

HUD Office of Native American Programs Indian Housing Block Grant (IHBG) Competitive Grant Program 2024 Notice of Funding Opportunity (NOFO) Frequently Asked Questions Published 7/8/2024

The following Frequently Asked Questions (FAQs) have been provided to assist applicants for the Fiscal Year (FY) 2024 IHBG Competitive Grant NOFO.

For any questions, please email IHBGCompetitiveProgram@hud.gov

Q1: What is the due date for applications?

Applications for this NOFO are due 8/29/2024 at 11:59 pm ET.

Q2: What is the period of performance for this grant?

The period of performance cannot exceed 5 years. The estimated period of performance for this grant is 12/30/2024 - 12/28/2029. Applicants may request a shorter period of performance or an extension to the period of performance in accordance with program policy. Requests for extensions should be submitted prior to the period of performance end date.

Q3: Regarding the grant ceiling, the maximum award is \$7.5 million, but the maximum we are eligible for is a lower amount based on population. Can we request \$7.5 million, or are we limited to the population-based grant ceiling amount?

Your total grant request is limited to the population-based grant ceiling amount. Your request may not exceed the limit listed below for the population of your Tribe. If your application requests more than the maximum applicable grant amount allowed based on your American Indian Alaska Native (AIAN) or Tribal enrollment (whichever is higher) under this NOFO, then the application will not be reviewed.

Population	Ceiling Amount
50,001 +	\$7,500,000
10,501 – 50,000	\$6,000,000
10,500 and below	\$5,000,000

Q4: Who determines the total AIAN numbers when assessing the need for funding?

HUD uses AIAN data from the most recent decennial census in its need determination. The 2024 Needs Portion of Allocation data for your Tribe can be found in the 2024 Needs Table.

Q5: If a Tribally Designated Housing Entity (TDHE) was awarded on behalf of a Tribe in prior competitions, can the TDHE apply again and receive full points if it is applying on behalf of another Tribe?

Yes. The TDHE may apply on behalf of a Tribe that did not receive awards under any previous IHBG Competitive Grants and may receive the maximum points allowable under subfactor 2.4.

Q6: What is the Workplan Narrative?

The Workplan Narrative is the core of your application. It includes responses to all rating factors listed in the NOFO and describes the proposed IHBG Competitive project(s).

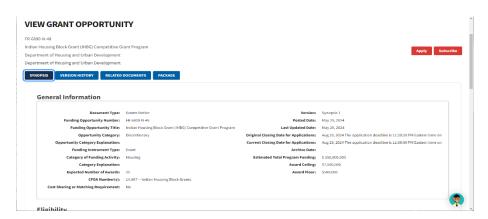
Q7: If multiple projects are being proposed in an application, does each project require a separate narrative?

No. Eligible applicants may only submit one Workplan Narrative under this NOFO that encompasses the proposed project(s). If the applicant proposes multiple projects, HUD will evaluate all projects together and will not separately score each proposed project (see NOFO, Section III.D.6, page 16).

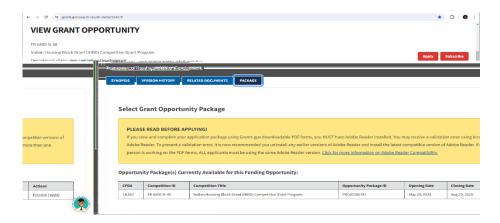
Q8: How can the application package be downloaded from the Grants.gov website?

The IHBG Competitive grant opportunity is available here: <u>FR-6800-N-48</u>. Once you have opened the IHBG Competitive grant opportunity page:

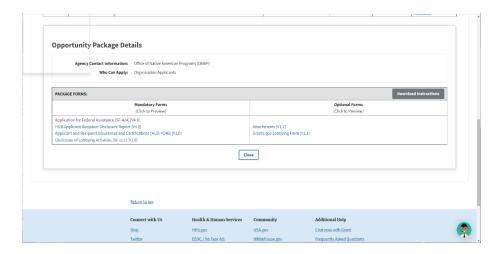
1. Click on the "Package" tab.



2. Click on "Preview" (under "Action" column) (right-hand side of the page).



4. Click on "Download Instructions." "Open" when message appears on the bottom of page.



Please make sure that you are using the required forms that are provided on Grants.gov as you prepare and complete your grant application.

