

# Owner-Occupied Rehabilitation Program Guidelines

## Program Purpose

To assist in the long-term recovery to the August 2020 derecho by assisting LMI owner-occupied households in repairing exterior and in some cases interior housing deficiencies incurred by the disaster through non-substantial rehabilitation assistance and promoting more resilient homes through HUD green building retrofit practices.

## Version History

Version	Date	Summary Description
1.0	January 30, 2023	Round 1 Launch
1.1	June 21, 2022	Removal of redundant already in the Combined Policies & Procedures Manual

## Administration

This program is administered by the Iowa Economic Development Authority (IEDA). IEDA is a state agency which administers Community Development Block Grant-Disaster Recovery (CDBG-DR) awards issued to the State of Iowa by the U.S. Department of Housing & Urban Development (HUD). Administrative activities are led by the IEDA Disaster Recovery Team Lead and members of both the Disaster Recovery and Community Investments teams.

## Available Funds

Program	Budget	Linn County	Marshall, Tama, and Benton Counties
Owner-Occupied Rehabilitation	\$2,500,000	\$2,500,000	\$0

## Eligible Applicants

Units of general local government (UGLGs) are the eligible applicants for these funds. This includes all city, tribal, and county governments within Linn County. 100% of program funds will be allocated to the HUD MID area (Linn County).

## Application Rounds

**Round 1:** IEDA will open applications for \$2,500,000 in owner-occupied rehabilitation assistance on January 30, 2023 and applications will be open on IowaGrants until March 24, 2023 at 4 PM Central. This first round will allow the State to establish a competitive review process, gauge the capacity of the MID areas for rehabilitation, and support local housing markets. If all funds are not obligated, future rounds will be established, at no less than one round per year, until the funds in this program are fully expended. The State currently anticipates rehabilitation assistance to 50 homes over the life of this program.



## Application Workshops

Round 1 Application Workshop Date: February 1, 2023

## National Objective and Eligible Activities

This program is designed to meet the Low- to Moderate-Income Housing or Urgent Need. The program may use the Urgent Need national objective to provide assistance to eligible disaster-impacted applicants with incomes greater than 80% of area median income and up to 120 percent of area median income.

## Disaster Tieback

This program addresses the unmet needs tied to the disaster by providing housing rehabilitation assistance to low-to-moderate (LMI) and over-income households with an urgent need to repair deficiencies incurred from the August 2020 derecho 2+ years after the disaster event.

## Program Requirements

This program's intent is to help homeowners recover from the August 2020 derecho in the HUD MID area with non-substantial rehabilitation assistance. There are numerous requirements that come with federal assistance related to affordability, home construction, and project management.

IEDA will seek to award program funds to a diverse range of neighborhoods and communities in order to not concentrate CDBG-DR assistance in a singular area. IEDA will also seek to award rehabilitation assistance to a variety of housing types to provide a range of rehabilitation options, including options for those experiencing disabilities.

IEDA will make awards to cities/counties/tribes within Linn County. Assistance may be provided to either **Low to Moderate Income (LMI)** or over income **Urgent Need (UN)** households. LMI households are those that make at or below 80% of the area median income of the county in which they live. UN households are those that make over 80% of the area median income in the county in which they live. Income verifications must be completed in accordance with 24 CFR 5.609 (Part 5 Annual Income). Income verifications are valid for 12 months from the date verification is completed. To be awarded under this program, **UN households may not make more than 120% of the area median income.**

**Home Ownership.** The assisted homeowner must **own the home** at the time of the city/county/tribe application to IEDA. For instance, ownership may be established by holding a fee simple title to the property or by maintaining a 99-year leasehold interest in the property.

Residential properties **containing any businesses and/or any kind of rental unit** are ineligible for assistance.

**All homes must be the verified primary residence of the assisted household. Second homes** are not allowed. Second home is defined as a home that is not the primary residence of the owner, tenant, or any occupant at the time of the disaster or at the time of application for CDBG-DR assistance. This program will not fund second homes and all homes built must be the primary residence of an LMI household.



