

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5317-N-01]

**Notice of Funding Availability (NOFA) for
Native American Housing Block Grant Program under the American Recovery and
Reinvestment Act of 2009**

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice of Funding Availability for HUD's Native American Housing Block Grant Program.

SUMMARY: This NOFA announces the availability of funding for \$242,250,000 for HUD's Native American Housing Block Grant Program (NAHBG) also known as the Indian Housing Block Grant (IHBG) program. The program is authorized by the "American Recovery and Reinvestment Act of 2009" (Recovery Act) (Public Law 111-5), the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), (Public Law 104-330 as amended), and the NAHASDA regulations at 24 CFR part 1000.

DATES: Applications will be reviewed as they are received but will not be accepted after 5:00 p.m. Mountain Time on July 13, 2009.

FOR FURTHER INFORMATION CONTACT: Questions on program requirements should be directed to your Area Office of Native American Programs (ONAP). A contact list for each Area ONAP can be found at

<http://www.hud.gov/offices/pih/ih/codetalk/onap/map/nationalmap.cfm>. Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at 1-800-877.8339.

**NATIVE AMERICAN HOUSING BLOCK GRANT
OVERVIEW INFORMATION:**

A. Federal Agency Name: Department of Housing and Urban Development, Office of the Assistant Secretary for Public and Indian Housing, Office of Native American Programs (ONAP).

B. Funding Opportunity Title: NAHBG Program for Indian Tribes and Alaska Native Villages.

C. Announcement Type: Initial Announcement.

D. Funding Opportunity Number: The Federal Register number is FR-5317-N-01. The OMB Approval Number is 2577-0262.

E. Catalog of Federal Domestic Assistance (CFDA) Number(s): The Catalog of Federal Domestic Assistance (CFDA) Number for the NAHBG program is 14.887.

F. Dates: Applications will be accepted at any time after publication of this NOFA but no later than 5:00 p.m. Mountain Time on July 13, 2009.

G. Additional Information:

1. Applicants for funding should carefully review the requirements described in this NOFA.
2. Eligible applicants are Indian tribes or tribally designated housing entities (TDHEs) authorized by one or more tribes pursuant to NAHASDA and 24 CFR 1000.206.
3. Each tribe/TDHE under 24 CFR 1000.202 may submit more than one application. However, before the second application from any tribe/TDHE is reviewed and considered, all eligible applications from other tribes/TDHEs will be reviewed. If two or more applications are submitted at the same time, the tribe/TDHE must indicate which application should be considered first.

4. Applications will be reviewed as they are received until all available funds have been obligated at which time HUD will post a notice on its website so informing the public. If two or more fundable applications are received on the same date and at the same time, the applications will be considered for funding based on the highest points received.

FULL TEXT OF ANNOUNCEMENT

I. Funding Opportunity Description

A. General. The Recovery Act provided \$510,000,000 in NAHBG funds. Of this amount, \$255,000,000 is distributed under the IHBG formula according to the same funding formula used in fiscal year 2008. Of the remaining funds, \$242,250,000 will be used for competitive grants to entities eligible to apply for NAHASDA funds. All grant funds awarded in accordance with this NOFA are subject to the requirements of 24 CFR part 1000. Any waivers of these requirements are outlined in Section II.C.2.

B. Authority. The authority for this program is the Recovery Act, NAHASDA, and the IHBG regulations at 24 CFR part 1000.

C. Program Description. The purposes of the Recovery Act are to: (1) preserve and create jobs and promote economic recovery; (2) assist those most impacted by the recession; (3) provide investments needed to increase economic efficiency by spurring technological advances in science and health; (4) invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits; and (5) stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases. In accordance with the President's Memorandum on Ensuring Responsible Spending of Recovery Act Funds (March 20, 2009), executive departments and agencies must avoid funding imprudent projects. Funds can be used

for NAHASDA-eligible activities including acquisition, new construction, rehabilitation of affordable housing, site improvement, development and rehabilitation of utilities and infrastructure, utility services, conversion, demolition, financing, administration and planning, improvement to achieve greater energy efficiency, mold remediation, investments that leverage private sector funding or financing for renovations, and energy conservation retrofit investments. Funds awarded pursuant to this NOFA may not be used for guarantees under Title VI of NAHASDA. The program is administered by HUD's ONAP in the Office of Public and Indian Housing.

D. Definitions Used in this NOFA

1. The definitions in the IHBG program regulations at 24 CFR 1000.10 apply to these funds.
2. **New Applicant.** For purposes of this NOFA a "New Applicant" is an applicant that has never received an IHBG or whose prior grants have been closed for more than 12 months prior to the application submission date.

II. Award Information

A. Available Funds. The Recovery Act appropriation for the NAHBG Competitive Program is \$242,250,000. HUD must obligate all funds in this NOFA by September 30, 2009.

B. Grant Ceilings. The grant ceiling for each award is based on the amount of funds each tribe/TDHE received under the Recovery Act formula component. The formula allocation may be reviewed at <http://www.hud.gov/recovery>. The ceilings are designed to give large tribes adequate funding for projects based on need and to give smaller tribes an opportunity to receive enough funding to complete a small housing or infrastructure project in their Indian areas.

Recovery Act Funding Formula	Grant Ceiling
Over \$5 million	\$5 million
More than \$2 million but less than \$5 million	\$4 million
More than \$750,000 but less than \$2 million	\$3 million
Less than \$750,000	\$2 million

C. Compliance with Regulations, Guidelines, and Requirements

1. Applicants awarded a grant under this NOFA are required to comply with the regulations, guidelines, and requirements with respect to the acceptance and use of federal funds for this federally assisted program.

