CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

DATE: January 21, 2020

ITEM:

Acceptance of the 2020 Emergency Solutions Grant through Iowa Finance Authority to WDM Human Services Housing Solutions Program

FINANCIAL IMPACT:

Revenue to the WDM Human Services is $105,407

City to provide 75% of grant amount in matching funds ($79,055.25). Program Outreach Assistant salaries will be used to provide matching funds.

BACKGROUND:

This Emergency Solutions grant award will provide financial resources for homeless households referred to the Rapid Re-Housing Program to pay for barriers to procuring housing, rents and deposits.

OUTSTANDING ISSUES (if any):

None

RECOMMENDATION:

City Council accepts this contract.

Lead Staff Member: Althea Holcomb, Director of Human Services

STAFF REVIEWS

Department Director	
Appropriations/Finance	
Legal	
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	
Dates(s) Published	

SUBCOMMITTEE REVIEW (if applicable)

Committee			
Date Reviewed			
Recommendation	Yes	No	Split

EMERGENCY SOLUTIONS GRANT (ESG)

SUB-GRANT AGREEMENT BETWEEN
THE IOWA FINANCE AUTHORITY
AND
West Des Moines Human Services

AWARD NO.:	ESG-77029-20
AWARD AMOUNT:	$105,407
TERM OF AGREEMENT:	January 1, 2020 – December 31, 2020

THIS Sub-Grant Agreement ("Sub-Grant Agreement") is between the Iowa Finance Authority and West Des Moines Human Services to provide assistance through the Emergency Solutions Grant Program ("ESG"), as of the 1st day of January 2020 ("Effective Date"), **if executed by the Subrecipient and received by the Authority BEFORE February 15, 2020.**

SUBAWARD IDENTIFICATION

SUBRECIPIENT ADDRESS:	**139 - 6th Street**
CITY, STATE, ZIP:	**West Des Moines, Iowa, 50265**
SUBRECIPIENT DUNS NUMBER:	**618734032**
FEDERAL AWARD IDENTIFICATION NUMBER:	E-19-DC-19-0001
FEDERAL AWARD DATE:	July 31, 1019
SUBAWARD PERFORMANCE START DATE:	January 1, 2020
SUBAWARD PERFORMANCE END DATE:	December 31, 2020
AMOUNT OF FEDERAL FUNDS OBLIGATED:	**$105,407**
TOTAL AMOUNT OF FEDERAL AWARD:	$2,655,662
FEDERAL AWARD PROJECT DESCRIPTION:	Emergency Solutions Grant
NAME OF FEDERAL AWARDING AGENCY:	Department of Housing and Urban Development
NAME OF PASS-THROUGH ENTITY:	Iowa Finance Authority
ADDRESS OF PASS-THROUGH ENTITY:	1963 Bell Avenue, Des Moines, Iowa 50315
AWARDING OFFICIAL CONTACT INFORMATION:	Homeless Programs Manager, (800) 432-7230
CFDA NUMBER AND NAME:	14.231, Emergency Solutions Grant
AWARD R&D OR NOT:	No
INDIRECT COST RATE FOR FEDERAL AWARD:	10%

ARTICLE 1 - FUNDING

1.1 FUNDING SOURCE

The source of funding for the Sub-Grant shall be ESG funds made available by the U.S. Department of Housing and Urban Development ("HUD") to the Authority for the State of Iowa and passed through to the Subrecipient as a subaward.

1.2 MAXIMUM PAYMENTS

It is expressly understood and agreed that the maximum amount to be paid to the Subrecipient by the Authority under this Sub-Grant Agreement shall not exceed the Award Amount specified

in the above caption, in the aggregate, unless modified in writing and fully executed by the Parties hereto.

1.3 FAILURE TO RECEIVE GRANT FUNDS

The Authority shall be obligated to provide said funds to the Subrecipient only on the condition that grant funds shall be available from HUD. Failure of the Authority to receive grant funds shall cause this Sub-Grant Agreement to be terminated.

ARTICLE 2 - TERMS OF SUB-GRANT AGREEMENT

2.1 EXECUTION OF SUB-GRANT AGREEMENT

This Sub-Grant Agreement must be executed by the Subrecipient and received by the Authority BEFORE the deadline in the first paragraph of the first page of this Sub-Grant Agreement. If the executed Sub-Grant Agreement is not timely returned to the Authority, the Authority may deem the Sub-Grant Agreement null and void.

2.2 SUB-GRANT AGREEMENT ADMINISTRATION

The Sub-Grant Agreement shall be administered by the Authority.

ARTICLE 3 - USE OF FUNDS

3.1 GENERAL

The Subrecipient shall perform in a satisfactory and proper manner, as determined by the Authority, the work activities and services as written and described in the Subrecipient's 2020-2021 Iowa ESG and SAF Combined Application ("Application"), with adjustments as necessary based on the difference between the amount requested and the Award Amount, and with any amendments approved for budget and scope of activities. The use of funds shall be in accordance with all applicable rules and regulations as described in this Sub-Grant Agreement.

3.2 BUDGET

The Subrecipient shall submit a revised budget to the Authority based on the Award Amount. The amount in each category of the revised budget should not exceed the amount requested in the same category in the Application. The revised budget is subject to Authority review and approval. Once approved, subsequent changes from the approved budget must be requested by the Subrecipient and may be authorized by the Authority. The Authority may require such requests to be made in advance of expenditure.

