

Iowa Finance Authority
Iowa Emergency Solutions Grant & Shelter Assistance Fund – Homeless Assistance Programs
2022 & 2023 Calendar Years Competition
Public Comments

Comments Invited:

The Iowa Finance Authority (IFA) is opening a new competition for the Iowa Statewide Emergency Solutions Grant (ESG) & Shelter Assistance Fund (SAF). The competition will be for grant funding for the 2022 and 2023 calendar years. IFA invited public and stakeholder comments on the proposed application. Comments received by the deadline of 9/10/2021 are below, along with IFA responses. IFA thanks all commenters for their feedback in developing these programs and this competition.

Comments Received:

Angie Arthur, Homeward Iowa:

- a) Regionalization – Having only one entity apply for RRH and HP is very challenging. There is a concern from an administrative perspective. 2% admin isn't sufficient to account for subcontracting, funding reimbursements, and any needed quality assurance processes. You can feasibly have the contract holding HP entity that has expended its funding while still administering RRH contracts through sub contractual relationships. Additionally, you may not have a partnership available within a region. More flexibility is needed with contracting for services within a region.
- b) Administration and HMIS funding – Rather than prescribing 5% HMIS and 2% admin, it would be beneficial to providers to have flexibility in determining how the 7% is broken down based on organization specific needs.
- c) Coordinated Entry/Centralized Intake – While there are up to 20 points awarded for participation in CE/CI, I encourage IFA to make participation in CE/CI a threshold requirement for funding. It will help to further coordinate the homeless services in communities.
- d) Shelter Funding Priorities – There are a total number of 7 points for 6a. I am concerned about two items regarding the scoring. The two entitlement communities are being penalized for that funding. Entitlement funding is strictly limited to the city limits of the receiving community. In Polk County, Des Moines represents 45% of the county's population. The 55% of population outside of Des Moines equates to 274,350 Polk County residents. Polk County serves many people from outside of Polk County. During 2019 and 2020, Polk County served 42% of clients served as compared to the Balance of State that served 58%. I was surprised to see that shelters such as DV and youth specific received 0 points for the populations served. This scoring seems inconsistent with the importance that HUD places on funding for both DV and youth homelessness. The 2021 NOFO and YHDP rounds demonstrate the value that HUD places on DV and Youth services. Emergency shelters are vital tools to providing stability and moving households into RRH and PSH programs.

Response:

- a) Regions will be allowed to have different agencies apply for RRH and HP. The total amount per region will still be limited, and the expectation is that any award of RRH and HP will be premised on services being available on a reasonably equitable basis throughout that region.
- b) The percentages available for HMIS and Admin are based on HUD limits. Admin is limited by HUD to 7.5% for the total grant; IFA retains 5.5% for Admin and passes on the remaining 2% to subrecipients; any Admin not spent by IFA is then carried over to funding available to subrecipients for services in the following year. No change.
- c) As noted, Coordinated Entry participation is significantly weighted in scoring. ESG applicants are required to participate, per federal rule. No change.
- d) Two comments:
 - a. The proposed weighting of shelter funding outside of the entitlement communities that receive additional ESG funds directly from HUD is eliminated.
 - b. Shelters that serve limited populations are eligible to apply, however they will not receive additional “priority” points, as noted. It has been noted in prior competitions and public comments received that such shelters are eligible for additional public funding from other sources that is not available to shelters serving a broader population. No change.

Jim Cain, Family Promise of Greater Des Moines

(Additional supporting documentation also submitted to accompany the comments below.)

My comment pertains to page 10, Shelter Funding Request, 6a. Shelter Funding Priorities.

I’m opposed to 2 points being given to projects in ESG non-entitlement areas and 0 points being given to projects located in ESG entitlement areas. My opposition is rooted in the attached analysis of data from 2019 and 2020 which is summarized below.

Projects in the BOS received 77% of IFA’s ESG funds for 2019 & 2020 while DSM-PC projects received 23% of ESG funds from IFA and HUD combined. At the same time, clients served by BOS projects represented 58% of the total clients served by the BOS and DSM-Polk CoCs while DSM-Polk served 42%.

ESG Funding				Clinets Served 20	
	State	City	Total		
BoS	3,745,634		3,745,634	77%	BOS (2 yr Avg)
DSM	508,841	634,705	1,143,546	23%	DSM-Polk (2 yr Avg)
TOTAL	4,254,475	634,705	4,889,180		

Projects in the BOS received 82% of all ESG and SAF funds from IFA while DSM-PC received only 18% which includes Des Moines ESG funds from HUD. At the same time, clients served by BOS projects represented 58% of the total clients served by the BOS and DSM-Polk CoCs while DSM-Polk served 42%.