Q9: Is the "Certification of Compliance" submitted as a separate document?

Yes, applicants must submit the Certification of Compliance as a separate document that addresses all seven components and is signed by their authorized official.

Q10: If an applicant is applying for multiple projects, does it have to submit an Implementation Schedule (HUD-53247), Cost Summary (HUD-53246), Workplan Narrative, and Budget Narrative for each project?

No, an applicant is not required to submit these application materials separately for each project.

Q11: Is the "Environmental Review – Expression of Intent" submitted as a separate document or is this described in the Workplan Narrative?

The "Environmental Review – Expression of Intent" is a separate standalone document, which must be included in the application.

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Q12: If you have an approved indirect cost rate, do you have to use it, or can you opt to use the de minimis indirect cost rate?

If you have a Federally negotiated indirect cost rate, you must use it. If you are using a federally negotiated indirect cost rate, then your application must clearly state the approved rate and distribution base in the Budget Narrative and amount budgeted in the Cost Summary (HUD-53246, line 5B). You must also include a letter stating the approved rate and distribution base or other documentation from the cognizant agency showing the approved rate.

If you have never had an indirect cost rate and wish to use the de minimis rate, then you must clearly state the intent to use the de minimis 15% of Modified Total Direct Costs (MTDC) in accordance with 2 C.F.R. § 200.414(f). Your application must clearly state the approved rate and distribution base and must include a letter or other documentation from the cognizant agency showing the approved rate.

Q13: If the applicant has a Federally negotiated indirect cost rate, but the approved rate itself exceeds 20%, can it still charge these costs as part of the administrative and planning expenses?

Yes, as long as a copy of the rate is submitted with the application. In accordance with 2 C.F.R. § 200.414(c) located in the Cost Principles, HUD must accept a Federally negotiated indirect cost rate. The NOFO does not establish a cap on the indirect cost rate. The NOFO does cap administrative and planning expenses, in accordance with IHBG regulations and as discussed in Funding Restriction-Indirect Cost Rate-Section IV.F, page 31. Any requested indirect costs charged in accordance with a Federally negotiated rate that are also administrative and planning costs will count as a line item toward the overall administrative and planning cap.

Q14: Would you prefer that the Workplan Narrative Supporting Attachments be put in one file, then just reference the page number, or should they be submitted as separate attachments with referenced page numbers?

There are no restrictions to the format of the Workplan Narrative Supporting Attachments, which can be submitted as one or multiple files, but HUD would like to request that supporting attachments be uploaded separately to facilitate the review process. Please label each page of each attachment with a page number and reference the applicable Rating Factors and Subfactors in the NOFO.

Q15: Is the cap on administrative and planning costs determined by considering the grant award amount, or the total project cost?

The cap on administrative and planning expenses is based on the amount of the grant award, not the total project cost (NOFO Section IV.F.2, p. 31). All applicants that are awarded a grant under this NOFO may use up to 20% of the grant award for IHBG-eligible administrative and planning expenses, which would include any indirect costs.

Q16: Can HUD funds be used for environmental reviews?

Yes, these expenses would be reflected under Planning and Administration.

Q17: If the Tribe is the applicant for this NOFO but under the IHBG formula program it designates a TDHE to receive and administer its IHBG grants on the Tribe's behalf, how will points be assessed under Subfactor 1.2 Progress of IHBG Formula Grant and Subfactor 1.5 Findings?

If the TDHE administers the IHBG formula program on behalf of the Tribe, the Tribe oversees the performance of its TDHE to ensure that it is serving the Tribe's needs, so HUD will assess points for Subfactors 1.2 and 1.5 based on the performance of the TDHE under the IHBG formula program.

Q18: Is there a waiver of the 30-day audit submission requirement?

Yes, however, the nine-month requirement remains. Audits will be considered on time if they are submitted within nine months after their fiscal period end date. Please review the OMB Notice: OMB Announcements (fac.gov)

Q19: Does having a finding exclude a Tribe/TDHE from applying?

No. A Tribe/TDHE may still apply if it has findings. If the applicant has findings, HUD will review and assign points according to the criteria in Subfactor 1.5 (Findings). **20: How will the applicant determine the amount of undisbursed funds remaining in LOCCS as of the application deadline date?**

IHBG formula recipients may contact their Area Office Grants Management Specialist if they have questions regarding undisbursed formula amounts remaining in LOCCS.

