)](#) – Homelessness prevention and rapid re-housing are eligible ESG activities that focus on serving different individuals or families. Homelessness prevention and rapid re-housing provide assistance in accordance with the housing relocation and stabilization services requirements in [24 CFR Part 576.105](#), the short-term and medium-term rental assistance requirements in [24 CFR Part 576.106](#) and the written standards and procedures under [24 CFR Part 576.400](#), which states that ESG funds may be used for payment of the following under both homelessness prevention and rapid re-housing components:

- Rental application fees.
- Security deposits equal to no more than 2 month's rent.
- Last month's rent. If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program.
- Standard utility deposits.
- Utility payment - ESG funds may pay up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears per service. Total utility payment assistance to a program participant cannot exceed 24 months during any 3-year period.
- Moving costs. Truck rental or hiring a moving company. Assistance may also include payment of temporary storage fees for up to 3 months. Payment of temporary storage fees in arrears is not eligible.
- Service costs. Housing search and placement, housing stability case management, mediation activities, legal services necessary to resolve housing issues, and credit repair/counseling services.

**Short-Term and Medium-Term Rental Assistance** [\(24 CFR Part 576.106\)](#)- ESG funds may provide a program participant with up to 24 months of rental assistance during any 3 year period. Applicants may establish their own caps, conditions, and time limits for rental assistance if they do not exceed the following parameters:

- Rental assistance.
  - Short-term – up to 3 months of rental assistance.
  - Medium-term – MORE than 3 months but not more than 24 months.
  - Tenant-based or project-based.
- Rental Arrear Payments. Payment of rental arrears consists of a one-time payment for up to six months of rent in arrears, including any late fees on those arrears.

- Rental assistance cannot be provided to a program participant who is receiving tenant-based or project-based rental assistance through other public sources or receiving replacement housing payments under the Uniform Relocation Act (URA).
- Rental assistance cannot be provided for a unit unless the rent for that unit does not exceed the Fair Market Rent established by HUD, as provided under [24 CFR Part 888](#); and complies with HUD's standard of rent reasonableness, as established under [24 CFR 982.507](#).
- Applicant must enter into a Rental Assistance Agreement with the landlord for each unit receiving ESG rental assistance. Such agreement must meet the requirements of [24 CFR 576.106\(e\)](#).
- Each program participant receiving ESG rental assistance must have a legally binding written lease for the rental unit.
- Use with other subsidies. Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a program participant who has been provided with replacement housing payments under the URA during the period covered by the URA payments.

**Evaluation and documentation of client eligibility for assistance is required to be re-assessed at least every three months for program participants receiving homelessness prevention assistance, and not less than once annually for program participants receiving rapid re-housing assistance to ensure that they continue to meet the eligibility criteria, review program and appropriateness standards, and to re-evaluate the need for continued ESG assistance.**

- E. **Homelessness Management Information System (HMIS) Component** [24 CFR 576.107](#)– ESG funds may be used to pay the costs of participating in HMIS. Costs include hardware; software licenses or equipment; obtaining technical support; staff time for completing data entry and analysis; monitoring and reviewing data quality; HUD approved training; reporting; and coordinating and integrating the system. If applicant is a domestic violence service provider, it may use ESG funds to establish and operate a CoC approved comparable database that collects client level data over time and generates unduplicated aggregate reports based on the data.
- F. **Ineligible Activities** – mortgages; early termination fee; damages incurred by the program participant; costs that have been turned over to a collection agency; and payments that occurred outside of the grant year, except for arrears.

## SECTION 6: MATCHING FUNDS

ESG requires that states must match all but \$100,000 of their awards. NDHFA will use an allocation from the ND Homeless Grant to meet the match requirement. Funds used for the match requirement will be added to the total available ESG funds and awarded to recipients who must use the funds for their ESG program. NDHFA will track which entities receive state ESG match as part of their ESG financial award and will track how match was expended. Additional match needs may also be met through NDHFA paid administrative funds and eligible ND Homeless Grant expenditures.

## SECTION 7: PROGRAM REQUIREMENTS

- A. Applicants must coordinate and integrate ESG funded activities with other programs targeted to those experiencing homelessness. Services must be coordinated to provide a strategic, community-wide system to prevent and end homelessness in the area. Examples of targeted homeless services are: CoC programs; PATH

programs; HUD-VASH; Programs for Runaway and Homeless Youth, Emergency Food and Shelter Programs and Healthcare for the Homeless, etc.