The **occupancy period** will be 2 years for single-family housing units (1-4 units on a parcel). Rehabilitation assistance amounts per unit will be recorded as a forgivable mortgage on a monthly receding basis and subject to recapture if the housing unit is sold during the occupancy period.

**Non-Substantial rehabilitation** means that rehabilitation costs **cannot meet or exceed 50% of the home's pre-disaster value**.

Owner-occupied housing rehabilitation will **not be subject to Davis Bacon** prevailing wage requirements per HUD Handbook 1344.1 Rev 2 Appendix II-6.

While rehabilitation awards in this program are limited to \$50,000 per housing unit, all project sites receiving more than \$200,000 in HUD assistance (including but not limited to entitlement CDBG, HOME, and CDBG-DR) are subject to **Section 3**. If CDBG-DR is paired with other HUD assistance and exceeds \$200,000 on a particular home, the project site would need to comply with Section 3.

### Rehabilitation Standards

All units shall be rehabbed in accordance with all **locally adopted and enforced building codes** and standards. In the absence of locally adopted or enforced building codes and standards, the requirements of Iowa's Minimum Housing Rehabilitation Standards as developed by the Iowa Finance Authority and the State building code will apply. See the link for more information: <https://www.iowafinance.com/content/uploads/documents/MinimumHousingRehabilitationStandards.pdf>.

All assisted units must comply with the IEDA-adapted **HUD CPD Green Building Retrofit Checklist**. This will be managed through the Iowa Green Streets program. The checklist may be viewed on the Disaster Recovery Policies & Procedures webpage.

All units must be constructed **outside of the mapped 100-year floodplain**. No exceptions will be granted to the 100-year floodplain restriction while IEDA will prioritize rehabilitations on units outside of the 500-year floodplain.

This program will assist **manufactured homes** only if all of the following criteria are met:

- The manufactured home was constructed after 1976
- It is permanently affixed to a site-built permanent foundation and has had its towing hitch and running gear removed.
- The homeowner owns the land on which the manufactured home was installed
- The manufactured home is taxed as real estate (real property) by the community

All assisted housing units must be **connected to utilities** at the time of completion, including to municipal water, sewer, and connection available to broadband. No applications proposing connections to wells or septic tanks will be accepted.

IEDA will reimburse funds for actual costs incurred up to the CDBG-DR award amount. Claims for reimbursement will be submitted via IowaGrants. The subrecipient shall maintain a file of all claim supporting documents, invoices, payments, and approval.

Claims are due within every 6 months. CDBG-DR assistance may be drawn down amid construction with supporting documentation of costs incurred submitted with the claim on





IowaGrants. The final drawdown for reimbursement will only be granted once the “Demographic Data Collection” information is completed in IowaGrants.

10% of awarded funds will be withheld as a retainage until 100% of all invoices with all costs claimed are submitted to IowaGrants, reviewed, and approved. The subrecipient, in coordination with the grant administrator, will reduce the IowaGrants requested amount by the retainage so that the claim is paid in full.

Once closeout and compliance are complete, the subrecipient will claim the final 10% and IEDA will issue payment.

All **contractors and contract data** must be **submitted for Contractor Clearance** in IowaGrants. All work for construction must be recorded in a written, executed contract. All contractors must be registered to work in the State of Iowa.

All beneficiary homeowners must be given and sign receipt of the Iowa Attorney General **Contractor Fraud Checklist** prior to the start.

**of Benefits (DOB)**

No **duplication of benefits** (DOB) will be allowed. Subrecipients, in coordination with their grant administrators, will complete all necessary DOB documentation in accordance with the DOB Policy requirements noted in the Combined CDBG-DR Policies and Procedures Manual.

Subrecipients are required to **hold a pre-con meeting** with procured contractor and have each contractor sign Contractor Assurances Form provided by IEDA.

