Housing-related Hazards & Lead-based Paint Capital Fund NOFO Frequently Asked Questions (FAQs)

A NOFO Webinar was held on May 22, 2024. A copy of the presentation and a recording of the webinar can be found on the <u>OCI webpage</u>.

Opportunity Number: FR-6800-N-68

Application Due Date: July 1, 2024

TABLE OF CONTENTS

What's New	Q1-8
How To Apply	Q9-26
Applicant Eligibility/Threshold	Q27-40
Application Evaluation	Q41-50
Eligible Activities	Q51-59
Lead-based Paint Specific	060-68

What's New

1. How is this Notice of Funding Opportunity (NOFO) different from past versions of the NOFO?

For Lead-based Paint Capital Fund (LBPCF) grant applications this NOFO:

- Increases the maximum grant amount for LBPCF grants from \$5million to \$7.5 million
- Requires applicants to use up to 10% of a LBPCF grant for a combination lead-based paint risk assessment and lead-based paint inspection covering all eligible IMS/PIC Development(s)/AMP(s) identified in the application in accordance with the Lead Safe Housing Rule (24 CFR part 35) and provide evidence of a risk assessment and inspection no later than 12 months from the date of grant award.

For Housing-related Hazards Capital Fund (HRHCF) grant applications this NOFO:

• Excludes the "Asbestos" category.

- Expands the "Fire Sprinklers" category to "Fire Safety." For both LBPCF applications and HRHCF applications this NOFO:
 - Updates 'Rating Factor 1: Need' to include scoring for 'Percentage of Portfolio' Impacted. HUD will calculate the total number of units in the impacted IMS/PIC Development/AMP(s) as a percentage of the total number of units in the applicant's public housing portfolio and provide a score based on the scoring chart under Rating Factor 1. Previous versions of this NOFO included a score for how many units in each proposed AMP(s) were impacted under HRHCF, which has been replaced by 'Percentage of Portfolio Impacted.'
 - Requires applicants to submit a "Grant Designation Statement" as a threshold requirement.
 - Requires applicants to submit narratives addressing the following HUD priorities: Advancing Racial Equity, Experience Promoting Racial Equity, and Affirmatively Furthering Fair Housing.

A complete description of NOFO changes can be found in section 1.A.3. of the NOFO.

2. What are the eligible hazards under HRHCF?

The eligible hazards are carbon monoxide, mold, radon, and fire safety. Asbestos is no longer an eligible category under the HRHCF program. Previous versions of this NOFO included a fire sprinkler category which has been expanded to fire safety.

3. Under LBPCF, am I required to complete Lead-based Paint Risk Assessment and Inspections with grant funds?

It depends. Applicants who receive funding under the LBPCF Program are required to use a portion of their grant award (up to 10% of total grant award) for a combination lead-based paint risk assessment and lead-based paint inspection covering all eligible IMS/PIC

Development(s)/AMP(s) identified in the application in accordance with the Lead Safe Housing Rule (24 CFR part 35) and provide evidence of a risk assessment and inspection no later than 12 months from the date of grant award. For LBPCF applicants that already have completed a combination lead-based paint risk assessment and inspection, applicants must be able to provide a completed risk assessment dated no more than 24 months prior to the NOFO application deadline date and a lead-based paint inspection no older than January 1, 2012, the year of the most recent edition of the Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing. Applicants should consult with a certified Risk Assessor to evaluate whether the testing complies with the current version of the HUD Guidelines. Applicants that have already completed a lead-based paint risk assessment and inspection prior to the NOFO deadline are eligible to receive 5 points under Rating Factor 2 for LBPCF and are not required to use grant funds for further assessments.

4. What happens if I do not provide evidence of a lead-based paint risk assessment or inspection within 12 months of grant award?

If an applicant does not provide evidence within 12 months of grant award, any unspent grant funds will be recaptured. If an applicant determines it will be unable to complete the risk assessment and inspection within the required 12-month timeline, the awardee may request an extension, with good cause, no less than 30 days prior to the 12-month anniversary of the date of the grant award. HUD will review and consider an extension request on a case-by-case basis.

5. Where do I indicate in my application that I have already completed a lead-based paint risk assessment and inspection by the NOFO deadline?