<u>All ESG and SAF</u>			<u>Clinets Served 2019-2020</u>	
BoS	\$5,310,944	82%	BOS 2 yr Avg	58%
DSM	\$1,143,546	18%	DSM-Polk 2 yr Avg	42%
TOTAL	\$6,454,490			

To sum up, while the DSM-Polk CoC is an ESG entitlement area, our projects **receive LESS total ESG funds and LESS total ESG/SAF funds** than projects in the BOS **AS WELL AS a disproportionate amount of ESG and ESG/SAF funds compared to the percent of total clients served by the BOS and DSM-Polk CoCs.**

I'd also like to note that similar findings were made by the Institute for Community Alliances in 2011 (see attached document, "ESG Breakout of Funds By Location").

Thank you for the opportunity to comment.

Response:

The detailed data and analysis is helpful. The proposed weighting of shelter funding outside of the entitlement communities that receive additional ESG funds directly from HUD is eliminated.

Courtney Guntly, Balance of State Continuum of Care

I reviewed the application for the ESG/SAF competition and it looks pretty straightforward. I don't have a lot of comments on the application itself, but did want to provide some feedback about how we could work together/collaborate on the application processes for CoC/ESG funds.

- I think it could be beneficial to have CoC staff as grant reviewers for the ESG process and vice versa. I don't know if that'd work for this time around, if you've already found all your reviewers, but it would be a good way to have involvement both ways.
- There's not time for this in this year's cycle, but perhaps we could discuss for 2023 about doing some planning around the entire homeless system. I think we'd talked about this at one point last year, but there hasn't been time to really look at the funding across the state and whether that's meeting the need of the community. HUD has some tools around Coordinated Investment Planning, though we could certainly go about this in a different way, but I think it might be helpful to look at where the funds are going for both ESG/SAF and CoC and to determine if the funds meet the needs of the community.
- Last is just a clarifying question—you mention the Consolidated Plan as part of the place for feedback from CoCs. What is our role in that process?

Response:

IFA staff will be in touch to discuss the coordination proposed.

Heather Harney, HACAP:

Hawkeye Area Community Action Program serves homeless individuals and families in 12 counties in Eastern Iowa and our reach covers 5 Coordinated Services regions. These long term changes without time for further program and community planning could be detrimental in our ability to continue to serve homeless households in these communities. HACAP proposes that the idea for regionalize ESG RRH and HP services be discussed over the next 12-18 months and at that time have the potential to be added to the 2024-2025 competition.

1. The results of the regional approach of one provider and each regions capacity to continue this regional approach under ESG-CV are unclear. Results and its effectiveness on if this approach best serves clients and the community are also yet unknown. In some regions it has been difficult to spend down CV funds using this approach. Agencies already are struggling with staff turnover and capacity issues to the pandemic and other individual community factors. Adding contract and subcontract management long term to these lead agencies beginning in January 2022 may not be within current regional capacity. Agencies have not discussed the long effects of using this approach or how it may effect regions that have multiple service providers and the communities approach to end homelessness.
2. Rapid Rehousing and Homeless Prevention ESG dollars require a match component. When using the regionalization component for ESG-CV this has not been an issue as the match requirements were waived. Communities and individual agencies who will be taking a larger role will need to find different ways to match these critical funds than what typically has been used by the program. In addition, if some current agency providers are no longer providing a service in the area due to the regional approach or if their services are not “subcontracted” by the lead agency, these match dollars are lost and can no longer be used to fulfill what is already a difficult grant requirement. Adding a match component is a substantial change to how the current ESG-CV regional services process and communities and providers need time to collaborate to figure out how this requirement can me met together.
3. There are agencies in the state that provide services to multiple regions and are currently serving homeless households with ESG dollars. If this moves to a regional approach in January 2022 and these providers are not awarded as lead agency or subcontracted by the awarded lead agency, current ESG homeless households could not be continued to be served past December 2021. The current contract would end and continued essential services to provide housing to these very vulnerable families could not continue. This would be a very unfortunate and unintentional consequence for not allowing more community and agency planning before implementing such a large and permanent change to the program

For the reasons above HACAP proposes further discussion and community planning needs to happen first and this proposed regional change to RRH/HP services be a matter of comment in the 2024 and 2025 ESG/SAF competition.

