

CHAPTER 29  
HOMELESS SHELTER OPERATION GRANTS PROGRAM

**261—29.1(78GA,ch1230) Purpose.** The program is designed to help improve the quality of services to the homeless; to make available additional needed services; and to help meet the costs of operating essential social services to homeless individuals so that these persons have access not only to safe and sanitary shelter, but also to the supportive services and other types of assistance homeless persons need to improve their situations.

**261—29.2(78GA,ch1230) Definitions.**

*“Applicant”* means a provider of homeless services applying for funds through the homeless shelter operation grants program.

*“CHIP”* means counting homeless Iowans project.

*“Grantee”* means a qualifying city government, county government, or nonprofit organization receiving funds under this chapter.

*“Homeless”* or *“homeless individual”* means:

1. An individual who lacks a fixed, regular, and adequate nighttime residence; and
2. An individual who has a primary nighttime residence that is:
  - A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
  - An institution that provides a temporary residence for individuals intended to be institutionalized; or
  - A public or private place not designated for, or ordinarily used as, a regular sleeping accommodation for human beings.

*“HSOG”* means the homeless shelter operation grants program.

*“IDED”* means the Iowa department of economic development.

*“Legislature”* means the Iowa general assembly.

*“Nonprofit recipient”* means any private nonprofit organization providing assistance to the homeless to which a unit of general local government distributes HSOG funds. For purposes of this chapter, a nonprofit recipient is a subgrantee.

*“Obligated”* means that the grantee has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the grant amount. Grant amounts awarded by IDED by a written agreement or letter of award requiring payment from the grant amounts are obligated.

*“Private nonprofit organization”* means a secular or religious organization described in Section 501(c) of the Internal Revenue Code which:

1. Is exempt from taxation under Subtitle A of the Internal Revenue Code,
2. Has an accounting system and a voluntary board, and
3. Practices nondiscrimination in the provision of assistance to homeless clients.

*“Rehabilitation”* means labor, materials, tools, and other costs of improving buildings including repair directed toward an accumulation of deferred maintenance; replacement of principal fixtures and components of existing buildings; installation of security devices; and improvement through alterations or additions to, or enhancements of, existing buildings, including improvements to increase the efficient use of energy in buildings.

*“Renovation”* means rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation.

*“Value of the building”* means the monetary value assigned to a building by an independent real estate appraiser, or as otherwise reasonably established by the grantee.

**261—29.3(78GA,ch1230) Eligible applicants.** City governments, county governments, and private nonprofit organizations are eligible applicants under the homeless shelter operation grants program.

**261—29.4(78GA,ch1230) Eligible activities.** Activities assisted by this program may include but are not limited to the following:

1. Rehabilitation, renovation, or conversion of buildings for use as providers of services for the homeless. Rehabilitation activities shall be allowed a maximum cost of \$10,000 per project.
2. Provision of essential services if the service is a new service or a quantifiable increase in the level of service.
3. Payment of normal operating expenses that include staff salaries, maintenance, insurance, utilities, furnishings, and all other documented normal operating expenses.
4. Payment for eligible activities that assist in homeless prevention. Examples of eligible activities include, but are not limited to, short-term subsidies to help defray rent and utility arrearages for families faced with eviction or termination of utility services; security deposits or first month's rent for a family to acquire its own apartment; programs to provide mediation services for landlord-tenant disputes; or programs to provide legal representation to indigent tenants in eviction proceedings. Other possible types of homeless prevention efforts include making needed payments to prevent a home from falling into foreclosure.
5. Administrative costs. A grantee may use a portion of a grant received for administrative purposes as determined by IDED. The maximum allowed for these administrative costs shall be 5 percent of the state of Iowa's HSOG allocation. IDED reserves the authority to determine the distribution of administrative funds.

**261—29.5(78GA,ch1230) Ineligible activities.** The general rule is that any activity that is not allowed under 261—29.4(78GA,ch1230) is ineligible to be carried out with homeless shelter operation grants program funds. The following items are ineligible under this rule:

1. Acquisition of an emergency shelter for the homeless;
2. Renting commercial, transient accommodations for the homeless;
3. Rehabilitation services, such as preparation of work specification, loan processing, or inspections;
4. Renovation, rehabilitation, or conversion of buildings owned by primarily religious organizations or entities.

**261—29.6(78GA,ch1230) Application procedures.**

**29.6(1)** The Iowa department of economic development will request applications from eligible applicants as often as the state expects funding for the HSOG program. Applicants will be given at least 30 days in which to reply to the state's request for applications. The application must be submitted on forms prescribed by IDED and the application must, at a minimum, include the amount of funds requested, the need for the funds, documentation of other available funding sources, source of required local match, and estimated number of persons to be served by the applicant (daily average).

**29.6(2)** No individual program may receive more than \$50,000 in a single application round.

**29.6(3)** Applicants shall apply for a minimum of \$10,000 per funding round.

**261—29.7(78GA,ch1230) Application review process.** The following procedures will be used in the review of applications received under the homeless shelter operation grants program.

