

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**{Docket No. FR-5300-N-05}**

**Notice of Funding Availability (NOFA) for HUD's Fiscal Year 2009  
Indian Community Development Block Grant Program**

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

**ACTION:** Notice of Funding Availability for HUD's Fiscal Year (FY) 2009 Indian Community Development Block Grant (ICDBG) Program.

**SUMMARY:** This NOFA announces the availability of funding for approximately \$65 million for HUD's ICDBG Program for FY 2009. HUD's ICDBG Program is authorized by Title I of the Housing and Community Development Act of 1974, and the ICDBG program regulations at 24 CFR part 1003. In addition to the application requirements set forth in this document, applicants must also comply with applicable requirements established in HUD's FY2009 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2009 NOFAs for Discretionary Programs (General Section) published in the Federal Register on December 29, 2008 (73 FR 79548), as amended on April 16, 2009 (74 FR 17685). Applicants should take particular note that they must follow the application submission instructions contained in this NOFA and not use those in the General Section.

**DATES:** The application deadline date is August 7, 2009. Applications must be received by the respective Area Office of Native American Programs (ONAP) no later 5:00 p.m. local time on the application deadline date.

**FOR FURTHER INFORMATION CONTACT:** Questions regarding specific program requirements should be directed to your Area ONAP. A contact list for each Area ONAP can be accessed at <http://www.hud.gov/offices/pih/ih/onap/map/nationalmap.cfm>. Questions regarding

the 2009 General Section should be directed to the Office of Departmental Grants Management and Oversight at 202-708-0667 (this is not a toll-free number) or the NOFA Information Center at 1-800-HUD-8929 (toll-free). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at 1-800-877-8339. The NOFA Information Center is open between the hours of 10:00 a.m. and 6:30 p.m. eastern time, Monday through Friday, except federal holidays.

**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:** Community Development Block Grant (ICDBG) Program for Indian Tribes and Alaska Native Villages.

**C. Announcement Type:** Initial Announcement.

**D. Funding Opportunity Number:** The Federal Register number is FR-5200-N-12. The OMB Approval Number is 2577-0191.

**E. Catalog of Federal Domestic Assistance (CFDA) Number(s):** The Catalog of Federal Assistance (CFDA) Number for the ICDBG program is 14.862.

**F. Dates:** Application Deadline: Applications must be received no later than the deadline date. Please see Section IV of this NOFA for application submission and timely receipt requirements.

**G. Additional Information:**

1. Applicants for funding should carefully review the requirements described in this NOFA, the 2009 General Section, and in supplemental General Section publications. Unless otherwise stated in this NOFA, the requirements of the General Section apply.

2. The total approximate amount of funding available for the ICDBG program for fiscal year 2009 is \$65 million less \$3.96 million retained to fund Imminent Threat grants, for a total of \$61,040,000. Funds that are carried over from previous fiscal years or are recaptured may also be used for grant awards under this NOFA.

3. Eligible applicants are Indian tribes or tribal organizations on behalf of Indian tribes as further described at 24 CFR 1003.5. Specific information on eligibility is located in Section III.A. of this NOFA.

4. Only one ICDBG application may be submitted for each area within the jurisdiction of an entity eligible under 24 CFR 1003. An application may include more than one project, but it cannot exceed the grant ceilings listed in Section II.

## **FULL TEXT OF ANNOUNCEMENT**

### **I. Funding Opportunity Description**

**A. General.** Title I of the Housing and Community Development Act of 1974, which authorizes Community Development Block Grants, requires that grants for Indian tribes be awarded on a competitive basis. All grant funds awarded in accordance with this NOFA are subject to the requirements of 24 CFR part 1003. Applicants within an Area ONAP's geographic jurisdiction compete only against each other for that Area ONAP's allocation of funds.

**B. Authority.** The authority for this program is Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) and the program regulations in 24 CFR part 1003.

**C. Program Description.** The purpose of the ICDBG program is the development of viable Indian and Alaska Native communities, including the creation of decent housing, suitable living environments, and economic opportunities primarily for persons with low- and moderate-

incomes as defined in 24 CFR 1003.4. The ONAP in HUD's Office of Public and Indian Housing administers the program.

**1. Single Purpose Grants.** Projects funded by the ICDBG program must meet the primary objective, defined at 24 CFR 1003.2, to principally benefit low- and moderate-income persons. Consistent with this objective, not less than 70 percent of the expenditures of each Single Purpose grant shall be for activities that meet the regulatory criteria at 24 CFR 1003.208 for:

- a. Area Benefit Activities
- b. Limited Clientele Activities
- c. Housing Activities
- d. Job Creation or Retention Activities

ICDBG funds may be used to improve housing stock, provide community facilities, improve infrastructure, and expand job opportunities by supporting the economic development of the communities, especially by nonprofit tribal organizations or local development corporations.

ICDBG Single Purpose grants are distributed as annual competitive grants, in response to this NOFA.

**2. Imminent Threat Grants.** ICDBG Imminent Threat (IT) grants are intended to alleviate or remove threats to health or safety that require an immediate solution as described at 24 CFR part 1003, subpart E. The problem to be addressed must be such that an emergency situation exists or would exist if the problem were not addressed. The grants provide a solution to problems of an urgent nature that were not evident at the time of the ICDBG Single Purpose funding grant cycle or require immediate action.

You do not have to submit a request for IT funds by the deadline established in this NOFA. The deadline applies only to applications submitted for assistance under 24 CFR part

1003, subpart D, Single Purpose grants. IT requests may be submitted at any time to your Area ONAP after NOFA publication, and if the following criteria are met, the request may be funded until the amount set aside for this purpose is expended. The IT request should include the following documentation:

- a. Independent verification from a third party (i.e., Indian Health Service, Bureau of Indian Affairs) of the existence, immediacy, and urgency of the threat must be provided;
- b. The threat must not be recurring in nature, i.e., it must represent a unique and unusual circumstance that has been clearly identified by the tribe or village;
- c. The threat must affect or impact an entire service area and not solely an individual family or household; and
- d. It must be established that funds are not available from other tribal or federal sources to address the problem. The tribe or village must verify that federal or local agencies that would normally provide assistance for such improvements have no funds available by providing a written statement to that effect. The tribe or village must also verify in the form of a tribal council resolution (or equivalent) that it has no available funds, including unobligated Indian Housing Block Grant funds, for this purpose.

If, in response to a request for assistance, an Area ONAP issues you a letter to proceed under the authority of 24 CFR 1003.401(a), then your application must be submitted to and approved by the Area ONAP before a grant agreement may be executed. Your IT application must include:

- Form SF-424, Application for Federal Assistance;
- A brief description of the project;
- Form HUD-4123, Cost Summary;

- Form HUD-4125, Implementation Schedule; and
- Form HUD-2880, Application /Recipient Disclosure Update Report

The submission should include the form SF-424, Application for Federal Assistance, together with the documentation outlined in Section I.C.2.a., b., c., and d. above. Contact your Area ONAP for more information on IT grants.