3.3 APPLICABLE RULES AND REGULATIONS

All grant-funded activities shall be performed in accordance with the federal ESG rules and regulations at 24 CFR Part 576, as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, and in accordance with all applicable State of Iowa Administrative Rules, including any rules adopted to implement the federal ESG rules and regulations, and the HUD-approved Annual Action Plan for Iowa, as it may be amended. The Subrecipient is also required to comply with all provisions outlined in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

3.4 PARTICIPATION IN MANDATORY GRANT SESSIONS

The Subrecipient will ensure that at least one qualified representative from the Subrecipient will participate in required Iowa Statewide Emergency Solutions Grant program trainings, meetings, and conference calls, and will be responsible for acquiring and implementing information presented verbally or in writing during such sessions. Failure to participate in required sessions may impact the Subrecipient's eligibility and scoring in future grant competitions for the Iowa Statewide Emergency Solutions Grant program and/or the Iowa Shelter Assistance Fund.

3.5 REQUIREMENTS FOR ALL ELIGIBLE ACTIVITIES

For all program activities, the Subrecipient shall adhere to the following:

3.5.1 *Documentation of Homelessness*. The Subrecipient shall maintain in client files adequate documentation of homelessness or at risk of homelessness status to determine the eligibility of persons served, according to the most current definition of homelessness and at risk of homelessness from HUD at 24 CFR Part 91.5 and Part 576.2.

3.5.2 *Data and Reporting Requirements*. The Subrecipient shall submit the minimum client demographic information to Iowa's designated Homeless Management Information System ("HMIS") or other means subject to agreement with the Authority, and in compliance with HUD's HMIS Data and Technical Standards and as described in program rules. If the Subrecipient qualifies as a domestic violence service provider (a provider primarily or exclusively serving clients who are homeless due to domestic violence), the Subrecipient shall submit information to Iowa's designated comparable database, utilizing the approved software for this purpose ("Iowa DVIMS") or other means subject to agreement with the Authority, in compliance with HUD's HMIS Data and Technical Standards and as described in program rules.

The Subrecipient shall submit required documents to the approved HMIS lead agency or comparable database lead agency, which may include, but is not limited to, the following: a User Confidentiality and Responsibility Certification for each system user; a Minimum Required Data Set agreement for each system user; a Memorandum of Understanding between the Subrecipient and the approved HMIS lead agency or comparable database lead agency; and/or other documents as the Authority determines necessary.

If the Subrecipient is part of any HMIS data sharing group, the Subrecipient will coordinate with the HMIS lead agency to submit any additional documentation required to support this arrangement.

The Subrecipient shall submit reports generated from these systems to the Authority with each reimbursement request submitted, and annually or more frequently as needed by the Authority to complete HUD reporting requirements for ESG.

The Subrecipient shall participate in the annual Housing Inventory Count ("HIC") and Point-in-Time ("PIT") Count in Iowa, submitting all required information to the HMIS lead agency, currently the Institute for Community Alliances.

3.5.3 *Termination of Assistance*. The Subrecipient shall establish and implement a formal notification and appeals process for the termination of assistance to individuals or families who violate program requirements, in accordance with the minimum standards of 24 CFR Part 576.402, the federal ESG Rules and Regulations.

3.5.4 *Coordination with Other Homeless Services*. The Subrecipient shall coordinate and integrate, to the maximum extent practicable, grant-funded activities with other homeless service programs in the community.

3.5.5 *Access to Mainstream Services and Resources.* The Subrecipient shall ensure that all program participants are assisted, to the maximum extent practicable, in obtaining mainstream services and financial assistance, including housing, health, social services, employment, education, and youth programs for which participants may be eligible.

3.5.6 *Accessibility*. The Subrecipient shall ensure that their grant-funded program or activity is readily accessible to and usable by individuals with disabilities, including providing reasonable accommodations so that individuals with disabilities have an equal opportunity to participate.

3.5.7 *Requirements for Religious Organizations*. The Subrecipient is prohibited from engaging in religious proselytizing or counseling, utilizing funds related to this agreement, or requiring attendance at religious services as a requirement or condition to receive services, or limiting services or giving preference to persons on the basis of religion.

3.5.8 *Coordinated Entry*. The Subrecipient is required to participate in the coordinated entry system approved by the Continuum of Care that oversees the Subrecipient's geographic area. Such a system must include provisions to meet the separate requirements of Subrecipients that are victim service providers.

3.5.9 *Written Standards for Providing Assistance*. The Subrecipient is required to establish and consistently apply written standards for providing ESG assistance, as set forth in 24 CFR Part 576.400(e)(2).

3.5.10 *Eligibility Conditions for Youth.* The Subrecipient is required to comply with the following:

3.5.10.1 Youth aged 24 and under seeking assistance shall not be required to provide third party documentation to establish their eligibility or to receive services.

3.5.10.2 Unaccompanied youth aged 24 and under or families headed by youth aged 24 and under who are living in unsafe situations may be served by youth-serving providers.

3.6 REQUIREMENTS FOR SPECIFIC ELIGIBLE ACTIVITIES

The Subrecipient shall adhere to the full federal requirements found at 24 CFR Part 576.100 for each eligible activity. Funded activities may include Street Outreach, Shelter, Homelessness Prevention, Rapid Rehousing, HMIS and Administration. A summary of these eligible activities, and corresponding requirements, is as follows:

3.6.1 *Street Outreach*. If awarded funds in this category, ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. The eligible costs and requirements for Street Outreach consist of: engagement; case management; emergency health services (only when other appropriate services are unavailable in the community); emergency mental health services (only when other appropriate services

are unavailable in the community); transportation (including travel for eligible outreach, and to transport unsheltered people to shelters or service facilities); and services for special populations.

3.6.2 *Shelter.* If awarded funds in this category, ESG funds may be used for costs of providing essential services to homeless families and individuals in shelters and for the cost of operating shelters. The eligible costs and requirements for Shelter consist of: essential services (including case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abused treatment, transportation, and services for special populations); and shelter operations. If providing shelter assistance, the Subrecipient agrees to the following:

3.6.2.1 *Prohibition Against Involuntary Family Separation.* The age or gender of a child under age 18 must not be used as a basis for denying any family's admission to a shelter that uses Emergency Solutions Grant (ESG) funding or services and provides shelter to families with children under age 18.