Applicants that have already completed a lead-based paint risk assessment and inspection as defined in Rating Factor 2 are eligible to receive 5 points in Rating Factor 2. To receive maximum points for this subfactor, applicants must clearly identify the date of the risk assessment and inspection on the Grant Designation Statement and form HUD-50075.1. The applicant must be able to provide evidence of previous testing at the time of grant award.

6. I indicated that I already completed a lead-based paint risk assessment and inspection as defined in Rating Factor 2, but I am unable to provide evidence at time of grant award. What happens?

If an applicant received maximum points for "Previous Testing" resulting in grant award but fails to provide proof of testing at time of grant award, then the grant award will be recaptured and re-awarded to the next eligible LBPCF applicant. The applicant will be subject to a 5- point reduction and will be eligible for an award based on rank order of any remaining eligible Leadbased paint applications and contingent on funding availability.

7. How do I earn points for Percentage of Portfolio Impacted under Rating Factor 1?

To earn points for the 'Percentage of Portfolio Impacted' under Rating Factor 1, HUD will calculate the total number of units in the impacted IMS/PIC Development/AMP(s) as a percentage of the total number of units in the applicant's entire public housing portfolio and provide a score based on the chart provided in Section V.A. of the NOFO. For example, if the applicant proposes hazard activities at its sole IMS/PIC development/AMP, the percentage of the portfolio impacted is 100%. The application would receive 20 points. Applicants do not need to provide calculations for this Rating Factor.

8. What is the grant designation statement?

The Grant Designation Statement replaces the cover letter requirement from previous NOFO versions. The Grant Designation Statement is a threshold requirement. Failure to submit a Grant Designation Statement is not curable and shall not be requested by HUD during the deficiency or "cure" period. Applications that do not include a Grant Designation Statement will not be considered for funding. The items that must be included in the Grant Designation Statement can be found in Section III.F and IV.B.1 of the NOFO. A sample Grant Designation Statement Template is provided in the application instructions in Grants.gov.

How to Apply

9. Where can I find the published NOFO?

The published NOFO is available at: <u>FY 2024 Housing-related Hazard & Lead-based Paint Capital Fund | HUD.gov / U.S. Department of Housing and Urban Development (HUD)</u> You may also search for the NOFO on <u>View Opportunity | GRANTS.GOV</u>

10. What is the maximum grant award?

The maximum individual grant award amount for LBPCF is \$7.5 million. The maximum individual grant award amount for HRHCF is \$5 million. In cases where an applicant applies for both LBPCF and HRHCF, the maximum combined grant amount is \$12.5 million, whereas each individual grant request does not exceed the maximum grant amount of \$7.5 million for LBPCF and \$5 million for HRHCF.

11. Is there a minimum grant award?

The minimum grant award amount is \$10,000 per program. If the applicant is requesting funds for both HRHCF and LBPCF, each request must be at least \$10,000. Applicants must request at least the minimum grant award amount to be considered for funding. This is a threshold requirement and cannot be corrected by an applicant after the submission deadline.

12. How many applications can an applicant submit?

For each PHA, HUD will only accept one HRHCF application and one LBPCF application in their package. However, each application package may include a request for funding for one or both grant programs (HRHCF or LBPCF) and may request funding for one or more public housing projects (Inventory Management System (IMS)/ PIH Information Center (PIC) Development(s)/ Asset Management Project (AMP)).

13. What if I need to make changes to an application I already submitted?

If HUD receives electronically multiple versions of an application, HUD will rate and rank the last version of the application received by Grants.gov that meets the timely receipt requirements. All other applications (i.e., prior versions) will not be considered eligible. If applicants find after submitting an application that they want to amend or adjust their application, and it is prior to the deadline date, applicants should be aware that they must resubmit the entire application to ensure that HUD gets a complete application.

14. Where can applicants find the required forms needed to apply?

The required forms can be downloaded from the application package which can be found a \underline{t} : View Opportunity | GRANTS.GOV.

15. When I download the application from Grants.gov, will it include form HUD-50075.1 Parts I and II, Annual Statement?

Yes. The application package will include form HUD-50075.1, Parts 1 and II. This HUD form can also be prepared in HUD's Energy and Performance Information Center (EPIC), saved or printed to PDF, and included in the application. Alternatively, forms can also be found by visiting the Forms Library in HUD's Client Information Policy System (HUDCLIPS) at https://www.hud.gov/hudclips. Use of EPIC will save a step if awarded, as the Annual Statement/Budget must be submitted in EPIC. Only authorized users have access to EPIC.