#### **D. Definitions Used in this NOFA**

1. **Adopt.** To approve by formal tribal resolution.
2. **Document.** To supply supporting written information and/or data in the application that satisfies the NOFA requirement. Documentation should clearly and concisely support your response to the rating factor.
3. **Entity Other than Tribe.** Entities other than the tribe must have the following characteristics: (a) must be legally distinct from the tribal government; (b) their assets and liabilities cannot be considered to be assets and liabilities of the tribal government; (c) claims against such entities cannot be made against the tribal government; and (d) must have governing boards, boards of directors, or groups or individuals similar in function and responsibility to such boards which are separate from the tribe's general council, tribal council, or business council, as applicable.
4. **Firm Commitment.** A letter of commitment from a partner by which an applicant's partner agrees to perform an activity specified in the application, demonstrates the financial capacity to deliver the resources necessary to carry out the activity, and commits the resources to the activity, either in cash or through in-kind contributions.
5. **Homeownership Assistance Programs.** Tribes may apply for assistance to provide direct homeownership assistance to low- and moderate-income households to: (a) subsidize interest

rates and mortgage principal amounts for low- and moderate-income homebuyers; (b) finance the acquisition by low- and moderate-income homebuyers of housing that is occupied by the homebuyers; (c) acquire guarantees for mortgage financing obtained by low- and moderate-income homebuyers from private lenders (except that ICDBG funds may not be used to guarantee such mortgage financing directly, and grantees may not provide such guarantees directly); (d) provide up to 50 percent of any down payment required from a low- and moderate-income homebuyer; or (e) pay reasonable closing costs (normally associated with the purchase of a home) incurred by a low- and moderate-income homebuyer.

**6. Leveraged Resources.** Leveraged resources are resources that you will use in conjunction with ICDBG funds to achieve the objectives of the project. Leveraged resources include, but are not limited to: tribal trust funds, loans from individuals or organizations, business investments, private foundations, state or federal loans or guarantees, other grants, and non-cash contributions and donated services. (See Rating Factor 4 for documentation requirements for leveraged resources.)

**7. Microenterprise Programs.** Tribes may apply for assistance to operate programs to fund the development, expansion, and stabilization of microenterprises. Microenterprises are defined as commercial entities with five or fewer employees, including the owner. Microenterprise program activities may entail the following assistance to eligible businesses: (a) providing credit, including, but not limited to, grants, loans, loan guarantees, and other forms of financial support for the establishment, stabilization, and expansion of microenterprises; (b) providing technical assistance, advice, and business support services to owners of microenterprises and persons developing microenterprises; and (c) providing general support, including, but not

limited to, peer support programs, counseling, child care, transportation, and other similar services to owners of microenterprises and persons developing microenterprises.

8. **New Applicant.** An applicant that has either never received an ICDBG or an applicant whose prior grants have either been closed or closed subject to audit for more than 12 months prior to the application deadline date. This definition applies to the entity that is submitting the application.

9. **Operations and Maintenance (O&M) for Public Facilities and Improvements.** There are items of expense related to the operation of the physical plant that must be addressed in an O&M plan if the tribe assumes responsibility or if an entity other than tribe will assume these responsibilities. Although the tribe or other entity does not have to submit the O&M plan with the application, it must provide a written statement that the tribe has adopted (or the entity has developed) an O&M plan and that the plan addresses several items. These items include daily or other periodic maintenance activities, repairs such as replacing broken windows, capital improvements or replacement reserves for repairs such as replacing the roof, fire and liability insurance (may not be applicable to most types of infrastructure projects such as water and sewer lines), and security (may not be applicable to many types of infrastructure projects such as roads). (Please note that while it is possible that the service provider may, in its agreement with a tribe, commit itself to cover certain or all facility O&M costs, these costs do not include the program service provision costs related to the delivery of services (social, health, recreational, educational, or other) that may be provided in a facility).

10. **Outcomes.** The ultimate impact you hope to achieve with the proposed project. Outcomes should be quantifiable measures or indicators and identified in terms of the change in the



community, people's lives, economic status, etc. Common outcomes could include increases in percent of housing units in standard condition, homeownership rates, or employment rates.

11. **Outputs.** Outputs are the direct products of a program's activities. They are usually measured in terms of the volume of work accomplished, such as the number of low-income households served, number of units constructed or rehabilitated, linear feet of curbs and gutters installed, or number of jobs created or retained. Outputs should be clear enough to allow HUD to monitor and assess your proposed project's progress if funded.

12. **Project Cost.** The total cost to implement the project. Project costs may be covered by both ICDBG and non-ICDBG funds and resources.

13. **Standard Housing/Standard Condition.** Housing that meets the housing quality standards (HQS) adopted by the applicant. The HQS adopted by the applicant must be at least as stringent as the Section 8 HQS contained in 24 CFR 982.401 (Section 8 Tenant-Based Assistance: Housing Choice Voucher program) unless the Area ONAPs approve less stringent standards based on a determination that local conditions make the use of Section 8 HQS infeasible. At least 30 days before the application deadline, you should submit a request for the approval of standards less stringent than Section 8 HQS to your Area ONAP. The adopted standards must provide for (a) a safe house, in physically sound condition with all systems performing their intended design functions; (b) a livable home environment and an energy efficient building and systems that incorporate energy conservation measures; and (c) adequate space and privacy for all intended household members.

14. **Statement.** When a "written statement" is requested for any threshold, program requirement, or rating factor, the applicant must address in writing the specific item cited.

15. **Tribe.** The word “tribe” means an Indian tribe, band, group or nation, including Alaska Indians, Aleuts, Eskimos, Alaska Native Villages, Alaska Native Claims Settlement Act (ANCSA) Village Corporations, and ANCSA Regional Corporations.

## **II. Award Information**

**A. Available Funds.** The fiscal year 2009 appropriation for the ICDBG program is \$65 million, less \$3.96 million retained to fund Imminent Threat Grants, for a total of \$61,040,000. Funds that are carried over from previous fiscal years or are recaptured may also be used for grant awards under this NOFA. In accordance with the provisions of 24 CFR part 1003, subpart E, HUD has retained \$3.96 million of the FY 2009 appropriation to meet the funding needs of imminent threat requests submitted to any of the Area ONAPs. The grant ceiling for imminent threat requests for FY2009 is \$450,000 (\$900,000 for Presidentially-declared disasters). This ceiling has been established pursuant to the provisions of 24 CFR 1003.400(c).