2. Waivers. Entities that administer these Recovery Act NAHBG funds may defer or suspend compliance with the statute or regulations listed in this NOFA or replace them with the applicable alternative requirements for a period of 36 months. Applicants should identify in their applications the waivers they will use. In addition, applicants seeking a waiver of any regulatory requirement not listed below should submit a request to their Area ONAP, for approval by the Assistant Secretary. The request should specify the need for the waiver, including justification, for the waiver.

a. *Local Cooperation Agreement.* Section 101(c) states that grants provided under NAHASDA may not be used for development of rental or lease-purchase homeownership units that are owned by the recipient unless the governing body of the locality within which the property that is subject to assistance is or will enter into an agreement with the recipient for the tribe providing for local cooperation. This provision may be waived by the Secretary if the recipient has made a good faith effort to fulfill the requirements of this Act and agree to make payments in lieu of taxes to the appropriate taxing authority. An expedited waiver of this provision is provided so that tribes can develop projects quickly in their Indian area.

b. *Total Development Costs (TDC)*. This provision requires that affordable housing developed, acquired, or assisted under the IHBG program must be of moderate design. TDC limits are published annually to provide recipients with affordable housing cost standards. These standards can be exceeded by 10 percent with Area ONAP approval and can be exceeded further if Headquarters approval is obtained. ONAP will permit tribes to exceed the current TDC maximum by 20 percent without HUD review or approval if the tribe maintains documentation that indicates that housing will be for low-income families and the design, size, and amenities are moderate and comparable to housing in the area. The regulatory requirements are also waived to permit the current TDC limits to be used for both single-family and multi-family housing. See 24 CFR 1000.156 and 1000.158.

D. Period of Performance. The period of performance for any grant awarded under this NOFA must be included in the Implementation Schedule, form HUD-4125-A, approved by HUD. Tribes/TDHEs will be required to obligate 100 percent of their funds within 1 year of the date funds are made available; expend at least 50 percent of such funds within 2 years of the date on which funds became available; and expend 100 percent of such funds within 3 years of such date. If a recipient fails to comply with the 2-year expenditure requirement, the Secretary will recapture all remaining funds awarded to the recipient and reallocate the funds through the formula to recipients that are in compliance with these requirements. If a recipient fails to comply with the 3-year expenditure requirement, the Secretary will recapture the balance of the funds originally awarded to the recipient.

III. Eligibility Information

A. Eligible Applicants

Eligible applicants are Indian tribes or TDHEs when authorized by one or more Indian tribes.

B. Cost Sharing or Matching. Cost sharing or matching is not required under this grant but leveraging is strongly encouraged. See Factor Rating Factor 2, Subfactor 3.

C. Other

1. HUD Requirements. Applicants must comply with all reporting requirements of the Recovery Act as well as program requirements.

2. Program Related Threshold

Compliance with Fair Housing and Civil Rights Laws. Nondiscrimination requirements are outlined in 24 CFR 1000.12. Federally recognized Indian tribes and their instrumentalities are subject to the requirements of Title II of the Civil Rights Act of 1964, known as the Indian Civil Rights Act. Title VI of the Civil Rights Act of 1964; and Title VIII of the Civil Rights Act of 1968 apply to Indian tribes that are not covered by the Indian Civil Rights Act.

3. Eligible Activities. Funds can be used for NAHASDA-eligible activities including acquisition, new construction, rehabilitation of affordable housing, site improvement, development and rehabilitation of utilities and infrastructure, utility services, conversion, demolition, financing, administration and planning, improvement to achieve greater energy efficiency, mold remediation, investments that leverage private sector funding or financing for renovations, and energy conservation retrofit investments. Priority will be given to projects that will spur construction and rehabilitation and will create employment opportunities for low-income and unemployed persons as explained below in Section V.

4. Ineligible Activities. In accordance with Section 1604 of the Recovery Act, none of the funds appropriated or otherwise made available in this NOFA may be used by any State or local government, or private entity, for any casino, or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

IV. Application and Submission Information

A. Addresses to Request Application Package. Copies of this NOFA can be found on HUD's website at <http://www.hud.gov/recovery>.

B. Content and Form of Application Submission

1. **Application Information.** All information required to complete a valid application is included in this NOFA. Applicants should not submit third party documents, such as audits, resolutions, or policies, unless specifically asked to do so.

2. **Content of Application, Forms, and Required Elements.** The applicant must submit all of the forms required in this section, along with other data listed below.

a. Narrative to all four rating factors listed in Section V of this NOFA;

b. Application for Federal Assistance (SF-424), which includes a Dun and Bradstreet Universal Numbering System (DUNS) number;

c. Applicant/Recipient Disclosure/Update Report (form HUD-2880) ("HUD Applicant Recipient Disclosure Report");

d. Implementation Schedule (form HUD-4125-A, Implementation Schedule) for implementing the project;

e. Cost Summary (form HUD-4123-A) providing cost information including specific activity costs, administration, planning, technical assistance and total HUD share;

f. Tribal Certification. If an application is submitted by a TDHE on behalf of a tribe(s), a tribal certification(s) must be submitted authorizing the TDHE to submit the application;

g. Code of Conduct. Applicants must submit their Code of Conduct (code) with the application if it is not listed on HUD's website at

<http://www.hud.gov/offices/adm/grants/codeofconduct/cconduct.cfm> or if the information on the website has changed;

- h. Disclosure of Lobbying Activities (SF-LLL). This form must be submitted by State-recognized Indian tribes and TDHEs established under state law;
- i. Central Contractor Registry (CCR). Evidence of registration with the CCR;
- j. Waivers. A list of regulatory waivers listed in Section II.C.2. that the applicant will apply to projects funded through this NOFA;
- k. Application Priority. If more than one application is submitted by a tribe/TDHE, an indication of which application should be considered first; and
- l. Environmental Review – Expression of Intent. Information on whether the tribe plans to assume environmental responsibilities under 24 CFR part 58 or whether the tribe declines to assume environmental responsibilities and requests HUD to perform the review under 24 CFR part 50.

