

**16.49 Community housing and services for persons with disabilities revolving loan program fund.**

1. A community housing and services for persons with disabilities revolving loan program fund is created within the authority to further the availability of affordable housing and supportive services for Medicaid waiver-eligible individuals with behaviors that provide significant barriers to accessing traditional rental and supportive services opportunities. The moneys in the fund are annually appropriated to the authority to be used for the development and operation of a revolving loan program to provide financing to construct affordable permanent supportive housing or develop infrastructure in which to provide supportive services, including through new construction, acquisition and rehabilitation of existing housing or infrastructure, or conversion or adaptive reuse.

2. Moneys transferred by the authority for deposit in the community housing and services for persons with disabilities revolving loan program fund, moneys appropriated to the community housing and services for persons with disabilities revolving loan program, and any other moneys available to and obtained or accepted by the authority for placement in the fund shall be credited to the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the community housing and services for persons with disabilities revolving loan program fund shall be credited to the fund. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund. Notwithstanding [section 8.33](#), moneys credited to the fund from any other fund that remain unencumbered or unobligated at the close of the fiscal year shall not revert to the other fund.

3. *a.* The authority shall annually allocate moneys available in the fund for the development of permanent supportive housing for Medicaid waiver-eligible individuals. The authority shall develop a joint application process for the allocation of United States housing and urban development HOME investment partnerships program funding and the funds available under [this section](#). Moneys allocated to such projects may be in the form of loans, forgivable loans, or a combination of loans and forgivable loans.

*b.* The authority shall annually allocate moneys available in the fund for the development of infrastructure in which to provide supportive services for Medicaid waiver-eligible individuals who meet the psychiatric medical institution for children level of care. Moneys allocated to such projects may be in the form of loans, forgivable loans, or a combination of loans and forgivable loans.

4. *a.* A project shall demonstrate written approval of the project by the department of health and human services to the authority prior to application for funding under [this section](#).

*b.* In order to be approved by the department of health and human services for application for funding for development of permanent supportive housing under [this section](#), a project shall include all of the following components:

(1) Provision of services to any of the following Medicaid waiver-eligible individuals:

(a) Individuals who are currently underserved in community placements, including individuals who are physically aggressive or have behaviors that are difficult to manage or individuals who meet the psychiatric medical institution for children level of care.

(b) Individuals who are currently residing in out-of-state facilities.

(c) Individuals who are currently receiving care in a licensed health care facility.

(2) A plan to provide each individual with crisis stabilization services to ensure that the individual's behavioral issues are appropriately addressed by the provider.

(3) Policies and procedures that prohibit discharge of the individual from the waiver services provided by the project provider unless an alternative placement that is acceptable to the client or the client's guardian is identified.

*c.* In order to be approved by the department of health and human services for application for funding for development of infrastructure in which to provide supportive services under [this section](#), a project shall include all of the following components:

(1) Provision of services to Medicaid waiver-eligible individuals who meet the psychiatric medical institution for children level of care.

(2) Policies and procedures that prohibit discharge of the individual from the waiver

services provided by the project provider unless an alternative placement that is acceptable to the client or the client's guardian is identified.

d. Housing provided through a project under [this section](#) is exempt from the requirements of [chapter 135O](#).

[2014 Acts, ch 1080, §44, 78; 2023 Acts, ch 19, §31](#)

Referred to in [§16.45, 16.57A](#)

For provisions relating to financial assistance to border county hospitals, see [2014 Acts, ch 1132, §42, 43](#)  
Subsection 4 amended