16. How do I download the Grant Designation Statement template document from Grants.gov?

The sample Grant Designation Statement template is available on grants.gov. On the NOFO page in grants.gov, click "Package," then click "Preview," and then click "Download Instructions." You will download a zip file that includes the Grant Designation Statement template. Visual instructions for downloading the template can be found in the recorded webinar posted to the OCI webpage.

17. Will the application require an additional narrative to the form HUD-50075.1?

Yes, additional narratives are required. The narrative requirements vary depending on which program(s) the applicant is applying for (HRHCF and/or LBPCF).

- Under HRHCF, a Need Assessment Narrative is a threshold requirement when responding to "Rating Factor 1: Need." If a Need Assessment Narrative is missing from an HRHCF application, the applicant cannot submit one after the application deadline and the application will not be eligible for funding. A narrative cannot exceed 5 pages double-spaced (including photos). Information provided beyond the 5-page limit will not be reviewed. Narratives submitted for any items other than those described above will not be reviewed. A Need Assessment Narrative is not required under LBPCF and will not be reviewed.
- Under both HRHCF and LBPCF, a maximum 1-page narrative is required when describing Section 3 activities in "Rating Factor 2: Soundness of Approach."
- Under both HRHCF and LBPCF, all applicants must submit three separate narratives addressing the following HUD priorities: Advancing Racial Equity, Experience Promoting Racial Equity, and Affirmatively Furthering Fair Housing. Each narrative cannot exceed one page double-spaced. These narratives will be evaluated for sufficiency and will not change the applicant's score or rank as compared to other applicants. If the narrative is deemed insufficient, it will be a "Curable Deficiency" that will be communicated to the applicant for correction with a notice of deficiency.

18. How is EPIC used when applying? How can I use EPIC to fill out form HUD-50075.1?

Form HUD-50075.1 Parts I and II, Annual Statement/Performance and Evaluation Report, must be completed as part of the application. This form may be prepared in HUD's Energy and Performance Information Center (EPIC) by authorized PHA users, printed or saved to PDF and included in the application. It should be noted though that EPIC will only allow PHAs to add work activities from an approved 5 Year Action Plan to be included on the Form HUD-50075.1. If the activities to be completed under the proposed grant are not currently in an approved 5 Year Action Plan in EPIC, the PHA will either have to revise its 5 Year Action Plan in EPIC to include the activities and get the Plan approved or alternatively use the Form HUD-50075.1 from HUDCLIPS or download a copy from the application package in Grants.gov. If the form HUD-50075.1 is not prepared in EPIC and a PHA is awarded a grant, PHAs will need to update their submissions in EPIC and will need approval from HUD before work can commence.

19. As an outside consultant, am I allowed to access EPIC to complete the form HUD-50075.1 on behalf of the PHA? If so, does the PHA provide me with a username/password, or do I get that from HUD?

PHAs are responsible for deciding who should have access to EPIC on behalf of the PHA. PHAs are responsible for the accuracy of the information submitted in EPIC. Obtaining EPIC access is a multi-step process that also requires a HUD Secure Systems account. Instructions for obtaining access are available at: https://portalapps.hud.gov/app_epic/. HUD cannot guarantee that new access will be completed before the NOFO deadline. PHAs should note that the application deadline will not be extended based on an inability to timely obtain EPIC access for staff members or consultants. PHAs may create their 50075.1 on paper in lieu of creating this document in EPIC.

20. If a PHA proposes activities with costs exceeding the maximum grant amount (\$5 for HRHCF and \$7.5 million for LBPCF) but will use other funds to make up the difference between the maximum grant amount and the total cost, how should it be recorded on form SF-424?

In this case, the applicant should list \$5 million on line 18a of the SF-424, and any other funds on lines 18b-18f.

21. Can I apply for just a portion of properties in an AMP?

Applications are scored based on the entire IMS/PIC Development(s)/AMP(s) identified in the application, but funds can be targeted for specific buildings or units.