C. Receipt Date and Time

Application Receipt Deadline. Applicants should submit one original and one copy of their application. Applications must be mailed to the Denver ONAP Headquarters Office, 1670 Broadway, 23rd Floor, Denver, CO 80202. In no event will applications be accepted after 5:00 p.m. Mountain Time on July 13, 2009. Hand carried or faxed applications will not be accepted. Electronic applications will **not** be required or accepted.

D. Intergovernmental Review. Indian tribes are not subject to the Intergovernmental Review process.

V. Application Review Information

The factors for rating and ranking applications and the points for each factor are provided below. A maximum of 100 points may be awarded under Rating Factors 1-4. To be considered for funding the application must receive a minimum of 20 points under Rating Factor 1, a minimum of 10 points under Rating Factor 3, and score at least 70 points in total. The following summarizes the points assigned to each factor.

Rating Factor	Title	Points for Current Grantees	Points for New Applicants
1.	Capacity	35 (Total)	35 (Total)
1.	Managerial, Technical and Administrative Capacity		
1.a.	Managerial and Technical Staff	10	10
1.b.	Project Implementation Plan	4	9
1.c.	Financial Management	3	8
1.d.	Procurement and Contract Management	3	8
2.	Past Performance		
2.a.	Reports	5	0
2.b.	Audits	5	0
2.c.	Findings	5	0
2.	Soundness of Approach	35 (Total)	35 (Total)
1.	Description of Project	20	20
2.	Budget and Cost Estimates	10	10
3.	Leveraging Resources	5	5
3.	Project Readiness	15 (Total)	15 (Total)
4.	Recovery Act and Other Priorities	15 (Total)	15 (Total)
1.	Recovery Act Priorities	8	8
2.	Energy Star and Green Development	7	7
TOTAL		100 (minimum of 70 required for both current grantees and new applicants)	

Rating Factor 1: Capacity of the Applicant (35 points)

This factor addresses the extent to which applicants have the organizational resources necessary to successfully implement the proposed activities. If applicable, past performance in administering previous IHBG grants will be taken into consideration. To be eligible for funding,

applicants must receive a minimum of 20 points under this factor. HUD will not rate any projects further that do not receive a minimum of 20 points under this factor.

1. Managerial, Technical, and Administrative Capability (20 points for current IHBG grantees and 35 points for new applicants) Your application must demonstrate that you possess or can obtain the managerial, technical, and/or administrative capability necessary to carry out the proposed project. Your application must address who will administer the project and how you plan to handle the technical aspects of executing the project. Typical documents that may be submitted include, but are not limited to, written summaries of qualifications and past experience of proposed staff, descriptions of staff responsibilities, and references or letters of endorsement from others who have worked with the proposed staff. Do not submit job descriptions or resumes. Do not submit Social Security Numbers of any personnel or consultants.

a. Managerial and Technical Staff (10 points)

The extent to which your application describes the roles/responsibilities and the knowledge/experience of your overall proposed project director and staff, including the day-to-day program manager, consultants, and contractors in planning, managing, and implementing projects. Experience will be judged in terms of recent, relevant, and successful experience of your staff to undertake eligible program activities. In rating this factor, HUD will consider experience within the last 5 years to be recent; experience pertaining to the specific activities being proposed or the specific roles and responsibilities described in the application to be relevant; and experience producing specific accomplishments to be successful. The more recent and relevant the experience of your staff members who will work on the project, the greater the number of points you will receive for this rating factor.

(10 points) The applicant adequately describes the roles/responsibilities and the knowledge/experience of its overall project director and staff, including the day-to-day program manager, consultants, and contractors in planning, managing, and implementing projects for which funding is being requested. Staff experience as described in the application is recent (within 5 years), relevant (pertains to the specific activities being proposed or the specific roles and responsibilities described in the application) and successful (has produced specific accomplishments).

(5 points) The applicant adequately describes the roles/responsibilities and the knowledge/experience of its overall project director and staff, including the day-to-day program manager, consultants, and contractors in planning, managing, and implementing projects for which funding is being requested. However, one of the following applies: staff experience as described in the application is not recent (not within 5 years), is not relevant (does not pertain to the specific activities being proposed or the specific roles and responsibilities described in the application), or is not successful (did not produce specific accomplishments).

(0 points) The applicant failed to adequately describe the roles/responsibilities and the knowledge/experience of its overall project director and staff, including the day-to-day program manager, consultants, and contractors in planning, managing, and implementing projects for which funding is being requested or more than one of the following applies: staff experience as described in the application is not recent (not within 5 years), is not relevant (does not pertain to the specific activity being proposed or the specific roles and responsibilities described in the application), or is not successful (did not produce specific accomplishments).

b. Project Implementation Plan (4 points for current IHBG grantees and 9 points for new applicants)

The extent to which your project implementation plan identifies the specific tasks and timelines that you and your partner contractors and/or sub-grantees will undertake to complete your proposed project on time and within budget. The Project Implementation Schedule, form HUD-4125-A, may serve as this required schedule, provided that it is sufficiently detailed to demonstrate that you have clearly thought out your project implementation.

(4 points for current IHBG grantees and 9 points for new applicants) The applicant submitted a project implementation plan that clearly specifies tasks and timelines.

(2 points for current IHBG grantees and 5 points for new applicants) The applicant submitted a project implementation plan that did not specify both tasks and timelines.

