ICDBG-CARES

IMPLEMENTATION TRAINING

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TRAINING COMPONENTS

- CARES Act Background
- ICDBG Waivers
- Eligible Applicants
- Content of Application
- Application Submission, Review, and Approval
- Funding Criteria and Requirements
- Eligible Purposes
- Eligible Activities
- Ineligible Activities

- Additional Funding Options
- Application Submission Reminders
- Reporting
- General Resources

CARES Act Background

- **CARES Act (Public Law 116-136): ICDBG-CARES Grants**
  - Additional $100,000,000 in ICDBG Imminent Threat funding for qualified applicants
  - Emergencies that constitute imminent threats to health and safety
  - Must be used to **prevent**, **prepare for**, and **respond to** COVID-19
  - Waive or provide alternative statutory/regulatory requirements
    - facilitate or expedite the use of ICDBG-CARES grant funds
    - waivers also apply to certain funds awarded under the ICDBG 19/20 NOFA (see Allocation Notice for more information)
    - waivers and alternative requirements are described in the next slide

- **Regular ICDBG-Imminent Threat Grants**
  - Applications may be submitted at any time to the Area ONAP as specified in the FY19/FY20 ICDBG NOFA and ONAP Program Guidance 2018-04

ICDBG Waivers

April 10, 2020 - HUD issued [PIH Notice 2020-05](#) which outlines various waivers and alternative requirements that apply to ICDBG-CARES grants and FY2020 ICDBG funds:

❑ **Removal of Public Services 15 Percent Cap under FY 2020 ICDBG Grants**

❑ **Rental Assistance, Utility Assistance, Food, Clothing, and Other Emergency Assistance**

❑ **Purchase of Equipment**

❑ **Operating Expenses for Public Facilities**

❑ **New Housing Construction by Tribe**

Other Federal sources of funding: ICDBG grantees must ensure that ICDBG funds are used to *supplement* other Federal sources of funding for this purpose, including funding provided by the Indian Health Service, and should not be used to *supplant* such funding.

Eligible Applicants

- **Indian tribes and Tribal organizations -** <u>same criteria for eligible applicants</u> provided in the ICDBG regulations at 24 CFR 1003.5

  - *Any Indian tribe, band, group, or nation, including Alaska Indians, Aleuts, and Eskimos, and any Alaska native village* of the United States which is considered an eligible recipient under Title I of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5301, et seq.).

  - *Tribal organizations which are eligible under Title I of the Indian Self-Determination and Education Assistance Act* may apply on behalf of any Indian tribe, band, group, nation, or Alaska Native village when one or more of these entities have authorized the Tribal organization to do so through concurring resolutions.

Eligible Applicants (Continued)

Tribal Resolutions - Some Tribal organizations may not be able to secure an appropriate tribal resolution authorizing it to apply for an ICDBG-CARES grant on behalf of an Indian tribe(s) at this time. Any Tribal organization that intends to submit an ICDBG-CARES may request a waiver of this requirement in 24 CFR 1003.5(b) in the application.

IMPORTANT: HUD will consider the application incomplete if it does not include this waiver request with an accompanying justification for why there is good cause for HUD to grant the waiver request.

Waiver - Must demonstrate good cause, and:

- Must provide HUD with information on any other steps it has taken to consult with the beneficiary Indian tribe(s) on the contents of its application

- Must provide any other relevant information demonstrating why it is not practical or safe to secure a tribal resolution.

If HUD approves funding for the application, it will concurrently grant the waiver of 24 CFR 1003.5(b) and make the award to the Tribal organization.

Any Tribal organization that receives an award must consult with the beneficiary Indian tribe(s) that they serve, in a manner that is feasible and when it is safe and practical to do so, and submit tribal resolution(s) authorizing their application for an ICDBG-CARES grant at a later date to HUD.

Content of Application

The application **must** include the following to be considered complete and maintain its place in the application submission que:

1. Standard Form-424 (Application for Federal Assistance), available at https://www.grants.gov/forms/sf-424-family.html. Select "Application for Federal Assistance (SF-424)" from the list of forms. Click on "Enable All Features" if prompted to do so. This may be necessary for the form to appear.

2. HUD-2880 (Application/Disclosure/Update Report).

3. HUD-4123 (Cost Summary)

4. Project Description Summary. Information submitted must include:
   a. A written description of the activities, projects, or programs that the applicant plans to undertake, and how the activities, projects, or programs are tied to preventing, preparing for, and/or responding to COVID-19.