3.6.2.2 *Lead-Based Paint*. The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations in 24 CFR Part 35, Subparts A, B, H, J, K, M, and R apply to all shelters assisted under ESG program and all housing occupied by program participants.

3.6.2.3 *Habitability Standards*. The Subrecipient shall ensure shelter and housing facilities funded through ESG adhere to minimum habitability standards for being safe, sanitary, and adequately maintained, according to the full regulations at CFR Part 576.403. Standards include considerations for the following: structure and materials; access; space and security; interior air quality; water supply; sanitary facilities; thermal environment; illumination and electricity; food preparation; sanitary conditions; and fire safety.

3.6.2.4 *Violence Against Women Act (VAWA) Protections.* No individual or family may be denied admission to or removed from shelter as a result of being a victim of domestic violence, dating violence, sexual assault, or stalking, if the individual or family otherwise qualifies for admission.

3.6.3 *Homelessness Prevention*. If awarded funds in this category, ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless" definition in 24 CFR Part 91.5.

Short- and/or medium-term rental assistance include: short-term rental assistance (up to three months); medium-term rental assistance (between three and 24 months); rental arrears (one-time payment of up to six months, including late fees); rental assistance that is tenant-based or project-based; and costs to break a lease if a family qualifies under the VAWA Emergency Transfer Plan described in section 3.6.3.13 of this Sub-Grant Agreement.

Housing relocation and stabilization services include: financial assistance costs; and services costs.

Financial assistance costs include: rental application fees; security deposits; last month's rent; utility deposits; utility payments; and moving costs.

Services costs include: housing search and placement; housing stability case management; mediation; legal services; and credit repair.

If providing Homelessness Prevention assistance of any kind, the Subrecipient agrees to the following:

3.6.3.1 *Income Limits*. Homelessness Prevention assistance shall only be provided to individuals and families who have an annual income below 30 percent of median family income for the area, as determined by HUD.

3.6.3.2 *Case Management Assistance.* The Subrecipient shall ensure that each client meets at least monthly with a case manager (except where prohibited by the Violence Against Women Act and the Family Violence Prevention and Services Act), and the Subrecipient must develop an individualized plan to help the client regain long-term housing stability.

3.6.3.3 *Lead-Based Paint*. The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations in 24 CFR Part 35, Subparts A, B, H, J, K, M, and R apply to all shelters assisted under ESG program and all housing occupied by program participants.

3.6.3.4 *Habitability Standards*. The Subrecipient shall ensure that permanent housing assistance funded through ESG adhere to minimum habitability standards for being safe, sanitary, and adequately maintained, according to the full regulations at CFR Part 576.403. Standards include considerations for the following: structure and materials; space and security; interior air quality; water supply; sanitary facilities; thermal environment; illumination and electricity; food preparation; sanitary conditions; and fire safety, including a system that meets the needs of hearing-impaired residents. An exception to this requirement is that Iowa Legal Aid may provide legal services without first conducting a habitability inspection, according to a partial waiver request granted by HUD.

3.6.3.5 *Period of Assistance*. Except for housing stability case management, the total period for which any program participant may receive services under this section may not exceed 24 months during any three year period.

3.6.3.6 *Use with Other Subsidies*. Homeless Prevention assistance under this section cannot be provided to a program participant who is receiving the same type of assistance through other public sources for the same period of time.

If providing Homelessness Prevention Rental Assistance, the Subrecipient agrees to the following additional requirements:

3.6.3.7 *Fair Market Rent and Rent Reasonableness*. The Subrecipient shall ensure that rental assistance is provided for units only in accordance with HUD's restrictions for Fair Market Rent at 24 CFR Part 982.503 and Rent Reasonableness standards at 24 CFR Part 982.507.

3.6.3.8 Rental Assistance Agreements. The Subrecipient may only make rental assistance payments to a landlord with whom the Subrecipient has entered into a rental assistance agreement, which sets forth the terms of assistance and requires the landlord to provide a copy to the Subrecipient of any eviction notice or complaint used to begin an eviction action.

3.6.3.9 Late Payments. If the Subrecipient is late on any payments to landlords agreed to in the rental assistance agreement, the Subrecipient must pay any late fees out of non-ESG funds.

3.6.3.10 *Lease.* Each program participant receiving rental assistance (unless solely for arrears) must have a legal written lease with the landlord. Each lease must include a lease provision or incorporate a lease addendum of all requirements that apply to tenants, the owner or lease under 24 CFR Part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), as supplemented by 24 CFR 576.509; and the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c).

3.6.3.11 *Violence Against Women Act (VAWA) Protections.* The Subrecipient must follow HUD's Final Rule Implementing VAWA Reauthorization Act of 2013, to ensure survivors are not denied assistance as an applicant, or evicted or have assistance terminated as a tenant, because the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault or stalking.

3.6.3.12 *VAWA Notice and Certification.* The Subrecipient must provide the notice and certification form described under 24 CFR 5.2005(a)(1) to each applicant for ESG Rental Assistance and each program participant receiving ESG Rental Assistance at the following times: when an applicant is denied ESG Rental Assistance; when an applicant begins receiving ESG Rental Assistance; when a program participant is notified of termination of ESG Rental Assistance; and when a program participant received notification of eviction.

3.6.3.13 *VAWA Emergency Transfer Plan.* The Subrecipient must develop and implement an emergency transfer plan according to 24 CFR 5.2005€ which allows a survivor to move to another safe and available unit if such survivor is in fear of imminent harm from further violence if remaining in current unit. The plan must specify what will happen in case of a family separation, implementing an emergency transfer, and must provide for bifurcation of a lease with continued assistance for the family member(s) who are not evicted or removed.