(0 points for current IHBG grantees or new applicants) The applicant did not submit a project implementation schedule.

c. Financial Management (3 points for current IHBG grantees and 8 points for new applicants) This subfactor evaluates the extent to which your application describes how your financial management systems meet the requirements of 24 CFR part 85 and 24 CFR part 1000. The application will also be rated on the seriousness/significance of the findings related to your financial management system identified in your current audit. If you are required to have an audit but do not have a current audit, you must submit a letter from your independent public accountant (IPA) that is dated within the past 12 months stating that your financial management system complies with all applicable regulatory requirements. If you are not required to have an audit, you will automatically receive points for this portion of the subfactor if you provide the other information required by this subfactor. In addition, if you are not required to have an audit in accordance with OMB Circular A-133, you must state this in order to receive maximum points under this subfactor. For purposes of this subfactor, a current audit is one that was due to be

submitted to the Federal Audit Clearinghouse (FAC) within the 12-month period prior to the application deadline date. To be considered, the audit must be submitted to the FAC prior to the IHBG application deadline date. Do not submit financial management and/or internal control policies and procedures or your audit with the application.

(3 points for current IHBG grantees and 8 points for new applicants) The applicant clearly described how its financial management systems meet the requirements of 24 CFR part 85 and 24 CFR part 1000. The applicant's current audit does not contain any serious or significant findings related to its financial management system, or if there is no current audit, the applicant submitted a letter from its IPA stating that its financial management system complies with all applicable regulatory requirements.

(2 points for current IHBG grantees and 5 points for new applicants) The applicant's current audit does not contain any serious or significant findings related to its financial management system, or if there is no current audit, the applicant submitted a letter from its IPA stating that its financial management system complies with all applicable regulatory requirements. The applicant did describe how its financial management system meets the requirements of 24 CFR part 85 and 24 CFR part 1000, however, the description lacks detail.

(0 points for current IHBG grantees or new applicants) The applicant's current audit included serious or significant findings related to its financial management systems or, if there is no current audit, the applicant did not submit a letter from its IPA stating its financial management systems comply with all regulatory requirements. The applicant did not describe how its financial management system meets the requirements of 24 CFR part 85 and 24 CFR part 1000.

d. Procurement and Contract Management (3 points for current IHBG grantees and 8 points for new applicants)

This subfactor evaluates the extent to which your application describes how your procurement and contract management policies and procedures will meet the requirements of 24 CFR part 85 and 24 CFR part 1000. The application will also be rated on the seriousness of the findings related to procurement and contract management identified in your current financial audit. If you are required to have an audit but do not have a current audit, you must submit a letter from your IPA stating that your procurement and contract management system complies with all applicable regulatory requirements. If you are not required to have an audit, you will automatically receive points for this portion of the subfactor if you provide the other information required by this subfactor. In addition, if you are not required to have an audit in accordance with OMB Circular A-133, you must state this in order to receive maximum points under this subfactor. Do not submit procurement and contract management policies and procedures or your audit with the application.

(3 points for current IHBG grantees and 8 points for new applicants) The applicant clearly described how its procurement and contract management policies and procedures will meet the requirements of 24 CFR part 85 and 24 CFR part 1000. The applicant's current audit does not contain any serious or significant findings related to its procurement and contract management system, or if there is no current audit, the applicant submitted a letter from its IPA stating that its procurement and contract management system complies with all applicable regulatory requirements.

(2 points for current IHBG grantees and 5 points for new applicants) The applicant's current audit does not contain any serious or significant findings related to its procurement or contract management system, or if there is no current audit, the applicant submitted a letter from

its IPA stating that its procurement and contract management system complies with all applicable regulatory requirements. The applicant did describe how its procurement and contract management policies and procedures meet the requirements of 24 CFR part 85 and 24 CFR part 1000, however, the description lacks detail.

(0 points for current IHBG grantees or new applicants) The applicant's current audit includes serious or significant findings related to its procurement and contract management systems, or if there is no current audit, the applicant did not submit a letter from its IPA stating its procurement and contract management systems comply with all regulatory requirements. The applicant did not describe how its procurement and contract management policies and procedures will meet the requirements of 24 CFR part 85 and 24 CFR part 1000.

2. Past Performance (15 points for current IHBG grantees and 0 points for new applicants)

HUD will evaluate your experience in producing products and reports in accordance with regulatory timelines for any previous IHBG grant programs undertaken with HUD funds for the following performance measures. Applicants are not required to respond to the subfactors related to past performance. HUD will rely on information on file.

a. Reports (5 points for current IHBG grantees and 0 points for new applicants) Annual Performance Reports (APRs) and Federal Cash Transaction Reports are submitted by the report submission deadlines for all open IHBG programs. For this subfactor, performance will be evaluated for the 12-month period preceding the application due date. The APR is due 90 days after the end of the recipient's program year unless the date has been extended by the Area ONAP. Federal Cash Transaction Reports are due quarterly on April 21, July 21, October 20, and January 22.

(5 points) The applicant has submitted both the APR and Federal Cash Transaction Reports for all open IHBG programs within 15 days of the report submission deadlines.

(3 points) The applicant has submitted either the Federal Cash Transaction Reports or the APR for all open IHBG programs within 15 days of the report submission deadline.

(0 points) The applicant has submitted neither of the required reports within 15 days of the report submission deadline.

b. Audits (5 points for current IHBG grantees and 0 points for new applicants) The applicant has submitted annual audits for the past 2 years in accordance with OMB Circular A-133 and its compliance supplements, or if you have received an extension of the audit submission date, your audit was submitted by the extended date. If an extension was received, submit a copy of the extension approval. Do not submit your audit with the application. Applicants who are not required to submit an annual audit in accordance with OMB Circular A-133 must state this in their application in order to receive points for this subfactor.