Content of Application (Continued)

b. A <u>written statement</u> describing how the funded activities will be carried out successfully, timely and within the proposed timeline, and in compliance with program requirements.

c. A <u>narrative description</u> of the implementation timeline (as also reflected in the HUD-4125 (Implementation Schedule)).

- Applicants should be mindful to propose appropriate implementation timelines. **HUD reserves the right to reject activities, projects, or programs with implementation timelines that are so lengthy that HUD determines, based on its best judgment and discretion, that the activities, projects, or programs proposed cannot be justified as reasonably preventing, preparing for, and responding to COVID-19**.

Content of Application (Continued)

Narrative Description (continued)

- If HUD questions the proposed timelines, HUD will notify the applicant of this deficiency and work with the applicant to ensure that the revised Implementation Schedule is reasonably set to allow the applicant to reasonably prevent, prepare for, and respond to COVID-19.

- If the applicant fails to revise the Implementation Schedule to HUD's satisfaction, HUD reserves the right to only fund a portion of the application or reject the entire application and award an ICDBG-CARES grant to the next fundable applicant.

- If an otherwise complete application includes a questioned implementation plan they will retain their original date stamp while HUD works with the applicant to revise the proposed Implementation Schedule.

Content of Application (Continued)

Narrative Description (continued)

- Applications with <u>Implementation Schedules longer than 12 months</u> will be accepted **provided the applicant provides HUD with justification**, including supporting documentation, demonstrating why the proposed timeline is reasonably set to prevent, prepare for, and respond to COVID-19.

- HUD will consider all relevant factors including, but not limited to: the nature of the activities, projects, or programs being proposed, the size of the ICDBG-CARES grant requested, any disruption in supply chains, barriers caused by a short or disrupted construction season, infrastructure challenges, impact of COVID-19 on the applicant's operations and its ability to carry out activities, projects, or programs more expeditiously.

Content of Application (Continued)

Narrative Description (continued)

New Housing Construction Projects: HUD **will only fund applications that propose to carry out new housing construction that is clearly designed** to prevent, prepare for, and respond to COVID-19 (e.g. to reduce overcrowding), and that the applicant plans to carry out expeditiously.

Economic Development Projects: Due to other available CARES Act resources, HUD encourages non-economic development projects before submitting an ICDBG-CARES application to carry out economic development projects. **HUD will consider funding economic development projects only after ICDBG-CARES activities are fully funded first**, and if ICDBG-CARES funding remains available.

Content of Application (Continued)

5. HUD-4125 (Implementation Schedule).   Upon a finding of good cause, HUD may approve an applicant's request to revise the Implementation Schedule at a later date, in the event of a reasonable delay.

6. Detailed budget information, including any pre-award costs incurred that the applicant seeks reimbursement for and documentation supporting those reimbursable costs.

7. Waiver Request (Tribal Organizations only) - If unable to get a tribal resolution due to sheltering in place, **the applicant must include a request to HUD to waive the tribal resolution requirement in 24 CFR 1003.5(b) along with a justification to show that good cause exists for HUD to waive this requirement.**

Note: The January 21, 2020 date may be revised in the future in a HUD-issued notice, depending on whether the CDC subsequently revises its data with respect to the date of the first confirmed case of COVID-19 in the United States.

Funding Criteria and Requirements

HUD streamlined the application process while also ensuring that ICDBG-CARES grant funds will be used to prevent, prepare for, and respond to COVID-19

A. Citizen Participation:

- Public meetings are not required before applying for ICDBG-CARES grant funding; **However, applicants will be required to publish or post information on applicant plans to ICDBG-CARES funds and accept and consider comments received**

B. Eligible Purposes:

- "To prevent, prepare for, and respond to coronavirus, for emergencies that constitute imminent threats to health and safety"

- HUD will only fund ICDBG-CARES applications that propose to carry out projects and activities that meet one or more of these eligible purposes.

Funding Criteria and Requirements
(Continued)

C. Urgency and Immediacy of Threat:

The urgency and immediacy of the threat need not be independently verified before approval of an application. The urgency and immediacy of the threat will be presumed by HUD, unless HUD has evidence to the contrary.

D. Nonrecurring Threats and Impact on Service Area:

Applications need not demonstrate that COVID-19 is a non-recurring imminent threat and that it has an impact on an entire service area. HUD will presume these criteria are met unless HUD has evidence to the contrary.

Funding Criteria and Requirements
(Continued)

E. Available Resources:

Applicants do not have to demonstrate that other tribal funding sources cannot be made available to alleviate the threat.

F. Coordination and Duplication of Benefits:

- Coordinate locally and with other federal agencies to ensure that funds are used appropriately to address gaps in funding, avoid unnecessary overlap in effort, and to avoid any duplication of benefits.