- B. System and Program Coordination with Mainstream Resources. The applicant must coordinate and integrate, ESG funded activities with mainstream housing, health, social services, employment, education, and youth programs for which individuals and households at risk of homelessness and individuals and households experiencing homelessness may be eligible.
- C. Coordinated Entry System (CES). ESG applicants are required to utilize the HMIS and Coordinated Access, Referral, Entry and Stabilization System (CARES) the regional coordinated entry system serving North Dakota and West Central Minnesota. ESG-funded program(s) or project(s) within the Continuum of Care's area must use the CARES. The recipient and subrecipient must work with the Continuum of Care to ensure the screening, assessment and referral of program participants are consistent with the written standards required by paragraph (e) of this section. A victim service provider must participate in CARES and use a CoC approved alternative database.
- D. Written Standards and Procedures – Applicants shall adopt and consistently apply NDHFA's written standards for providing ESG. See NDHFA's website.
- E. Participation in HMIS. Applicants are required to collect and enter data into HMIS for all individuals and households served with ESG funds. Domestic violence service providers are exempt from participating in the HMIS system but must use a CoC approved alternative database that collects client level data overtime and can generate unduplicated aggregate reports on the data.
- F. Homeless participation –
  1. Unless the recipient is a State, the recipient must provide for the participation of not less than one individual previously or currently experiencing homelessness on the board of directors or other equivalent policy-making entity of the recipient, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receives funding under ESG.
  2. If the recipient is unable to meet requirement under paragraph (a), it must instead develop and implement a plan to consult with not less than one individual previously or currently experiencing homelessness in considering and making policies and decisions regarding any facilities, services, or other assistance that receive funding under ESG. The plan must be included in the annual action plan required under [24 CFR 91.220](#).
  3. To the maximum extent practicable, the recipient or subrecipient must involve individuals and families experiencing homelessness in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.
- G. Faith-based activities
  1. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to receive ESG funds. Neither the federal government nor a state or local government receiving funds under ESG shall discriminate against an organization on the basis of the organization's religious character or affiliation.
  2. Organizations that are directly funded under the ESG program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under ESG. If an organization conducts these activities, the activities must be offered separately, in time or location, from the programs or services funded under ESG, and participation must be voluntary for program participants.
  3. Any religious organization that receives ESG funds retains its independence from federal, state, and local governments, and may continue to carry out its mission, including the definition, practice, and

expression of its religious beliefs, provided that the religious organization does not use direct ESG funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide ESG-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, an ESG-funded religious organization retains its authority over its internal governance, and the organization may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

4. An organization that receives ESG funds shall not, in providing ESG assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
  5. ESG funds may not be used for the rehabilitation of structures to the extent that those structures are used for inherently religious activities. ESG funds may be used for the rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under the ESG program. Where a structure is used for both eligible and inherently religious activities, ESG funds may not exceed the cost of those portions of the rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to ESG funds. Sanctuaries, chapels, or other rooms that an ESG-funded religious congregation uses as its principal place of worship, however, are ineligible for funded improvements under the program. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
  6. If the recipient or a subrecipient that is a local government voluntarily contributes its own funds to supplement federally funded activities, the recipient or subrecipient has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.
- H. Evaluation of Program Participants. Applicants must conduct an initial evaluation to determine the eligibility of each individual or household's eligibility for ESG assistance and the type of assistance necessary to regain stability in permanent housing. Certain activities require verification of citizenship and immigration status. These evaluations must be conducted in accordance with the coordinated entry system and NDHFA's written standards and ESG Administrative Manual.
- I. Case Management. Each program participant receiving **homelessness prevention or rapid re-housing assistance** must be required to meet regularly, not less than once per month, with a case manager (except where prohibited by Victims Against Women Act (VAWA) and the Family Violence Prevention and Services Act (FVPSA) and develop an individualized plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area. Consistent with [24 CFR Part 576.401 \(e\)](#), housing stability case management can last no more than 30 days while the program participant seeks permanent housing and no more than 24 months once in permanent housing.
- J. Rent Reasonableness. Applicants must ensure that ESG funds used for rental assistance do not exceed the actual rental cost, which must be in compliance with HUD's standard of "rent reasonableness" and not to exceed the Fair Market Rent. Rent reasonableness means that the total rent charge, including utilities, for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units.
- K. Program Accessibility. Applicants must operate each existing program or activity receiving federal financial assistance so that the program or activity, when viewing in its entirety is readily accessible for persons with disabilities.