(5 points) The applicant has submitted annual audits for the past 2 years in accordance with OMB Circular A-133 and its compliance supplements, or if you have received an extension of the audit submission date, your audit was submitted by the extended date. If an extension was received, you submitted a copy of the extension approval. If the applicant has not been required to submit an audit, it will receive 5 points.

(0 points) The applicant has not submitted annual audits for the past 2 years in accordance with OMB Circular A-133 and its compliance supplements, or if you have received an extension of the audit submission date, your audit was not submitted by the extended date.

c. Findings (5 points for current IHBG grantees and 0 points for new applicants) The applicant has resolved IHBG monitoring findings and controlled audit findings by the established

target date, or there are no findings in current reports. Do not submit responses to open monitoring or audit findings with the application.

(5 points) The applicant resolved open IHBG monitoring findings and controlled audit findings by the established target date. If there were no open audit or IHBG monitoring findings (current grantees only), the applicant will receive 5 points.

(0 points) The applicant has not resolved open IHBG monitoring findings and controlled audit findings.

Rating Factor 2: Soundness of Approach (35 points)

This factor addresses the quality and anticipated effectiveness of your proposed project, its ability to address the goals of the Recovery Act, and the commitment to sustain your proposed project.

1. Description of and Rationale for Proposed Project (20 points)

(20 points) The proposed project is a viable and cost effective approach to address an identified need of your community. The proposed project is described in detail and you indicate why you believe it will be most effective in addressing the identified need. The application includes a description of the size, type, and location of the project. For construction or rehabilitation activities, the application includes anticipated cost savings due to program design and/or construction methods.

(15 points) The proposed project is a viable and cost effective approach to address an identified need of your community. The project is described in detail and indicates why you believe the project will be most effective in addressing the identified need. The application includes a description of the size, type, and location of the project. Anticipated cost savings for construction or rehabilitation activities are not included.

(10 points) The proposed project is a viable and cost effective approach to address an identified need of your community. The project is adequately described and you indicate why you believe the project will be most effective in addressing the identified need. The application includes a either a description of the size, type, or location of the project. Anticipated cost savings for construction or rehabilitation activities are also not included.

(0 points) The proposed project is not a viable and cost effective approach to address an identified need of your community. The proposed project is not adequately described with an indication of why the applicant believes the project will be most effective in addressing the identified need.

2. Budget and Cost Estimates (10 points)

The budget is thorough and reasonable and all costs are documented.

(10 points) Cost estimates are broken down by line item for each proposed activity, including planning and administration costs. A description of the qualifications of the person who prepared the cost estimate is provided.

(5 points) Cost estimates are provided but not broken down by line item for each proposed activity, including planning and administration costs. A description of the qualifications of the person who prepared the cost estimate is not provided.

(0 Points) Cost estimates are not provided.

3. Leveraging Resources (5 points)

IHBG funds can be used more effectively to benefit a larger number of Native American and Alaska Native persons and communities if projects are developed that use tribal resources and resources from other entities in conjunction with IHBG Recovery Act funds. To encourage this,

HUD will award points based on the percentage of non-IHBG resources provided relative to project costs as follows:

<u>Non-IHBG Resources to Project Costs</u>	<u>Points</u>
Less than 4 percent	0
At least 4 percent but less than 11 percent	2
At least 11 percent but less than 25 percent	4
25 percent or more	5

Contributions that could be considered as leveraged resources for point award include, but are not limited to: tribal trust funds, loans from individuals or organizations, private foundations, businesses, state or federal loans or guarantees, other grant funds, donated goods and services needed for the project, land needed for the project, and direct administrative costs. With the exception of land acquisition, funds that have been expended on the project prior to the application deadline date will not be counted as leverage. Applicants are reminded that all IHBG requirements apply to the commitment or use of both IHBG and non-IHBG funds in a leveraged project. Contributions that will not be considered include, but are not limited to: indirect administrative costs as identified in OMB Circular A-87, attachment A, section F; contributions of resources to pay for anticipated operations and maintenance costs of the proposed project; and, in the cases of expansions to existing facilities, the value of the existing facility.

To obtain points for this rating factor, letters of firm or projected commitments, memoranda of understanding, or agreements to participate from any entity, including the tribe that will be providing a contribution to the project, must accompany the application. The documentation must be received by HUD in the paper application package. To receive funding consideration,

all documents must be received by the application deadline dates and meet the timely receipt requirements.

To demonstrate the commitment of tribal resources, the application must contain a written statement that identifies and commits the tribal resources to the project, subject to approval of the IHBG assistance. To demonstrate the commitment of a public agency, foundation, or other private party resources, a letter of commitment, memorandum of understanding, and/or agreement to participate, including any conditions to which the contribution may be subject, must be submitted with the application. All letters of commitment must include the donor organization's name, the specific resource proposed, the dollar amount of the financial or in-kind resource and method for valuation, and the purpose of that resource within the proposed project. An official of the organization legally authorized to make commitments on behalf of the organization must sign the commitment.

In addition to the above requirements, for all contributions of goods, services and land, you must demonstrate that the donated items are necessary to the actual development of the project and include comparable costs that support the donation. Land valuation must be established using one of the following methods and the documentation must be contained in the application: a site-specific appraisal no more than two years old; an appraisal of a nearby comparable site also no more than two years old; a reasonable extrapolation of land value based on current area realtor value guides; or a reasonable extrapolation of land value based on recent sales of similar properties in the same area.

Rating Factor 3: Project Readiness (15 points)

Applicants must demonstrate that they have the ability to obligate and expend the IHBG competitive funds quickly. Information should be provided related to actions already taken as

well as timeframes for developing plans and specifications for new construction, contracting for rehabilitation, coordinating work on infrastructure, conducting necessary environmental reviews, etc. To be eligible for funding, applicants must receive a minimum of 10 points under this factor. HUD will not rate any projects further that do not receive a minimum of 10 points under this factor.

