

# IHBG Competitive NOFA: Frequently Asked Questions

Updated: 10/21/2020

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## Section III.A. Eligibility Information

### **Q1: Is it possible to apply for this grant as an individual?**

No, individuals may not apply for this grant. Only Tribes and TDHEs are eligible to apply for IHBG competitive funds.

## Section III.D. Threshold Eligibility Requirements

### **Q1: What does HUD consider to be a late audit submission? How will time zones factor into the review of the audit submission date? How will weekends and holidays factor into the review of the audit submission date?**

Applicants subject to the audit reporting requirements of 2 CFR 200, Subpart F, must not have any late Single Audit report submissions during the one-year period immediately preceding the date that the NOFA was published (see NOFA, Section III.D.5, p. 14), specifically August 11, 2019 – August 10, 2020. HUD will review the information available through the Federal Audit Clearinghouse (FAC) to determine if an audit has been submitted (i.e., uploaded into the FAC) late.

In cases where the audit submission was due on a weekend or holiday and was submitted the following business day, the audit submission will be considered timely. If the information available in the FAC is unclear as to whether the audit submission occurred after it was due, HUD will reach out to the applicant for additional information. HUD will consider an audit report submission that was on time in the time zone in which it was submitted to be timely. If an audit was submitted within a deadline extension afforded due to the COVID-19 national emergency, that is not considered late.

### **Q2: If multiple projects are being proposed in an application does each project require a separate narrative?**

No. Each eligible applicant may only submit one application under this NOFA. The application may propose one project or multiple projects. If the applicant proposes multiple projects, HUD will evaluate all projects covered in the application together and will not separately score each project proposed (see NOFA, III.D.3, p. 14). The NOFA limits the application's Workplan Narrative to 30 pages (see NOFA, Section III.D.7, p. 15), which does not include supporting attachments.

**Q3: Can a TDHE submit a separate application for each tribe that it serves?**

No. When a TDHE serves as an umbrella organization for multiple tribes the TDHE may only submit one application under this NOFA. See NOFA, Section III.D.3. The applicant may propose one project or multiple projects. So, a TDHE could submit an application that proposes projects for more than one tribe.

**Q4: Is the Workplan Narrative a new threshold?**

Yes. The Workplan Narrative is a new threshold requirement. The Workplan Narrative is the response to all five rating factors listed in Section V of this NOFA and encompass the proposed IHBG Competitive project(s). HUD will not review applications with Workplan Narratives that do not comply with the following requirements of the NOFA:

1. Maximum 30 pages (excluding supporting attachments and required forms);
2. Double-spaced;
3. Letter-sized paper, 8-1/2 x 11 inches;
4. Times New Roman 12-point font; and
5. At least 1-inch margins on all sides.

**Q5: Must footnotes be double-spaced with 12-point fonts?**

No, if footnotes are added to the bottom of a page, they may follow standard footnote formatting of 10-point font and single spaced.

**Q6: Must tables be double-spaced?**

No, tables may be single-spaced.

**Q7: Is some sort of acknowledgement of threshold items required in the narrative?**

No.

**Section IV. Application and Submission Information**

**Q1: How do you download the application package from the grants.gov website?**

Go to this webpage to search for the IHBG Competitive grant opportunity:  
<https://www.grants.gov/web/grants/search-grants.html>. Once you have opened the IHBG Competitive grant opportunity page:

1. Click on the “Package” tab.



FR-6400-N-48

Indian Housing Block Grant (IHBG) - Competitive Grant Program  
Department of Housing and Urban Development

[SYNOPSIS](#)
[VERSION HISTORY](#)
[RELATED DOCUMENTS](#)
[PACKAGE](#)

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

Opportunity Package(s) Currently Available for this Funding Opportunity:						
CFDA	Competition ID	Competition Title	Opportunity Package ID	Opening Date	Closing Date	Actions
14.867	FR-6400-N-48	Indian Housing Block Grant (IHBG) - Competitive Grant Program	PKG00262957	08/11/2020	12/10/2020	<a href="#">Preview</a>   <a href="#">Apply</a>