3.6.4 *Rapid Rehousing.* If awarded funds in this category, ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. If providing Rapid Rehousing assistance, the Subrecipient agrees to follow the same requirements described above under subsection 3.6.3, Homelessness Prevention. An exception is made to the Income Limits for Rapid Rehousing assistance. For Rapid Rehousing, an income assessment is not required at initial evaluation. However, at annual re-evaluation, income must be less than or equal to 30 percent of area median income.

3.6.5 *HMIS*. If ESG funds are awarded in this category, the funds may be used to pay the costs of contributing data to Iowa's HMIS. If the Subrecipient is a victim services provider or legal services provider, it may use ESG funds for the costs of contributing data to Iowa's designated comparable database. No more than five percent of an award may be used for HMIS-related costs.

3.6.6 *Administration*. If ESG funds are awarded in this category, the funds may be used to pay administrative costs related to the planning and execution of ESG activities. This does not include staff and overhead costs directly related to carrying out activities eligible in other funding categories, because those costs are eligible as part of those categories. Eligible administrative costs include the costs of overall program management, coordination, monitoring and evaluation as more particularly set forth in 24 CFR Part 576.108(1). No more than two percent of an award may be used for Administration costs.

3.7 MATCH REQUIREMENTS

The Subrecipient is required to make matching contributions to supplement the Subrecipient's ESG program in an amount that at least equals 75% of the amount of ESG funds received, in accordance with the regulations at 24 CFR Part 576.201. An exception may be made, in part or in whole, if a waiver is granted to the Subrecipient for matching contributions. The Subrecipient is encouraged to make matching contributions that exceed the minimum requirement; as such contributions may be used to provide such a waiver option for Subrecipients that seek it. Matching contributions may be obtained from any source, including any federal source other than the ESG program, as well as state, local, and private sources, providing that the laws governing the matching funds allow it, and that ESG funds are not also used as match for the same federal program used as ESG match. Contributions used to match a previous ESG grant may not be used to match this grant. The following are eligible matching funds:

3.7.1 Cash contributions, expended for allowable costs of the Subrecipient for the ESG program.

3.7.2 Noncash contributions, or the value of any real property, equipment, goods, or services contributed to the Subrecipient's ESG program, provided that if the Subrecipient had to pay for them with grant funds, the costs would have been allowable. Noncash contributions must be calculated using the following:

3.7.2.1 To determine the value of any donated material or building, or of any lease, the Subrecipient must use a reasonable method to establish a fair market value.

3.7.2.2 Services provided by individuals should be valued at rates consistent with those ordinarily paid for similar work in the Subrecipient's organization, or ordinarily paid by other employers for similar work in the same labor market.

ARTICLE 4 – CONDITIONS TO DISBURSEMENT OF FUNDS

Unless and until the following conditions have been satisfied, the Authority shall be under no obligation to disburse to the Subrecipient any amounts under the Sub-Grant Agreement:

4.1 SUB-GRANT AGREEMENT EXECUTED

The Sub-Grant Agreement shall have been properly executed and, where required, acknowledged.

4.2 DOCUMENTATION REQUIRED FOR REIMBURSEMENT

Funds cannot be paid in advance of expenditure. The Subrecipient shall expend monies only on eligible costs and shall submit reimbursement (draw) requests for payment to the Authority, either through the United States postal mail at the address listed on page 1, or by e-mail to an appropriate staff person. The following shall accompany all draw requests:

4.2.1 A Draw Request Reimbursement Form (form prescribed by the Authority). This form must show category totals in whole dollar amounts. The Subrecipient shall round down for any expenses not in a whole dollar amount.

4.2.2 A Draw Request Itemization Form (form prescribed by the Authority) that lists all expenditures submitted for reimbursement.

4.2.3 Documentation for all expenditures (copies of cancelled checks, invoices, receipts, signed timesheets, payrolls, etc.). Documentation must be organized in the same order as the itemized listing of expenditures. For draw requests which include staff expenses, time sheets explicitly stating the hours charged to activities assisted under this Sub-grant Agreement must be provided.

4.2.4 Documentation that the Subrecipient has satisfied the match requirement, which may require both the source of matching contributions and the use of matching contributions. The Authority at its discretion may not disburse funds until the 75% match requirement for both the source and use of those funds has been documented.

4.2.4.1 Examples of documentation for source of match contributions include signed grant agreements or letters of commitment from other funders, the fair market calculated value of any donated material, an assessment report for a building's value, a report listing individual donations, and documentation of volunteer hours.

4.2.5 Data completion reports generated from the approved HMIS or DVIMS system with each reimbursement request. Missing data rates above five percent for any data element on any data completion report may cause the request for funds to be held. Upon receipt of corrected data completion reports, held fund requests may be processed with the next available draw.

4.3 REIMBURSEMENT DEADLINES

The Subrecipient must draw funds on a monthly basis, unless an exception has been granted by the Authority in writing that allows the Subrecipient to draw funds on a quarterly basis. Unless approved to draw on a quarterly basis, draw requests for each month must be received by the end of the following month. For example, expenses for January must be received by the Authority by the last day in February.

If the Subrecipient fails to make a draw request within the deadline, the Authority at its discretion may refuse to reimburse such expenses submitted late.

4.4 DISBURSEMENT OF LESS THAN THE TOTAL AWARD AMOUNT

If the total Award Amount has not been requested by the Subrecipient by the final reimbursement deadline of January 31, 2021, then the Authority shall be under no obligation for further disbursement.

ARTICLE 5 – REPRESENTATIONS AND WARRANTIES OF SUBRECIPIENT

The Subrecipient represents, covenants, and warrants that:

5.1 AUTHORITY

The Subrecipient is duly authorized and empowered to execute and deliver the Sub-Grant Agreement. All required actions on the Subrecipient's part, such as appropriate resolution of its governing board for the execution and delivery of the Sub-Grant Agreement, have been effectively taken.

