

Home Rehabilitation Block Grant Pilot Program



PROGRAM OVERVIEW

The Home Rehabilitation Block Grant Pilot Program will offer eligible rural Iowa communities an opportunity to offer property owners in a targeted neighborhood financial assistance for eligible repair expenses to help preserve their homes and develop new affordable housing opportunities for Iowans. \$4 million is available through the pilot program.

Eligible activities include:

- Home repairs and weatherization costs for existing owner-occupied and rental properties
- Rehabilitation, renovation, maintenance, or costs to secure vacant or abandoned properties to reduce their negative impact
- Costs associated with acquiring and securing legal title of vacant or abandoned properties and other costs to position the property for current or future productive use
- Removal and remediation of environmental contaminants or hazards from vacant or abandoned properties, when conducted in compliance with applicable environmental laws or regulations
- Conversion of vacant or abandoned properties to affordable housing
- Inspection fees and other administrative costs incurred to ensure compliance with applicable environmental laws and regulations for demolition, greening, or other remediation activities

Funding must benefit households with incomes at or below 80% of the area median income as defined by [HUD](#) or households located within a [Qualified Census Tract](#).

New housing units developed under the program through the acquisition and rehabilitation of vacant or abandoned properties must be affordable to an income-qualified homebuyer or tenant household at initial occupancy and throughout a specified period of affordability.

Homeowners assisted under the program with home repair expenses must occupy the property as their principal residence.



PROGRAM POLICIES & GUIDELINES

ELIGIBLE APPLICANTS

- An Iowa municipal government of a rural community with a population under 30,000 (2020 Census), applying in partnership with eligible property owners in a targeted core neighborhood
- Individual property owners are ineligible to apply directly to the Iowa Finance Authority (IFA).

The Home Rehabilitation Block Grant Pilot Program is envisioned as a "hub and spoke" approach for rural cities that have reinvested in their downtowns to dedicate pilot program funding matched with significant local match resources and innovative public/private partnerships to revitalize a targeted residential neighborhood near the community's downtown. The program will provide eligible city applicants with an opportunity to transform that block off Main Street in the same way the community has already invested to revitalize its downtown.

All assisted units under the program must be subject to compliance monitoring by the Subrecipient during a period of affordability based upon the amount of Home Rehabilitation Block Grant Pilot Program assistance provided per housing unit. See charts below for specific affordability period requirements, which are the same as requirements under the HOME Program.

Home Rehabilitation Block Grant Pilot Program Assistance Per Unit or Buyer	Minimum Period of Affordability
Less than \$15,000	5 years
\$15,000 to \$40,000	10 years
More than \$40,000	15 years
New construction of rental housing	20 years

Applicants must provide a project timeline that guarantees program funds will be obligated by December 31, 2024. The funds for this award are provided by the State and Local Fiscal Recovery Fund (SLFRF), part of the American Rescue Plan. SLFRF requires that all costs be incurred during the period beginning the date of grant agreement execution and ending December 31, 2024. Therefore, all costs incurred prior to grant agreement execution and after December 31, 2024, are not eligible uses of these funds. The period of performance for SLFRF funds runs until December 31, 2026, which will provide recipients additional time during which they may expend funds for costs incurred (i.e., obligated) by December 31, 2024. Any award funds not obligated or expended within these timeframes must be returned to the State. Recipients of these funds will be held accountable to these funding timeframes.

AWARD AMOUNTS

Maximum grant award: \$1,000,000

HOW TO APPLY

Eligible applicants with an approved initial proposal are invited to apply using the lowaGrants.gov application portal.

APPLICATION TIMELINE AND REVIEW

Applications must be submitted by Oct. 31, 2022.

REQUIRED APPLICATION ATTACHMENTS

Application materials requested in the application portal.

AWARD DECISIONS

Funding awards will be announced on or around December 7, 2022, with an initial grant performance period of two years from date of award approval. IFA reserves the right to pro-rate funding award amounts to all applicants meeting threshold requirements.

Subrecipients must obligate all program funding by no later than December 31, 2024. Extensions of the grant performance period will be considered on a case-by-case basis due to mitigating factors, including lack of contractor availability. In no case will expenditure of funds extend beyond December 31, 2026.



IOWA FINANCE AUTHORITY

1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315

POST AWARD ACTIVITIES

Entities awarded funding through this program will enter into a grant agreement with IFA.

Program funds may be released on a reimbursement basis, as eligible project costs are incurred.

FEDERAL COMPLIANCE AND MONITORING

Program funds are available through the American Rescue Plan. The Subrecipient, as a non-federal entity carrying out a federal award on behalf of the State of Iowa, shall be considered a subrecipient as defined in the Uniform Guidance (2 CFR Part 200) and is subject to the requirements placed upon subrecipients by regulations including, but not limited to, the Uniform Guidance and 31 CFR 35.

All non-federal entities that spend more than \$750,000 in federal awards during the entity's fiscal year, including ARPA funds, must have a single or program-specific audit conducted for that year compliant with 2 CFR 200 Subpart F. This audit must cover the compliance of the entity with Federal statutes, regulations, and the terms and conditions of the federal award, as well as the fair presentation of the entity's financial statements, pursuant to the Uniform Guidance (2 CFR part 200).

Subrecipients must agree to retain all records relating to project cost, including supporting documents through December 31, 2032, and to make such records and documents available to IFA personnel upon request for audit.