(15 points) The applicant has described in detail steps already taken to facilitate the timely implementation of the proposed project (e.g., site selection for new development, units identified for rehabilitation, etc.). The applicant has also adequately described the plans in place to ensure that 100 percent of the funds are obligated within 6 months of project award, 50 percent of the funds are expended within 1 year of project award, and 100 percent of the funds are expended within 2 years of project award.

(10 points) The applicant has adequately described steps already taken to facilitate the timely implementation of the proposed project as well as described the plans in place to ensure that 100% of the funds are obligated within 1 year of project award, 50 percent of the funds are expended within 2 years of project award, and 100 percent of the funds are expended within 3 years of project award.

(0 points) Adequate documentation has not been provided that will ensure the funds will be obligated and expended in accordance with statutory requirements.

Rating Factor 4: Recovery Act Priorities (15 points)

This factor addresses the extent to which applicants submit proposals that address the priorities for the Recovery Act's competitive IHBG program. The Recovery Act states that in awarding these competitive IHBG funds HUD shall give priority to projects that will spur construction and rehabilitation and that will create employment opportunities for low-income and unemployed

persons. The application must demonstrate that low-income and unemployed persons will be recruited for the positions. This factor also provides priority points for proposals that include energy efficiency and conservation measures.

1. Recovery Act Priorities (8 points)

(8 points) 100 percent of the funds (less amounts budgeted for planning and administration) will be used to spur construction and thereby create employment opportunities for low-income and unemployed persons. The application clearly demonstrates how low-income and unemployed persons will be recruited for available positions. The number of jobs created is identified.

(5 points) 80 percent of the funds (less amounts budgeted for planning and administration) will be used to spur construction and create employment opportunities for low-income and unemployed persons. The application adequately demonstrates how low-income and unemployed persons will be recruited for available positions. The number of jobs created is identified.

(3 points) 50 percent of the funds (less amounts budgeted for planning and administration) will be used to spur construction and create employment opportunities for low-income and unemployed persons. The application adequately demonstrates how low-income and unemployed persons will be recruited for available positions. The number of jobs created is identified.

(0 points) None of the funds will be used to spur construction and create employment opportunities for low-income and unemployed persons.

2. Green Development (7 points)

(7 points) The applicant demonstrates how the proposed project will utilize Energy Star appliances and products and incorporate Green Development practices/techniques as spelled out

in Section V.B.2.f. of the General Section to HUD's FY 2009 NOFAs for Discretionary Programs (December 29, 2008, 73 FR 79548). The applicant describes the qualifications of the person(s) responsible for this aspect of the proposed project. Note that the information in the General Section on rating factor points for Green Development is superseded by this NOFA.

(5 points) The applicant demonstrates how the proposed project will utilize Energy Star appliances and products and incorporate Green Development practices/techniques. However, the applicant did not indicate that the practices/techniques spelled out in Section V.B.2.f. of the General Section of HUD's FY 2009 NOFAs for Discretionary Programs will be incorporated.

(3 points) The applicant demonstrates how the proposed project will utilize either Energy Star appliances and products, or incorporate Green Development practices/techniques.

(0 points) Neither Energy Star appliances and products or Green Development practices/techniques will be incorporated into the project/s.

B. Review and Selection Process

1. Application Selection Process. Applicants must meet applicable threshold requirements listed in Section III.C. of this program NOFA. HUD will review an application in accordance with the selection factors described in this section and assign points in accordance with the selection factors described in this section.

2. Application Screening. ONAP will screen applications and will reject an application that fails this screening and will return the application unrated. ONAP will accept applications that meet all the criteria listed below as items (a) through (d).

- a. The application is received or submitted in accordance with the requirements set forth under Application and Submission Procedures in Section IV of this NOFA;
- b. The applicant is eligible;

- c. The proposed project is eligible; and
- d. The application contains substantially all the components specified in Section IV. B. of this NOFA.

3. Threshold Compliance. ONAP will review an application that passes the screening process to ensure that each applicant and each proposed project meets the applicant threshold requirements set forth in Section III.C.2. of this NOFA.

4. Past Performance. An applicant's past performance is evaluated under Rating Factor 1. Applicants are encouraged to address all performance-related criteria prior to the application deadline date. An applicant must score a minimum of 20 points under Rating Factor 1 in order to meet the minimum point requirements outlined below in this NOFA.

5. Review. ONAP will review projects that meet the acceptance criteria and threshold requirements. The total number of points for Rating Factors 1 through 4 is 100.

6. Minimum Points. To be considered for funding, applications must receive a minimum of 20 points under Rating Factor 1, a minimum of 10 points under Rating Factor 3, and overall minimum application score of 70 points.

7. Tiebreakers. If two or more fundable applications are received on the same date and at the same time, the applications will be considered for funding based on the highest points received.