3. Click on “Download Instructions”.

PACKAGE FORMS:		<a href="#">Download Instructions</a>
Mandatory Forms (Click to Preview)	Optional Forms (Click to Preview)	
<ul style="list-style-type: none"> <li>» Application for Federal Assistance (SF-424) [V2.1]</li> <li>» Disclosure of Lobbying Activities (SF-LLL) [V1.2]</li> <li>» HUD Applicant-Recipient Disclosure Report [V1.1]</li> </ul>	<ul style="list-style-type: none"> <li>» Attachments [V1.2]</li> <li>» Grants.gov Lobbying Form [V1.1]</li> </ul>	

4. Click “Open” when message appears on the bottom of page.
5. Zip file will open up with the forms and NOFA attached. Click on file to open.

IHBG competitive forms such as the Cost Summary (HUD-53246), Implementation Schedule (HUD-53247), OZ Certification, and Promise Zones (HUD-50153) forms are also available on the IHBG Competitive Grant Program page on Codetalk:

[https://www.hud.gov/program\\_offices/public\\_indian\\_housing/ih/grants/ihbg\\_cgp](https://www.hud.gov/program_offices/public_indian_housing/ih/grants/ihbg_cgp).

Please make sure that you are using the correct versions of the required forms as outdated versions will not be reviewed.

**FY20- IHBG Competitive Grant Program**

- [FY 2020 NOFA- FR- 6400-N-48](#)
- [FY20 IHBG NOFA](#)
- [OZ Certification](#)
- [HUD-53246 Cost Summary](#)
- [HUD-53247 Implementation Schedule](#)
- [HUD-50153 Promise Zones](#)
- [Tribal Area PCI RF4 Resource Only](#)

**Q2: Who should sign the SF-424?**

For an application under this NOFA to be complete, the applicant must sign the SF-424. The SF-424 must be signed by the applicant's Authorized Representative (e.g., Tribal Chief, TDHE Executive Director, etc.) and should not be the same person listed as the Key Contact in Block 8f of the SF424. For further SF-424 instructions, see NOFA, Section IV.B.2.a., p. 17-18.

**Q3: Is the applicant required to post the application for a public comment period?**

No.

**Q4: I intend to use a few maps and a few photographs to illustrate our project in context. Will these be counted toward the 30-page limitation?**

No. Supporting attachments do not count towards the 30-page maximum. See NOFA, Section III.D.7, page 15, which states that the 30-page maximum excludes supporting attachments.

However, Section IV.B.g, page 19 establishes that Workplan Narrative Supporting Attachments must not exceed 150 pages. Supporting attachments submitted beyond the first 150 pages will not be reviewed. Therefore, any maps and photographs submitted as Workplan Narrative Supporting Attachments will be counted towards this 150-page limit.

**Q5: Is the "Certification of Compliance" (NOFA Section IV.B.i., p. 19) submitted as a separate document?**

Yes, applicants must submit the Certification of Compliance form as a separate document, signed by their authorized official. HUD recommends that the applicant submit this certification on its own letterhead as well. This threshold submission is a non-curable deficiency.

**Q6: 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. However, an applicant may choose to submit this information separately based on its preference and in accordance with the requirements of each submission item. Applicants are reminded that only one Workplan Narrative can be submitted, and that the Workplan Narrative is limited to 30 pages.

Regardless of the submission format, HUD will evaluate all projects covered in the application together and will not separately score each project proposed, as stated under Threshold Factor #3, "Number of Applications and Eligible Activity Project(s)."

**Q7: Is the “Environmental Review – Expression of Intent” (NOFA Section IV.B.k., p. 20) 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 submitted in the application.

**Q8: If you have an approved indirect cost rate do you have to use it, or can you opt to use the de minimus indirect cost rate?**

If you have an approved indirect cost rate, you must use it. See 2 CFR 200.414(f) and (g). Any non-Federal entity that has never received a negotiated indirect cost rate may elect to charge a de minimis rate of 10% of modified total direct costs, which may be used indefinitely. If chosen, this methodology must be used consistently for all awards until such time as a non-Federal entity chooses to negotiate for a rate

**Section IV.D.4. Corrections to Deficient Applications (Technical Deficiencies)**

**Q1: Who is the applicant’s point of contact to resolve any technical deficiencies?**

The NOFA specifies that HUD will notify the Authorized Representative by email when HUD identifies a curable deficiency (see “Corrections to Deficient Applications,” NOFA Section IV.D.4, p. 24). HUD will also notify the Key Contact that the applicant has named in their application (Form SF 424, item 8.f). Therefore, it is important that your points of contacts monitor their emails and provide correct and accurate contact information.

