



Emergency Solutions Grants (ESG) Program
CFDA# 14.231

2025 ESG

Notice of Funding Availability (NOFA)

1) Summary.

- a) The Texas Department of Housing and Community Affairs (the Department or TDHCA) announces an annual NOFA for Emergency Solutions Grants (ESG) funds for street outreach, emergency shelter, homeless prevention, rapid re-housing, Homeless Management Information System (HMIS), and Administration.
- b) The Contract Term for funds awarded under this NOFA will be 12 months, and is anticipated to start in the fall of 2025, subject to receipt of adequate funding and any additional terms and conditions from the U.S. Department of Housing and Urban Development (HUD).
- c) Applicants must familiarize themselves with all of the applicable state and federal rules that govern the ESG Program. The availability and use of ESG funds are subject, but not limited to the following:
 - i) State rules under Title 10, Part 1, Chapter 1, Chapter 2, and Chapter 7, Subchapter A; and Subchapter C of the Texas Administrative Code, and for Units of Local Government, the Texas Grant Management Standards (TxGMS) (collectively, the ESG State Rules); and
 - ii) Federal laws and regulations including the Homeless Emergency Assistance and Rapid Transition to Housing Act (42 U.S.C. §11302 *et. seq.*), as amended; the HUD regulations codified in 24 Code of Federal Regulations (CFR) Part 576; 24 CFR Part 58, for environmental requirements; 2 CFR Part 200 for Uniform Administrative Requirements; 24 CFR Part 75 for Section 3 requirements; and 24 CFR Part 5, Subpart A for fair housing (collectively, the Federal Rules and Regulations).
- d) Capitalized terms in this NOFA have the meanings defined herein, or as defined in ESG State Rules or the Federal Rules and Regulations.

2) Allocation of Funds.

- a) The initial amount of funds in this NOFA are made available through the Department's 2025 annual ESG allocation from HUD. The Department, in its sole discretion, may also release under this NOFA any funds as described in 10 TAC §7.41(f), as allowable and available. The Department, in its sole discretion, also reserves the right to cancel or modify the amount available in this NOFA.
- b) The initial amount available for this NOFA will be published by May 30, 2025, on Department's website at <https://www.tdhca.texas.gov/esg-funding>. The initial amount made available under this NOFA is subject to an Allocation Formula utilizing the methodology outlined at 10 TAC §7.33 as follows:

CoC Number	CoC Name	Anticipated Percentage of Allocation Formula Funding
TX500	City of San Antonio/ Bexar County	8%
TX503	City of Austin/Travis County	7%
TX600	City of Dallas & County/ Irving	12%
TX601	City of Fort Worth/Arlington/ Tarrant County	7%
TX603	City of El Paso & County	3%
TX604	City of Waco/McLennan County	1%
TX607	Texas Balance of State	41%
TX611	City of Amarillo	1%
TX624	Wichita Falls/Wise, Palo Pinto, Wichita, Archer Counties	1%
TX625	City of Lubbock & County	2%
TX700	City of Houston/Harris County	15%
TX701	City of Bryan/College Station/Brazos Valley	2%
Total:		100.00%

Refer to the ESG Allocation Formula tables located on the Department's website at <https://www.tdhca.texas.gov/esg-funding> for the applicable allocation calculations for each CoC region and for updates prior to submitting an Application.

- c) If the Department adds funds to the NOFA after the start of the Application acceptance period, but before the Application acceptance period closes, the funds will, unless otherwise required by HUD, and except as described in 10 TAC §7.33(a), be distributed statewide in accordance with 10 TAC §7.33(f) and updated on the Department's website.

3) Eligible Applicants.

- a) Eligible Applicants are Units of Local Government as defined by HUD in CPD Notice 17-10 or Private Nonprofit Organizations. Public Housing Authorities, and Local Redevelopment Agencies are not federally eligible Applicants.
- b) Applicants are required to familiarize themselves with the Department's certification and debarment policies prior to Application submission.

4) Use of funds. The Applicant may not Subgrant funds, but may Subcontract for the provision of services. Such Subcontracts are subject to applicable procurement requirements. The program components below are eligible uses of ESG funds under this NOFA. The Program Participant service components are street outreach, emergency shelter, homelessness prevention, and rapid re-housing.