8. Technical Deficiencies and Pre-award Requirements

a. **Technical Deficiencies.** If there are technical deficiencies in successful applications, HUD will notify applicants by e-mail, facsimile, or via the U.S. Postal Service, return receipt requested. Clarifications or corrections of technical deficiencies in accordance with the information provided by HUD must be submitted within five (5) calendar days of the receipt of the HUD notification. (If the deadline falls on a Saturday, Sunday, or federal holiday, the

applicant's correction must be received by HUD on the next day that is not a Saturday, Sunday or federal holiday.) If the deficiency is not corrected within this time, HUD will reject the application as incomplete and it will not be considered for funding.

b. Pre-award Requirements. Successful applicants may be required to provide supporting documentation concerning the management, maintenance, operation, or financing of proposed projects before a grant agreement can be executed. Such documentation may include additional specifications on the scope, magnitude, timing or method of implementing the project; or information to verify the commitment of other resources required to complete, operate, or maintain the proposed project. HUD will notify applicants by email, facsimile or via the U.S. Postal Service, return receipt requested. Applicants will be provided fifteen (15) calendar days from the date of receipt of the HUD notification to respond to these requirements. No extensions will be provided. If the deadline date falls on a Saturday, Sunday, or federal holiday, your response must be received by HUD on the next day that is not a Saturday, Sunday, or federal holiday. If you do not respond within the prescribed time period or you make an insufficient response, HUD will determine that you have not met the requirements and will withdraw the grant offer. You may not substitute new projects for those originally proposed in your application and any new information will not affect your project's rating and ranking. HUD will reallocate in accordance with the provisions of this NOFA, grant amounts that had been allocated for applicants unable to meet pre-award requirements.

c. The time period for calculating the response deadline for technical deficiencies and pre-award requirements begins on the day after receipt of the technical deficiency or pre-award letter from HUD.

9. Error and Appeals. Judgments made within the provisions of this NOFA and the program regulations (24 CFR part 1000) are not subject to claims of error.

10. Performance and Compliance Actions of Funding Recipients. HUD will measure and address the performance of and order compliance actions by funding recipients in accordance with the applicable standards and sanctions of their respective programs.

VI. Award Administration Information

A. Award Notices. HUD expects to announce awards by September 30, 2009. As soon as the review is completed, and a Congressional release has been obtained, a grant award letter, a grant agreement, and other forms and certifications will be mailed to the recipient for signature and return to the Area ONAP. The grant agreement, which is signed by HUD and the recipient, establishes the conditions by which both the Area ONAP and the recipient must abide during the life of the grant. All grants are conditioned on the completion of all environmental obligations in accordance with the requirements of 24 CFR 1000.18 through 1000.24.

B. Administrative and National Policy Requirements

1. Statutory and Regulatory Requirements.

a. Environmental Requirements. Activities under this NOFA are subject to the environmental review provisions set out at 24 CFR 1000.18 and 1000.20. Accordingly, tribes may choose to assume environmental review responsibilities under the National Environmental Policy Act of 1969 (42 U.S.C. 4321) and related laws and authorities, or HUD will perform the environmental review.

(1) If a tribe chooses to assume environmental responsibilities, the tribe must perform environmental reviews of IHBG activities in accordance with 24 CFR part 58. Grantees and other participants in the development process may not commit or expend any IHBG or

nonfederal funds on project activities (other than those listed in 24 CFR 58.22(f), 58.34 or 58.35(b)) until HUD has approved a Request for Release of Funds and environmental certification submitted by the grantee. The expenditure or commitment of IHBG or nonfederal funds for such activities prior to HUD approval may result in the denial of assistance for the project or activities under consideration.

(2) If a tribe declines to assume environmental responsibilities under 24 CFR part 58, HUD will perform the environmental responsibilities under 24 CFR part 50. Where HUD performs the environmental review, selection for award does not constitute approval of any proposed site. Following selection for award, HUD will perform an environmental review of activities proposed for assistance. The results of the environmental review may require that proposed activities be modified or that proposed sites be rejected. Applicants are cautioned not to undertake or commit HUD funds for acquisition or development of proposed properties prior to HUD approval of specific properties or areas. Where the tribe declines to assume environmental responsibilities under 24 CFR part 58, each application constitutes an assurance that the tribe will assist HUD in complying with 24 CFR part 50; will supply HUD with all available relevant information to perform an environmental review for each proposed property; will carry out mitigating measures required by HUD or select alternate property; and will not acquire, rehabilitate, convert, demolish, lease, repair, or construct property, or commit or expend HUD or local funds for these program activities with respect to any eligible property until HUD approval of the property is received. In supplying HUD with environmental information, tribes must use the guidance provided in Notice PIH 99-37, entitled “Indian Housing Block Grant Program: Guidance and Procedures If Tribes Do Not Assume Environmental Review Responsibilities under 24 CFR part 58.” The Notice was extended indefinitely on December 13, 2002 (PIH 02-

25). HUD's funding commitment is contingent on HUD's site approval following an environmental review.

b. Indian Preference. HUD has determined that the IHBG program is subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e(b)). The provisions and requirements for implementing this section are in 24 CFR 1000.48, 1000.50, 1000.52, and 1000.54.

c. Conflict of Interest. In addition to the conflict of interest requirements with respect to procurement transactions found in 24 CFR 85.36 and 24 CFR 84.42, as applicable, the provisions of 24 CFR 1000.30 and 1000.32 apply to such activities as the provision of assistance by the recipient or sub-recipients to businesses, individuals, and other private entities under eligible activities that authorize such assistance.

d. Buy American. NAHBG grantees shall follow Buy American requirements of section 1605 of the Recovery Act and use only iron, steel and manufactured goods produced in the United States in their projects.

e. Participating In HUD-Sponsored Program Evaluation. As a condition of the receipt of financial assistance under a HUD program NOFA, all successful applicants will be required to cooperate with all HUD staff or contractors who perform HUD-funded research or evaluation studies.

f. Drug-Free Workplace. Applicants awarded funds from HUD are required to provide a drug-free workplace.

g. The Lead-Based Paint Poisoning Prevention Act. This Act, as amended by the Residential Lead-Based Paint Hazard Reduction Act of 1992, and implementing regulations at 24 CFR part 35, shall apply to housing that receives Federal assistance under this program.