**Q2: Where will notification come from and go to for technical deficiencies? Will the AONAP be copied on these requests?**

HUD will notify the Authorized Representative as provided by the applicant in Form SF-424, as well as the Key Contact listed in Section 8.f of Form SF-424 via email. The Area ONAP will not be copied on technical deficiency notifications.

**Section IV.F. Funding Restrictions**

**Q1: Is the cap on administrative and planning costs determined by considering the grant award amount, or the total project cost (including leverage)?**

The cap on administrative and planning expenses is based on the amount of the grant award, not the total project cost (NOFA Section IV.F.2., p. 25). Applicants that are awarded a grant under this NOFA in excess of \$500,000 may use up to 20 percent of the grant award for IHBG-eligible administrative and planning expenses. Recipients awarded a grant in the amount of \$500,000 or less may use up to 30 percent of the grant award for these costs.

**Q2: Can you pay off a loan for land with IHBG competitive funds, if you purchased the land with a loan before you submitted the application to ensure you have the land tied up?**

No. As stated in the “Pre-award costs” of the NOFA (Section IV.F.3., p. 25), “with the exception of proposal costs incurred to prepare an application for submission under this NOFA and the value of land acquisition used towards an applicant’s leveraging contribution as discussed in Rating Factor 4, all costs, including leveraging resources, must be incurred within the period of performance dates established in the IHBG competitive grant agreement.” For further information regarding acceptable land valuation methods, see p. 49 of the “Firm Commitment Documentation Needed” chart in Rating Factor 4.

### **Section V.A. Rating Criteria: Rating Factor 1-Capacity of the Applicant**

**Q1: Is there a limit on the number of staff to include for Subfactor 1.1?**

The NOFA requires a description of the knowledge and experience of the key staff that will plan, manage and implement the projects. There is no limit on the number of staff, but the description should be limited to key team members. The NOFA specifies not to list tribal organizations, contractors, or consultants when describing the recent, relevant, and successful experience requirements for this Subfactor. Also, keep in mind that the Workplan Narrative is limited to 30 pages. See NOFA Section III.D.7., p. 15.

**Q2: Subfactor 1.1 of the NOFA states that “the applicant must also provide a detailed assessment and plan for addressing identified gaps in capacity for managing and implementing the requested” funds (p. 29). Can you elaborate on what all this entails?**

To address this NOFA requirement, the applicant should assess the staffing needs of the proposed project, and the capacity of current staff. If there are staffing needs that cannot be met by current staff, that is considered a gap, and the applicant should discuss how that gap will be addressed (e.g., hiring more staff, working with a contractor/consultant to address any staff capacity gaps, etc.). The applicant should discuss timelines and methods for identifying and bringing on qualified staff.

Finally, if there are no gaps, the applicant must confirm that there are no gaps in capacity in its response to this Subfactor.

**Q3: What information is HUD looking for to address Subfactor 1.2 Procurement and Contract Management?**

To address this Subfactor, the applicant should discuss in detail *how it is implementing* its policies and procedures in accordance with *each* of the regulatory requirement named in the NOFA:

General procurement standards in 2 CFR 200.318 -326 (excluding 200.322 and 200.324); Indian and Tribal preference at 24 CFR 1000.48-1000.54; and Conflict of interest at 24 CFR 1000.30.

The applicant should not simply provide a copy of its procurement policies and procedures, but rather should describe how its implementation policies and procedures are consistent with the applicable procurement requirements.

