



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-5000

OFFICE OF PUBLIC AND INDIAN HOUSING

February 25, 2021

Dear Tribal Leader:

I am writing to provide important information on your Tribe's Indian Housing Block Grant (IHBG) formula allocation for Fiscal Year (FY) 2021. HUD provides this information annually to Indian Tribes and their tribally designated housing entities (TDHE). This year, Tribes/TDHEs will not receive their IHBG FY 2021 final funding documents through the mail because of the COVID-19 National Emergency. Instead, we are posting the following documents on-line at:

<https://ihbgformula.com/final-allocation-forms-fy-2021/>

- FY 2021 IHBG Allocation and Formula Data Sheets.
- FY 2021 IHBG Correction/Challenge Log: May 13, 2020, to February 18, 2021.

The total IHBG appropriation for FY 2021 is \$647,000,000 pursuant to the Consolidated Appropriations Act, 2021 (Public Law 116-260, signed December 27, 2020).

The FY 2021 allocations are based on an appropriation of \$647,000,000 to be distributed through the IHBG formula plus \$5,283,056, the total amount of carry-over funds, plus \$1,592,481, the net amount of repayments collected in FY 2021 after allocation adjustments.

The **IHBG Allocation and Formula Data sheets** contain your Tribe's FY 2021 final formula allocation and the data used in its calculation. Also, included on these sheets are repayments and allocation adjustments that are collected or paid in the current fiscal year for over-funding or under-funding in prior fiscal years.

Please note that if your Tribe has entered into one or more repayment agreements with HUD, your total repayment amount will be shown on your Tribe's FY 2021 IHBG Allocation and Formula Data form and will be automatically deducted from your Tribe's allocation. It is not necessary to manually deduct this amount from the published allocations. If your Tribe has agreed to a lump-sum repayment using previous year allocations or other funds, the amount will not appear on your Tribe's FY 2021 IHBG Allocation and Formula Data form.

The Need component of the formula was calculated using single-race and multi-race Census data. The amount of each Indian Tribe's allocation was the greater of the two pursuant to the Consolidated Appropriations Act, 2021. The Needs section of your Tribe's IHBG Allocation and Formula Data sheet indicates which data was used to determine your Tribe's FY 2021 IHBG allocation.

Data on the enclosed IHBG Allocation and Formula Data sheets should reflect Census challenges submitted to HUD before March 30, 2020, and other data corrections submitted to HUD before September 1, 2020. If your Tribe/TDHE submitted any corrections or challenges meeting these deadlines, you should have received a written response from HUD informing you of HUD's decision. Please review HUD's response along with the enclosed data to ensure that changes are incorporated.

These allocations incorporate a minimum needs funding for Tribes that have previously participated in the IHBG program. In accordance with 24 CFR § 1000.328, Tribes receiving less than \$200,000 under the Formula Current Assisted Stock component of the formula and who demonstrate the presence of any households at or below 80 percent of median income are eligible to receive the minimum allocation in any fiscal year under the IHBG Needs component. The minimum funding will equal 0.007826 percent of the available appropriations for that fiscal year after set asides. In the FY 2021 final allocation, this amount is \$50,634.

In addition, 24 CFR § 1000.329 establishes a minimum allocation. In accordance with the minimum allocation provision, HUD will hold the lesser amount of \$3 million or available carry-over funds for additional allocations to Tribes with grant allocations of less than 0.011547 percent of that year's appropriations. For purposes of this section, carry-over funds means grant funds voluntarily returned to the formula or not accepted by Tribes in a fiscal year. In FY 2021, \$3 million in eligible carry-over is available. However this was not enough to increase all eligible Tribes to a minimum allocation of \$74,709 (0.011547 percent of this fiscal year's appropriations). The regulations at 24 CFR § 1000.329 specify that if the set-aside carry-over funds are insufficient to fund all eligible Tribes at 0.011547 percent of that fiscal year's appropriations, the minimum total allocation shall be reduced to an amount which can be fully funded with carry-over funds. The minimum allocation adjustment is reflected on your Tribe's Allocation and Formula Data sheet.

24 CFR § 1000.342 establishes an Undisbursed Funds Factor (UDFF) in the formula. The UDFF provides allocation formula calculations specific to Tribes with an initial allocation of \$5 million or more, and with undisbursed IHBG funds in the Line of Credit Control System (LOCCS) on October 1 in an amount greater than the sum of the prior 3 years' initial allocation calculations. However, in accordance with PIH Notice 2020-27, due to the ongoing COVID-19 National Emergency, HUD waived the UDFF for FY 2021. The waiver only affects the FY 2021 IHBG formula allocations and does not apply to IHBG formula allocations in years beyond FY 2021.

A listing of all correction and challenge requests processed between May 13, 2020 to February 18, 2021, can be found on the enclosed **FY 2021 Correction/Challenge Log**. A log of actions taken between January 25, 2020, and May 12, 2020, was transmitted along with your Tribe's FY 2021 Formula Response Form in June 2020.

HUD's Office of Native American Programs looks forward to continuing its work with Tribes/TDHEs on this important program in FY 2021. If you have any questions or comments, please contact the IHBG Formula Customer Service Center at 1-800-410-8808 or [IHBGformula@firstpic.org](mailto:IHBGformula@firstpic.org). Please note the recent change of mailing address to the IHBG Formula Customer Service Center:

IHBG Formula Customer Service Center  
2614 Chapel Lake Drive  
Gambrills, MD 21054

Sincerely,

A handwritten signature in black ink, appearing to read "Heidi J. Frechette", with a stylized flourish at the end.

Heidi J. Frechette  
Deputy Assistant Secretary  
for Native American Programs

Enclosures