**B. Allocations to Area ONAPs.** The requirements for allocating funds to Area ONAPs responsible for program administration are found at 24 CFR 1003.101. Following these requirements, based on an appropriation of \$65 million less \$3.96 million for Imminent Threat grants, the allocations for FY 2009 are approximately as follows:

|                    |              |
|--------------------|--------------|
| Eastern/Woodlands: | \$ 6,928,975 |
| Southern Plains:   | \$13,095,381 |
| Northern Plains:   | \$ 8,701,356 |
| Southwest:         | \$22,737,279 |
| Northwest:         | \$ 3,105,735 |
| Alaska:            | \$ 6,471,274 |
| Imminent Threats   | \$ 3,960,000 |

Total \$65,000,000

**C. Grant Ceilings.** The authority to establish grant ceilings is found at 24 CFR 1003.100(b)(1).

Grant ceilings are established for FY 2009 funding at the following levels:

| <b>Area ONAP</b>  | <b>Population</b> | <b>Ceiling</b> |
|-------------------|-------------------|----------------|
| Eastern Woodlands | ALL               | \$600,000      |
| Southern Plains   | ALL               | \$800,000      |
| Northern Plains   | 6,001+            | \$1,100,000    |
|                   | 0-6,000           | \$900,000      |
| Southwest         | 50,001+           | \$5,500,000    |
|                   | 10,501-50,000     | \$2,750,000    |
|                   | 7,501-10,500      | \$2,200,000    |
|                   | 6,001-7,500       | \$1,100,000    |
|                   | 1,501-6,000       | \$825,000      |
|                   | 0-1,500           | \$605,000      |
| Northwest         | ALL               | \$500,000      |
| Alaska            | ALL               | \$600,000      |

For the Southwest Area and Northern Plains ONAP jurisdictions, the population used to determine ceiling amounts is the Native American population that resides on a reservation or rancheria.

Applicants from the Southwest or the Northern Plains ONAP jurisdictions should contact those offices before submitting an application if they are unsure of the population level to use to determine the ceiling amount. The Southwest or Northern Plains Area ONAP, as appropriate,

must approve any corrections or revisions to Native American population data before you submit your application.

**D. Housing Rehabilitation Cost Limits.** Grant funds spent on rehabilitation must fall within the following per-unit limits for each Area ONAP jurisdiction:

|                    |          |
|--------------------|----------|
| Eastern/Woodlands: | \$35,000 |
| Southern Plains:   | \$35,000 |
| Northern Plains:   | \$50,000 |
| Southwest:         | \$50,000 |
| Northwest:         | \$50,000 |
| Alaska:            | \$75,000 |

**E. 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. By accepting a grant, the chief executive officer or other official of the applicant approved by HUD:
  - a. Consents to assume the status of a responsible federal official under the National Environmental Policy Act of 1969 insofar as the provisions of the Act apply to the applicant's proposed program pursuant to 24 CFR 1003.605.
  - b. Is authorized and consents on behalf of the applicant and him/herself to accept the jurisdiction of the federal courts for the purpose of enforcement of his/her responsibilities as such an official.

**Note:** Applicants for whom HUD has approved a claim of incapacity to accept the responsibilities of the federal government for purposes of complying with the environmental

review requirements of 24 CFR part 58, pursuant to 24 CFR 1003.605, are not subject to the provision of paragraph 2.

**F. Period of Performance.** The period of performance for any grant awarded under this NOFA must be included in the Implementation Schedule, form HUD-4125, approved by HUD. This period of performance cannot exceed five years from the period of availability for obligation. For FY 2009, the period of availability for obligation is September 30, 2011, and the Implementation Schedule cannot exceed September 30, 2016. Any funds not drawn down as of September 30, 2016, will be cancelled.

### **III. Eligibility Information**

#### **A. Eligible Applicants**

Eligible applicants are Indian tribes or tribal organizations on behalf of Indian tribes. To apply for funding, you must be eligible as an Indian tribe (or as a tribal organization), as required by 24 CFR 1003.5, by the application deadline date.

Tribal organizations are permitted to submit applications under 24 CFR 1003.5(b) on behalf of eligible tribes when one or more eligible tribe(s) authorize the organization to do so under concurring resolutions. The tribal organization must itself be eligible under Title I of the Indian Self-Determination and Education Assistance Act. The Bureau of Indian Affairs (BIA) or the Indian Health Service (IHS), as appropriate, must make a determination of such eligibility. This determination must be provided to the Area ONAP by the application deadline.

If a tribe or tribal organization claims that it is a successor to an eligible entity, the Area ONAP must review the documentation to determine whether it is in fact the successor entity.

Applicants from within Alaska: Due to the unique structure of tribal entities eligible to submit ICDBG applications in Alaska, and as only one ICDBG application may be submitted for

each area within the jurisdiction of an entity eligible under 24 CFR 1003.5, a tribal organization that submits an application for activities in the jurisdiction of one or more eligible tribes or villages must include a concurring resolution from each such tribe or village authorizing the submission of the application. An application submitted by a tribal organization on behalf of a specific tribe will not be accepted if the tribe itself submits an application for the same funding round. The hierarchy for funding priority continues to be the IRA Council, the Traditional Village Council, the ANCSA Village Corporation, and the ANCSA Regional Corporation.

On April 4, 2008, the BIA published a Federal Register notice entitled, "Indian Entities Recognized and Eligible to Receive Services From the United States Bureau of Indian Affairs" (73 FR 18553). This notice provides a listing of Indian Tribal Entities in Alaska found to be Indian tribes as the term is defined and used in 25 CFR part 83. Additionally, pursuant to Title I of the Indian Self-Determination and Education Assistance Act, ANCSA Village Corporations and Regional Corporations are also considered tribes and therefore eligible applicants for the ICDBG program.

Any questions regarding eligibility determinations and related documentation requirements for entities in Alaska should be referred to the Alaska Area ONAP prior to the application deadline. (See 24 CFR 1003.5 for a complete description of eligible applicants.)

**B. Cost Sharing or Matching.** Cost sharing or matching is not required under this grant; however, applicants who leverage this grant with other funds receive points. See Section V.A. Rating Factor 4.

**C. Other**

1. **HUD Requirements.** Applicants for Single Purpose grants must comply with the HUD Threshold Requirements listed in the General Section, Section III, C. in order to receive an award of funds.

2. **Program-Related Threshold Requirements**

a. **Outstanding ICDBG Obligation.** Pursuant to 24 CFR 1003.301(a), an applicant who has an outstanding ICDBG obligation to HUD that is in arrears, or one that has not agreed to a repayment schedule, will be disqualified from the competition.

b. **Compliance with Fair Housing and Civil Rights Laws.** Applicants and subrecipients that are not federally recognized Indian tribes or their instrumentalities are subject to the Civil Rights threshold requirements found in the General Section. 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; Section 109 prohibitions against discrimination based on age, sex, religion and disability; the Age Discrimination Act of 1975; and Section 504 of the Rehabilitation Act of 1973. To be eligible to apply, there must be no outstanding violations of these civil rights provisions at the time of application.