- a) **Street outreach.** The street outreach component includes engagement, case management, emergency health services, emergency mental health services, and transportation (excluding the purchase or lease of vehicles). Specific program guidelines can be found at 10 TAC §7.32(e), and 24 CFR §576.101(a).
- b) **Emergency shelter.** The emergency shelter component program participant services include case management to coordinate individualized services, child care, education services, employment assistance and job training services, outpatient health services, legal services, life skills, outpatient mental health services, outpatient substance abuse treatment services up to 30 days, excluding inpatient treatment, transportation (excluding the purchase or lease of vehicles). Emergency shelter eligible costs also include certain costs for operations of emergency shelters, and assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. More specific program guidelines can be found at 10 TAC §7.32(f), and 24 CFR §576.102.
- c) **Homelessness prevention.** The homelessness prevention component includes housing relocation and stabilization for financial assistance, housing relocation and stabilization services, and non-duplicative rental assistance provided to persons at-risk of homelessness. More specific program guidelines can be found at 10 TAC §7.32(g), and 24 CFR §576.103.
- d) **Rapid re-housing.** The rapid re-housing component includes housing relocation and stabilization for financial assistance, housing relocation and stabilization services, and non-duplicative rental assistance to persons experiencing homelessness. More specific program guidelines can be found at 10 TAC §7.32(g), and 24 CFR §576.104.

- e) **HMIS.** The HMIS component includes hardware, software, equipment, office space, utility costs; Salary and staff costs for operation of HMIS, including technical support; HMIS training and overhead costs, including travel to HUD sponsored and approved HMIS training programs and travel costs for staff to conduct intake; HMIS participation fees charged by the HMIS lead agency; HMIS-comparable databases for victim services providers or legal services providers. More specific program guidelines can be found at 10 TAC §7.32(h), and 24 CFR §576.107.
- f) **Administration.** Administration includes general management and oversight of the ESG award, excluding the cost to purchase office space; provision of ESG training and costs to attend HUD-sponsored ESG training; and costs to carry out required environmental reviews. More specific program guidelines can be found at 10 TAC §7.32(i), and 24 CFR §576.108.
- g) **Prohibited Activities.** Prohibited activities include, but are not limited to, lease and/or purchase of vehicles, renovation/rehabilitation/conversion of buildings for use as emergency shelter, acquisition of real property; new construction; legal services for immigration and citizenship matters, and issues relating to mortgages; inpatient detoxification and other inpatient drug or alcohol treatment; payment of temporary storage fees in arrears; payment or modification of a debt; rehabilitation of structures to the extent that those structures are used for inherently religious activities; mortgage payments, and any activity not specifically performed as allowed under Federal Rules and Regulations and ESG State Rules.

5) Limitation on Funds. Applications for ESG awards must comply with the limitations set forth in 10 TAC §7.36(a)(2) and §7.33(d) as follows:

- a) The maximum amount requested under each ESG Application, including all Program Participant Services, funds for HMIS, and Administrative funds may not exceed the amount of funding available in the CoC region under which the Application is submitted;
- b) An Applicant may apply for less than minimum award only when funds for the CoC region under which the Application is made are insufficient to fully fund the Application.
- c) For Applications under the Competitive Application cycle, the minimum amount requested under each ESG Application for all Program Participant Services \$75,000, and may not exceed \$400,000;
- d) Additional funds requested for HMIS are limited to 12% of the amount of funds requested for each Program Participant service, for a maximum of \$48,000 per award; and

- e) Additional funds requested for Administrative activities are limited to three percent of the amount of funds requested for each Program Participant service, for a maximum of \$12,000 per award.

6) Continuing Award Process.

- a) The Department will initially set aside 75% of funds allocated under 10 TAC §7.33 for offers of Continuing Awards to eligible Subrecipients.
- b) All materials to submit an abbreviated Application under this NOFA for a Continuing Award, including program guidelines, and Federal Rules and Regulations, and ESG State Rules, are available on the Department's website at <https://www.tdhca.texas.gov/esg-funding>.
- c) Continuing Awards will be offered to eligible prior Subrecipients, and the amount offered will be based on the original most recent award amount, adjusted in proportion to the HUD allocation amount and funds available within the region.
- d) Continuing Award offers may be increased by up to 115% of the prior original award as adjusted for changes to the allocation as described above, when less than 75% of funds in a CoC region have been offered for Continuing Awards. Continuing Award offers within a CoC region may be proportionally decreased if the amount of funds that may be offered for Continuing Awards exceeds 75% of funding allocated to a CoC region.
- e) Funds remaining in the Continuing Awards set-aside after all offers of a Continuing Award have been accepted will be made available in the CoC region from which they were allocated for the Competitive Application cycle.
- f) Subrecipients that accept a Continuing Award for a Program Participant service may not apply in the Competitive Application cycle for funding for the same Program Participant service for which they accepted a Continuing Award.
- g) Subrecipients that accept a Continuing Award must submit the required abbreviated Application for funding within 21 days of the request from the Department or applicant will be withdrawn from the Continuing Award request.

7) Competitive Application Review Process.

- a) Each Program Participant service component reflected in an Application will be treated as a separate Application, assigned a separate Application number per service type, and will be scored and ranked separately for each service type selected. Applications may be awarded funds under any or all applied for Program Participant service components.

