

Generators for Critical Facilities Program

Program Purpose

To assist in the long-term recovery and added resiliency after the August 2020 derecho, IEDA will fund the purchase and installation of generators for critical facilities. In the event of another disaster or disruption, these critical facilities will be equipped to offer shelter to residents or provide necessary services during or immediately after the event. Generators will utilize modern technology to ensure that they are optimized for power production, align with the need of the facility, can operate for an extended period of time, and cover the range of power needs during and after a disaster. This program will mitigate the impact of future natural disasters by increasing resilience to disasters and reduce the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship.

Version History

Version	Date	Summary Description
1.0	January 30, 2023	Round 1 Launch
1.1	March 28, 2023	Update to Project Delivery Amount

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 Federal Programs teams.

Available Funds

Program	Budget	Linn County	Marshall, Tama, and Benton Counties
Generators for Critical Facilities	\$2,000,000	\$1,300,000	\$700,000

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, Marshall, Tama, and Benton counties. At least 65% of program funds will be allocated to the HUD MID area (Linn County), with the remaining program funds available to the State MID area (Marshall, Tama, and Benton counties). UGLGs will need to procure a contractor for both purchase and installation of the generators after an award is made.



Application Rounds

Round 1: IEDA will open applications for \$2,000,000 for Generators for community facilities on January 30, 2023 and applications will be open on IowaGrants until April 14, 2023 at 11:59 PM Central. This first round will allow the State to establish a **competitive** review process, gauge the capacity of the MID areas for new community facility generators, and support local emergency response efforts. 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.

Application Workshops

Round 1 Application Workshop Date: February 1, 2023

National Objective and Eligible Activities

This program is designed to meet Low- to Moderate-Area Benefit or Urgent Need. The Urgent Need (UN) National Objective will only be used when an LMI National Objective cannot be achieved through the project. An UN project has to demonstrate recovery or mitigation public infrastructure benefits within the HUD- or grantee- identified MID.

Eligible activities include HCDA 105(a) 1, 2, and 4 applicable waivers identified in the Allocation Announcement Notice and Consolidated Notice (87 FR 6364) and other applicable notices or guides.

Disaster Tieback

This program addresses the unmet needs tied to the disaster by providing generators in critical facilities for disaster-impacted MID areas. Prolonged power outages following the August 2020 derecho resulted in the loss of food and medicine for families, and the lack of power in critical facilities hindered the efficiency of communications and public services. Some critical facilities, such as hospitals and fire stations, had generators but relied on fuel deliveries from the Iowa National Guard to keep generators online. This assistance was disrupted by the tree canopy loss impacting the mobility of military vehicles. The Derecho highlighted the need for resiliency and redundancy in how power is distributed for shelters and other critical facilities during disaster events.

General Program Requirements

This program's intent is to help communities by providing generators that can be used to supply power to critical facilities during a time of disaster. The goal with these generators is to help make a community more resilient to a disaster during and after the fact as well. With that, there are numerous federal and state requirements that will apply to this funding.

IEDA will seek to award program funds to a diverse range of neighborhoods and communities in order to not concentrate these generators into one singular area. IEDA will also seek to award a variety of different facility types to provide a wide range of accessible options to disaster-affected communities.

IEDA will make awards to cities/counties/tribes for the installation of new generators. Subrecipients will **procure** for the purchase and installation of a generator with a contractor after award. Only **estimates are required, not procurement** at the application stage.





Low to Moderate Income (LMI) areas will be given a preference for awards. These are communities, census tracts, service areas etc. in which at least 51% of residents are at or below 80% of the Area Median Income.

The **maximum total amount provided by IEDA** for the generator, installation, transfer switch, and project delivery cannot exceed \$100,000. This figure affords the widest available opportunities to communities to purchase high quality, efficient and potentially renewable generators.

This program will be subject to **Davis Bacon** prevailing wage requirements.

All projects receiving more than \$200,000 in HUD assistance (including CDBG-DR) are subject to **Section 3**.

All generators shall be installed 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 the current Iowa State Building Code shall apply.

The applicant or intended subrecipient of the applicant must **own the project site** at the time of application.

All project sites (including the building and the generator) must be located **outside of the mapped 100-year flood plain**. No exceptions will be granted to the 100-year floodplain.