3. **Project-Specific Threshold Requirements.** Applicants must meet all parts of the project-specific thresholds that are applicable to the proposed project. The thresholds are:

a. **Housing Rehabilitation Project Thresholds.** In accordance with 24 CFR 1003.302(a), for housing rehabilitation projects, you must adopt rehabilitation standards and rehabilitation policies before you submit an application. In addition, you must state that you have in place rehabilitation policies and standards that have been adopted in accordance with tribal law or practice. Do not submit your policies or standards with the application. If you propose to use ICDBG funds to rehabilitate HUD-assisted houses, you must also provide a written statement that project funds will be used to rehabilitate HUD-assisted houses only when the homebuyer's

payments are current or the homebuyer is current in a repayment agreement except because of an emergency situation. For purposes of meeting this threshold, HUD-assisted houses are houses that are owned and/or managed by the tribe or tribally designated housing entity (TDHE). The ONAP Administrator, on a case-by-case basis, may approve exceptions to this requirement if the applicant provides adequate justification for the exception with its application. For housing rehabilitation, your application must contain information that shows that all households that receive ICDBG grant assistance are of low- and moderate-income status.

**b. New Housing Construction Project Thresholds**

(1) In accordance with 24 CFR 1003.302(b), new housing construction can only be implemented when necessary through a Community Based Development Organization (CBDO). Eligible CBDOs are described in 24 CFR 1003.204(c). You must provide documentation establishing that the entity implementing your new housing construction project qualifies as a CBDO.

(2) In accordance with 24 CFR 1003.302(b), you must have a current, in effect, tribal resolution adopting and identifying construction standards.

(3) In accordance with 24 CFR 1003.302(b), you must also include in your application documentation affirming the following:

(a) No other housing is available in the immediate reservation area that is suitable for the households to be assisted;

(b) No other sources, including Indian Housing Block Grants (IHBG), can meet the needs of the household(s) to be served; and

(c) Rehabilitation of the unit occupied by the household(s) to be assisted is not economically feasible;



(d) The household(s) to be housed is currently in an overcrowded house (more than one household per house); or

(e) The household to be assisted has no current residence.

(4) For new housing construction, your application must contain information that shows that all households that receive ICDBG grant assistance are of low- and moderate income status.

**c. Economic Development Project Thresholds.** In accordance with 24 CFR 1003.302(c), for economic development assistance projects, you must provide a financial analysis. The financial analysis must demonstrate that the project is financially feasible and the project has a reasonable chance of success. The analysis must also demonstrate the public benefit resulting from the ICDBG assistance. The more funds you request, the greater the public benefit you must demonstrate. The analysis must also establish that to the extent practicable, reasonable financial support will be committed from non-federal sources prior to disbursement of federal funds; any grant amount provided will not substantially reduce the amount of non-federal financial support for the activity; not more than a reasonable rate of return on investment is provided to the owner; and that grant funds used for the project will be disbursed on a pro-rata basis with amounts from other sources.

**d. Land Acquisition to Support New Housing, Homeownership Assistance, Public Facilities and Improvements, and Microenterprise Projects.** There are no project specific thresholds for these activities.

**4. Public Services.** Because there is a regulatory 15 percent cap on the amount of grant funds that may be used for public service activities, you may not receive a Single Purpose grant solely to fund public service activities. Your application, however, may contain a public service component for up to 15 percent of the total grant, and this component may be unrelated to the

other project(s) in your application. If your application does not receive full funding, HUD will reduce the public service allocation proportionately so that it comprises no more than 15 percent of the total grant award. In making such reductions, the feasibility of the proposed project will be taken into consideration. If a proportionate reduction of the public service allocation renders such a project infeasible, the project will not be funded. A complete description of public service projects is located at 24 CFR part 1003.201(e).

5. **Eligible Activities.** A complete description of activities that are eligible for ICDBG funding is identified at 24 CFR part 1003, subpart C. Rating Factors 2 and 3 included under Section V specify many of the activities listed as eligible under part 1003, subpart C. Those listed include new housing construction (in certain circumstances, as described in Rating Factors 2 and 3), housing rehabilitation, land acquisition to support new housing, homeownership assistance, public facilities and improvements, economic development, and microenterprise programs. However, the following eligible activities not clearly identified by the rating factors may be proposed and rated as described below.

a. **Acquisition of property.** This activity can be proposed as acquisition of land or other real property to support New Housing Construction, Housing Rehabilitation, Public Facilities and Improvements, or Economic Development, depending on the purpose of the acquisition.

b. **Assistance to Institutions of Higher Learning.** If such entities have the capacity, they can help the ICDBG grantees implement eligible projects.

c. **Assistance to Community Based Development Organizations (CBDO).** Grantees may provide assistance to these organizations to undertake activities related to neighborhood revitalization, community economic development, or energy conservation.

- d. **Clearance and Demolition.** These activities can be proposed as part of Housing Rehabilitation, New Housing Construction, Public Facilities and Improvements, Economic Development, or Land to Support New Housing. Section 1003.201 (d) states, “Demolition of HUD-assisted housing units may be undertaken only with the prior approval of HUD.”
- e. **Code Enforcement.** This activity can be proposed as Housing Rehabilitation. The activity must comply with the requirements at 24 CFR 1003.202.
- f. **Comprehensive Planning.** This activity is eligible, and can be proposed as part of any otherwise-eligible project to the extent allowed by the 20 percent cap on the grant for planning/administration.
- g. **Energy Efficiency.** Associated activities can be proposed under Housing Rehabilitation or Public Facilities and Improvements, depending upon the type of energy efficiency activity.
- h. **Lead-Based Paint Evaluation and Abatement.** These activities can be proposed under Housing Rehabilitation.
- i. **Non-Federal Share.** ICDBG funds can be used as a match for any non-ICDBG funding to the extent allowed by such funding and the activity is eligible under 24 CFR part 1003, subpart C.
- j. **Privately and Publicly Owned Commercial or Industrial Buildings (real property improvements).** These activities can be proposed under Economic Development. Privately owned commercial rehabilitation is subject to the requirements at 24 CFR 1003.202.
- k. **Privately Owned Utilities.** Assistance to privately owned utilities can be proposed under Public Facilities and Improvements.
- l. **Removal of Architectural Barriers.** This includes removing barriers that restrict mobility and access for elderly and persons with disabilities. In addition, facilities funded by ICDBG or used in the administration of ICDBG funded projects or activities must be accessible to persons

with disabilities in accordance with Section 504 of the Rehabilitation Act and HUD's regulations at 24 CFR Part 8. Applicants should be aware of the accessibility needs of the persons they intend to serve in ICDBG funded projects and activities, and address these needs in appropriate accessible design features or program modifications to ensure that otherwise qualified persons with disabilities may benefit from them. This activity can be proposed under Housing Rehabilitation or Public Facilities and Improvements, depending upon the type of structure where the barrier will be removed.

m. **Mold.** During the past few years, many tribes have experienced high incidences of mold growth in tribal homes and buildings. Renovation of affected buildings is eligible under housing rehabilitation or public facility improvement projects.

n. **Public Services.** Public services are those which are directed toward improving the community's public services and facilities, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare, homebuyer downpayment assistance or recreational needs. Also see Section III.C.4. above and 24 CFR 1003.201(e).