- Eliminate duplication of benefits by ensuring federal financial assistance is not provided for the same costs paid by any other source, or private insurance.

Funding Criteria and Requirements
(Continued)

G. Administration and Planning:

- ICDBG-CARES grantees may not expend more than 20% of their grant amount, plus program income toward administration and planning costs.

H. Program Income:

- Any program income derived from the use of ICDBG-CARES grant funds will be considered program income and must be spent on eligible ICDBG-CARES program activities

- HUD will provide instructions to the ICDBG-CARES grantee on the disposition of such program income at the time the closeout agreement is signed. (24 CFR 1003.508)

Funding Criteria and Requirements
(Continued)

I. Grant Ceilings

ICDBG-CARES grant ceilings are based on IHBG-CARES Funding Formula:

IHBG-CARES Funding Formula	Grant Ceiling
More than $2 million	$3 million
More than $750,000 but less than $2 million	$1.5 million
Less than $750,000	$900,000

Funding Criteria and Requirements
(Continued)

I. Grant Ceilings (continued):

- Based on feedback from Tribes and TDHEs

- Based on the amount of funds each Indian tribe or TDHE received under the IHBG-CARES program. The IHBG-CARES formula allocations are available at:
https://www.hud.gov/sites/dfiles/PIH/documents/IHBG-CARES_Formula_Allocations_4.3.20%20.pdf.

By doing this, HUD accomplishes the following goals:

- Set maximum ICDBG-CARES grant amounts that are sensitive to the fact that some Indian tribes have larger populations with higher needs than others

- Recognize that IHBG-CARES funding may not be enough funding for the smallest Indian tribes to address serious COVID-19-related needs, and ICDBG-CARES can fill the funding gap

- Maintaining parity with the standard Imminent Threat Grants

Funding Criteria and Requirements
(Continued)

J. Lead Based Paint Requirements:

- Are required and not waived.

K. Environmental Requirements:

- Are required and not waived. Activities under this NOFA are subject to the environmental review provisions set out at 24 CFR 1003.605, 24 CFR 1003.401, and 24 CFR Part 58.

Eligible Purposes

Prevent, Prepare for, and Respond to COVID-19

- Must ensure all proposed activities can be tied to one of the following three eligible purposes:
  - Activities, Projects, or Programs to **Prevent** COVID-19
  - Activities, Projects, or Programs to **Prepare for** COVID-19
  - Activities, Projects, or Programs to **Respond to** COVID-19

- Short-term and long-term activities that meet the purposes of the CARES Act
  - Reduce or mitigate short-term, medium-term, and longer-term risks and vulnerabilities of tribal communities to COVID-19, e.g., activities that reduce overcrowding
  - HUD encourages ICDBG-CARES grantees to prioritize expending these funds ASAP given the ongoing COVID 19 National Emergency
  - HUD reserves the right to reject activities, projects, or programs with implementation timelines that are so lengthy that HUD determines that the projects or activities cannot be justified as reasonably preventing, preparing, or responding to COVID-19.

Eligible Purposes (Continued)

- Some activities, depending on context, do not always obviously fit under one or more categories and grantee should use their best judgment to tie an activity to one or more categories

- ICDBG-CARES grants do not have to comply with the primary objective of the Housing and Community Development Act of 1974
  - no less than 70% of expenditures of the grant must be for activities which meet the criteria set forth in 24 CFR 1003.208(a)-(d)
  - Essentially: over-income can be served by this program
  - However, keep in mind the parameters on emergency payments
    - Over-income – can only receive emergency payments for up to 3 months
    - Waiver at Section 14.d of Notice PIH 2020-05 allows low and moderate income to receive emergency payments for a period not to exceed 6 months
    - Emergency mortgage assistance remains limited to 3 months for all

Eligible Activities

Examples of activities, projects, or programs that could be funded, provided they meet one or more of the above eligible CARES Act purposes, include, *but are not limited to,* the following:

Housing Activities

- Rehabilitation of, and other improvements to, housing to prepare units to be used to temporarily house persons that need to quarantine/shelter-in-place,

- Rehabilitation of housing to improve ventilation to reduce the risks of COVID-19.

- New Construction of housing, including tiny homes, when such construction is done expeditiously and carried out to reduce overcrowding or to otherwise prevent, prepare for, and respond to COVID-19.

- Acquisition of modular homes or RVs to meet an immediate need to provide housing for medical workers, and other essential service providers and front-line staff.

Eligible Activities (Continued)

Public Facilities and Infrastructure

Applicants may acquire, construct, rehabilitate, or install public works, facilities, and site or other improvements, when carried out expeditiously to prevent, prepare for, and respond to COVID-19. Examples include:

- Construction of permanent or temporary facilities for testing, diagnosis, or treatment of COVID-19.