5.2 FINANCIAL INFORMATION

All financial statements and related materials concerning the Subgrant provided to the Authority are true and correct in all material respects and completely and accurately represent the subject matter thereof as of the date of the statements and related materials, and no material adverse change has occurred since that date.

5.3 APPLICATION

The contents of the Application were a complete and accurate representation of the Subgrant as of the date of submission, and there has been no material adverse change in the organization, operation, or key personnel of the Subrecipient since the date the Subrecipient submitted its Application.

5.4 CLAIMS AND PROCEEDINGS

There are no actions, lawsuits or proceedings pending or, to the knowledge of the Subrecipient, threatened against the Subrecipient affecting in any manner whatsoever their rights to execute the Sub-Grant Agreement, or to otherwise comply with the obligations of the Sub-Grant Agreement. There are no actions, lawsuits or proceedings at law or in equity, or before any governmental or administrative authority pending or, to the knowledge of the Subrecipient, threatened against or affecting the Subrecipient or any property involved in the Subgrant.

5.5 PRIOR AGREEMENTS

The Subrecipient has not entered into any verbal or written Sub-Grant Agreements, agreements or arrangements of any kind which are inconsistent with the Sub-Grant Agreement.

5.6 TERM OF AGREEMENT

The covenants, warranties and representations of this Article are true and binding as of the date of execution of this Sub-Grant Agreement by the Subrecipient. Further, the covenants, warranties and representations of this Article shall be deemed to be renewed and restated by the Subrecipient as of the Effective Date of this Sub-Grant Agreement and at the time of each advance or request for disbursement of funds.

ARTICLE 6 – AFFIRMATIVE COVENANTS OF THE SUBRECIPIENT

For the duration of the Sub-Grant Agreement, the Subrecipient covenants with the Authority that:

6.1 SUBGRANT WORK AND SERVICES

The Subrecipient shall perform work and services as approved in the Application and budget, and according to this Sub-Grant Agreement.

6.2 RECORDS

The Subrecipient shall maintain books, records, documents and other evidence pertaining to all costs and expenses incurred and revenues received under this Sub-Grant Agreement in sufficient detail to reflect all costs, direct and indirect, of labor, materials, equipment, supplies, services and other costs and expenses of whatever nature, for which payment is claimed under this Sub-Grant Agreement. The Subrecipient shall maintain books, records and documents in sufficient detail to demonstrate compliance with the Sub-Grant Agreement and shall maintain these materials for a period of five years beyond the end date of the Sub-Grant Agreement. Records for non-expendable property acquired under this Sub-Grant Agreement shall be retained for a five year period after the final disposition of property. Records shall be retained beyond the prescribed period if any litigation or audit is begun or if a claim is instituted involving the grant or agreement covered by the records. In these instances, the records shall be retained until the litigation, audit or claim has been finally resolved.

6.3 ACCESS TO RECORDS/INSPECTIONS

The Subrecipient shall, without prior notice, and at any time, permit and allow the Authority, its representatives, representatives of HUD, and/or Iowa's Auditor of State to access and examine, audit and/or copy the following, wherever located: any plans and work details pertaining to the Subgrant; all of the Subrecipient's books, records, policies, client files, and account records; all other documentation or materials related to this Sub-Grant Agreement; and any facility used to carry out the Subgrant. The Subrecipient shall provide proper facilities for making such examination and/or inspection of the above mentioned records and documentation. The Subrecipient shall not impose a charge for audit or examination of the Subrecipient's information and facilities.

The Subrecipient shall maintain records as specified above on emergency transfers requested under 24 CFR Part 576.409, pertaining to victims of domestic violence, dating violence, sexual assault, or stalking, which shall include data on the outcome of such requests.

6.4 USE OF GRANT FUNDS

The Subrecipient shall expend funds received under the Sub-Grant Agreement only for the purposes and activities described in its Application, this Sub-Grant Agreement and as otherwise approved by the Authority.

6.5 NOTICE OF PROCEEDINGS

The Subrecipient shall notify the Authority within 30 days of the initiation of any claims, lawsuits or proceedings brought against the Subrecipient.

6.6 NOTICES TO THE AUTHORITY

In the event the Subrecipient becomes aware of any material alteration in the Subgrant, initiation of any investigation or proceeding involving the Subgrant, or any other similar occurrence, the Subrecipient shall promptly notify the Authority.

6.7 CONFLICT OF INTEREST

6.7.1 *Conflict of Interest Policies.* The Subrecipient shall have and follow written conflict of interest policies, which conform to 2 CFR 200.112 and 200.318. Written policies must be established that govern conflicts of interest and for federal awards and any potential conflicts of interest must be disclosed in writing to the Authority.

6.7.2 *Organizational Conflicts of Interest.* Program requirements found at 24 CFR Part 576.404 stipulate that the provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the Subrecipient, or a parent or subsidiary of the Subrecipient. No *Subrecipient* may, with respect to individuals or families occupying housing owned by the Subrecipient, or any parent or subsidiary of the Subrecipient, carry out the initial evaluation required under 24 CFR Part 576.401 or administer homelessness prevention assistance under Part 576.103.

6.7.3 *Individual Conflicts of Interest.* For the procurement of goods and services, the Subrecipient and its contractors must comply with the codes of conduct and conflict of interest requirements under Iowa Public Officials Act under Chapter 68B of the Iowa Code (for governments), and 2 CFR Part 200 (for private nonprofit organizations). For all transactions and activities, the following restrictions apply:

6.7.3.1 *Conflicts Prohibited.* No person who exercises or has exercised any functions or responsibilities with respect to activities assisted under the ESG program, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under the program, may obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or during the one-year period following his or her tenure.

6.7.3.2 *Persons Covered.* The conflict-of interest provisions of 3.7.3.1 of this section apply to any person who is an employee, agent, consultant, officer, or elected or appointed official of the Subrecipient.