- L. Housing Standards for Emergency Shelters. Any building for which ESG funds are used for conversion, rehabilitation or renovation, must meet state or local government safety and sanitation standards as applicable. Shelters must be also accessible in accordance with Section 504 of the Rehabilitation Act and implementing regulations at [24 CFR Part 8](#); Fair Housing Act and implementing regulations at [24 CFR Part 100](#) and [Title II of the Americans with Disabilities Act](#) and [28 CFR Part 35](#); where applicable.
- M. Housing Standards for Permanent Housing. Applicants cannot use ESG funds to help a program participant remain or move into housing that does not meet the minimum habitability standards. Applicants must certify that the unit has passed habitability standards BEFORE any ESG funds may be released. (Habitability Standards Inspection Form).

In addition, both emergency shelters and permanent housing must meet additional housing standards per [24 CFR Part 576.403](#), which includes the following:

1. The building must be structurally sound.
  2. Except where a shelter is intended for day use only, the program participant must be provided with an acceptable place to sleep and adequate space and security for themselves and their belongings.
  3. Each room or space must have a natural or mechanical means of ventilation.
  4. The water supply must be free of contamination.
  5. Individuals and households must have access to sanitary facilities that are in proper operating condition.
  6. Must have necessary heating/cooling facilities in proper operating condition.
  7. Must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety and sufficient electrical sources to permit the safe use of electrical appliances.
  8. Food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner and be inspected by the local public health department.
  9. Housing must be maintained in a sanitary condition.
  10. Working smoke detectors must be located near sleeping areas, located on each occupied level of the unit, and there must be a second means of exiting the building in the event of fire or other emergency. Shelters must have a fire alarm system designed for hearing impaired residents.
- N. Lead-Based Paint Requirements. Lead-Based Paint Poisoning Prevention Act applies to all shelters assisted under ESG program and all housing occupied by program participants. All applicants are required to conduct a Lead-Based Paint inspection on all units receiving assistance under the rapid re-housing AND homelessness prevention components if the unit is built before 1978 and a child under the age of six or a pregnant woman resides in the unit.
  - O. Confidentiality. All applicants must develop and implement procedures to ensure the confidentiality of records pertaining to any individual or household provided with ESG assistance.
  - P. Termination of Housing Assistance (576.402). Applicants may terminate assistance to a program participant who violates program requirements. Applicants may also resume assistance to a program participant whose assistance was previously terminated. In terminating assistance to a program participant, applicants must provide a formal process that recognizes the rights of individuals receiving assistance to due process of law. This process, at a minimum, must:
    1. Recognize individual rights.
    2. Allow termination in only the most severe case.
    3. Provide a written notice to the program participant, with a clear statement of reasons for termination.

4. Provide a review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision.

5. Provide a prompt written notice of the final decision to the program participant.

Q. Recordkeeping. All applicants must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require within the timeframe specified.

R. Sanctions. If NDHFA determines that an applicant is not complying with the requirements of the ESG Plan or other applicable federal or state laws, NDHFA will take appropriate actions, which may include:

1. Issue a warning letter that further failure to comply with such requirements will result in a more serious sanction.
2. Direct the applicant to cease incurring costs with grant funds.
3. Require that some or all of the grant amounts be repaid to NDHFA.
4. Reduce (de-obligate) the level of funds the applicant would otherwise be entitled to receive.
5. Elect to make the applicant ineligible for future NDHFA funding.

Any ESG funds that become available to NDHFA as a result of a sanction or voluntary return by the applicant, will be made available (as soon as practicable) to other eligible applicants for use within the ESG Program.

S. Conflicts of Interest. The availability of any type or amount of ESG assistance may not be conditioned on an individual's or household's acceptance or occupancy of emergency shelter or housing owned by the applicant, or a parent or subsidiary of the applicant. No applicant may, with respect to individuals or households occupying housing owned by the applicant, or any parent or subsidiary of the applicant, carry out the initial evaluation required under [24 CFR Part 576.401](#) or administer homelessness prevention assistance under [24 CFR Part 576.103](#).

For procurement of goods and services, the applicant must comply with the codes of conduct and conflict of interest requirements under [2 CFR Part 200.112](#).