Subrecipients shall follow the **federal procurement requirements** detailed in the Combined CDBG-DR Policies and Procedures Manual for CDBG-DR projects and in 2 CFR Part 200. Any procurement conducted by the subrecipient must comply with the procurement policy in the Combined CDBG-DR Policies and Procedures Manual.

Any construction contracts procured through awarded projects must comply with the Bonding Requirements noted in the Procurement Policy in the Combined CDBG-DR Policies and Procedures Manual.

All projects **must be cost reasonable**. Subrecipients will determine project cost reasonableness through the competitive application comparison, review, and selection processes and may obtain third-party verification on a case-by-case basis. As such, bid scopes must be thorough and accurate for evaluation.

Subrecipients must submit **before and after photos** of each rehabilitation.

The subrecipient will maintain safety procedures designated by federal and state law for construction of new buildings.

**Timeliness**

All projects will be tracked by the IEDA project manager in the annual risk assessment for their timeliness in completion. The budgetary discrepancy limits are as follows for a 2-year project:

Year	Projected Expenditure	Discrepancy
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Year 1	50%	40%
Year 2	100%	10%

The budgetary discrepancy limits for a 3-year project are as follows:

Year	Projected Expenditure	Discrepancy
Year 1	33%	60%
Year 2	67%	40%
Year 3	100%	10%

These timelines were revised down from the 6-year timeline in the State’s HUD-approved certifications to reflect the shorter time span.

If the spending differential is found to be greater than the limit shown, the project manager will determine the reason by reviewing current reporting narratives or metrics to determine if the spending is reasonable in regards to the status of tasks and deliverables. The project manager will also determine if the delays in spending or the completion of deliverables/tasks can potentially result in a negative impact to the project. If the discrepancy in spending or progress is deemed reasonable, the project manager will continue to monitor the expenditures.

If the project manager has concerns about the spending discrepancy or the status of project deliverables/tasks, or the recipient has reported a spending discrepancy for 2 consecutive years, the project manager will confer with the Disaster Recovery Team Lead for next steps. One of the following action items will be taken:

- Annual spending projections will be amended
- Project manager will continue to monitor the project status
- A meeting with partner management will be held. Partner will submit revised quarterly budget projection and/or a plan to overcome progress delay.
- Terminate the agreement.

### Assistance Amounts

This program is available to both LMI and UN households. See the tables below for a breakdown of maximum per unit awards:

#### Lower Award:

Hard Rehabilitation	Lead Hazard Reduction	Project Delivery
\$24,999	\$17,001	\$8,000

#### Maximum Award:

Hard Rehabilitation & Lead Costs**	Project Delivery
\$42,000	\$8,000



Assistance amounts are awarded as a 2-year monthly receding forgivable loan subject to recapture if the home is sold within the 2-year occupancy period.

\*\*- IEDA will consider exceptions to allow for an increase of awards above \$50,000 if the request is submitted in accordance with this program’s Exception Policy. IEDA may grant the exception if there are enough funds in the funding round to fund all eligible LMI rehabilitation requests or if there is a particularly strong need for the rehabilitation as demonstrated in supporting documentation by the subrecipient city/county/tribe. IEDA will grant a exception to hard rehabilitation and lead hazard reduction cost maximums if the applicant city/county/tribe reduces its share of project delivery to keep total project costs at or below \$50,000 and the increase does not result in the assistance meeting or exceeding 50% of the home’s pre-disaster value.

### Eligible Rehabilitation Activities

All rehabilitation activities in this program must address deficiencies incurred as a result of the August 2020 derecho as verified by a home inspector. Repairs must occur within the same footprint of the damaged structure, sidewalk, driveway, parking lot, or other developed area. Exterior and interior rehabilitation activities will be eligible if a certified home inspector can attribute a tieback to the August 2020 derecho.

All activities must be completed in accordance with the HUD CPD Green Building Retrofit Checklist (as implemented by IEDA). See the following link for the checklist: <https://www.hud.gov/sites/dfiles/CPD/documents/CPD-Green-Building-Retrofit-Checklist.pdf>.