Q20: Should an applicant include information in the Workplan Narrative on timely reporting, in response to Subfactor 1.6?

No. Applicants should neither submit supporting attachments nor address this subfactor in their Workplan Narrative as HUD will utilize its records to verify.

Q21: Were the dollar amounts under Subfactor 2.1 increased in the 2024 NOFO?

Yes. The related <u>2024 Needs Table</u> was developed from the needs data utilized in the 2024 IHBG formula allocations. The dollar amounts for each scoring category at 2.1 were increased by 40% to reflect the increase in appropriations for the 2024 IHBG Formula allocations.

Q22: In the new criteria Subfactor 2.3 - Need for Funding – Non-Formula Data, if we propose a housing construction project that has an infrastructure need that is being met by the Tribe, can the IHBG Competitive grant still be used for the construction of the homes?

Yes, Subfactor 2.3 provides an example about challenges and expenses related to availability of infrastructure necessary for affordable housing. Applicants should give a detailed description of the need for affordable housing development in their community for this subfactor. For maximum points, provide information as to whether you are able to meet housing needs with your IHBG formula funding 24: If a Tribe/TDHE applied for funding last year, will it be eligible to receive 5 points under Subfactor 2.4. New and Previously Unfunded Applicants?

If the applicant, including its corresponding Tribe or TDHE, applied under any previous NOFOs <u>but was</u> <u>not selected for funding</u>, then the applicant will receive 5 points under this subfactor.

If the applicant, including its corresponding Tribe or TDHE, received an award under the FY22 or FY23 NOFOs, then it will receive 0 points.

Q23: What are the operating resources mentioned in Subfactor 2.3?

The entirety of Rating Factor 2 is meant to allow applicants the opportunity to address the need for funding based on IHBG Formula Needs Data (2.1 and 2.2) and any Non-Formula Data (2.3). You must demonstrate the need for IHBG Competitive funding and should provide information about how your current resources for operating your program, such as IHBG Formula funding, impact your ability to meet housing needs.

Q24: We are planning to submit copies of policies to show how project beneficiaries are determined and selected. Should we do this, and if not, how do we convey this information?

Page 23 of the NOFO (Form and Format) encourages applicants not to submit copies of policies. Applicants can make references to policies in their narrative, then provide waiting lists or other demographic information about the number of families that will be served or how they will be selected. Please ensure that any personally identifiable information is removed.

Q25: For purposes of calculating points under Subfactor 3.1, will HUD consider only the proposed grant amount, or will HUD consider the total project cost?

In calculating the number of points that an applicant will receive under the various categories of activities in Subfactor 3.1 categories (3.1.a—3.1.d), the NOFO states that HUD will calculate the percentage of funds "awarded under this NOFO" that will be spent on such activities. Therefore, HUD will only consider the proposed grant amount when calculating points under Subfactor 3.1 and will not base any percentages on the total project costs of a particular project.

For example, if an applicant applies for \$1 million and plans on spending 100% of this amount for the cost of constructing new affordable housing units (Subfactor 3.1.a) and plans on using Tribal funds to cover related on-site infrastructure for the planned housing units, HUD will only assess the percentage of the \$1 million that the applicant plans to use on new construction. In this case, under Subfactor 3.1.a, HUD will award the applicant 10 points because it plans on spending 100% of the funds awarded under the NOFO to carry out new housing construction projects.

Q26: If multiple projects are proposed, how will Subfactor 3.3 (Implementation and Readiness) be scored if each project is at a different level of readiness?

Applications will be scored in accordance with the point breakdown at Subfactor 3.3. If the applicant has already completed major steps to facilitate the implementation of each proposed project, even if the projects are at different levels of readiness, they may qualify for full points for that subfactor.

Q27: How will HUD determine costs are reasonable and necessary for a proposed project? For example, a rehabilitation project that requires compliance with the National Historic Preservation Act may cost more than rehabilitation of non-historically significant homes. Do the HUD Total Development Cost limits account for this?

HUD will evaluate whether the budget is thoroughly prepared and that all costs are eligible under NAHASDA, and allowable, allocable, reasonable, and necessary for implementing the proposed project under 2 CFR 200. HUD will also evaluate whether costs are reasonable by using the current and most recent Total Development Cost (TDC) calculations and Notice PIH 2022-16 Total Development Costs

(TDC) for Affordable Housing under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), as a reference.