**6. Ineligible Activities.** In general, any activity that is not authorized under the provisions of 24 CFR 1003.201 through 1003.206 is ineligible to be assisted with ICDBG funds. The regulations at 24 CFR 1003.207 govern ineligible activities and should be referred to for details. The following guidance is provided for determining the eligibility of other activities frequently associated with ICDBG projects.

a. **Government Office Space.** Buildings, or portions thereof, used predominantly for the general conduct of government cannot be assisted with ICDBG funds. Those buildings include, but are not limited to, local government office buildings, courthouses, and other headquarters of

government where the governing body meets regularly. Buildings that contain both governmental and non-governmental services can be assisted so long as the ICDBG funds are used only for the non-governmental sections. An example of an ineligible building is a building to house the community development division or a tribal administration building. The term “Buildings for the general conduct of government,” is further defined at 24 CFR 1003.4. Your Area ONAP office should be consulted for projects of this nature.

**b. General Government Expenses.** Except as authorized in the regulations or under OMB Circular A-87, expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance with ICDBG funds.

**c. Maintenance and Operation Expenses.** In general, any expenses associated with repairing, operating, or maintaining public facilities and services are not eligible for assistance. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities [24 CFR 1003.201(e)], office space for program staff employed in carrying out the ICDBG program [24 CFR 1003.206(a)(4)], and interim assistance [24 CFR 1003.201(f)]. For example, where a public service is being assisted with ICDBG funds, the cost of operating and maintaining that portion of the facility in which the service is located is eligible as part of the public service. Examples of ineligible operating and maintenance expenses are routine and non-routine maintenance and repair of streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with disabilities, parking facilities, and similar public facilities, as well as staff salaries, utility costs, and similar expenses necessary for the operation of public works and facilities.

d. **New Housing Construction.** The construction of new permanent residential structures and any program to subsidize or finance such new construction is ineligible, unless carried out by a Community-Based Development Organization (CBDO) pursuant to 24 CFR 1003.204(a).

e. **Furnishings and Personal Property.** In general, the purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is ineligible. Exceptions include when such purchases are necessary for use in grant administration (24 CFR 1003.206); necessary and appropriate for use in a project carried out by a CBDO (24 CFR 1003.204); used in providing a public service (24 CFR 1003.201(e)); or used as firefighting equipment (24 CFR 1003.201(c)(1)(ii)). However, ICDBG funds may be used to pay depreciation or use allowances (in accordance with OMB Circular A-87 or A-122, as applicable).

f. **Construction Tools and Equipment.** The purchase of construction tools and equipment is generally ineligible. However, compensation for the use of such tools and equipment through leasing, depreciation, or use allowances pursuant to OMB Circulars A-87 and A-122, as applicable, for an otherwise eligible activity, is eligible. Exceptions include construction tools and equipment purchased for use as part of a solid waste facility (24 CFR 1003.201(c)(1)(ii)) and construction tools only (not equipment) purchased for use in a housing rehabilitation project being administered by the recipient using the force account construction method (24 CFR 1003.202(b)(8)).

g. **Income Payments.** In general, assistance shall not be used for income payments for housing or any other purpose. Income payments mean a series of subsistence-type grant payments made to an individual/family for items such as food, clothing, housing (rent/mortgage), or utilities, but excludes emergency payments made over a period of up to three months to the provider of such

items or services on behalf of an individual/family. Examples of ineligible income payments include the payments for income maintenance and housing allowances.

**h. Job Pirating.** ICDBG funds may not be used to assist directly in the relocation of any industrial or commercial plant, facility, or operation, from one area to another, if the relocation is likely to result in a significant loss of employment in the labor market area from which the relocation occurs.

#### **IV. Application and Submission Information**

**A. Addresses to Request Application Package.** Copies of this published NOFA and all application forms for this NOFA may be downloaded from HUD's website at <http://www.hud.gov/offices/adm.grants/fundsavail.cfm>. You may request general information from the NOFA Information Center (800-HUD-8929) or 800-HUD-8339 (TTY) between the hours of 10 a.m. and 6:30 p.m. (Eastern Time) Monday through Friday, except on federal holidays. When requesting information, please refer to the name of the program you are interested in.

#### **B. Content and Form of Application Submission**

**1. Application Information.** All information required to complete a valid application is included in the General Section and in this ICDBG NOFA. Before preparing an application, applicants should carefully review the program description, ineligible activities, program and threshold requirements, the General Section, and supplemental General Section documents. Applicants should also review each rating factor listed in Section V of this NOFA, before writing a narrative response. Indicate on the first page of each project submission the type of project(s) you are proposing: Economic Development, Homeownership Assistance, Housing Rehabilitation, Land Acquisition to Support New Housing, Microenterprise Programs, New

Housing Construction, or Public Facilities and Improvements. This will help to ensure that the appropriate project-specific thresholds and rating subfactors will be applied. Narrative statements submitted to support your application should be individually labeled to reflect the item the narrative is responding to, e.g., Factor 1, Factor 2, etc. It is recommended that you limit your narrative explanations to 15 pages for all factors and provide the necessary data such as a market analysis, a pro forma, housing survey data, etc., that support the response. Applicants should not submit third party documents, such as audits, resolutions, policies, unless specifically asked to do so. Please use separate tabs for each rating factor and rating subfactor. In order to be rated, make sure the response is beneath the appropriate heading. Keep the responses in the same order as the NOFA. Include all material relevant to a response under the same tab. Only include documentation that will clearly and concisely support your response to the rating criteria.

HUD suggests that you do a preliminary rating for your project, providing a score according to the point system in Section V of this NOFA. This will show you how reviewers might score your project and identify its strengths and weaknesses. This will help you determine where you can make improvements prior to its submission. An application checklist for you to use to ensure that you have submitted all required components is found in this section under number 2 below.

**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. Forms may be found on the HUD website.

- a. Narrative to all five of the rating factors listed in Section V.A. of this NOFA
- b. Application for Federal Assistance (SF-424), which includes a Dun and Bradstreet Data Universal Numbering System (DUNS) number



c. Supplement Survey on Ensuring Equal Opportunity for Applicants (“Faith Based EEO Survey (SF-424 SUPP)”)

d. Applicant/Recipient Disclosure/Update Report (form HUD-2880), (“HUD Applicant Recipient Disclosure Report”)

e. If the application is being submitted by a tribal organization as defined in 24 CFR 1003.5(b), on behalf of an Indian tribe, you must submit concurring resolutions from the Indian tribe stating that the tribal organization is applying on the tribe's behalf.

f. A schedule for implementing the project (form HUD-4125, Implementation Schedule)

g. Cost information for each separate project, including specific activity costs, administration, planning, technical assistance and total HUD share (form HUD-4123, Cost Summary). Planning and administrative costs cannot exceed 20 percent of the grant. The following criteria apply to planning and administrative costs:

(1) Planning and administrative activities may be funded only in conjunction with a physical development activity.