This will be managed through the Iowa Green Streets program.

Rehabilitation activities **must result in the home being in decent, safe, and sanitary (DSS) condition** after rehabilitation activities are complete. If the home would not meet HUD DSS standards even after rehabilitation under this program, the subrecipient (city/county/tribe) may request additional funds through an exception; however, all homes must be left post-rehabilitation in DSS condition to be considered eligible for this program. All homes will be required to undergo an inspection utilizing the Iowa Minimum Housing Rehabilitation Standards, as developed by the Iowa Finance Authority (if the community is under 15,000 residents and lacks an enforced building code), and the HUD Housing Choice Voucher Program Inspection Checklist – Form HUD 52580 (7/2019) (attached to the end of these program guidelines as Appendix B).

For other questions on eligibility requirements, reach out to IEDA.

### Ineligible Rehabilitation Activities

Ineligible activities under this program include:

Ineligible Activities	Ineligible Activities
Removal of gutters without replacing with new gutters	Adding additional layers of shingles to roofing
Installing porches, decks, or exterior stairways where none are present, or where none were present prior to the derecho	Digging in basements



Reconfiguring door & window placements unless in accordance with the HUD CPD Green Building Retrofit Checklist	Installing new sidewalks where none are currently present, or where none were present prior to the derecho, unless where it will allow for accessibility for a disabled or elderly homeowner
Rehab without a tieback to the derecho	Cosmetic Remodeling

For other questions on ineligibility requirements, reach out to this program’s disaster recovery project manager, Jacob Levang, at [Jacob.Levang@iowaEDA.com](mailto:Jacob.Levang@iowaEDA.com).

### Cost Reasonableness

All selected projects **must be cost reasonable**. After an award is made and homeowners are selected and verified, subrecipients must submit the project’s bid specifications on each property including a cost reasonableness review to IEDA. Bids that come back within 15% of the estimate are considered reasonable. If the bids come back over 15% of the estimate, the subrecipient must either adjust the scope of work and rebid the project or request approval to IEDA with an explanation and cost reasonableness analysis for approval to accept the bids as received.

Cost reasonable analysis should be conducted by a qualified staff member or contractor. This can be based on previous bids of similar scope and market rates for similar repairs in the area.

### Lead Rules

All units funded under this program are subject to the requirements of the Federal Lead Safe Housing regulations, which impact all dwelling units constructed prior to January 1, 1978. If a project receives at or greater than \$25,000 in federal hard rehabilitation assistance, abatement (with a certified abatement contractor) is required. If a project receives between \$5,000-\$25,000 in federal hard rehabilitation assistance, lead interim controls are required. See 24 CFR Part 35, Subparts B, J, and R for more information.

IEDA will require home inspections conducted by an active Iowa Department of Public Health **licensed lead inspector** and will **not accept claims for lead costs based on the assumption that all painted surfaces are lead**. XRF Analyzers may be purchased with project delivery funding.

### Lead Steps Required with HUD Assistance:

Less than \$5,000	\$5,000-\$24,999	Greater than \$24,999
Provision of pamphlet	Provision of pamphlet	Provision of pamphlet
Paint testing of surfaces to be disturbed, or presume lead-based paint	Paint testing of surfaces to be disturbed, or presume lead-based paint	Paint testing of surfaces to be disturbed, or presume lead-based paint
Safe work practices in rehab	Risk assessment	Risk assessment



Repair disturbed paint	Interim controls	Abatement of lead-based paint hazards
Notice to occupants	Notice to occupants	Notice to occupants
		Ongoing lead-based paint maintenance*

\*-This will not be reimbursed by IEDA after the contract expires.

### Assembling a Rehabilitation IowaGrants Inventory

IEDA will issue awards to subrecipients without a specific set of properties identified for rehabilitation assistance. Due to this being a competitive application process, the State does not want subrecipient disaster-affected households to be hopeful for assistance that may not arrive. Applicant cities/counties/tribes will instead apply based on a percentage of LMI and UN rehabilitations they intend to conduct based on their knowledge of local August 2020 derecho rehabilitation unmet needs in their communities.