22. Can I apply for a grant for scattered site projects? If so, how is the average construction date calculated?

Yes, PHAs can apply for a grant for scattered site projects. Applications are scored based on the entire IMS/PIC Development(s)/AMP(s) identified in the application, but funds can be targeted for specific buildings or units. The weighted average of construction dates of all properties in the

IMS/PIC Development/AMP(s) proposed for award is used for 'Rating Factor 1: Need', under the LBPCF program.

23. Does form HUD-2880, Applicant/Recipient Disclosure/Update Report, need to identify all projects where grant funds will be used?

No. Applicants should identify all projects where grant funds will be used on Part II of form HUD-50075.1.

24. Can there be more than one hazard in the application? If I include multiple hazards, do I submit a narrative for each hazard?

Yes, there can be more than one hazard identified in the application under HRHCF. The Need Assessment Narrative may not exceed 5 pages and must cover all hazards listed in the application.

25. We would like to request the maximum grant amount. Would HUD approve a lesser amount if funds are not available, or should we submit a lower amount?

Applications will be ranked in order of total score and funded in order of rank. The rating and rankings are determined separately for each program. Per the NOFO, HUD reserves the right to partially fund applications based on funding availability. Therefore, the last applicant to be funded based on the ranking may receive only a portion of the requested amount, based on remaining funds available.

26. Are there any fair housing forms required as part of the submission?

The required forms are identified in Section IV.B.1 of the NOFO.

Applicant Eligibility/Threshold

27. I'm a PHA under a federal monitorship. Am I still eligible for this grant?

Yes. PHAs that are under federal monitorship are eligible. This NOFO does not include a restriction for use of funds for PHAs under receivership or the oversight of a federal monitor. PHAs that are designated as Troubled are eligible for funding if the agency is in compliance with any current Memorandum of Agreement or Recovery Agreement.

28. Can a PHA that only administers Section 8 Housing Choice Vouchers (HCV), Project-based Rental Assistance (PBRA), or Project-based Vouchers (PBV) apply for funds under this NOFO?

No. The funds provided under this NOFO are designated for evaluating and reducing housing-related hazards and lead-based paint in public housing only (i.e., units assisted pursuant to Section 9 of the United States Housing Act of 1937).

29. Can individuals, nonprofit organizations, resident associations, tribes, or tribally designated housing entities apply for this grant?

No. Only PHAs are eligible.

30. Can we use LBPCF grants for lead-based paint activities at a building that is elderly disabled if there is an elderly/disabled high-rise within an AMP that also has family units?

Funds awarded for lead-based paint grant activities may not be expended at IMS/PIC Development(s)/AMP(s) that do not meet the definition of target housing as defined under the Residential Lead-Based Paint Hazard Reduction Act of 1992 and this NOFO. Each building in the AMP(s) listed in the application for which work activities are proposed must meet the target housing requirement.

Target housing (for Lead-Based Paint Capital Fund Program only) means any housing constructed prior to 1978, except housing designated for the elderly or persons with disabilities, or any 0-bedroom dwelling (unless a child of less than 6 years of age resides or is expected to reside in such housing), as defined in the Residential Lead-based Paint Hazard Reduction Act of 1992 (Public Law 102-550, enacted October 28, 1992).

31. Can applications be submitted for properties with senior residents who are regularly visited by grandchildren under the age of six?

Children must be included on form HUD-50058, Family Report, to be counted as eligible and therefore the properties would meet the definition of target housing and be eligible for LBPCF grant funds.

32. Is a PHA eligible for a grant if it already has been awarded a HRHCF or LBPCF grant in the past?

Yes, provided the requested funds are not for the same activities in the same locations funded in a prior application. See section VI.A, Adjustments to Funding, in the NOFO.

33. Are projects that have converted under the Rental Assistance Demonstration (RAD) eligible for this grant?

No. Properties that have been converted under RAD are no longer considered public housing and are ineligible to receive funding under both HRHCF and LBPCF. Further, funds provided under this NOFO may not be used at projects under Commitments to Enter into Housing Assistance

Payment (CHAP) Contracts under RAD. For compliance with this provision, HUD will assume all units in the property with a CHAP are included in the CHAP, even if the CHAP has phases where certain units are not covered. If a CHAP is issued after funds are awarded under this NOFO, the AMP(s) will no longer be eligible for this program and remaining funds will need to be returned. HUD will determine if all grant funds should be returned. Applicants that are awarded may be required to periodically certify to HUD that funded work is not occurring in an IMS/PIC development subject to a CHAP.