**29.7(1)** Applications will be reviewed by a panel established by the Iowa department of economic development and coordinated with representatives of other homeless assistance programs. Applications will be reviewed to determine basic eligibility based on the following criteria:

*a.* The identified community need for the funds, including the number of clients served, the unmet need in the community, geographic area of service, and common factors leading to the need for service.

*b.* The comprehensiveness and flexibility of the program, including how the applicant strives to meet the total and special needs of its clients and how homeless assistance is integrated with other programs.

*c.* The accessibility of the applicant's services to its clients, including how well the applicant promotes its services within the community, any barriers to service, and any networking with other service providers in the area.

*d.* How the applicant deals with cultural diversity within its community.

*e.* Any partnerships or collaborations between the applicant and other programs within the organization or with other organizations performing similar or complementary services.

*f.* The unique role of the applicant within the area of service, including innovative parts of the applicant's project that would make it stand out.

*g.* A description of specific outcome measures for short- or long-term objectives for clients.

*h.* The experience of the applicant in administering an HSOG program contract.

*i.* How well the applicant maximizes or leverages resources.

**29.7(2)** If an application contains an activity determined to be ineligible under the HSOG program within the request for funds, the ineligible activity will be deleted from the application or referred to another funding source, if applicable.

**29.7(3)** Staff reserves the right to negotiate directly with the applicant to determine the priority of funding requested within the application.

**29.7(4)** Staff may also review applications with the department of human rights, department of human services, or other groups with an expertise in the area of serving homeless persons before making final funding recommendations. Consultation with other agencies is intended to avoid duplication and promote maximum utilization of funding sources. Based on the review process, IDED may revise the overall funding request by activity or funding level and recommend a final funding figure to the director of IDED for approval.

**29.7(5)** A city or county government may be determined, at the discretion of IDED, to administer a contract for multiple applicants within a prescribed geographic area.

**29.7(6)** IDED reserves the right to negotiate all aspects of a funding request prior to final approval.

**29.7(7)** Applicants that receive awards will be eligible for funding for a two-year period. The amount of funding for the first year will be dependent upon the needs identified in the application that are eligible activities. The amount eligible for funding in the second year will be dependent upon the needs identified in the annual report and other data submitted to IDED and the receipt of funds for the homeless shelter operation grants program as funded by the state of Iowa.

**261—29.8(78GA,ch1230) Matching requirement.** There is no matching requirement with the HSOG program.

**261—29.9(78GA,ch1230) Grant awards.** Grants will be awarded to individual applicants. IDED may award a grant to a local city or county government on behalf of multiple applicants, at the discretion of IDED and with the approval of those applicants affected and the local governmental unit. If a city or county is designated as the grantee of an award, that city or county will be responsible for coordination of requests for funds by eligible private nonprofit recipients within its jurisdiction by consolidating them into one contract. IDED reserves the right to negotiate the amount of the grant award, the scale of the project, and alternative methods in completing the project.

**261—29.10(78GA,ch1230) Compliance with applicable federal and state laws and regulations.** All grantees shall comply with the Iowa Code governing activities performed under this program. Use of HSOG funds must comply with the following nondiscrimination and equal opportunity requirements:

1. The requirements of Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3601-19 and implementing regulations; Executive Order 11063 and implementing regulations at 24 CFR Part 107; and Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2002d) and its implementing regulations at 24 CFR Part 1.

2. Affirmative action requirements as implemented with Executive Orders 11625, 12432, and 12138 which require that every effort be made to solicit the participation of minority and women business enterprises (MBE/WBE) in governmental projects.

3. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07).

4. The prohibitions against discrimination against disabled individuals under Section 504 of the Rehabilitation Act of 1973/Americans with Disabilities Act.

5. Recipients shall participate in a data reporting system developed by IDED as required in the executed contract. Recipients receiving funds only for prevention activities shall participate in a modified reporting system.

**261—29.11(78GA,ch1230) Administration.**

**29.11(1) Contracts.** Upon selection of an application for funding, IDED will issue a contract. The contract shall be between IDED and the designated grantee as determined by IDED. If a local city or county government is designated as the grantee, the private nonprofit providers covered through the contract shall remain responsible for adherence to the requirements of the HSOG program, including these rules. These rules and state laws and regulations become part of the contract.

Certain activities may require that permits or clearances be obtained from other state or federal agencies prior to proceeding with the project. Grant awards may be conditioned upon the timely completion of these requirements.

**29.11(2) Record keeping and retention.** Financial records, supporting documents, statistical records, and all other records pertinent to the grant program shall be retained by the grantee for three years. Private nonprofit recipients covered through an HSOG contract from a local city or county government are responsible for ensuring that pertinent records of their HSOG funds be made available to the administering city or county and to IDED upon request. Proper record retention must be in accordance with the following:

- a. Records for any assisted activity shall be retained for three years after final closeout and, if applicable, until audit procedures are completed and accepted by IDED;

b. Representatives of the state auditor's office and IDED shall have access to all books, accounts, documents, records, and other property belonging to or in use by a grantee pertaining to the receipt of assistance under these rules.