If a subrecipient is awarded funds for an LMI rehabilitation but the subrecipient, in turn, submits a UN rehabilitation project, the subrecipient’s award will be reduced according to the program guideline requirements for an UN rehabilitation unless an exception is submitted in accordance with this program’s exception policy. If a subrecipient is awarded funds for a UN rehabilitation but the subrecipient, in turn, submits an LMI rehabilitation project, the subrecipient’s award will not be increased unless sufficient unobligated program funds remain after all awarded applicants have approved inventories for each of their properties.

IEDA will use the Inventory feature in IowaGrants for subrecipients to submit project site information. This includes submitting income verification, household demographics, the home’s pre-disaster value, inspection report, proposed non-substantial rehabilitation activities, homeowner’s signed receipt of the Iowa Attorney General’s contractor fraud checklist, etc. Completion of these features will be required before the subrecipient can complete duplication of benefits and claim on the property.

### Timeliness

Unless otherwise approved by IEDA, subrecipients will have up to 3 months after award to identify the homeowners participating, and subrecipients must have at least 1 unit under contract within 6 months after IEDA-issued Release of Funds, all units under contract within 9 months after IEDA-issued Release of Funds unless granted an extension by IEDA. If the subrecipient is stalled in identifying homeowners and/or placing them under contract, IEDA reserves the right to claw back unobligated funds and award to higher-performing subrecipients or other grant activities.

### Promoting Equity in Recovery

This program is intended to help impacted residents, protected classes, vulnerable populations, and members of underserved communities. Subrecipients will be expected to reduce barriers to individuals impacted by disaster, protected classes, vulnerable populations, and members of underserved communities in accessing the housing market. These classes include:





Population	Type	Population	Type
Race	FHA, Iowa Civil Rights Act Protected Class	Disability	FHA, Iowa Civil Rights Act Protected Class
Color	FHA, Iowa Civil Rights Act Protected Class	Sexual Orientation	Iowa Civil Rights Act Protected Class
National Origin (including immigrants & refugees)	FHA, Iowa Civil Rights Act Protected Class	Gender Identity	Iowa Civil Rights Act Protected Class
Religion	FHA, Iowa Civil Rights Act Protected Class	Citizenship	Iowa Civil Rights Act Protected Class
Sex (including sexual orientation and gender identity)	FHA, Iowa Civil Rights Act Protected Class	Political Affiliation	Iowa Civil Rights Act Protected Class
Familial Status	FHA, Iowa Civil Rights Act Protected Class	Indigenous Populations	Vulnerable & Underserved Population

Subrecipients will be expected to expedite the recovery of these populations and their participation in this program by conducting efforts including but not limited to:

- Performing outreach and engagement to understand the needs of impacted participants
- Creating a personalized recovery plan (during the application phase) that addresses the needs of the local community
- Coordinating with government agencies and developers
- Coordinating with local organizations to ensure that refugee and immigrant populations are aware of the assistance and can access it
- Coordinating with local nonprofit organizations that provide services to people experiencing homelessness, people with disabilities, and historically underserved populations to ensure the promotion of the program and help remove their barriers to access the assistance
- Completing a Language Access Plan and identifying language access needs for the community

In the Fair Housing and Outreach plan, applicants should also specify which mandatory and elective activities. Applicants must indicate how they will complete all of the mandatory activities, which are as follows:

Mandatory Activity	Description
1	Advertise, publicize, and pass an affirmative fair housing policy that will certify that the local government adheres to the requirements of the federal Fair Housing Act and the Iowa Civil Rights Act of 1965 (adoption and use of the Equal Housing Opportunity logo and the Equal Housing Opportunity statement)
2	Identify and publish the name and contact information of a Discrimination Complaint Officer within the agency or jurisdiction for any housing-related bias or discrimination complaint