**Q4: If the tribe is the applicant for this NOFA 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 1.3 IHBG Expenditures and Subfactor 1.4 Findings?**

Because the TDHE administers the IHBG formula program on behalf of the tribe, and the tribe oversees the performance of its TDHE to ensure that it is serving the tribe's needs, HUD will assess points for Subfactors 1.3 and 1.4 based on the performance of the TDHE under the IHBG formula program.

**Q5: If an applicant is approved to invest its IHBG formula funds, but only invests a small portion of its total formula grant funds, is the applicant still required to use Category Two 2 in Subfactor 1.3 IHBG Expenditures?**

Yes. The NOFA states that applicants approved for and investing IHBG formula funds will be rated under Category 2. See NOFA, Subfactor 1.3, Category 2, page 33.

**Q6: Should applicants respond to Subfactor 1.3. IHBG Expenditures, Category 1, and 1.4. Findings in the narrative? Or will HUD rely on its own records only?**

For Subfactor 1.3, Category 1, the applicant may need to respond. HUD will rely on its own records to evaluate the expenditure of IHBG formula funding received in the last three Federal fiscal years (2017-2019) in comparison with the amount of undisbursed IHBG funds remaining in LOCCS on the date the NOFA was published. If the applicant has an undisbursed balance that is more than 25% of the IHBG formula cumulative amounts that it received for the last three Federal fiscal years, the applicant must include a justification demonstrating well-developed plans to accumulate IHBG funds to carry out a specific activity in the future to qualify for full points under this Subfactor. See NOFA Subfactor 1.3 IHBG Expenditures, page 32. For Subfactor 1.4, HUD will rely on its own records.

**Q7: RF 1.4 What does the term "Single Audit findings" mean in NOFA, Section V.A.1, p. 33-34?**

The term "Single Audit findings" as used in Section V.A.1 means findings issued by the Office of Native American Programs against an applicant for its failure to comply with the audit-related requirements in 2 CFR Part 200, Subpart F. Under the terms of the NOFA, in order to qualify for points under "Subfactor 1.4. Findings," an applicant cannot have had any

Single Audit findings for HUD-ONAP programs specifically pertaining to financial management, accounting, and internal controls during the rating period of October 1, 2016 up to and including the NOFA publication date of August 11, 2020

If you are unsure whether your Tribe had Single Audit findings during this period, you can look up Single Audit reports on the Federal Audit Clearinghouse (FAC) website at <https://harvester.census.gov/facdissem/main.aspx> or you can reach out to your Area ONAP Grants Evaluation Specialist.

### **Q8: How will Single Audit findings impact an applicant's score?**

The NOFA requires that applicants must not have any Single Audit findings pertaining to financial management, accounting, and internal controls for HUD-ONAP programs during the rating period of October 1, 2016 up to and including the NOFA publication date of August 11, 2020. If there are any Single Audit findings in these areas, the application will receive zero points under "Subfactor 1.4. Findings" (see NOFA, Section V.A.1, p. 31-33).

### **Section V.A. Rating Criteria: Rating Factor 2-Need**

#### **Q1: Is Subfactor 2.3, "Past Efforts to Address Identified Need" designed to award more points to an applicant that has recently pursued a project?**

No. The purpose of Subfactor 2.3 is for the applicant to describe why it is an opportune time to actively pursue the proposed project. Also, HUD is looking for a discussion of any past efforts or potential barriers towards implementing the proposed project.

Points will be awarded based on the detail provided in answering the Subfactor criteria, not on the timeframe elapsed since an applicant has pursued the project or similar activity.

#### **Q2: Do each of the need factors under Subfactor 2.1.a Identified Needs have to be addressed to get the full points?**

No. Applicants will receive the full points if all of the components of the identified needs statement are addressed. The NOFA states that the applicant is not required to address all the factors listed (#1-7 in the NOFA) but instead must identify only the factors that are relevant to its proposed project or activities. The first component of the needs statement that an applicant should address is identifying which of the listed need factors apply to the proposed project. The applicant should only address the factors that are relevant to the proposed project. The second component of the needs statement that an applicant should address is explaining how the project will address the identified need factors. See NOFA, Subfactor 2.1.a, p. 35-36.



