**Iowa Statewide Emergency Solutions Grant (ESG) Plan for Public Comment**

***The Iowa Finance Authority (IFA) and Iowa Economic Development Authority (IEDA) are submitting a HUD Substantial Amendment to the Annual Action Plan for HUD formula grant programs, including the Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The Amendment process includes a standard five-day period for public comments. The Amendment and process for submitting public comment will be posted to this website when available:*** <https://www.iowaeconomicdevelopment.com/our-agency-detail-resources/6501>.

The Iowa Finance Authority (IFA) will use its Emergency Solutions Grant (ESG)-CV funding in the amount of $9,574,948 to respond to, prepare for, or prevent the spread of the COVID-19 virus in the State of Iowa. Funds will support a combination of all activities normally eligible under ESG, including Street Outreach, Shelter, Homelessness Prevention, and Rapid Rehousing.

Eligible nonprofit agencies and units of local government may apply for funds through one or a combination of three options, as follows:

Option 1, Formula Option for Current Grantees: This option is for agencies that are current calendar year 2020 grantees of the Iowa Shelter Assistance Fund (SAF) and/or Iowa Statewide ESG. Agencies may request ESG-CV funding in an amount equal to 50% of their current 2020 total SAF and Iowa Statewide ESG grants. For example, an agency that received a CY2020 SAF grant for $40,000 to provide Shelter, and a CY2020 ESG grant for $70,000 to provide Rapid Rehousing, for a total of $110,000, would be eligible to apply for $55,000 in Iowa ESG-CV funding. In general, agencies must have remained open and serving participants during the COVID-19 pandemic to be eligible. Funds awarded may be used for any eligible ESG expenses in any category. Agencies must be prepared to know and follow ESG program rules, which will be especially important for agencies currently funded only with SAF. Option 1 grants are not competitive, and will not be scored. In general, they will be awarded to any eligible agency, in good standing with IFA, that submits a request. Up to approximately $1.8 million may be used to fund Option 1 amounts.

Option 2, Regional Homelessness Prevention and/or Rapid Rehousing: This option is for agencies to apply to provide Homelessness Prevention and/or Rapid Rehousing assistance to serve a designated region. Designated regions are Iowa Coordinated Services Regions (Coordinated Entry Regions). Polk County, Woodbury County, and Pottawattamie County each normally participate in separate Coordinated Entry Regions according to their separate HUD-designated Continua of Care, but will be considered regions for this purpose. Each region will be designated a total eligible amount of both Homelessness Prevention and Rapid Rehousing dollars, and may apply for up to this amount, with some flexibility allowed between the categories to meet regional needs as they arise. Approximately $7 million is anticipated to be used to fund Option 2 amounts.

Option 3, Special Consideration: This option is for agencies that don’t fit the above categories or otherwise present justification that merits special funding consideration.

Period of Use: In any category above, funds may be used to reimburse allowable costs incurred by an agency before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19, as allowed by HUD. The anticipated deadline to spend ESG-CV funds will be December 31, 2021. Awarded agencies will be required to demonstrate a minimum rate of expenditure at periodic intervals in order to retain the grant (anticipated December 31, 2020 and June 30, 2021). Agencies not meeting thresholds may have funds reduced and reallocated to another agency.

HUD has offered some regulatory flexibility for ESG-CV to respond to the COVID-19 pandemic. IFA has requested to use the waivers that have been made available so far and will continue to pursue regulatory flexibility as it is made available and as it is needed by subrecipients.