h. Economic Opportunities for Low- and Very-Low Income Persons (Section 3). Recipients shall comply with section 3 of the HUD Act of 1968 (12 U.S.C. 1701(u)) and HUD's implementing regulations in 24 CFR 135, to the maximum extent feasible and consistent with, but not in derogation of, compliance with section 7(b) of the Indian Self-Determination and Education Assistance Act.

i. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub.L. 109-282) (Transparency Act). Applicants receiving an award from HUD should be aware of the requirements of the Transparency Act. The Transparency Act requires the establishment of a central website that make information available to the public regarding entities receiving federal financial assistance, by not later than January 1, 2008. In fulfillment of the requirements of the Act, OMB launched <http://www.USAspending.gov> in December 2007. The website makes information available to the public on the direct awards made by the federal government. The Transparency Act also requires beginning not later than January 2009, that data on subawards be made available on the same website. The only exceptions to this requirement under the Act are: (i) Federal transactions below \$25,000, (ii) credit card transactions prior to October 1, 2008, (iii) awards to entities from all sources did not exceed \$300,000 in the previous tax year of such entity, and (iv) awards to individuals. Guidance for receiving an exception under item (iii) above has not been finalized by OMB. HUD is responsible for placing award information for direct grantees on the government Web site. Additional information regarding these requirements will be issued by OMB and will be provided when available.

j. False Statements. A false statement in an application is grounds for denial or termination of an award and possible criminal, civil or administrative sanctions.

k. Wage Rate Requirements. Under Section 1606 of the Recovery Act, contractors and subcontractors hired with Recovery Act funds are required to pay prevailing wages to laborers and mechanics in compliance with the Davis-bacon Act. Grantees selected for funding under this program will receive additional guidance on compliance with the Davis-Bacon Act.

C. Reporting

1. IHBG Post-Award Reporting Requirements

a. Quarterly Financial Reports. Grant recipients must submit to the Area ONAP a quarterly SF-272-I, Federal Cash Transaction Report. The report accounts for funds received and disbursed by the recipient. Effective October 1, 2009, the new Federal Financial Report, SF-425, will replace the SF-272-I.

b. Annual Performance Reports. Grant recipients are required to submit an Annual Performance Report (APR) form HUD-52735-A to HUD within 90 days of the end of their program year.

c. Annual Financial Audits. Grant recipients that expend \$500,000 or more in Federal funds are required to submit a complete audit report package to the Federal Audit Clearinghouse within 30 days of receipt from the auditor or nine months after the end of the recipient's fiscal year, whichever occurs earlier. ONAP program recipients are requested to submit a copy of the audit report package to the appropriate ONAP Area Office when the package is submitted to the Clearinghouse. Otherwise for IHBG, a copy of the audit is due to the Area ONAP with the submission of the next APR.

2. Recovery Act Reporting Requirements

a. Grantees will be required to track and report on the obligation and expenditure of Recovery Act funds separately from any other federal funds. HUD will provide the format and additional

reporting instructions to grantees after grant award. Information provided in the reports will be posted to <http://www.hud.gov/recovery>. Reports are due no later than ten calendar days after each calendar quarter in which the recipient receives the assistance award funded in whole or in part by the Recovery Act. Failure to submit Recovery Act reports on time will result in the inability to draw down funds from the Line of Credit Control System (LOCCS). The type of information required in these reports, which is subject to change, will include:

- (1) the total amount of Recovery Act funds received from HUD;
- (2) the amount of Recovery Act funds received that were expended or obligated to projects or activities;
- (3) a detailed list of all projects or activities for which Recovery Act funds were expended or obligated including:
 - (a) the name of the project or activity;
 - (b) a description of the project or activity;
 - (c) an evaluation of the completion status of the project or activity;
 - (d) an estimate of the number of jobs created and the number of jobs retained by the project or activity; and
 - (e) for infrastructure investments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under the Recovery Act, and name of the person to contact at the agency if there are concerns with the infrastructure development.
- (4) Detailed information on agency subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282) allowing aggregate reporting on awards below \$25,000 or to

individuals, as prescribed by the Director of the Office of Management and Budget. Failure to submit Recovery Act reports on time will result in inability to draw down funds from LOCCs.

b. **Environmental Reporting Requirements.** Section 1609(c) of the Recovery Act requires that each agency report on the status of NEPA compliance for all projects under the Recovery Act. Reporting information will be provided to each recipient as soon as it is available.

VII. Agency Contact(s)

A. General Questions. Applicants should direct general program questions to the Area ONAP serving their respective areas.

B. Technical Assistance. Before the application deadline date, HUD staff will be available to provide you with general guidance and technical assistance about the requirements in this NOFA. However, HUD staff is not permitted to assist in preparing your application. Following selection of applicants, but before awards are made, HUD staff is available to assist in clarifying or confirming information that is a prerequisite to the offer of an award.

VIII. Other Information

For additional information about funds available pursuant to the Recovery Act see

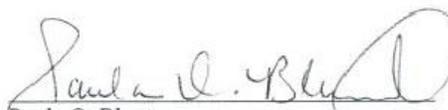
<http://www.recovery.gov>. For information about HUD's Recovery Act programs see

<http://www.hud.gov/recovery>.

A. Paperwork Reduction Act Statement. The information collection requirements in this NOFA are approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520).

B. Environmental Impact. This NOFA provides funding under, and does not alter the environmental requirements of, 24 CFR part 1000. Accordingly, under 24 CFR 50.19(c)(5), this NOFA is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321). Activities under this NOFA are subject to the environmental review provisions set out at 24 CFR 1000.18-1000.24. See also Section VI.B.1.a. of this NOFA.

Dated: May 26, 2009



Paula O. Blunt
General Deputy Assistant Secretary for
Public and Indian Housing

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