**Q3: Can you explain how Subfactor 2.1.a and Subfactor 2.1.b are different?**

Subfactor 2.1.a involves identifying the needs and explaining how the project will address the identified needs. Subfactor 2.1.b involves backing up the identified needs from Subfactor 2.1.a. with supporting data. Applicants must ensure that they are using the data sources identified in Subfactor 2.1.b, p. 36, to support the needs identified in Subfactor 2.1.a.

**Q4: Why is HUD using factors from the IHBG Formula for Subfactor 2.1.a? Why tie comprehensive plans to the project, which will depend on much different data than the formula needs?**

Rating Factor 2: Need/Extent of the Problem is designed to get applicants to identify their needs, and to describe how the proposed project(s) will address those needs. Some or all of the factors listed in Rating Factor 2.1.a should be addressed by the applicant. While applicants are not required to discuss their needs as they relate to long-term comprehensive plans for housing, infrastructure development, economic development, and related issues, HUD strongly encourages applicants to do so.

**Q5: For Subfactor 2.2, what should the applicant use as supporting documentation to demonstrate eligible families will benefit?**

If eligible families that will benefit from the proposed project have been identified, the applicant must provide supporting documentation. See NOFA Subfactor 2.2, p. 36. Applicants can provide documentation demonstrating that they have identified low- income families eligible to receive IHBG assistance, such as a waitlist with PII removed, but income included.

**Section V.A. Rating Criteria: Rating Factor 3-Soundness of Approach**

**Q1: What is the scoring methodology for Subfactor 3.1, “IHBG Competitive Priorities?”**

ONAP will award a maximum of 10 points under this Subfactor as follows:

HUD will calculate percentage of funding proposed towards the eligible activity, excluding administration and planning costs.

For Applications with Multiple Activities: HUD will take the percentage of funding from Step #1 and will determine which Subfactor category (3.1a-3.1e) to apply. HUD will use the category that would provide the applicant with the highest points.

For Applications with Acquisition Projects: HUD will use the appropriate Subfactor category (3.1a-3.1e) depending on the nature of the project proposed. For instance, if an applicant is acquiring units to remodel, then HUD will apply the rehab category for this Subfactor. Projects for the acquisition of manufactured housing will be rated under 3.1a, since such housing is constructed before acquisition

Rounding: HUD will apply standard rounding rules. Therefore, 74.5% would be rounded to 75%, while 74.4% would be rounded to 74%.

For detailed examples, please review the Rating Factor 3 training module posted on Codetalk.

**Q2: When does an application that proposes to carry out infrastructure activities get rated under Subfactor 3.1.a New Housing Construction Projects?**

Applications that propose to use IHBG Competitive grant funds to carry out infrastructure activities and also construct new housing units with funds under the NOFA will be rated under Subfactor 3.1.a., New Housing Construction Projects. Applications that propose to use IHBG Competitive grant funds to carry out infrastructure activities that either support existing affordable housing units or will support the development of affordable housing that will be developed in the future (beyond the proposed Period of Performance date) will be rated under Subfactor 3.1.b., Affordable Housing-Related Infrastructure Projects.

**Q3: Does reconstruction count as new construction?**

Yes. See Subfactor 3.1.a.

**Q4: 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.e.), the NOFA states that HUD will calculate the percentage of funds “awarded under this NOFA” 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 NOFA to carry out new housing construction projects.

**Q5: 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.

**Q6: Can the Budget Narrative be populated with cut and paste spreadsheets? Can it be conveyed in an excel spreadsheet? What is the page limitation?**

Applicants must submit Form HUD 53246 (cost summary) and a detailed Budget Narrative separate from the Workplan Narrative for the proposed project and activities. There are no formatting restrictions or page limitations on the Budget Narrative. See NOFA Subfactor 3.4, pg. 46 and the Budget Narrative submission requirement (h) Budget Narrative, p.19).

**Q7: 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?**

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. See NOFA Subfactor 3.4, pg. 46 and the Budget Narrative submission requirement (h) Budget Narrative, p.19).