34. Can properties converting to another federal housing assistance program apply?

No. funds may not be used at properties that will be converting to another federal housing assistance program, such as Streamlined Voluntary Conversion (SVC) or Section 18 demolition or disposition where a PHA's approved plan is to convert Tenant Protection Vouchers (TPVs) to Project-Based Vouchers (PBVs) at that site. HUD shall consider PHA ineligibility to start when an SVC application or a Section 18 disposition application is approved by HUD's Special Application Center. If an SVC approval or a Section 18 demolition or disposition approval where the property will convert to PBV assistance or other non-public housing uses is issued after funds are awarded under this NOFO, the AMP(s) will no longer be eligible for this program and remaining funds will need to be returned. HUD will determine if all grant funds should be returned. Applicants that are awarded a grant may be required to periodically certify to HUD that funded work is not occurring in an IMS/PIC development that is subject to a CHAP, SVC approval, or Section 18 demolition or disposition approval.

35. Is a PHA still eligible to receive a grant award for a building that wasn't under a Commitment to enter into a Housing Assistance Payment (CHAP) at time of application submission but has since been issued a CHAP by grant award?

No. Funds cannot be used for projects with an active CHAP. If an applicant is awarded grant funds and also has an active CHAP, the applicant will be required to withdraw the CHAP or refuse the grant award. If a CHAP is issued after funds are awarded under this NOFO, the AMP(s) will no longer be eligible for this program and remaining funds will need to be returned. HUD will determine if all grant funds should be returned. Applicants that are awarded may be required to periodically certify to HUD that funded work is not occurring in an IMS/PIC development subject to a CHAP.

36. The guidance says funds may not be used at projects under a CHAP. Is it possible to apply for a project that we intend to place under a CHAP in the future – as long as the work is completed before the CHAP is in place?

It is allowable to use these funds on public housing properties that are not yet under a CHAP. Applicants that are awarded may be required to periodically certify to HUD that funded work is not occurring in an IMS/PIC development subject to a CHAP. For compliance with this provision, HUD will assume all units in the property with a CHAP are included, even if the CHAP has phases where certain units are not covered.

37. Is a PHA still eligible to receive a grant award for a building that is approved for demolition/disposition at the time of submission?

It depends. Projects with a Section 18 demolition or disposition approval may be eligible for funding under this program so long as the plan is to redevelop public housing at that site and the property remains under a Declaration of Trust (DOT) or Declaration of Restrictive Covenants (DORC). Funds provided under this NOFO may not be used at properties that will be sold to a third party under a Section 18 disposition application unless public housing will be redeveloped onsite.

38. Can funds be used for work on multiple projects?

Yes. Funds can be used for work on multiple projects. Each project must be identified in Part II of form HUD-50075.1. All projects must meet the eligibility requirements in accordance with the NOFO and all submitted forms must include the IMS/PIC Development(s)/AMP(s) name and number. An applicant can only submit one request per program per PHA but can include multiple projects in the application. The application must include the IMS/PIC development/AMP(s) name and number as it is identified in the IMS/PIC system. We will not review applications that indicate "all projects" or "PHA-wide" instead of listing each individual project name and number as it appears in PIC.

39. Can a PHA submit an application for funding inspections that have already started?

No. A PHA may not apply for a grant to reimburse themselves for work already performed.

40. Will receiving a LBPCF grant or HRHCF grant impact the PHA's eligibility to receive a Capital Fund Emergency grant?

It depends. If a PHA is awarded a grant under this NOFO, it may not receive an emergency grant for the same work (i.e., no duplicate funding).

APPLICATION EVALUATION

41. Where do we provide the information for Rating Factor 2, Description of Plan to Implement the Grant?

Rating Factor 2, Description of the Plan to Implement the Grant, will be scored based on the soundness of plan identified within the form HUD-50075.1, Annual Statement (Parts I & II). Applicants may not provide supplemental information to the form and must comply with the character limitations.

42. Will an audit finding due to segregation of duties impact my score? I'm the only person in my office, so it is difficult to segregate duties.