As **critical actions**, if the project site is located within **the 500-year floodplain**, all generators must be elevated or floodproofed (in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(2)-(3) or successor standard) to the higher of the 500-year floodplain elevation or three feet above the 100-year floodplain, whichever is higher.

Applicants may not have applied and be receiving a generator from FEMA or other programs for the same critical facility as proposed for this program, as that would be considered a **duplication of benefit**. IEDA will coordinate with the Iowa Homeland Security and Emergency Management Department to avoid duplication of benefits on FEMA generator programs.

Any **contingencies** proposed in the application budget may **not exceed 15%**.

Prior to the obligation of funds for construction, subrecipients will demonstrate costs are reasonable to IEDA. IEDA will also require that the subrecipient demonstrate additional financing and submit supporting documentation for estimated project costs prior to Release of Funds.

The State does not anticipate **program income** being generated by this program. However, subrecipients will be required to return program income if the program income meets or surpasses \$35,000 in a year. The whole amount, not just the amount above \$35,000, will be required to be returned to IEDA.

Incentive Amount

Generator Incentive Per Unit	Project Delivery
\$97,000	\$3,000



Eligible Facilities

Publicly owned and nonprofit facilities are eligible for this program if not used for the general conduct of government. City halls, government administrative buildings, casinos, etc. are not eligible. Facilities must be open regularly to the public or providing essential services to the community, including during and after disaster events. Eligible facilities include but are not limited to:

Eligible Facilities	
Fire Station	Community center
Police Station	Senior center
School (if operating as a shelter amid a disaster)	Library (if operating as a shelter amid a disaster)
Public health clinic or public hospital	Lift station or municipal water/wastewater facilities
Food bank	Group home
Homeless shelter	Resiliency hub

If you have questions about further eligible facilities, reach out to IEDA.

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

Applicants will also indicate which of the following elective activities that they will complete. The list of elective activities includes the following:

Elective Activity	Description
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 (Region 6 for Marshall and Tama counties, ECICOG for Benton and Linn counties) 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 \$3,000 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
- Retaining records and submitting required reports
- Lien development and filing
- Assistance with procurement
- Federal Labor Standards Compliance



- Section 3 Compliance
- Financing/interest incurred for project implementation

Exception Policy

IEDA will consider exceptions to the program guidelines on a case-by-case basis. All exceptions must be submitted in writing with the application and include a justification. Exceptions should enhance the benefit to LMI households or areas.

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.

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

Application Scoring Criteria

Program Competitive Application Overview: IEDA will publish competitive application rounds for the generators for critical facilities program. All applications within a round will be reviewed, scored, ranked, and awarded based on score. A minimum threshold score will be established to ensure that high-quality projects are selected. This program will be limited to the HUD and State MID areas. The scoring criteria is as follows and each criteria on the application will be graded from 0 to 5 points.

IEDA will use the following criteria to rank applications:

1. Rank the area's LMI percentage.
2. Rank the level of optional local match.
3. Rank the level of public accessibility amid or post disaster.
4. Rank of the level of described community need.
5. Rank the location outside of the 500-year floodplain.
6. Rank the community's proposed steps to Affirmatively Further Fair Housing.
7. Rank the proposed usage of solar or other renewably powered generators (0-3 points)

Required Application Documentation

Only complete, timely-received applications will be reviewed, scored, and ranked. Complete applications 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
- **DOB Application Certification** signed by the applicant
- **Support documentation** for city financial support or other outside funding sources
- **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 (city, county, or tribe) acknowledges and accepts these requirements. By passing a resolution of support and executing a contract with IEDA, the subrecipient 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. For the Generator program, it is anticipated that the activity may be categorically excluded not subject to or exempt from environmental review, depending on the scope of the work.

The timeline for this will generally take 30 days or less, but the specific timeline will be dependent on-site conditions. Once the environmental review checklist is complete, it will be submitted to IowaGrants.

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 of 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.

Compliance

The following compliance areas will be among those tracked throughout the project:



Claim Documentation and Reimbursement, 10% Retainage

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.

Contractor Clearance

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.

Duplication of Benefits (DOB)

No 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 2020 Derecho CDBG-DR Policies and Procedures Manual.