Applicants must document and explain the budget for the proposed project in Form HUD-53246 (Cost Summary) and a detailed Budget Narrative. The Budget Narrative must show a breakdown for each budget line, which HUD will review and evaluate whether costs are reasonable and necessary.

Q28: What Total Development Cost (TDC) amounts apply to this NOFO?

A recipient must either use the TDC limits published by HUD or adopt written standards for its affordable housing programs that reflect the requirement specified in 24 C.F.R. § 1000.156. Notice PIH 2022-16 provides the maximum amount of funds that may be used for affordable housing, effective June 9, 2022. Notice PIH 2022-16 is available at Notice PIH 2022-16 Total Development Costs (TDC) for Affordable Housing under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). If HUD has published updated TDCs at the time applications are reviewed, HUD will use those TDCs when reviewing applications.

Q29: As most know, the costs of building materials have risen substantially. Will HUD take this into consideration when determining the reasonableness of the cost?

Yes. An applicant may address and explain the increase in costs in the Budget Narrative. This may also be discussed further in the narrative responses related to the project implementation plan, implementation schedule, etc. Applications will be evaluated on whether the proposed project's budget is thoroughly prepared and documented. Also, HUD will determine if budget costs are allowable, allocable, reasonable, and necessary for implementing the project.

Q30: If an applicant needs a TDC determination for a project based on Notice PIH-2022-16 because the development includes buildings with more than four units, does this determination need to be in hand for the application?

No, the determination is not required at the time of submission. HUD will evaluate whether the costs are reasonable by using the current TDC Notice as a reference, where applicable. Applicants are reminded that projects must meet all IHBG regulatory requirements, including TDC requirements. HUD will ensure that successful applications meet TDC requirements prior to funding.

Q31: What information do we include for infrastructure components of a new housing construction project to show they are reasonable if they are not part of the TDCs?

As stated in the NOFO, HUD will use the current Total Development Cost (TDC) Notice, PIH-2022-16, as a reference for whether costs are reasonable. Notice PIH-2022-16 clarifies that the cost of infrastructure outside the boundaries of a housing site, and off-site costs such as water, sewer, roads, etc., are excluded from TDC limits. As such, the applicant should rely on the cost estimate from a qualified architectural and engineering firm (A&E) which should be included in the Budget Narrative and Cost Summary to respond to Subfactor 3.4, Budget. Reasonable costs for infrastructure are determined in the procurement review process.

Q32: Can the IHBG competitive funds be used to rehabilitate 1937 Act units still under management?

Yes. IHBG competitive funds can be used towards any IHBG-eligible activity, except model activities, and including the rehabilitation of units developed under the United States Housing Act of 1937.

Q33: Should units to be acquired be identified in advance or would a budget and the number of units proposed to be acquired be sufficient?

Subfactor 3.2-Implementation Plan requires all applicants to identify the rationale of the project design and the location of the project. Subfactor 3.4-Budget includes components HUD will use when reviewing the Budget Narrative and Cost Summary.

Therefore, an applicant does not have to identify the specific units it proposes to acquire but should review the NOFO carefully to ensure it is addressing the requirements, including total number of units, size of units, location, and budget, to qualify for points under these subfactors.

Q34: Is grant writer compensation to prepare the IHBG grant an allowable expense in this grant?

Yes. Costs associated with the preparation of the IHBG Competitive application will be considered preaward costs and must clearly be identified by the amount in the Cost Summary and as an activity in the Budget Narrative. Any proposal costs incurred that are reimbursed with grant funds will count toward the applicant's administration and planning cap.

Q35: How do environmental review requirements apply when an applicant is acquiring or has acquired land prior to award?

Per HUD environmental review requirements, an environmental review for a project must be completed before funds are released, and before any choice limiting actions are taken. This is addressed at several points in the NOFO, including Subfactor 3.3 (Project Implementation Schedule and Project Readiness), which notes that projects cannot start before the environmental review and release of funds.

As such, if a successful applicant acquires land prior to an award, the acquired land must be included in the environmental review before the funds will be released. See Section VI.B, page 68 of this NOFO for more information.

Q36: Explain "no choice limiting actions" in relation to environmental review requirements.