Possibly. Scoring for Rating Factor 3 is based on any OIG and/or IPA Audit findings in FY2023.

43. Where can I find assistance with writing an application?

PHAs may choose to use private consultants to assist them in the application process, but it is not required. Grant writing consultants cannot be funded with these grant awards or participate in the contracting for work stemming from these grants. Access to additional materials is posted to the PIH Capital Fund website at

https://www.hud.gov/program offices/public indian housing/programs/ph/capfund.

44. Can I attach photos to demonstrate my hazard problem for Rating Factor 1 or will this count against the 5-page narrative limit?

Photos can be attached to the HRHCF application, but they count towards the 5-page Need Assessment Narrative limit. Photos should not be included in the LBPCF application because a Need Assessment Narrative will not be reviewed.

45. What does it mean to have outstanding Civil Rights matters?

Outstanding civil rights matters must be resolved before the application deadline. Applicants who are found to have unresolved civil rights matters will be ineligible for funding and applications will not be rated or ranked. Further description of Civil Rights matters can be found in Section III.D.1 of the NOFO.

46. How will HUD confirm that properties are occupied by at least one family with a child under the age of six?

It is not required that there be a child under six in every unit. HUD will award points under "LBPCF Rating Factor 1: Need" based on the portion or percentage of units occupied by families with children under the age of six in the properties identified in the application as of the application due date. The Office of Capital Improvements (OCI) will post construction and occupancy information on its website in advance of the application due date for review.

47. How can PHAs ensure that their IMS/PIC construction date information is accurate?

HUD will score average property age based on the construction dates at the building-entrance level for IMS/PIC development(s)/AMPS identified in the application. HUD will pull the information as of the application deadline. Applicants should ensure that construction date records are accurate in IMS/PIC prior to application deadline. Applicants with incomplete, missing, or inaccurate construction dates should work with the assigned HUD Field Office to

update IMS/PIC prior to the application closing. PHAs should note that the application deadline will not be extended to allow time to update IMS/PIC. The Office of Capital Improvements (OCI) will post construction and occupancy information on its website in advance of the application due date for review.

48. What should I submit to receive a point for Section 3 activities?

To earn the maximum 1 point, applicants must identify, in a separate Section 3 narrative, that at least one activity listed in section V.A of the NOFO is incorporated in the PHAs Section 3 Plan.

49. Will an application be more competitive if only applying to one of the two grant programs (HRHCF or LBPCF) described in this NOFO?

No. PHAs may apply for one or both of these programs. Applying to both programs will not impact the competitiveness of either application. Please note that this NOFO includes the application process for two separate grant programs — Lead-based Paint Capital Fund (LBPCF) and Housing Related Hazards Capital Fund (HRHCF). PHAs submitting applications for LBPCF grants will be scored based on rating factors that are different from PHAs submitting applications for HRHCF grants. HUD will only accept one HRHCF application and one LBPCF application per PHA in the submission package. However, each package can include a request for funding for one or both grant programs (HRHCF or LBPCF) and may request funding for one or more public housing projects (Inventory Management System (IMS)/ PIH Information Center (PIC) Development(s)/ Asset Management Project (AMP)). If a PHA is applying for funding under both programs, the submission requirements must be met for each program. For example, PHAs applying for both LBPCF grants and HRHCF grants must submit a separate Form HUD-50075.1 for each program request.

50. Will a small PHA be competitive under this NOFO? Is it worth it for a small PHA to go through the application process?

Yes. For Rating Factor 1 under the HRHCF and LBPCF programs, HUD will calculate the total number of units in the impacted IMS/PIC Development/AMP(s) as a percentage of the total number of units in the applicant's entire public housing portfolio and provide a score based on the charts provided in Section V.A. for 'Percentage of Portfolio Impacted.' Further, the scoring for Rating Factor 1 under the LBPCF program for 'Housing Construction Date" and Occupancy" is based on a weighted average of all properties in the IMS/PIC Development/AMP(s) proposed in the application.