(2) If you are submitting an application for more than one project, costs must be broken down by project. Submit one form HUD-4123 for each proposed project in addition to a consolidated form HUD-4123 that includes costs for all proposed projects.

(3) Do not include project costs (i.e., architectural/engineering, environmental, technical assistance, staff/overhead costs) directly related to the project.

(4) Indirect costs may be charged to the ICDBG program under a cost sharing plan prepared in accordance with OMB Circular A-21, A-87, or A-122 as applicable

- h. Evidence in the form of a tribal resolution that the applicant has met the citizen participation requirements of 24 CFR 1003.604(a) and considered any comments and made any necessary modifications to the application
- i. A map showing project location, if appropriate
- j. Low- and moderate-income benefit. Your application must contain information that indicates at least 70 percent of the grant funds will be used for activities that benefit low- and moderate-income persons, in accordance with the requirements of 24 CFR 1003.208. For housing activities, including but not limited to, acquisition or rehabilitation of housing, conversion of non-residential structures and new housing construction, all households that receive ICDBG grant assistance must be of low- and moderate-income status.
- k. Demographic data. If applicable, demographic information that complies with the requirements in Section V.A. Rating Factor 2 of this NOFA. The data accompanying the statement must identify the total number of persons benefiting from the project and the total number of low- and moderate-income persons benefiting from the project. To be considered, supporting documentation must include all of the following: a sample copy of a survey form, an explanation of the methods used to collect the data, and a listing of incomes by household including household size.
- l. Project-Specific Thresholds. Applicants must respond to project-specific thresholds outlined in Section III.C.3, as applicable. The Project-Specific Thresholds for Housing Rehabilitation, New Housing Construction, and Economic Development have submission requirements that must be addressed in the application in order to meet the applicant threshold requirements and for the project to be rated.

m. Commitment to Housing for Land Acquisition to Support New Housing Projects. For land acquisition to support new housing projects, your application must include evidence of financial commitment and an ability to construct at least 25 percent of the housing units on the land proposed for acquisition. This evidence must consist of one (or more) of the following: a firm or conditional commitment to construct (or to finance the construction of) the units; documentation that an approvable application for the construction of these units has been submitted to a funding source or entity; or documentation that these units are specifically identified in the Indian Housing Plan (IHP), (one-Year Financial Resources Narrative; Table 2, Financial Resources, Part I, Line 1E; and Table 2, Financial Resources, Part II) submitted by or on behalf of the applicant as an affordable housing resource with a commensurate commitment of Indian Housing Block Grant (IHBG) (also known as NAHBG) resources. If the IHP for the IHBG (also known as NAHBG) program year that coincides with the implementation of the ICDBG proposed project has not been submitted, you must provide an assurance that the IHP will specifically reference the proposed project. The IHP submission must occur within three years from the date the land is acquired and ready for development.

n. Health Care Facilities. If you propose a facility that would provide health care services funded by the Indian Health Service (IHS), you must provide a statement that the facility will meet all applicable IHS facility requirements. HUD recognizes that tribes that are contracting services from the IHS may establish other facility standards. These tribes must assure that these standards at least compare to nationally accepted minimum standards.

o. Correctional Facilities/Juvenile Detention Centers. If you propose a correctional facility or juvenile detention center that would provide correctional services to be funded by the U.S. Department of Justice (DOJ) and/or Bureau of Indian Affairs (BIA), you must provide a

statement that the facility meets all applicable BIA standards regarding correctional operations, programs and designs.

p. Code of Conduct. If your Code of Conduct (code) 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, you must submit a copy of your code with your application.

q. Disclosure of Lobbying Activities (SF-LLL). This form must be submitted by State-recognized Indian tribes and tribally designated housing entities established only under state law.

r. Optional submissions are:

- (1) You Are Our Client! Grant Applicant Survey (HUD 2994-A) (Optional); and
- (2) Program Outcome Logic Model, HUD-96010. See Rating Factor V for information.

### **C. Submission Dates and Times**

1. **Application Submission Deadline.** The application deadline date is August 7, 2009.

Applications must be received no later than 5:00 p.m. local time at the Area ONAP designated for your jurisdiction on the application deadline date.

2. **Mailing and Receipt Procedures.** Applicants should submit one original and one copy of their applications to the respective ONAP. A list identifying each Area ONAP jurisdiction is provided at <http://www.hud.gov/offices/pih/ih/codetalk/onap/map/nationalmap.cfm> under the ICDBG program. Applications may be mailed using DHL, Falcon Carrier, Federal Express (FedEx), United Parcel Services (UPS), or the United States Postal Service (USPS).

In order to have your application package delivered and not returned to sender, you must have the package accepted by a postal clerk at a post office counter. At the counter, you can proceed to obtain the necessary postage and the USPS Form 3817 or the receipt received from the post office showing the postal facility name, location and date and time of mailing, as noted below

under Proof of Timely Submission. Be sure to obtain a receipt for applications submitted to delivery services or to the USPS.

**3. Proof of Timely Submission.** In the case of a disputed submission for applications mailed by the USPS, the proof of timely submission to the Area ONAP will be the Certificate of Mailing (USPS Form 3817). If the postal service does not normally postmark large packages, the proof of timely submission shall be received by the application deadline date, and upon request by a HUD official, proof of mailing using USPS Form 3817, Certificate of Mailing or a receipt from the post office which contains the post office name, location, and date and time of mailing. For submission through the USPS, no other proof of timely submission will be accepted. If items are mailed from the post office using express mail delivery service, the express mail receipt will be acceptable if it indicates the date and time of mailing. In the case of disputed submissions for applications submitted to HUD via a delivery service other than the USPS, the documentary proof of timely submission will be the delivery service receipt indicating the application was submitted to the delivery service at least 24 hours prior to the application due date and, through no fault of the applicant, delivery could not be made on or before the application due date. If a courier attempting application delivery is turned away from a HUD facility due to security issues, this situation will not be considered as meeting the requirement of “no fault of the applicant.” Applicants have been advised that delivery issues can arise when use of courier services results in late application submission.

Please remember that mail to federal facilities is screened prior to delivery, so please allow time for your package to be delivered. If you mail your application to the wrong location and the office designated for receipt in accordance with these submission requirements does not receive it, your application will be considered late and not be considered for funding. HUD will not be

responsible for directing it to the appropriate office. Applications that are hand delivered or submitted by facsimile will not be accepted. See 24 CFR part 5.