6.8 CERTIFICATION REGARDING GOVERNMENT-WIDE RESTRICTION ON LOBBYING

The Subrecipient certifies, to the best of their knowledge and belief, that:

6.8.1 No federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal sub-grant agreement, the making of any federal grant, the making of any federal loan,

the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal sub-grant agreement, grant, loan, or cooperative agreement.

6.8.2 If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee, or an employee of a Member of Congress in connection with this Sub-Grant Agreement, grant, loan, or cooperative agreement, the Subrecipient shall complete and submit to the Authority, "Disclosure of Lobbying Activities" form as approved by the Office of Management and Budget.

6.8.3 The Subrecipient shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and sub-grant agreements under grants, loans, and cooperative agreements) and that all sub-Subrecipients shall certify and disclose accordingly.

6.8.4 This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

6.9 PROGRAM CERTIFICATIONS

The Subrecipient certifies and assures that the Subgrant will be conducted and administered in compliance with all applicable federal and state laws, rules, ordinances, regulations and orders. The Subrecipient certifies and assures compliance with the applicable orders, laws and implementing regulations, including but not limited to, the following:

6.9.1 *Confidentiality.* The Subrecipient will implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

In connection with the above certification, the Subrecipient shall develop and implement written procedures to ensure that all records containing "personally identifiable information" of any individual or family, who applies for and/or receives ESG assistance, will be kept secure and confidential.

6.9.2 *Period of Assistance.* If ESG funds are used for shelter operations or essential services related to street outreach or emergency shelter, the Subrecipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long as the applicant serves the same type of persons (e.g., families with children, unaccompanied youth, veterans, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

6.9.3 *Involvement of Homeless Individuals.* To the maximum extent possible, the Subrecipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted

with ESG funds, in providing services assisted with ESG funds, and in providing services for occupants of facilities assisted with ESG funds.

6.9.4 *Consolidated Plan.* The Subrecipient will ensure that all activities undertaken with ESG funds are consistent with the State of Iowa's current HUD-approved Consolidated Plan and accompanying Annual Action Plans.

6.9.5 *Participation in Fair Housing Practices.* The Subrecipient will follow fair housing practices that conform to Iowa Code 216.8, Unfair or Discriminatory Practices – Housing.

6.9.6 *Contractor Eligibility.* The Subrecipient certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the transaction by any Federal department or agency. The Excluded Parties List System can be found at https://www.sam.gov/.

6.9.7 *Subrecipient Integrity and Performance Matters.* The Subrecipient shall comply with the requirements in Appendix XII to 2 CFR Part 200 – Award Term and Condition for Subrecipient Integrity and Performance Matters. This pertains to information and reporting in the federal System for Award Management (SAM) for agencies with more than $10,000,000 in currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies.

6.10 OTHER FEDERAL REQUIREMENTS

The Subrecipient assures compliance with the following additional federal requirements for ESG:

6.10.1 *General.* The requirements in 24 CFR Part 5, Subpart A, including the nondiscrimination and equal opportunity requirements at 24 CFR 5.105 and equal access in accordance with an individual's gender identity in community planning and development programs at 24 CFR 5.106. Section 3 of the HUD Act of 1968, 12 U.S.C. 1701u, and implementing regulations at 24 CFR Part 135 applies, except homeless individuals have priority over other Section 3 residents in accordance with Section 576.405(c).

6.10.2 *Nondiscrimination and Equal Opportunity.* The prohibitions against discrimination against disabled individuals under Section 504 of the Rehabilitation Act of 1973/Americans with Disabilities Act, and the nondiscrimination and equal opportunity requirements under 24 CFR Part 576.407(a).

6.10.3 *Fair Housing Requirements.* The applicable provisions of the Americans with Disabilities Act (42 U.S.C. 12101–12213) and implementing regulations at 28 CFR Part 35 and Part 36 (public accommodations and requirements for certain types of short-term housing assistance).

6.10.4 *Nondiscrimination by Age.* The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07).

6.10.5 *Affirmative Action.* Affirmative action requirements as implemented with Executive Orders 11625, 12432, and 12138, which require that every effort be made to solicit the participation of minority and women business enterprises (MBE/WBE) in governmental projects.

6.10.6 *Affirmative Outreach.* A Subrecipient must adopt procedures to ensure that all persons who qualify for the assistance, regardless of their race, color, religion, sex, age, national origin, sexual orientation, gender identity, familial status, or disability, know of the availability of the ESG services and assistance, including facilities and services accessible to persons with a handicap, and maintain evidence of implementation of the procedures. Consistent with Title VI and Executive Order 13166, the Subrecipient must also take reasonable steps to ensure meaningful access to programs and activities for limited English proficiency persons.

6.10.7 *Job Training and Employment for Low-income Residents*. Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and implementing regulations at 24 CFR Part 135 apply, except that homeless individuals have priority over other Section 3 residents in accordance with § 576.405(c).

6.10.8 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Guidance*. The requirements of 2 CFR Part 200, if the Subrecipient is a non-profit organization or governmental entity.

6.10.9 *Solid Waste Disposal Act.* Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, regarding the disposal of hazardous materials.

6.10.10 *Drug-Free Workplace.* The Subrecipient shall comply with the Drug-Free Workplace Act of 1988 and HUD's implementing regulations at 24 CFR Part 24.

6.10.11 *Contracting.* The Subrecipient shall avoid using federally disbarred, suspended, or ineligible contractors for expenses related to this Agreement, according to 24 CFR Part 24.

6.10.12 *Lead-Based Paint*. The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851–4856), and implementing regulations in 24 CFR Part 35, Subparts A, B, H, J, K, M, and R apply to all shelters assisted under ESG program and all housing occupied by program participants.