- Rehabilitation of facilities to establish an infectious disease treatment clinic.

- Acquisition, rehabilitation, or construction of a group living facility that may be used to centralize patients undergoing treatment.

- Retrofitting of a food bank to ensure that employees and volunteers can safely work in the facility and distribute food.

- Construction or conversion of structures that can serve as temporary emergency shelters to shelter homeless persons and minimize risk of community spread.

- Paying for the operation and maintenance expenses of existing shelters and other public facilities (not including staffing costs) designed to ensure homeless persons are provided safe shelter and to minimize the risk of community spread.

Eligible Activities (Continued)

Public Facilities and Infrastructure (continued)

- Acquisition or conversion of a motel or hotel building or similar facility to expand capacity of hospitals to accommodate isolation of patients during recovery.

- Expanding or repairing water lines to ensure families have access to water to adhere to CDC guidelines and prevent the spread of COVID-19.

- Purchase of water tank trucks and other water distribution equipment, supplies, and facilities to support families without access to water.

- Purchase of emergency ambulances and related specialized equipment and tools to expand medical and other emergency services

- Expanding cell towers and broadband infrastructure capacity needed to assist communities lacking internet and phone service to conduct business, allow students to participate in distance learning, support telehealth strategies, and provide other community services, provided such activities can be carried out expeditiously.

Eligible Activities (Continued)

Public Services

Applicants may provide new or quantifiably increased public services. ICDBG-CARES funds are not subject to the 15% cap on public services that normally applies to ICDBG grant funds. Examples include:

- Up to 6 months of emergency payments in the form of rental assistance, utility assistance (including internet access to allow children to engage in distance learning), food assistance, clothing, medical, and other emergency assistance.

- Placement of homeless persons in hotel/motels, and other non-congregate sheltering, to minimize infection.

- Job training to expand the pool of health care workers and technicians that are available to treat disease within a community.

Eligible Activities (Continued)

Public Services (continued)

- Providing security to ensure the health and safety of community members and to secure construction sites and community facilities from theft or vandalism.

- Testing, diagnosis or other services at a fixed or mobile location.

- Increasing the capacity and availability of targeted health services for infectious disease response within existing health facilities.

- Equipment, supplies, and materials necessary to carry-out a public service.

- Purchasing groceries for a food bank or distribution to vulnerable

- Delivering meals to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.

- Acquisition or leasing of telehealth equipment or services to allow assisted residents access to health care providers from home.

Ineligible Activities

- Activities, projects, or programs that are not reasonably tied to preparing for, preventing, and responding to COVID-19 are ineligible under the ICDBG-CARES program.

- Unless waived or modified by HUD, ineligible activities described in 24 CFR 1003.207 continue to be ineligible (e.g., buildings or portions thereof used for the general conduct of government, political activities, general government expenses).

- ICDBG-CARES grant funds cannot be used to replace or reimburse ICDBG grant funds that were reprogrammed and used to prevent, prepare for, and respond to COVID-19, and then used for other activities typically eligible under the ICDBG program.

Application Submission, Review and Approval

- **ONAP will begin accepting applications on June 1, 2020 at 3:00 Eastern Time.**

- **VIP!** Applications submitted before this time will not be considered and applicants will be reminded to submit on or after the time and date published in the Implementation Notice

Applications must be sent to ICDBGCARES@hud.gov.
- ◦ Applicants should maintain the original application with wet signatures in their files.

DO NOT submit ICDBG-CARES applications to the Area ONAP, through www.grants.gov, or via regular mail

ICDBG-CARES applications sent or emailed to the Area ONAP will not be date stamped and applicants will be redirected to submit their application to ICDBGCARES@hud.gov.

Application Submission, Review and Approval (Continued)

- Applications will be considered and awarded on a <u>first-come, first-serve basis</u>.

- Applications will be date stamped based on the time they are received in ICDBGCARES@hud.gov

- **If an application does not include all the required submissions, it will be considered incomplete and lose its position with respect to any other submitted complete applications.**

- **If a required submission is included but is materially deficient, the application will be considered incomplete and lose its position with respect to any other submitted applications.**

- A required submission will be considered materially deficient if the information included in the submission is so deficient that HUD determines, at its sole discretion, that the submission is effectively incomplete.

- If an application is considered incomplete, ONAP will notify the applicant as soon as possible, and advise the applicant on how to cure any deficiencies. Once cured of its deficiencies, an application may be resubmitted to ICDBGCARES@hud.gov and be date stamped based on the time of receipt.