Choice limiting actions refer to any action that could limit the choices available to resolve an issue identified during the environmental review process. As defined in 24 C.F.R. part 58, choice limiting actions include activities such as acquisition, demolition, rehabilitation, repair, new construction, site preparation or clearance, ground disturbance, and leasing. Choice limiting actions may not occur prior to the completion of an environmental review.

Q37: Milestones are difficult to show on HUD Form 53247 due to lack of space. Can the specific tasks and timelines and milestones be shown in separate document attachment for points?

Yes. Multiple HUD-53247s can be submitted. Also, applicants can submit separate document attachments to show specific tasks and timelines and milestones. As a reminder, these separate attachments must be submitted with the required HUD-53247 in the grant submission.

Q38: Is the SF-LLL mandatory for all tribes?

No. This form is only for state-recognized Tribes and TDHEs established under state law.

Q39: Under Rating Factor 4, are we discouraged from submitting letters of support for the project?

No, letters of support from partners are accepted as supporting attachments but are not required. In response to the Workplan Narrative for Rating Factor 4.1, applicants are required to identify any partners and describe the partnerships between them. Letters of support may help demonstrate this coordination. Other general letters of support for the project will not be used when rating the application.

Q40: Should the discussion of climate change be included in the Workplan Narrative or as a separate document?

Climate change can be addressed either in a separate document or within the Workplan Narrative.

Q41: Can installation of solar panels to a building qualify for climate change preference points?

Yes. Renewable energy infrastructure, such as solar panels on a building, can be addressed under Climate Mitigation.

Q42: Can the design elements supporting Climate Change be provided by a project architect if the project is only in the grant phase?

Yes. Climate change can be addressed with the project design proposed in the IHBG Competitive grant submission. Also, please view example climate change resources at https://www.fema.gov/emergency-managers/risk-management/hazard-mitigation-planning.

Q43: Energy efficiency and green standards often increase the "first cost" of a project, even though the life cycle cost is lower. How does that work with the Total Development Costs?

The published TDCs do not take into consideration the up-front costs of energy efficiency measures and green standards. However, as stated in the NOFO, HUD will use the current Total Development Cost (TDC) Notice, PIH-2022-16, as a reference for whether costs are reasonable – not the final word. The applicant should rely on the cost estimate from a qualified architectural and engineering firm (A&E) which should be included in the Budget Narrative and Cost Summary to respond to Subfactor 3.4, Budget, to demonstrate that the costs, including the energy efficiency and green standard costs, are reasonable. If the project is approved, a variance to TDCs can be requested through PIH Notice 2022-16 if needed, to account for the up-front costs of energy efficiency measures and green standards.

Q44: Are SF-425s due annually, according to Notice PIH 2022-15?

Yes. Per Notice PIH 2022-15, ONAP programs, including IHBG Competitive, will require SF-425s to be submitted annually and not quarterly. The requirement for investment tribes to submit quarterly SF-425s applies to IHBG formula funding and does not apply to IHBG Competitive grants.

Q45: What labor standards apply to funds under this program?

Recipients will be required to comply with all of the same labor standards that would otherwise apply under the IHBG formula program, as further described in section 104(b) of NAHASDA and 24 C.F.R. § 1000.16. Recipients must ensure that they are applying the appropriate applicable wage rates (e.g.,

Davis-Bacon wage rates, HUD-prevailing wage rates, tribally determined wage rates) depending on the activities that will be carried out under this program.

Q46: Is training for **Grants.gov** available?

Please see the training resources page on Grants.gov available at grants.gov/learn-grants/.

Q47: What Income Limits apply to this NOFO?

ONAP Program Guidance 2024-01, "Income Limits for the IHBG program under the Native American Housing Assistance and Self-Determination Act of 1996," provides the latest published HUD Income Limits applicable to the IHBG program, effective April 26, 2024.

Q48: If an applicant is awarded a grant to carry out a specific project under the NOFO, can another selected applicant fund the same project with grant funds under the NOFO?

No, the IHBG NOFO states: "HUD will fund no portion of an application that: ... (3) Duplicates other funded programs or activities from prior year awards or other selected applicants." This prohibits HUD from funding the same project or activity for two applicants.

Q49: Where can applicants view the FY 2024 IHBG Competitive NOFO training?

This year's training will not be a live session but will be recorded so that interested parties may view it at their convenience. Once available, likely in early July, the recording will be available on <u>Codetalk</u>.