6.10.13 *Environmental Review Responsibility.* Certain activities are subject to environmental review pursuant to HUD under 24 CFR Part 50.

6.10.14 *VAWA.* Certain activities are subject to the Violence Against Women Reauthorization Act of 2013, and HUD's final rule, Implementation in HUD Housing Programs.

6.10.15 *Equal Access.* HUD Equal Access to Housing Final Rule of 2012 and HUD Equal Access to Housing Final Rule of 2016, regarding equal access in accordance with an individual's sexual orientation, gender, identity, and marital status, shall apply to all shelters assisted under ESG program and all housing occupied by program participants.

ARTICLE 7 – NEGATIVE COVENANTS OF THE SUBRECIPIENT

During the Sub-Grant Agreement term the Subrecipient covenants with the Authority that it shall not, without the prior written disclosure to and prior written consent of the Authority, directly or indirectly:

7.1 ASSIGNMENT

Assign its rights and responsibilities under this Sub-Grant Agreement.

7.2 ADMINISTRATION

Discontinue administration activities under the Sub-Grant Agreement.

ARTICLE 8 – DEFAULT AND REMEDIES

8.1 EVENTS OF DEFAULT

The following shall constitute Events of Default under this Sub-Grant Agreement:

8.1.1 *Material Misrepresentation*. If at any time any representation, warranty or statement made or furnished to the Authority by, or on behalf of the Subrecipient in connection with this Sub-Grant Agreement or to induce the Authority to make a grant to the Subrecipient shall be determined by the Authority to be incorrect, false, misleading or erroneous in any material respect when made or furnished and shall not have been remedied to the Authority's satisfaction within 30 days after written notice by the Authority is given to the Subrecipient.

8.1.2 *Noncompliance*. If there is a failure by the Subrecipient to comply with any of the covenants, terms or conditions contained in this Sub-Grant Agreement.

8.1.3 *Misspending*. If the Subrecipient expends grant proceeds for purposes not described in the Application, this Sub-Grant Agreement, or as authorized by the Authority.

8.1.4 *Lack of Capacity*. If the Subrecipient demonstrates a lack of capacity to carry out the approved activities and services in a timely manner and with the funds granted, at the sole discretion of the Authority.

8.1.5 *Abandonment*. If the Subrecipient abandons any activities or services assisted under this Sub-Grant Agreement.

8.1.6 *Failure to Comply with Laws*. If the Subrecipient has failed to ensure compliance with any state or federal laws, rules or regulations.

8.2 NOTICE OF DEFAULT

The Authority shall issue a written notice of default providing therein a 15 day period in which the Subrecipient shall have an opportunity to cure, provided that cure is possible and feasible.

8.3 REMEDIES UPON DEFAULT

If, after opportunity to cure, the default remains, the Authority shall have the right, in addition to any rights and remedies available in sections 9.3, 9.4, 9.5.1, 9.6 and 9.7 of this Sub-Grant Agreement or by law, to do one or more of the following:

8.3.1 Reduce the level of funds the Subrecipient would otherwise be entitled to receive under this Sub-Grant Agreement;

8.3.2 Require immediate repayment of up to the full amount of funds disbursed to the Subrecipient under this Sub-Grant Agreement; and

8.3.3 Refuse or condition a future award upon conditions specified in writing by the Authority.

ARTICLE 9 – GENERAL PROVISIONS

9.1 AMENDMENT

9.1.1 *Writing Required.* The Sub-Grant Agreement may only be amended by means of a writing properly executed by the Parties. Examples of situations where amendments are required include extensions for completion of Subgrant activities, changes to the Subgrant including, but not limited to, alteration of existing approved activities or inclusion of new activities.

9.1.2 *Unilateral Modification*. Notwithstanding subsection 9.1.1 above, the Authority may unilaterally modify this Sub-Grant Agreement at will in order to accommodate any change in any applicable federal, state or local laws, regulations, rules or policies. A copy of such unilateral modification will be given to the Subrecipient as an amendment to this Sub-Grant Agreement.

9.1.3 *The Authority Review*. The Authority will consider whether an amendment request is so substantial as to necessitate reevaluating the original funding decision on the Subgrant.

9.2 AUDIT REQUIREMENTS AND CLOSEOUT OF AWARD

The Subrecipient shall adhere to the following audit requirements:

9.2.1 *Single Audit Not Required Form.* A "Single Audit Not Required" form must be submitted to the Authority for each Subrecipient fiscal year that the Subrecipient expends less than $750,000 in federal funds.

9.2.2 *Single Audit*. An audit must be submitted to the Authority for each Subrecipient fiscal year that the Subrecipient expends $750,000 or more in federal funds, including ESG funds. If the Subrecipient, in accordance with 2 CFR Part 200, is required to complete a Single Audit, the Subrecipient shall ensure that the audit is performed in accordance with 2 CFR Part 200, as applicable. The completed audit must be submitted to the Federal Audit Clearinghouse within the earlier of 30 days after the receipt of the auditor's report, or nine months after the end of the organization's fiscal year.

9.2.3 *Additional Audit*. As a condition of the grant to the Subrecipient, the Authority reserves the right to require the Subrecipient to submit to a post Subgrant completion audit and review in addition to the audit required above.

9.2.4 *Closeout*. The Subrecipient agrees to provide all reports and documents as requested to the Authority. If an audit is required per 9.2.2 above, the Subrecipient shall submit a copy of the completed audit to the Authority within the same time frame it is submitted to the Federal Audit Clearinghouse.