HUD Total Development Cost (TDC) amounts are based on moderately designed housing, as required by 24 CFR §1000.156, and are determined by averaging the current construction costs as listed in two nationally recognized residential construction cost indices (Marshall Valuation Service, Marshall & Swift/Boeckh, LLC and RSMeans Residential Cost Data) for cost estimating construction of a good and sound quality. If a Tribe/TDHE determines that the published TDC amounts are not representative of construction costs in its area, it may provide the Area Office of Native American Programs with relevant information and request a variance. See Notice PIH 2019-19, available at [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/ih/regs/notices](https://www.hud.gov/program_offices/public_indian_housing/ih/regs/notices).

**Q8: What Total Development Cost amounts apply to this NOFA?**

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 CFR §1000.156. Notice PIH 2019-19 provides the updated schedule for the maximum amount of funds that may be used for affordable housing, effective July 18, 2019. It replaces PIH Notice 2016-07. Notice PIH 2019-19 is available at [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/ih/regs/notices](https://www.hud.gov/program_offices/public_indian_housing/ih/regs/notices).

**Q9: Would construction of a new office complex be counted as new housing construction for purposes of Subfactor 3.1 even though it is not itself actual housing?**

No. Subfactor 3.1.a addresses new housing construction. Projects involving the construction of non-residential buildings are not considered new housing construction projects and will be rated under 3.1.e, “Other NAHASDA-eligible activities.”

**Q10: Does acquisition count as new housing construction for purposes of scoring under Subfactor 3.1?**

The NOFA on page 40 provides “HUD will also rate applications that propose to use grant funds for acquisition under the appropriate Subfactor depending on the nature of the project being proposed.” This means that HUD will review each application that proposes to use IHBG Competitive grant funds to carry out an acquisition activity and determine, based on the nature of the proposed project, whether it should be scored under Rating Factor 3.1.a., b., c., or d. For example, if an applicant proposes to use grant funds awarded under the NOFA to purchase land and will use funds under the NOFA or other funds to construct new housing units on the purchased land, HUD will score this application under Rating Factor 3.1.a. New Housing Construction Projects. If an applicant proposes to use grant funds awarded under the NOFA to acquire housing units, and will use funds under the NOFA or other funds to rehabilitate those units to make them available for low-income Indian families, HUD will score this application under Rating Factor 3.1.b. Housing Rehabilitation Projects.

If an applicant proposes to use grant funds awarded under the NOFA to acquire manufactured housing, HUD will score this application under 3.1.a, since such housing is constructed before acquisition. HUD will rate applications that propose the acquisition of existing housing units that increases affordable housing stock without any associated costs for construction, rehabilitation, or infrastructure using Subfactor category 3.1.c. Acquisition of Units.

**Section V.A. Rating Criteria: Rating Factor 4-Leveraging Resources**

**Q1: Can prior expended funds be used as leverage?**

Generally, no. Funds that have been expended on the project prior to the Period of Performance start date will not be counted as leverage.

The only acceptable pre-award costs that can count as leverage are proposal costs incurred to prepare an application for submission under this NOFA and the value of land acquisition used towards leveraging contribution as discussed in Rating Factor 4.

See NOFA, Funding Restriction #3 “Pre-award costs”, p. 25, and Rating Factor 4 Leveraging Resources, page 48.

**Q2: Can land that was acquired by the applicant or donated to the applicant in the past be used as leverage?**

Yes. The value of land that was acquired by the applicant or donated to the applicant in the past can be counted as leverage if the applicant proposes to use the land for a project funded under the NOFA. The land would need to have a current valuation, as discussed in “methods for land valuation” on the Page 49 chart in the NOFA.

**Q3: Can land that was improved with site infrastructure prior to application under the NOFA be counted as leverage? Can the applicant include the cost of the site infrastructure in the leverage amount?**

Yes, land that was improved with site infrastructure prior to application can be counted as leverage. The improved land would need to have a current valuation, as discussed on the Page 49 chart in the NOFA. The cost of the site infrastructure would not be counted as leverage, but rather the assessment of land value would include the value of the improvements, in keeping with the NOFA requirement that prior expended funds cannot be used as leverage. See NOFA, Rating Factor 4 Leveraging Resources, pages 48-49.