Application Submission, Review and Approval (Continued)

- ONAP will review complete applications and determine those to fund

- ONAP may require additional information before funding the application. Applicant **must** respond to ONAP with this additional information within the timeframe that ONAP identifies. If the applicant does not respond within that timeframe, the application will be considered incomplete and lose its position with respect to any other submitted applications

- ONAP may provide less funding to an applicant than the full amount requested in the application

- ONAP may fund only certain activities, projects, or programs proposed in an application

Additional Funding Options

- If within the first month of accepting applications, HUD finds that demand will likely far exceed the total available funding, HUD reserves the right to set aside the final $20 million, or a lesser amount, to award to Indian tribes with the greatest need or urgency rather than on a first-come first-serve basis.

- If HUD exercises this option and sets aside the final $20 million to be awarded later, HUD is not obligated to award any otherwise fundable applications that were previously received but were not funded because funding under the first round of awards was depleted.

- However, HUD reserves the right to review such applications and determine whether they should be funded based on any new award criteria that HUD may set for the second round of awards.

- HUD may also award additional funding through the IHBG-CARES program if a sufficient amount of ICDBG-CARES funding remains unobligated after a period of time and projected program demand is low.

Application Submission Reminders

- **Make sure you can open all required forms sooner rather than later**

- **Post your citizen participation information now**

- Tribal organizations submitting on behalf of a tribe who are unable to get a tribal resolution as it may not be safe or practicable to do so, **must include a justification of why they were unable to do so and must include a waiver request.**

- **Incomplete applications will not be reviewed** and will lose their place in line until a complete application is submitted

Definition of an incomplete application:
- Either missing an item listed in Section 5 of the Notice, or the submission has no information (make sure you test your forms in advance to make sure the information saves to the pdf)
- Submission is missing the required elements

Definition of materially deficient:
- The forms or submission components are included, but the information included in the submission is so deficient that HUD determines, at its sole discretion, that the submission is effectively incomplete. For example, the submitted information does not address the eligible purposes or activities.

Applicants are reminded to thoroughly review the ICDBG-CARES Implementation Notice to ensure that they have submitted all required components necessary for a complete application

Grant Agreement and Award Letter

- Grant applications selected for award: ONAP staff will send recipient an award letter and grant agreement package to sign and return

- Grant agreement package includes:
  - Grant Agreement
  - Grant Addendum

- All documents are in electronic format

- Grant agreement can be signed, scanned, and sent back to ONAP electronically

- Recipient should maintain all documents with wet signatures in their records

- Funds will be available in Line of Credit Control System (LOCCS) as soon as the fully executed grant agreements are returned by the applicant and processed by HUD

Reporting

The following reporting requirements apply to the ICDBG-CARES grants. HUD may issue further guidance on reporting requirements in the near future**:**

1. **Quarterly Federal Financial Reports (SF-425):** These reports account for the receipt and disbursement of ICDBG-CARES funding.

2. **Annual Status and Evaluation Report (ASER)**: ICDBG-CARES grantees will be required to submit this report annually to report on its progress in implementing the grant. An ASER will also be required after the ICDBG-CARES grant is fully expended.

3. **Additional CARES Act Reporting:** Section 15011 of the CARES Act requires that recipients of $150,000 or more of CARES Act funding submit, not later than 10 days after the end of each calendar quarter, a detailed report outlining activity and expenditures

General Resources

HUD Guidance on Eligible Uses for Community Development Block Grant Funds to Support COVID-19 Responses: While the language in the guide specifically references CDBG, ICDBG has the same eligible activities, and therefore the guide can be considered applicable for both programs.

ONAP COVID-19 Recovery Programs website:
https://www.hud.gov/program_offices/public_indian_housing/ih/Covid_Recovery

ICDBG-CARES Waivers and Alternative Requirements, PIH Notice 2020-05:
https://www.hud.gov/sites/dfiles/PIH/documents/PIH2020-05.pdf

ICDBG-CARES Implementation Notice – PIH Notice 2020-11:
https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-11pihn.pdf

ONAP website, including updated COVID-19 related Frequently Asked Questions: https://www.hud.gov/codetalk

HUD COVID-19 Resources and Fact Sheets: https://www.hud.gov/coronavirus

List of Indian Entities Recognized and Eligible to Receive Service from the United States Bureau of Indian Affairs" (85 FR 5462 published January, 3, 2020): https://www.federalregister.gov/d/2020-01707).

ICDBG-CARES Implementation Training

Questions?

Please enter questions in the chat box

or press #2 to open your phone line

Thank you for joining today's call