**C. Intergovernmental Review.** Indian tribes are not subject to the Intergovernmental Review process.

**D. Funding Restrictions.** See Sections III.C.4 and 6 and Sections IV.B.2.h. and k. of this NOFA.

## V. Application Review Information

### A. Criteria

1. **RC/EZ/EC-II:** Bonus points described in the General Section for projects located in RC/EZ/EC-IIs will not be awarded under this NOFA.

2. **Rating Factors to Evaluate and Rate Applications:** 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 through 5. To be considered for funding, your application must receive a minimum of 15 points under rating factor 1 and an application score of at least 70 points. The following summarizes the points assigned to each rating factor and each rating subfactor and lists which rating subfactors apply to which project types. Please use this table to ensure you are addressing the appropriate rating subfactor for your project.

| <b>RATING FACTOR</b> | <b>TITLE</b>  | <b>POINTS</b>    | <b>PROJECT TYPE</b>                  |
|----------------------|---|------------------|--------------------------------------|
| <b>1</b>             | <b>CAPACITY OF THE APPLICANT</b>                    | <b>30</b>        | <b>Minimum of 15 Points Required</b> |
| <b>1</b>             | Managerial, Technical and Administrative Capability | <b>15 or 30*</b> |                                      |
| <b>1.a.</b>          | Managerial and Technical Staff                      | <b>8</b>         | All Project Types                    |
| <b>1.b.</b>          | Project Implementation Plan                         | <b>3 or 8*</b>   | All Project Types                    |

|             |   |                 |  |
|-------------|---|-----------------|--|
| <b>1.c.</b> | Financial Management  | <b>2 or 7*</b>  | All Project Types  |
| <b>1.d.</b> | Procurement and Contract Management   | <b>2 or 7*</b>  | All Project Types  |
| <b>2.</b>   | Past Performance  | <b>15 or 0*</b> |  |
| <b>2.a.</b> | Implementation Schedule   | <b>3 or 0*</b>  | All Project Types  |
| <b>2.b.</b> | Reports   | <b>3 or 0*</b>  | All Project Types  |
| <b>2.c.</b> | Close-outs  | <b>3 or 0*</b>  | All Project Types  |
| <b>2.d.</b> | Audits  | <b>3 or 0*</b>  | All Project Types  |
| <b>2.e.</b> | Findings  | <b>3 or 0*</b>  | All Project Types  |
| <b>2</b>    | <b>NEED/EXTENT OF THE PROBLEM</b>   | <b>16</b>       |  |
| <b>1</b>    | Need and Viability  | <b>4</b>        | All Project Types  |
| <b>2</b>    | Project Benefit   | <b>12</b>       | All Project Types  |
| <b>2.a.</b> | Public Facilities and Improvement Projects  | <b>12</b>       | Public Facilities and Improvement Projects   |
| <b>2.b.</b> | Economic Development Projects   | <b>12</b>       | Economic Development Projects  |
| <b>2.c.</b> | New Housing Construction, Housing Rehabilitation, Land Acquisition to Support New | <b>12</b>       | New Housing Construction, Housing Rehabilitation, Land Acquisition to Support New Housing, and Homeownership Assistance Projects |
| <b>2.d.</b> | Microenterprise Programs  | <b>12</b>       | Microenterprise Programs   |
| <b>3</b>    | <b>SOUNDNESS OF APPROACH</b>  | <b>36</b>       |  |
| <b>1</b>    | Description of and Rationale for Proposed Project                                 | <b>13</b>       | All Project Types  |
| <b>2</b>    | Budget and Cost Estimates   | <b>8</b>        | All Project Types  |
| <b>3</b>    | HUD Policy Priorities   | <b>2</b>        | All Project Types  |
| <b>4</b>    | Intent to Meet Section 3 Requirements   | <b>1</b>        | All Project Types  |
| <b>5</b>    | Commitment to Sustain Activities  | <b>12</b>       |  |

|              |   |            |  |
|--------------|---|------------|--|
| <b>5.a.</b>  | Public Facilities and Improvement Projects            | <b>12</b>  | Public Facilities and Improvements   |
| <b>5.b.</b>  | New Housing Construction, Housing Rehabilitation, and | <b>12</b>  | New Housing Construction, Housing Rehabilitation, and Homeownership Assistance |
| <b>5.c.</b>  | Economic Development Projects                         | <b>12</b>  | Economic Development Projects  |
| <b>5.d.</b>  | Microenterprise Programs                              | <b>12</b>  | Microenterprise Programs   |
| <b>5.e.</b>  | Land Acquisition Projects to Support New Housing      | <b>12</b>  | Land Acquisition to Support New Housing  |
| <b>4</b>     | <b>LEVERAGING RESOURCES</b>                           | <b>8</b>   | All Project Types  |
| <b>5</b>     | <b>COMPREHENSIVENESS AND COORDINATION</b>             | <b>10</b>  | All Project Types  |
| <b>1</b>     | Coordination  | <b>2</b>   | All Project Types  |
| <b>2</b>     | Outputs, Outcomes and/or Goals                        | <b>8</b>   | All Project Types  |
| <b>TOTAL</b> |   | <b>100</b> | <b>Minimum of 70 Points Required</b>   |

\* The first number listed indicates the maximum number of points available to current ICDBG grantees under this subfactor. The second number indicates the maximum number of points available to new applicants.

### **Rating Factor 1: Capacity of the Applicant (30 points)**

This factor addresses the extent to which you have the organizational resources necessary to successfully implement the proposed activities in accordance with your implementation schedule. If applicable, past performance in administering previous ICDBG grants will be taken into consideration. You must address the existence or availability of these resources for the specific type of activity for which you are applying. To be eligible for funding you must receive a minimum of 15 points under this factor for your proposed activity. HUD will not rate any projects further that do not receive a minimum of 15 points under this factor. If you are funded, your progress will be measured against your Implementation Schedule and/or the Logic Model, form HUD-96010.



**1. Managerial, Technical, and Administrative Capability (15 points for current ICDBG grantees and 30 points for new applicants).** Your application must include a description demonstrating that you possess or can obtain 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 in accordance with your implementation schedule. 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 (8 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 in accordance with the implementation schedule for which funding is being requested. 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.

**(8 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).

**(4 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 (within 5 years), is not relevant (pertains to the specific activities being proposed or the specific roles and responsibilities described in the application), or is not successful (produced 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 (3 points for current ICDBG grantees and 8 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, may serve as this required schedule, provided that it is sufficiently detailed to demonstrate that you have clearly thought out your project implementation.

**(3 points for current ICDBG grantees and 8 points for new applicants).** The applicant submitted a project implementation plan that clearly specifies tasks and timelines.

**(2 points for current ICDBG 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 ICDBG grantees or new applicants).** The applicant did not submit a project implementation schedule that addressed all tasks and timelines

**c. Financial Management (2 points for current ICDBG grantees and 7 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 1003. 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 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 which 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 ICDBG application deadline date. Do not submit financial management and/or internal control policies and procedures or your audit with the application.