**Q4: For purposes of Rating Factor 4 Leveraging Resources, how will the leverage percentage be calculated?**

Under Rating Factor 4, HUD will calculate leverage percentage relative to the total IHBG Competitive Grant Project costs provided on line 18g of Form SF-424 and the grand total on line 7 of Form HUD-53246. We have included an example of the leverage percentage calculation.

Percentage of leverage = (equals)  
Total leverage resource amount/ (divided by)  
Total project cost (grant amount requested + total leverage resource amount)

Total project cost should match line 18g on Form SF-424, as well as the grand total on line 7 of Form HUD-53246 (sum of columns b, c, and d).

Example: \$1,666,667 / \$6,666,667 (\$1,666,667 + \$5,000,000) = 25%

**Q5: What does “no longer fundable” mean under Rating Factor 4 Leveraging Resources?**

If an applicant does not provide HUD with evidence of a firm commitment from the original leverage source or an alternative source within six months of the date of grant award, or if anticipated leverage is not provided at all, HUD will re-rate and re-rank an application. See NOFA, Rating Factor 4 Leveraging Resources, page 50. If the total points awarded to the applicant after HUD has re-rated and re-ranked the application falls below 75 (without the addition of Preference Points), the combined score from Rating Factor 1 and Rating Factor 2 points fall below 35, and/or Rating Factor 3 points fall below 20, HUD will not fund the application. Threshold Factor #6, “Rating Factor Thresholds” on p.15 of the NOFA requires all fundable applications to meet these thresholds in order to be considered for funding. If the total points awarded to the applicant after HUD has re-rated and re-ranked the application do not fall below these thresholds, but fall below the scores of other applications that were not awarded funding, HUD may use the de-obligated or recaptured funds in accordance with the “Additional IHBG Competitive Funds” provisions (bullet j) on page 56 of the NOFA.

**Q6: We plan to pay for a portion of indirect costs through tribal funds. Can that be counted as leveraged resources?**

Yes. Contributions that could be considered as leveraged resources for point award include tribal government funds. See NOFA, Rating Factor 4 Leveraging Resources, pages 48-51.

**Q7: What is the expected notice of award date to assess whether the sources of leverage funding will be able to “make funding decisions” 4-6 months post that date?**

HUD estimates that awards will be announced in March 2021.

**Q8: If you want to use value of the land as leverage, can you use tax assessment values provided by the state? It is not specifically stated as an acceptable method for valuation in the NOFA.**

Yes, as long as it satisfies one of the required methods for land valuation chart listed in the NOFA. See NOFA, Rating Factor 4 Leveraging Resources, pg. 49. A tax assessment is typically based on a reasonable extrapolation of land values based on recent sales of similar properties in the same area.

**Q9: Can we still submit an application that does not have confirmed leverage in place?**

Yes. See NOFA Rating Factor 4, pg. 50. In cases where an applicant cannot receive a firm commitment of nontribal funds by the application deadline, the applicant must include a statement from the contributing entity that describes why the firm commitment cannot be made at the current time. The statement must say that the tribe/organization and proposed project meets the eligibility criteria for receiving the leveraged funds. It must also include a date by which the funding decisions will be made. This date cannot be over six months from the anticipated date of grant approval by HUD.

If an applicant does not provide HUD with evidence of a firm commitment from the original leverage source or an alternative source within six months of the date of grant award, or if anticipated leverage is not provided at all, HUD will re-rate and re-rank an application. If the application is no longer fundable after re-rating and re-ranking the application, HUD will rescind the grant and recapture grant funds. See NOFA, Rating Factor 4 Leveraging Resources, page 50.

**Q10: We have land that was previously leveraged for a grant opportunity that we would like to leverage for this NOFA application. Is that permissible under this NOFA?**

No. Land that has previously been used as leverage towards other ONAP competitions may not be proposed as leveraging for this NOFA. An applicant may use land for leverage if the land was not previously leveraged in an awarded grant. For example, if an applicant applied to ICDBG and used parcel A for leverage in the application but was not awarded a grant, the applicant may use parcel A for leverage as part of their IHBG Competitive Grant

application. However, if an applicant was awarded an ICDBG grant and used parcel B for leverage in their grant application, the applicant may not use parcel B for leverage again when applying for the IHBG Competitive Grant. See Rating Factor 4 Leveraging Resources Chart, page 50.