3	Refer housing discrimination complaints and assist in filing complaints with the Iowa Civil Rights Commission, the U.S. Department of Housing and Urban Development, or a local civil rights commission
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Applicants will also indicate which of the following elective activities that they will complete. The list of elective activities includes the following:

<b>Elective Activity</b>	<b>Description</b>
1	Advertise the availability of housing and related assistance to population groups that are the least likely to apply through various forms of media (i.e. radio stations, posters, flyers, newspapers, Facebook, city web page) in English and other languages spoken by eligible families within the project service area
2	Include a flyer about fair housing in a local utility or tax bill and send it to every household within the municipality
3	Have the Responsible Entity staff attend a fair housing training or conference
4	Organize a letter writing campaign to local legislators and/or local government staff about the need to fund and support fair housing programs
5	Sponsor trainings for realtors, bankers, landlords, homebuyers, tenants, public housing authority and other city/town employees to educate them on their fair housing rights and responsibilities. This activity MUST be done in collaboration with the Iowa Civil Rights Commission or a local civil rights commission
6	Provide training/educational programs about fair housing for financial, real estate, and property management professionals at local firms, including their obligations to comply with the federal Fair Housing Act and the Iowa Civil Rights Act of 1965 (this can be done by partnering with a bank, board of realtors association, or other local group and helping to sponsor a program taught by a qualified entity such as the Iowa Civil Rights Commission
7	Conduct meetings with advocacy groups for members of the protected classes on the availability of affordable and accessible housing and determine housing needs to plan future projects
8	Establish and/or fund fair housing organizations in areas where there are no such organizations
9	Conduct fair housing testing to ensure that local housing providers and/or lenders do not discriminate (fair housing testing must be conducted by a HUD-certified fair housing agency)
10	Assist Housing Choice Voucher program participants to help locate and secure housing outside of racially concentrated areas of poverty (RCAPs) or outside of areas nearby RCAPs
11	Conduct outreach to housing providers and housing developers to discuss affordable and accessible housing needs in RCAPs and near RCAPs
12	Evaluate the local zoning ordinance against fair housing benchmarks identified in this AI, using the Zoning Risk Assessment Tool. Evaluate the need for amendments to the zoning ordinance and make them.
13	Organize a tester recruitment event in collaboration with the Iowa Civil Rights Commission to help document instances of housing discrimination.



IEDA monitoring will include reviewing efforts indicated in the Fair Housing and Outreach Plans, along with the mandatory and elective activities to affirmatively further fair housing.

## **Project Delivery**

IEDA will only award applications with a project delivery entity indicated on the application. All non-entitlement subrecipients (cities/counties/tribes) will be required to contract with a council of government (ECICOG for Linn County) or procure an IEDA-approved consultant for project delivery services. Entitlement communities (Cedar Rapids) may conduct project delivery in-house or choose to use ECICOG or procure an IEDA-approved consultant. Under Iowa law, procurement is not required if a local government chooses to use their council of government (COG). COG or consultant staff working with the project will be required to maintain an active IEDA Certified Grant Administrator certification.

IEDA will award up to \$8,000 per unit in project delivery. The entitlement community, COG, or consultant will provide a lump sum estimate for project delivery in the application for CDBG-DR funding. Project delivery must be substantiated by documentation of costs incurred and cannot be duplicated by another federal funding source. Project delivery includes but is not limited to:

- Environmental Review Record documentation, including required publication costs
- Section 106 Historical Review
- Procurement
- Uniform Relocation Act compliance
- Lien development and filing
- Mortgage recording
- Income verification
- Federal Labor Standards compliance
- Section 3 compliance
- Financing/interest incurred for project implementation
- Unit inspection
- Bid spec. preparation
- Construction oversight
- Final inspection

## **Technical Services**

Technical services for owner-occupied rehabilitation as generally funded under the State's regular CDBG program are included within project delivery for CDBG-DR.



## Exception Policy

IEDA will consider exceptions to the program guidelines on a case-by-case basis. All exceptions must be submitted electronically with the application, or to IEDA after award, and include a justification.