ELIGIBLE ACTIVITIES

51. What are the eligible activities under this NOFO?

This program provides competitive grants to PHAs to evaluate and reduce housing-related hazards in public housing, including lead-based paint, carbon monoxide, mold, radon, and fire safety. Funds must be used for eligible Capital Fund activities identified in 24 CFR 905 and meet the following additional limitations: (1) HRHCF funds can only be used for the activities associated with housing-related hazard(s) identified in this NOFO and the submitted application, (2) LBPCF funds can only be used for the activities of lead-based paint risk assessments, inspections, abatement, interim controls, clearance examinations and relocation, and (3) other work at the property, including work to prepare for lead hazard control (e.g., repairs to the substrate, fixing leaks or other renovations) shall be funded by other sources.

52. Are applications for Carbon Monoxide detectors eligible under this NOFO?

No. Applications for Carbon Monoxide detectors are not eligible. Per Notice PIH 2022-01, all PHAs must be in compliance with the International Fire Code (IFC) 2018 Standards on the installation of Carbon Monoxide alarms or detectors by December 27, 2022.

53. If Carbon Monoxide detectors are not eligible, what are examples of eligible activities under the Carbon Monoxide hazard?

An example of an eligible grant activity for addressing carbon monoxide hazards includes, but is not limited to, installing ventilation hoods over existing gas stoves, or replacing gas stoves with electric stoves.

54. Can HRHCF or LBPCF grant funds be used to cover relocation costs?

Yes, if it is directly related to the hazard work being performed with the funding. Temporary relocation of residents must be carried out in compliance with all applicable programmatic requirements including applicable Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). Applicants should consider the scope and duration of the work and whether the expenses for temporary relocation are necessary. If lead-based paint will be disturbed, follow Chapter 8 of the HUD Guidelines for the Evaluation and Control of Lead-based Paint Hazards in Housing. More resources on the URA are available at www.hud.gov.relocation.

55. Can HRHCF or LBPCF grant funds be used to purchase equipment?

LBPCF and HRHCF grant funds can be used to purchase equipment but cannot be used for additional ongoing costs such as user training, periodic state or EPA certifications, or registration and licenses necessary for possessing and using radioactive material contained in X-ray

Fluorescence (XRF) devices and lead-paint analyzers (if applicable). Those additional ongoing expenses must be paid for with Operating Funds or another eligible source.

56. Can grant funds be used to hire extra maintenance or administrative personnel to do the grant activities?

Grant funds can only be used for eligible housing-related hazard and lead-based paint activities and not for any additional administrative or maintenance salaries or benefits for PHA staff. Any extra work, whether administrative or modernization labor, such as work in the property to prepare for the hazard control shall be funded by other sources such as annual Capital Fund grants. Please see section IV.F, Funding Restrictions, in the NOFO. However, a PHA may use force account labor, pursuant to its personnel policy to perform work, rather than procuring a contractor to perform certain activities. A PHA can use force account labor if it is in the 5-Year Action plan, the force account labor is cost-effective, the PHA has the capacity to serve as its own contractor, and the employee's regular duties are not compromised.

57. Can I include costs for contingencies on the form HUD-50075.1?

No. Contingencies are not eligible costs under this NOFO.

58. If I'm applying under the fire safety hazard, can I use grant funds to update fire panels and fire alarm systems?

Possibly. All work activities must be clearly supported by the Need Assessment Narrative.

59. Can HRHCF funds be used for activities to prevent potential future mold hazards if current mold hazards do not currently exist?

No, HRHCF funds may only be used for the evaluation and reduction of existing hazards, including related relocation. These funds may not be used for any other activities.

LEAD-BASED PAINT SPECIFIC

60. Can we presume lead-based paint hazards exist due to construction dates or does the PHA have to do a lead-based paint risk assessment done prior to application?

HUD regulations at 24 CFR 35.120 allow PHAs the option to presume that lead-based paint or lead-based paint hazards or both are present throughout a residential property built before 1978. There is no requirement to have a lead-based paint risk assessment or inspection prior to applying for these funds. However, applicants who receive funding under LBPCF are required to use a portion of their grant award (up to 10% of the total grant award) for a combined lead-based paint risk assessment and inspection covering all eligible IMS/PIC Development(s)/AMP(s) identified in the application in accordance with the Lead Safe Housing Rule (24 CFR part 35). Applicants who receive an award will be required to provide evidence of risk assessments and

inspections no later than 12 months from the date of grant award. For LBPCF applicants that already have completed a lead-based paint risk assessment and inspection, applicants must be able to provide a completed risk assessment at time of award dated no more than 24 months prior to the NOFO application deadline date and a lead-based paint inspection no older than January 1, 2012, the year of the most recent edition of the Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing. Applicants should consult with a certified Risk Assessor to evaluate whether the testing complies with the current version of the HUD Guidelines. Applicants that have already completed a combined lead-based paint risk assessment and inspection at time of application are eligible to receive 5 points under Rating Factor 2 for LBPCF. If an applicant does not meet one of these requirements, any unspent grant funds will be recaptured.