### **Section V.A. Rating Criteria: Preference Points (Opportunity Zone/Promise Zones)**

**Q1: Can an applicant be awarded both two points for projects that will be located in Opportunity Zones (OZ), and two points for Promise Zones (PZ), for a total of four preference points?**

No. As stated in NOFA Section V.A.2., “Other Factors-Preference Points” (p. 53-54), in support of the Secretary’s FY20 Initiatives, HUD may award up to two (2) points for any of the 3 preferences (OZ, PZ, or Historically Black Colleges and Universities). Since the NOFA only offers preference points for Opportunity Zones or Promise Zones, the applicant may qualify for either point category, not both. Therefore, the maximum score an applicant could receive under this NOFA is 102 points.

To qualify for the preference points for Opportunity Zones, the applicant must submit [HUD Form 2996](#), “Certification for Opportunity Zone Preference Points.” The applicant will earn points where the proposed activities/projects are located in a Census Tract that has been designated as an Opportunity Zone. Applicants that propose projects which substantially and directly benefit Opportunity Zone Census Tracts, but which do not consist of activities delivered within the Opportunity Zone Census Tracts may also be considered for competitive preference points. In order to be eligible for Opportunity Zone preference points, applicants must complete and submit the HUD-2996 along with the SF-424. Applicants who do not complete this form and submit along with the rest of their application package will not be eligible to receive the points. Additionally, applicants who do complete this form, but indicate they intend to use less than 50% of the award within Opportunity Zone tracts will also be ineligible to receive preference points, unless: a.) the grantee can show why they are unable to expend at least 50% of the grant award within Opportunity Zone designated tracts, or b.) the grantee is able to make a compelling case for why the amount that will be expended will have a significant impact within Opportunity Zone designated tracts. To view the list of designated OZs, please see the following link on the U.S. Department of the Treasury website: <https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx>.

To qualify for the preference points for Promise Zones, the applicant must submit HUD Form 50153, “Certificate of Consistency with Promise Zone Goals and Implementation”, signed by the Promise Zone Official authorized to certify the project meets the criteria to receive preference points. To View the list of designated Promise Zones and persons authorized to certify, please see the Promise Zone pages on <https://www.hudexchange.info/programs/promise-zones/>.

**Q2: If we are proposing activities in multiple communities, and some are in a Qualified Opportunity Zone, will we receive the full two points?**

Yes, as long as the requirements at Section V.A.2., “Other Factors-Preference Points” (p. 53-54), are met by the applicant.

**Q3: Who should sign the “Certification for Opportunity Zone Preference Points” form?**

The Authorized Representative listed on the SF-424 would be the Tribal official signing the OZ form.

**General IHBG Competitive Questions**

**Q1: In order to submit an application, do I have to attend an ONAP training?**

Participating in NOFA training is optional and is not a requirement for submitting an application under this competition. The trainings provide an opportunity for interested applicants to learn more about the NOFA requirements.

**Q2: 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 CFR 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.

**Q3: Will there be Implementation Training after award?**

Yes.

**Q4: Is training for Grants.gov available?**

Yes. Please see the training resources page on grants.gov, available at: <https://www.grants.gov/applicants/applicant-training.html>.

**Q5: What Income Limits apply to this NOFA?**

ONAP Program Guidance 2020-01 “Income Limits under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA),” provides the latest published HUD Income Limits applicable to the Indian Housing Block Grant program, effective April 1, 2020. It replaces Program Guidance 2019-02. The estimated median family incomes (MFIs) and income limits for FY2020 can be accessed here: [https://www.huduser.gov/portal/datasets/il.html#2020\\_data](https://www.huduser.gov/portal/datasets/il.html#2020_data).



**Q6: If an applicant is awarded a grant to carry out a specific project under the NOFA, can another selected applicant fund the same project with grant funds under the NOFA?**

No. Section VI.A., “Adjustments to Funding” (p. 58) of the IHBG NOFA 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.