Exceptions cannot violate federal, state, or local laws or regulations. Exceptions must still meet HUD's requirements for necessary and reasonable, comply with federal accessibility standards, and accommodate a person with disabilities if applicable. Exceptions cannot result in a project receiving funds that meet or exceed 50% of the home's pre-disaster value.

A written response will be authorized in writing to the applicant upon approval or denial of the application requesting an exception or an exception submitted after award.

## Application Scoring Criteria

IEDA will use the following criteria to rank applications:

1. Rank the percentage of requested LMI rehabilitations
2. Rank how the project aligns with the applicant's Community Development and Housing Needs Assessment
3. Rank the community's proposed steps to Affirmatively Further Fair Housing
4. Rank the level of optional local match
5. Rank the level of community readiness

## Required Application Documentation

Only complete, timely-received applications will be reviewed, scored, and ranked. Applicants will complete all required fields in IowaGrants and provide at least the following required documentation unless granted an exception in writing by IEDA:

- **Resolution of support** from the city/county/tribe
- **Federal Assurances** signed by city/county/tribe
- **Outreach plan** to LMI, underserved, and vulnerable populations eligible for assistance through this program.
- **Staffing Plan** identifying and providing communication information for local and COG/consultant staff anticipated to be working on the project if awarded
- **Signed Affirmation of Receipt** of Iowa Attorney General contractor fraud checklist

## Post Award Steps to Release of Funds

All funded projects will be required to comply with all federal and state requirements. By signing the Federal Assurances, the subrecipient acknowledges and accepts these requirements. By passing a resolution of support and executing a contract with IEDA, the subrecipient (city, county,



or tribe) assumes the responsibility of enforcing these requirements as the HUD-designated Responsible Entity (RE) in accordance with 24 CFR Part 58. The following steps will be required post award:

1. IEDA will enter into contract with the city/county/tribe for the award amount
2. The subrecipient will enter into a contract for project delivery (n/a for Cedar Rapids)
3. Release of Funds will be issued by IEDA

### Release of Funds

Before Release of Funds can be issued by IEDA, an environmental review process in accordance with the National Environmental Policy Act (NEPA) must take place to ensure compliance with all federal and state laws and regulations. An environmental review is an analysis of the impacts of a project on the surrounding environment and the environment's impact on the project itself. An environmental review:

- Ensures HUD-funded projects provide decent, safe, and sanitary housing
- Demonstrates compliance with the 17 federal laws and authorities governing NEPA
- Is a public document that encourages public participation in its development
- Is coordinated by the subrecipient and grant administrator

Throughout the environmental review, **no choice-limiting** actions can be committed by the subrecipient or its partners. These include actions to commit or spend CDBG-DR or non-HUD funds for activities including but not limited to:

- Purchase of property or structures (including executing an option agreement)
- Bidding (or advertisement of bids)
- Signing construction contracts or any kind
- Construction, demolition, rehabilitation, repair, conversion, site improvements, and any phase of construction activities
- Platting and rezoning land (can work on preliminary plats and rezoning needs)
- Apply for building permits

If you have any questions regarding choice-limiting actions, please contact IEDA immediately.

### Closeout Documents

The following documents will be required to be submitted before closeout of the project:

- Section 3 compliance forms
- HUD CPD Green Building Retrofit Checklist (as implemented by IEDA) sign-off and site inspection completed
- Demographic information and income verification of all buyers
- Inspection certified DSS conditions





## Document Retention

The subrecipient must retain **all documentation** of this project for three years after the entire 2020 CDBG-DR grant between IEDA and HUD is closed. IEDA grant closeout with HUD is anticipated in 2029. Subrecipients should expect to retain all documentation **through at least 2032**. IEDA will notify all subrecipients when documentation retention is no longer required. Subrecipients may also contact IEDA's Community Development and/or Disaster Recovery divisions to inquire about document retention times for 2020 CDBG-DR.