**29.11(3) Reporting requirements.** Grantees shall submit reports to IDED as prescribed in the contract. These reports are:

a. *CHIP data reports.* All recipients of HSOG funds are required to submit monthly reports on clients served through the counting homeless Iowans program (CHIP) as prescribed by IDED.

b. *HSOG Form-1, request for funds.* Grantees must submit requests for funds as needed during the contract year as prescribed by IDED.

IDEED may perform any review or field inspections it deems necessary to ensure program compliance, including review of grantee records and reports. When problems of compliance are noted, IDED may require remedial actions to be taken. Failure to respond to notifications of need for remedial action may result in the implementation of 29.11(5).

**29.11(4) Amendments to contracts.** Contracts will be amended on an individual basis in emergency situations. Any request to amend a contract must be submitted in writing to IDED by the chief elected official. IDED will determine if the request to amend is justified based on the material presented in the letter of request. No amendment will be valid until approved in writing by IDED.

**29.11(5) Remedies for noncompliance.** At any time before project closeout, IDED may, for cause, find that a grantee is not in compliance with the requirements under this program. At IDED's discretion, remedies for noncompliance may include the following:

a. Issue a warning letter that further failure to comply with program requirements within a stated period of time will result in a more serious action.

b. Condition a future grant.

c. Direct the grantee to stop incurring costs with grant amounts.

d. Require that some or all of the grant amounts be remitted to the state.

e. Reduce the levels of funds the recipient would otherwise be entitled to receive.

f. Elect not to provide future grant funds to the recipient until appropriate actions are taken to ensure compliance.

Reasons for a finding of noncompliance include, but are not limited to: the grantee's use of program funds for activities not described in its application, the grantee's failure to complete approved activities in a timely manner, the grantee's failure to comply with any applicable state rules or regulations, or the lack of continuing capacity by the grantee to carry out the approved program in a timely manner.

## **261—29.12(78GA,ch1230) Innovation fund.**

**29.12(1) Purpose.** The innovation fund is created to advance projects that serve the needs of homeless individuals and families in a new and innovative manner. The primary goal of the innovation fund is to strengthen the network of service providers by supplying funds to serve as a catalyst for addressing emerging issues and improving homeless assistance programming across the state. Projects funded under this rule should provide an additional service to the community that cannot otherwise be undertaken. The fund may also address new programs where no other provider exists within the community and a demonstrated need for services exists.

**29.12(2) *Project guidelines.*** The following guidelines apply to all project proposals:

*a. Eligibility.* Applicants shall meet the criteria established in 29.3(78GA,ch1230). In addition, projects shall be planned in direct response to an identified community priority that is recommended by a formal planning body with responsibilities for housing and homeless issues. These planning bodies include local homeless coordinating board; council of government or regional planning commission; empowerment board approved by the state of Iowa; local government written comprehensive plan; or housing needs assessment.

*b. Funding.* Up to \$250,000 shall be reserved from state allocations in FY2001 to establish the innovation fund. An individual applicant may receive up to \$75,000 that may be distributed in a period no longer than 24 months.

*c. Eligible activities.* Activities assisted under this rule include those listed in 29.4(78GA,ch1230). In addition, programs proposed must set forth an approach to service provision not commonly implemented in the state.

*d. A preapplication must be submitted to IDED prior to submitting a full application. Preapplication forms are available at any time by contacting IDED at (515)242-4825 or accessing the IDED Web site at [www.state.ia.us/ided/crd](http://www.state.ia.us/ided/crd). IDED staff shall review the proposal to determine if the proposal meets minimum eligibility requirements. If the proposal meets threshold eligibility requirements, IDED staff will request that a full application be submitted.*

*e. Invited full applications shall be due to IDED on March 15, June 15, and September 15 of 2001 as long as funding remains available. The first date for submitting a full application under the innovation fund is March 15, 2001.*

*f. Applications shall be submitted on forms prescribed by IDED. Application materials may be requested at any time by contacting IDED at (515)242-4825 or accessing the IDED Web site at [www.state.ia.us/ided/crd](http://www.state.ia.us/ided/crd).*

**29.12(3) *Review criteria.*** All applications will be reviewed using the following criteria. A detailed explanation of each review criterion is included in the application materials.

*a. Context (up to 14 points):* community priorities; continuum of services.

*b. Inputs (up to 10 points):* program quality; leveraged resources and sustainability.

*c. Process (up to 9 points):* project accessibility; diversity; collaboration and partnerships.

*d. Outcomes (up to 10 points):* definition of projected outcomes; success in meeting outcomes; use of outcomes by agency in evaluation.

These rules are intended to implement 2000 Iowa Acts, chapter 1230, section 1(3)“e.”

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