9.3 UNALLOWABLE COSTS

If the Authority determines at any time, whether through monitoring, audit, closeout procedures or by other means or process that the Subrecipient has expended funds which are unallowable, which are disallowed by this Sub-Grant Agreement, by the State of Iowa pursuant to the rules of the ESG program or by HUD under the rules of 24 CFR Part 576, the Subrecipient will be notified of the questioned costs and given an opportunity to justify questioned costs prior to the Authority's final determination of the disallowance of costs. Appeals of any determinations will be handled in accordance with the provisions of Chapter 17A, Iowa Code. If it is the Authority's final determination that costs previously paid under the Sub-Grant Agreement are unallowable, the expenditures will be disallowed and the Subrecipient shall repay to the Authority any and all disallowed costs.

9.4 SUSPENSION

When the Subrecipient has failed to comply with the Sub-Grant Agreement, the Authority may, on reasonable notice to the Subrecipient, suspend the Sub-Grant Agreement and withhold future payments. Suspension may continue until the Subrecipient completes the corrective action as required by the Authority.

9.5 TERMINATION

9.5.1 *For Cause*. The Authority may terminate the Sub-Grant Agreement in whole, or in part, whenever the Authority determines that the Subrecipient has failed to comply with the terms and conditions of the Sub-Grant Agreement.

9.5.2 *For Convenience*. The Authority may terminate the Sub-Grant Agreement in whole, or in part, when the Parties agree that the continuation of the Subgrant would not produce beneficial results commensurate with the future disbursement of funds.

9.5.3 *Due to Reduction or Termination of Funding*. At the discretion of the Authority, the Sub-Grant Agreement may be terminated in whole, or in part, if there is a reduction or termination of funds provided to the Authority by HUD.

9.6 PROCEDURES UPON TERMINATION

9.6.1 *Notice*. The Authority shall provide written notice to the Subrecipient of the decision to terminate, the reason(s) for the termination, and the effective date of the termination. If there is a partial termination due to a reduction in funding, the notice will set forth the change in funding and the changes in the approved budget. The Subrecipient shall not incur new obligations beyond the effective date and shall cancel as many outstanding obligations as possible. The Authority's share of non-cancellable obligations which the Authority determines were properly incurred prior to notice of cancellation will be allowable costs.

9.6.2 *Rights in Products*. All finished and unfinished documents, data, reports or other material prepared by the Subrecipient under the Sub-Grant Agreement shall, at the Authority's option, become the property of the Authority.

9.6.3 *Return of Funds*. Any costs previously paid by the Authority which are subsequently determined to be unallowable through audit, monitoring, or closeout procedures shall be returned to the Authority within 30 days of the disallowance.

9.7 ENFORCEMENT EXPENSES

The Subrecipient shall pay upon demand any and all reasonable fees and expenses of the Authority, including the fees and expenses of the Authority's attorneys, experts and agents, in connection with the exercise or enforcement of any of the rights of the Authority under this Sub-Grant Agreement.

9.8 INDEMNIFICATION

The Subrecipient shall indemnify and hold harmless the Authority and its officers and employees from and against any and all losses, accruing or resulting from any and all claims subcontractors, laborers, and any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Sub-Grant Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the Subrecipient in the performance of this Sub-Grant Agreement.

ARTICLE 10 – MISCELLANEOUS

10.1 BINDING EFFECT

This Sub-Grant Agreement shall be binding upon and shall inure to the benefit of the Authority and Subrecipient and their respective successors, legal representatives and assigns. The obligations, covenants, warranties, acknowledgments, waivers, agreements, terms, provisions and conditions of this Sub-Grant Agreement shall be jointly and severally enforceable against the Parties to this Sub-Grant Agreement.

10.2 SURVIVAL OF SUB-GRANT AGREEMENT

If any portion of this Sub-Grant Agreement is held to be invalid or unenforceable, the remainder shall be valid and enforceable. The provisions of this Sub-Grant Agreement shall survive the execution of all instruments herein mentioned and shall continue in full force until the Subgrant is completed as determined by the Authority.

10.3 GOVERNING LAW

This Sub-Grant Agreement shall be interpreted in accordance with the laws of the State of Iowa, and any action relating to the Sub-Grant Agreement shall only be commenced in the Iowa District Court for Polk County or the United States District Court for the Southern District of Iowa.

10.4 WAIVERS

No waiver by the Authority of any default hereunder shall operate as a waiver of any other default or of the same default on any future occasion. No delay on the part of the Authority in exercising any right or remedy hereunder shall operate as a waiver thereof. No single or partial exercise of any right or remedy by the Authority shall preclude future exercise thereof or the exercise of any other right or remedy.

10.5 LIMITATION

It is agreed by the Subrecipient that the Authority shall not, under any circumstances, be obligated financially under this Sub-Grant Agreement except to disburse funds according to the terms of the Sub-Grant Agreement.

10.6 HEADINGS

The headings in this Sub-Grant Agreement are intended solely for convenience of reference and shall be given no effect in the construction and interpretation of this Sub-Grant Agreement.

10.7 INTEGRATION

This Sub-Grant Agreement contains the entire understanding between the Subrecipient and the Authority and any representations that may have been made before or after the signing of this Sub-Grant Agreement, which are not contained herein, are nonbinding, void and of no effect. None of the Parties have relied on any such prior representation in entering into this Sub-Grant Agreement.

10.8 COUNTERPARTS

This Sub-Grant Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

10.9 DOCUMENTATION

The Authority reserves the right to request at any time, additional reports or documentation not specifically articulated in this contract.

IN WITNESS WHEREOF, the Parties have executed this Sub-Grant Agreement on the dates specified below.

SUBRECIPIENT: **West Des Moines Human Services**

BY: _____
Signature of Authorized Official

_____
Print Name

_____
Title

DATE: _____

NOTE: THIS SUB-GRANT AGREEMENT MUST BE EXECUTED BY THE SUBRECIPIENT AND RECEIVED BY THE AUTHORITY BEFORE FEBRUARY 15, 2020.

IOWA FINANCE AUTHORITY

BY: _____
Brian Sullivan, Chief Programs Officer

DATE: _____