Fraud, Waste, and Abuse

IEDA has zero tolerance for the commission or concealment of acts of fraud, waste, or abuse. Subrecipient and grant administrator staff will attend HUD OIG fraud training when provided. Any instances of fraud, waste, or abuse should be reported to the HUD OIG at 1-800-347-3735 or hotline@hudoig.gov. All instances of fraud, waste, and abuse discovered by IEDA will be reported to the HUD OIG.

Insurance Requirements

Federal regulations require FEMA National Flood Insurance for all federally-funded projects located within a Specific Flood Hazard Area-100 year floodplain. Insurance will be obtained before work begins and must be maintained at minimum throughout the remaining project and closeout.

Procurement

Subrecipients shall follow the federal procurement requirements detailed in the 2020 Derecho 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 2020 Derecho CDBG-DR Policies and Procedures Manual.



Procurement **will be required for the purchase and installation** of a generator. This is recommended to be done through one RFP and contract.

Any construction contracts procured through awarded projects must comply with the Bonding Requirements noted in the Procurement Policy in the 2020 Derecho CDBG-DR Policies and Procedures Manual.

All projects **must be cost reasonable**. IEDA 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, application budgets must be thorough and accurate for evaluation.

Quarterly Performance Report

Subrecipients will report project progress at least quarterly in IowaGrants. This compliance form will outline progress made toward milestones outlined in the subrecipient’s contract with IEDA. Progress on the following deliverables will be reported:

- Percentage of work and the number of units completed
- Actual costs incurred to date of quarterly report submission
- Estimate timeline remaining to complete construction
- Progress narrative of work completed and any risks to the project

Reporting is necessary as it is used to document progress towards the achievement of outcome values identified in IEDA’s CDBG-DR funded proposal. Reports will be due by January 5, July 5, October 5, and December 5 for the prior quarter.

Safety Policy

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

Section 3

All projects receiving more than \$200,000 in HUD assistance at a project site are required to comply with the “new” Section 3 rule, as detailed in [24 CFR Part 75](#). This includes the tracking of all labor hours on the project sites, including projects not subject to Davis Bacon, and qualitative efforts undertaken to demonstrate compliance. See IEDA’s Section 3 guidance for more information.

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 1-year project:

Year	Projected Expenditure	Discrepancy
Year 1	100%	10%

The budgetary discrepancy limits are as follows for a 2-year project:



Year	Projected Expenditure	Discrepancy
Year 1	50%	40%
Year 2	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.

Monitoring

Applicants and subrecipients shall be provided adequate and timely information to enable them to be meaningfully involved in important decisions at various stages of the program, including at least:

- The determination of needs
- The review of proposed activities
- The review of program performance

Risk Assessment

IEDA will conduct a risk-based assessment annually per CDBG-DR contract. While each activity will be monitored on-site at least once during the life of the grant, the risk-based assessment will assist project managers in determining the timing and frequency of documented monitoring.

The risk-based assessment will be conducted through IowaGrants. This form will be filled out once per year by the project manager, and based on the outcome score, the project manager will determine when the next monitoring is required. Per 200.331(b), IEDA will evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations, and terms and conditions of the subaward for the purposes of determining the appropriate level of monitoring. The risk-based assessment will include:

- Financial Risk- how large is the grant
- Submitted Draws- are claims on schedule as outlined in contract



- Program Management/Capacity – is the administrator familiar with CDBG and attended trainings
- Program Income- has the contract generated program income
- QPR Tracking- is the program reasonably on track

Monitoring

Upon the expenditure of at least 50% of the CDBG-DR award by a subrecipient, IEDA will schedule a full monitoring of the project. The project manager will email the subrecipient and grant administrator to schedule the visit. Monitoring visit information and forms will be made available and completed in IowaGrants. The project manager will instruct grant administrators to provide any additional information identified as needed during a monitoring visit.

After the monitoring, a visit report will be uploaded to IowaGrants and sent to both the subrecipient and grant administrator.

IEDA reserves the right to monitor the project at any point in time based on its assessment of project risk or other considerations.

Closeout Documents

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

- Section 3 compliance forms
- Project map of site location and installed generator

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. 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.