T. Monitoring. NDHFA is responsible for monitoring all ESG activities to ensure program requirements established by HUD and NDHFA are met. Monitoring will consist of site visits to applicant's place of business, review of all reimbursement requests, and review of HMIS information. NDHFA will conduct site visits at least once every two years. NDHFA will also provide support and technical assistance, as needed.

Additional monitoring of applicants may be conducted by HUD's office of Community Planning and Development, HUD's Office of Special Needs Assistance Program, or any other applicable federal agency. These agencies will be monitoring the ESG program nationwide to determine compliance with federal program requirements.

## SECTION 8: SELECTION CRITERIA

Eligible applicants must be able to demonstrate prior experience serving individuals and households at-risk of or experiencing homelessness. Also, applicants must have staff with demonstrated expertise in case management skills.

### Emergency Shelter Selection Criteria

**Total points available 147**

**A. Need for funding. .... Up to 10 points**

Clearly identify need for funding. This can be supported through information provided on the Emergency Shelter Addendum-Shelter Budget form and through the narrative. Use Point-in-time count, school district

homeless data, HMIS data, and housing needs assessments to clearly articulate specific target population needs.

**B. Local support..... Up to 20 points**

Applications that provide letters of community for operational financial support from local government (City or County) will receive 10 points.

Applications that provide proof of ongoing support from ongoing donor commitments or foundations will receive 10 points.

**C. Collaboration efforts with other targeted homeless services and mainstream resources. ... Up to 10 points**

- a. Applications with partnerships identified but no formal documentation will receive 5 points.
- b. Applications with formal agreements will receive 10 points

**D. The applicant’s active involvement in CoC, CARES, and HMIS, including signed partnership agreements ..... Up to 25 points**

- a. The application will receive 5 points if the applicant participated in the HUD Point-in-Time Count.
- b. The application will receive 5 points if the applicant participated in all the monthly CoC trainings.
- c. The application will receive 5 points if the applicant maintained a data quality error rate (ADD Score)
  - i. 2% or Less = 5
  - ii. 3-5% = 3
  - iii. 6-10% = 2
  - iv. Higher than 10% = 0
- d. The application will receive 5 points if they are a HMIS participating agency.
- e. The application will receive 5 points if they participated in HMIS/ESG/NDHG Annual training.

**E. The applicant’s plan to involve, to the maximum extent practicable, persons with lived experience in constructing, renovating, maintaining, and operating facilities assisted under ESG, and in providing services for occupants of these facilities. .... Up to 5 points**

**F. The applicant’s shelter operations policy has minimal participant selection criteria . ....Up to 25 points**

- a. The application will receive 10 points if policies do not require a fee for stay.
- b. The application will receive 5 points if policies do not require drug testing at entry.
- c. The application will receive 5 points if policies do not require a criminal background check at entry.
- d. The application will receive 5 points if policies do not prohibit pets.

**G. Spending and performance monitoring, FY25 recipients with 80 percent of their 2025 awards expended, timely reimbursement request history, reporting, and no outstanding monitoring findings will receive. .... Up to 25 points**

- a. The application will receive 10 points for spending history.
- b. The application will receive 5 points for timely reimbursement history.
- c. The application will receive 5 points for no outstanding monitoring findings.
- d. The application will receive 5 points for timely reporting history.

**H. Shelter Performance Measures .....Up to 27 points**

Scoring will be based on information from the HMIS Annual Performance Report for period of performance from July 1, 2025 to May 30, 2026.

**a. What is the percentage of program participants who exited to positive housing destinations.**

Calculation-APR 23c.

- i. 15 points for percentages between 81-100%
- ii. 10 points for percentages between 60-80%
- iii. 5 points for percentages between 59-40%

**b. What is the percentage of adult stayers/leavers with increased total income from entry to exit?**

Calculation -APR 19a2 Performance measure: number of adults with total income, percentage of persons who gained or increased total income from start to exit.

- i. 55% or higher will receive 5 points
- ii. 40-54% will receive 4 points
- iii. 30-39% will receive 3 points
- iv. 20-29% will receive 2 points
- v. 15-19% will receive 1 point
- vi. Less than 15% will receive 0 points

**c. What is the percentage of people who exited into homelessness?**

Calculation-APR 23c – Subtotal of Exits to Homeless/Total Exits.