61. We plan to use grant funds to complete a lead-based paint risk assessment and inspection and abate units based on the results. What is the best way to determine a cost estimate when the scope of work is unknown?

Because the results of the lead-based paint evaluation and the level of lead-based paint hazard control work required may not be determined until after award, PHAs may use a standard estimate of approximately \$10,000 per unit for hazard control in multi-unit properties and \$15,000 per unit for single family properties. However, costs may be less than these amounts for properties that have already had lead-based paint evaluation and hazard control other than lead-based paint abatement performed, or for properties that were built after 1960. If the total actual cost of assessment and abatement is less than grant award, any remaining funds can be returned to HUD with no penalty.

62. Is it possible to only use the funding to perform risk assessments and inspections of multiple properties without repairs?

Yes, if the risk assessment and inspection determine there is no hazard present. However, if lead-based paint is identified, PHAs should refer to <u>HUDs Guidelines</u> for abatement and hazard control requirements.

63. Can LBPCF funds be used for lead-based paint testing?

Yes, evaluation and control of lead-based paint hazards is an eligible use of funds. Applicants who receive funding under the LBPCF Program are required to use a portion of their grant award (up to 10% of total grant award) for a combination lead-based paint risk assessment and lead-based paint inspection covering all eligible IMS/PIC Development(s)/AMP(s) identified in the application in accordance with the Lead Safe Housing Rule (24 CFR part 35) and provide evidence of a risk assessment and inspection no later than 12 months from the date of grant award. For LBPCF applicants that already have completed a lead-based paint risk assessment and inspection, applicants must be able to provide a completed risk assessment dated no more than 24 months prior to the NOFO application deadline date and a lead-based paint inspection no older than January 1, 2012, the year of the most recent edition of the Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing. Applicants should consult with a certified Risk Assessor to evaluate whether the testing complies with the current version of the HUD Guidelines.

64. Can LBPCF grant funds be used for lead components other than lead based paint such as lead pipes or lead floor coatings?

Grant funds are only for lead-based paint and lead-based paint hazards as defined in 24 CFR 35.110.

65. Can LBPCF grant funds be used to test or mitigate lead in soil or water?

No. Water sampling is generally not performed in a routine risk assessment unless there is a specific risk identified by the Risk Assessor. The funds for this program are designated for the evaluation and control of lead-based paint and lead-based paint hazards. These funds cannot be used to mitigate a water hazard (ex. replacement of pipes and/or fixtures). Lead in soil is included in the definition of lead-based paint hazard at 24 CFR 35.110.

66. Does a lead risk assessor need to be EPA certified?

The answer varies by state. All persons performing lead-based paint evaluations or hazard control must be currently certified for the work they do in the state where the work will be performed. Most states have an EPA-authorized lead-based paint activities certification program covering individuals conducting lead-based paint activities, typically, lead-based paint inspection, lead risk assessment, lead abatement worker, and lead abatement supervisor. Most states also require the firms that employ or hire the certified individuals that conduct the lead-based paint activity to be certified. In the remaining states, certification is obtained from the EPA Regional Office's lead program. For more information, see www.epa.gov/lead

67. Do risk assessments need to be conducted by a third party?

No. The NOFO only requires that clearance examinations be conducted by a third-party organization. Lead evaluations and clearance examinations must be performed by persons or entities independent of the lead hazard control firm, unless the PHA uses in-house employees certified as lead inspectors and then uses certified risk assessors to conduct the evaluations or clearance.

68. Is LBP screening related equipment such as cameras and air quality meters allowable costs under this NOFO?

No. Lead-based paint evaluations as described in the HUD Guidelines for the Evaluation and Control of Lead-based Paint Hazards in Housing Chapter 5 (Risk Assessment) and Chapter 7 (Inspection) do not include the use of cameras and air quality meters.