Response:

1. Regions will be allowed to have different agencies apply for RRH and HP. The total amount per region will still be limited, and the expectation is that any award of RRH and HP will be premised on services being available on a reasonably equitable basis throughout that region.
2. The match requirement is a federal requirement from HUD that has always been in place for ESG. As noted above, regions will be allowed to have different agencies apply for these services, so that may help ease some of this concern.
3. The nature of an annual or bi-annual competition, with different agencies awarded funding and in different amounts, means there are always changes in capacity at different agencies when one program/funding year ends and another begins. The change to a regional approach has been a progression over several years, beginning with the formation of the regions, the development of Coordinated Entry in these regions, small planning grants to regions through the Continuum of Care Planning Grant in years’ past, and the regional approach through ESG-CV. As noted above, different agencies will be allowed to apply within a region, so this may help ease this concern.

Jodi Stumbo, The Bridge Home

Thank you for the information. The issue I see here is keeping the funding regional. We were able to make it work knowing it was a short-term situation and know how badly the funding was/is needed. We can't sustain this on a permanent basis unless we have a full time administrator for these grants. It is a lot of work. It also presents issues with getting correct information needed on time from other organizations so claims can be submitted. We are not designed to be a pass-through agency, so this really puts an unrealistic burden on us unless we also get funding for a position to administer this.

Additionally, our board may have some concerns with this as well. TBH serving as a passthrough agency is not part of our mission or business plan so this will need to be discussed with them as well. All that being said, I do believe TBH is the agency that would need to serve in this passthrough role as we serve the general population and have the widest reach. What needs to be addressed is the fact that we are being told we need to take on a new role and not have that new role fully funded.

Please let me know what questions you have. I am happy to talk if needed. I appreciate this opportunity to provide feedback!

Response:

As noted above in the responses to several comments, multiple agencies within a region may apply and be funded separately.

Linda Munden, The Bridge Home

Below are my comments with regard to the draft ESG/SAF application.

First, with regard to question 6a, it looks like our shelter is located in a non-entitlement area if all it takes to qualify is not being in Sioux City or Des Moines. For the rest of that question, though, I don't know for sure what Action and Activity mean. Maybe the answer is somewhere and I haven't seen it yet, but at some point clarifying that would be helpful.

My main comment reflects a concern surrounding the regional RRH and HP funding. In our region, there are three very different kinds of providers - general population, DV, and youth. None of our agencies can provide direct services for the other. DV does not provide the broad base of youth services. Nor does it provide general population services. Youth services does not provide all of the DV or any general population services. We do not serve unaccompanied youth and do not have the training or capacity to become the RRH/HP provider for all of the DV population. Clients wouldn't have advocacy privilege and we don't use DVIMS. We don't have the case management capacity.

We tried subcontracting with the other agencies for them to do their work and for us to manage/claim CV funds. This is not working according to plan and we find that there are simply too many issues out of our administrative control to make it a workable endeavor. The other agencies also do not have the capacity to manage the funds for our agency. In the case of our region, then, each of the major providers - general, DV, and youth, needs its own funding.

COVID-19 CARES Act funding presented an opportunity for our region to collaborate and we did what we needed to at the time. We were able to determine a funding amount per agency that was agreeable among us all. However, moving forward with our regular RRH/HP funding, it is not reasonable to expect

that agencies can negotiate well with each other for a pool of funds. We value our regional partners. However, we do not wish for this new round of funding to follow the regional model.

Thank you for your time. If you have any questions, please reach out.

Response:

As noted above in the responses to several comments, multiple agencies within a region may apply and be funded separately. Regarding the first question about Action and Activity, it's unclear where these terms are used and where there is this confusion. Feel free to reach out to IFA staff with more specifics if there are further questions on this.

Ryan Bobst, Humility Homes & Services

Thanks for sending this out. In the performance section 4a - do you know the rationale for 45% exits to permanent housing destinations?

I believe the state average for shelters according to ICA is 31%. I would suggest ranking be based on that state average rather than 45%.

That is the only feedback I have. Thank you!

Response:

IFA consulted with staff at the Institute for Community Alliances (ICA) for review of this performance target. ICA confirmed that the current goal is in line with the analysis completed in the past for ESG programs and continues to recommend a threshold of 45% exits to permanent housing. No change made.

Susan McGuire, Center for Siouxland

Just a quick note to say that I think the application looks great! Thanks for your time and commitment to the homeless in Iowa.