- i. 0-5% will receive 7 points
- ii. 6-10% will receive 5 points
- iii. 11-15% will receive 3 points
- iv. 16-20% will receive 1 point
- v. More than 20% will receive 0 points

**Homeless Prevention and Rapid Rehousing Scoring Criteria**

**Total points available 153**

**A. Need for funding. .... Up to 10 points**

Clearly identify need for funding through a narrative to describe the proposed project aligns with demonstrated local need for the service area proposed. Needs can include eviction rates, housing cost burden, vacancy rates, unsheltered homeless rates, and any other community-driven assessments of need. Data sources such as the Point-in-time count, school district homeless data, HMIS data, and local and state housing needs assessments should be used clearly articulate specific target population needs.

**B. Collaboration efforts with other targeted homeless services and mainstream resources....up to 10 points**

- a. Applications with partnerships identified but no formal documentation will receive 5 points.
- b. Applications with formal agreements will receive 10 points

**C. The applicant has been actively involved in CoC, CARES, and HMIS, including signed partnership agreements and use of CARES for housing referrals..... Up to 10 Points**

- a. The application will receive 5 points for participation in CoC membership meetings.
- b. The Application will receive 10 points for participation in local coordinated entry meetings.

- D. The applicant includes persons with lived experience in representation in governance or advisory roles, has paid positions for lived experience roles within program implementation, has documented consultation of individuals with lived experience in program design and policy. 5 Points**
- E. Local support.....Up to 20 points**
  - a. Applications that provide letters of financial support for homeless prevention/rapid rehousing programs from local government (City or County) will receive 10 points. Support can include either administrative assistance or funding for direct client supports.
  - b. Applications that provide proof of ongoing support from ongoing donor commitments or foundations will receive 10 points.
- F. Spending and performance monitoring, FY25 recipients with 80 percent of their 2025 awards expended, timely reimbursement request history, reporting, and no outstanding monitoring findings will receive.....Up to 25 points**
  - c. The application will receive 10 points for spending history.
  - c. The application will receive 5 points for timely reimbursement history.
  - d. The application will receive 5 points for no open monitoring reports.
  - e. The application will receive 5 points for timely reporting history.
- G. Participation in CoC, NDHG, and ESG required training, including, but not limited to, monthly training and annual in-person HMIS training. .... Up to 10 points**
- H. Performance Benchmarks for Evaluation..... Up to 42 points**

Scoring will be based on information from the HMIS Annual Performance Report for period of performance from July 1, 2025 to May 30, 2026.

**a. Percentage of persons exiting to positive housing destinations.**

Calculation-(APR 23c)

- i. 15 points for percentages between 81-100%
- ii. 10 points for percentages between 60-80%
- iii. 5 points for percentages between 59-40%

**b. What is the percentage of people who exited into homelessness?**

Calculation-APR 23c – Subtotal of Exits to Homeless/Total Exits.

- i. 7 points for percentages between 0-5% will receive 7 points
- ii. 6-10% will receive 5 points
- iii. 11-15% will receive 3 points
- iv. 16-20% will receive 1 point
- v. More than 20% will receive 0

**c. Job and Income Growth**

Applications will receive 10 points if they can demonstrate the percentage of participants who had an increase in income from employment was 20 percent or higher.

Calculation- APR 19a2 Performance measure: number of adults with earned income , percentage of persons who gained or increased earned income from start to exit.

**d. Non-Cash Benefits Access**

Applications will receive points for increasing the number of individuals earning non-cash benefits.  
(Add 20B Benefit at annual and exit divided by total persons served)

- i. 20% 10 points,
- ii. 15% 5 points.

**I. Landlord recruitment and retention strategies..... 5 points**

Describe the strategies used to engage, recruit and maintain ongoing landlord relationships.

**J. Geographic Service Area..... up to 16 points**

The application will receive 2 points for each region covered by their service area. To be eligible for points, there must be access to in-person housing stability and case management services in that region.

When making final selections, the NDHFA review committee may make a grant award for less than the amount applied for or for fewer than all of the activities identified in the application, based on the demand for grant amounts, the extent to which the respective activities address the needs of the individuals and households, and the reasonableness of the costs proposed. The NDHFA review committee reserves the right to award ESG funds to any applicant or deny ESG funds to any applicant if it determines, in its sole discretion, the project is unacceptable based on, but not limited to the following:

- Information regarding the fact that a particular market is saturated with emergency units and/or services.
- The applicant has not demonstrated capacity to administer the ESG Program.
- The applicant’s (including any related party’s) insufficient prior administration of NDHFA programs, including ESG, which may have resulted in monitoring findings.