- b) All materials to submit a Competitive Application for under this NOFA, including program guidelines, and Federal Rules and Regulations, and ESG State Rules, are available on the Department's website at <https://www.tdhca.texas.gov/esg-funding>.
- c) Applications must adhere to the Federal Rules and Regulations, and ESG State Rules in effect at the time of the close of the Application acceptance period. Applications must be on forms provided by the Department, cannot be altered or modified, and must be in final form before submitting them to the Department.
- d) Administrative deficiencies noted during the review of an Application shall be subject to the administrative deficiency process outlined in 10 TAC §7.37.
- e) Applicants will be required to submit a self-score within the Application for each Program Participant service for which funds are requested. In no event will the points awarded to the Applicant exceed the point value of the self-score in any selection criterion.
- f) All Applicants will be subject to a Previous Participation Review by the Department, as outlined in 10 TAC §1.302.
- g) Audit Requirements. All Applicants are subject to the requirements of 10 TAC §1.403, concerning Single Audits.
- h) Pursuant to Tex. Gov't Code §2306.1112 and 10 TAC §1.303, the Executive Director will make recommendations to the Board regarding funding decisions.

8) Application Submission.

- a) Abbreviated Applications for Continuing Awards may be submitted after the date of the offer of the Continuing Award, and must be submitted within 21 days of the offer in order to be considered. This deadline, including the final date and time of receipt, will be included on the offer letter generated by the Department.
- b) The Application acceptance period for Competitive Applications starts on May 23, 2025, at 8:00 a.m. Austin local time, and ends on the Application Deadline of **Monday, June 23, 2025, at 5:00 p.m. Austin local time. Applications received after the Application submission deadline will not be considered for an award.**
- c) The NOFA will expire the earlier of the date the Department's Governing Board of Directors awards all of the funds under the NOFA, or the deadline described in 24 CFR §576.203(a)(1) and subject to any extensions granted by HUD.
- d) An Applicant must submit a completed Application, required documentation, and associated application materials, as described in this NOFA and as detailed in the 2025

ESG Application Submission Procedures Manual (ASPM). All scanned copies must be scanned in accordance with the guidance provided in the ASPM.

- e) All Application materials including this NOFA, program guidelines, and Federal Rules and Regulations and ESG State Rules are available on the Department's website at <https://www.tdhca.texas.gov/esg-funding>. Applications will be required to adhere to the threshold requirements in effect at the close of the Application acceptance period. The Application must be on Application forms published online at the above reference site provided by the Department which cannot be altered or modified, and must be in final form before they are submitted to the Department.
- f) This NOFA does not include text of the various applicable regulatory provisions that may be important to the ESG Program. For proper completion of the Application, the Department strongly encourages potential Applicants to review the Federal Rules and Regulations and the ESG State Rules. Please contact the Single Family and Homeless Programs Division for guidance and assistance.

9) Competitive Application Award Selection Process.

- a) Applications submitted directly to the Department for consideration in the Competitive Application will receive points based on experience, program design, budget, previous performance, collaboration, and performance as more fully provided for in 10 TAC §§7.39-7.40. Applications will be scored and ranked for award recommendation, in accordance with the provisions of 10 TAC §7.38.
- b) Application review priority will be determined based on Applicant self-score and CoC region funding availability. Applications with the highest self-scores for which total funding requested is less than or equal the amount of funding available within the CoC region under which the Application is submitted will be reviewed as priority Applications.
- c) An Application for which the self-score precludes the likelihood of award will not be reviewed, unless an Application with a higher self-score is determined to be ineligible or incorrectly self-scored. An application log, which includes, at a minimum, the Applicant name, CoC region, self-score of the Application, and the review priority, will be published on the Department's website at <https://www.tdhca.texas.gov/esg-funding>.
- d) The Department may decline to consider any Application if the proposed activities would not, in the Department's sole determination, represent a prudent use of the Department's funds. The Department is not obligated to proceed with any action pertaining to any Applications that are received, and may decide it is in the Department's best interest to refrain from pursuing any selection process or making awards. The Department reserves the right to request clarification on individual elements of any Application.

- e) Funding recommendations of Awards will be presented to the Department's Governing Board of Directors based on eligibility and score, with the Executive Director's recommendation. Recommendations are limited by the total amount of funds available under this NOFA, and the maximum award amount limitations for each component and award type.
- f) In accordance with Tex. Gov't Code §2306.082 and 10 TAC §1.17, it is the Department's policy to encourage the use of appropriate alternative dispute resolution procedures (ADR) under the Governmental Dispute Resolution Act, Tex. Gov't Code Chapter 2009, to assist in resolving disputes under the Department's jurisdiction.
- g) An Applicant may appeal decisions made by staff in accordance with 10 TAC §1.7.

For questions regarding this NOFA, please contact Rosy Falcon, Homeless Programs Manager, at 512-475-3975, or rosy.falcon@tdhca.texas.gov.