**SECTION 9: GRANT ADMINISTRATION**

Upon project selection, an award letter and financial agreement will be forwarded to each applicant detailing a description of the activities funded, and award conditions. Execution of the financial agreement is to be completed by a representative of the applicant and NDHFA.

Grant funds will be considered obligated once the grant agreement has been signed by the applicant. A grant agreement will be sent under separate cover detailing the applicant’s requirements and responsibilities, including those required for the environmental review. The applicant will be required to sign and return the grant agreement to NDHFA.

The grant agreement will indicate the activities and the corresponding approved funding amounts by category. An approved Request for Amendment is needed from NDHFA to vary from the funding amounts and categories as specified in the executed grant agreement.

Grant agreements will be for a term not to exceed 12 months. Applicants must expend NDHFA funds for eligible activities within the grant period.

**SECTION 10: METHOD OF PAYMENT**

Payment of ESG funds will be completed as a reimbursement, in a chronological order of request for funds number. Requests for payment must be received by NDHFA at least quarterly, following the ESG Drawdown Schedule below or more frequently as needed. Requests must be submitted in a format approved by NDHFA and must include a detailed breakdown of expenses incurred and ESG funds requested. Copies of all expenses and

documentation of payment must be submitted for verification purposes. It is preferred that requests for funds are over \$1,000. Lack of documentation or explanation may result in a delay in payment.

If your agency has not met the spending deadlines, NDHFA has the authority to deobligate unused funds. On a case-by-case basis, a request for a waiver must be made to the Director of NDHFA to prevent deobligation of funds.

## ATTACHMENT A

### CRITERIA FOR DEFINING AT RISK OF HOMELESSNESS

#### Category 1: Individuals or Family

Has an annual income below 30% of AMI for ESG, 50% of AMI for NDHG.

#### AND

Lacks sufficient resources or support networks immediately available to prevent homelessness

AND meets one of the following risk factors.

1. Persistent housing instability - has moved because of economic reasons 2 or more times during the 60 days
2. Living in the home of another because of economic hardship.
3. Housing loss within 21 days – has been notified their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance.
4. Living in a rented hotel or motel and cost is not paid for by charitable organization or by federal, state, or local government programs for low-income individuals.
5. Living in a severely overcrowded unit as defined by US Census Bureau: lives in an SRO or efficiency apartment unit in which there reside more than 2 persons or lives in a larger housing unit in which there reside more than 1½ persons per room.
6. Exiting publicly funded institution or system of care.
7. Living in housing associated with instability and an increased risk of homelessness.

#### Category 2: Unaccompanied Children and Youth

A child or youth who does not qualify as homeless under the homeless definition but qualifies as homeless under another federal statute.

#### Category 3: Families With Children and Youth

An unaccompanied youth who does not qualify as homeless under the homeless definition but qualifies as homeless under section 725(2) of the McKinney-Vento Homeless Assistance Act, and the parent(s) or that child or youth if living with him or her.

## ATTACHMENT B

### HOMELESS DEFINITION

#### Category 1: Literally Homeless

1. Individual or family who lacks a fixed, regular, and adequate night-time residence, meaning:
  - Has a primary night-time residence that is a public or private place not meant for human habitation;
  - Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, and local government programs); **or**
  - Is exiting an institution where (s)he has resided for 90 days or less **and** who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

#### Category 2: Imminent Risk of Homelessness

1. Individual or family who will imminently lose their primary nighttime residence, provided that:
  - Residence will be lost within 14 days of the date of application for homeless assistance;
  - No subsequent residence has been identified; and
  - The individual or family lacks the resources or support networks needed to obtain other permanent housing.

#### Category 3: Homeless under other federal statutes

1. Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
  - Are defined as homeless under the other listed federal statutes;
  - Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application;
  - Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; and
  - Can be expected to continue in such status for an extended period due to special needs or barriers.

#### Category 4: Fleeing/Attempting to Flee Domestic Violence

Any individual or family who:

- Is fleeing, or is attempting to flee, domestic violence;
- Has no other residence; and
- Lacks the resources or support networks to obtain other permanent housing.