**(2 points for current ICDBG grantees and 7 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 1003. 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. If the applicant has stated that it is not required to submit an audit, it will receive two points.

**(1 points for current ICDBG grantees and 4 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 not describe how its financial management system meets the requirements of 24 CFR Part 85 and 24 CFR Part 1003.

**(0 points for current ICDBG 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 1003.

**d. Procurement and Contract Management (2 points for current ICDBG grantees and 7 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 1003. 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.

**(2 points for current ICDBG grantees and 7 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 1003. 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. If the applicant has stated that it is not required to submit an audit, it will receive two points.

**(1 point for current ICDBG grantees and 4 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 not describe how its procurement and contract management policies and procedures meet the requirements of 24 CFR part 85 and 24 CFR part 1003.

**(0 points for current ICDBG grantees or new applicants).** The applicant's current audit included 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 1003.

**2. Past Performance (15 points for current ICDBG 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 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. Implementation Schedule (3 points for current ICDBG grantees and 0 points for new applicants).**

**(3 points)** The applicant is not more than 90 days behind schedule in meeting the timeframes established in the HUD-approved implementation schedule.

**(2 points)** The applicant is not more than 120 days behind schedule in meeting the timeframes established in the HUD-approved implementation schedule.

**(0 points)** The applicant is more than 120 days behind schedule in meeting timeframes established in the HUD-approved implementation schedule.

**b. Reports (3 points for current ICDBG grantees and 0 points for new applicants).** Annual Status and Evaluation Reports (ASER) and Federal Cash Transaction Reports are submitted by the report submission deadlines. The ASER is due 45 days after the end of the federal fiscal year on November 15. Federal Cash Transaction Reports are due quarterly on April 21, July 21, October 20, and January 22.

**(3 points)** The applicant has submitted both the ASER and Federal Cash Transaction Reports for ICDBG programs within 15 days of the report submission deadlines.

**(2 points)** The applicant has submitted either the Federal Cash Transaction Reports or the ASERs for ICDBG 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.

**c. Close-outs. (3 points for current ICDBG grantees and 0 points for new applicants).** The applicant has submitted close-out documents to HUD by the required deadline. Close-out documents are required for the ICDBG program within 90 days of the date it is determined that the criteria for close-out at 24 CFR 1003.508 have been met.

**(3 points)** The applicant submitted close-out documents to HUD in accordance with the timeframe and criteria at §1003.508.

**(0 points)** The applicant has not submitted close-out documents to HUD as required by §1003.508.

**d. Audits. (3 points for current ICDBG grantees and 0 points for new applicants).** The applicant has submitted annual audits 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.

**(3 points)** The applicant has submitted annual audits 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 3 points.

**(0 points)** The applicant has not submitted annual audits 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.

**e. Findings (3 points for current ICDBG grantees and 0 points for new applicants).** The applicant has resolved ICDBG 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.

**(3 points)** The applicant resolved open ICDBG monitoring findings and controlled audit findings by the established target date. If there were no open audit or ICDBG monitoring findings (current grantees only), the applicant will receive 3 points.

**(0 points)** The applicant has not resolved open ICDBG monitoring findings and controlled audit findings by the established target date.

**Rating Factor 2: Need/Extent of the Problem (16 points)**



This factor addresses the extent to which there is a need for the proposed project to address a documented problem among the intended beneficiaries.

**1. Need and Viability (4 points)**

**(4 points)** Your application includes quantitative information that demonstrates that the proposed project meets an essential community development need and is critical to the viability of the community.

**(2 points)** Your application includes quantitative documentation but it does not demonstrate that the project meets both an essential community need and is critical to the viability of the community.

**(0 points)** Your application did not include quantitative documentation.

**2. Project Benefit (12 points)** Your project benefits the neediest segment of the population, in accordance with the ICDBG program's primary objective defined at 24 CFR 1003.2. The criteria for this sub-factor vary according to the type of project for which you are applying.

**a. Public Facilities and Improvement Projects (12 points)**

The proposed activities benefit the neediest segment of the population, as identified below. In order to meet the requirements of this section, you must submit the most recently available Decennial Census information or you may submit data that are unpublished, not generally available, and not older than the latest Census data. If you are submitting demographic data other than the Census, your application must contain a statement that the following criteria have been met:

- Generally available published data are substantially inaccurate or incomplete;
- Data that you submit have been collected systematically and are statistically reliable;
- Data are, to the greatest extent feasible, independently verifiable; and

- Data differentiate between reservation and BIA service area populations, when applicable.

The data accompanying the statement must identify the total number of persons benefiting from the project and the total number of low- and moderate-income persons benefiting from the project. To be considered, supporting documentation must include all of the following: a sample copy of a survey form, an explanation of the methods used to collect the data, and a listing of incomes by household including household size;

**(12 points)** At least 85 percent of the beneficiaries are low- and moderate-income.

**(8 points)** At least 75 percent but less than 85 percent of the beneficiaries are low- and moderate-income.

**(4 points)** At least 55 percent but less than 75 percent of the beneficiaries are low- and moderate-income.

**(0 points)** Less than 55 percent of the beneficiaries are low- or moderate-income.

**b. Economic Development Projects (12 points)**

The proposed activities benefit the neediest segment of the population, as identified below. For economic development projects, you may consider beneficiaries of the project as persons served by the project and/or persons employed by the project, and jobs created or retained by the project. For persons served by the project, you must submit the most recently available Decennial Census information or you may submit data that are unpublished, not generally available, and not older than the latest Census data as described in 2.a. above.

For documenting persons employed by the project, you do not need to submit a demographic data statement and corresponding documentation. However, you do need to submit information that describes the nature and number of the jobs created or retained for low/moderate income

people. Such information includes, but is not limited to, brief descriptions of proposed job responsibilities, job titles, salaries, and the number of full-time equivalent positions. If you believe jobs will be retained as a result of the ICDBG project, include information that shows clearly and objectively that jobs will be lost without the ICDBG project. Jobs that are retained only for the period of the grant will not count under this rating factor.

**(12 points)** At least 85 percent of the beneficiaries are low- and moderate-income.

**(8 points)** At least 75 percent but less than 85 percent of the beneficiaries are low- and moderate-income.

**(4 points)** At least 55 percent but less than 75 percent of the beneficiaries are low- and moderate-income.

**(0 points)** Less than 55 percent of the beneficiaries are low- and moderate-income.

**c. New Housing Construction, Housing Rehabilitation, Land Acquisition to Support New Housing, and Homeownership Assistance Projects (12 points).**

The need for the proposed project is determined by utilizing data from the tribe's 2008 IHBG formula information.

This amount has been computed for each tribe and posted in the "Factor 2 Needs Table" that is available at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm> under the ICDBG program.

**(12 points)** The dollar amount for the Indian tribe is \$311 - \$750 or the tribe's total FY 2008 IHBG amount was \$100,000 or less and the Needs Table indicates that the Indian tribe has American Indian and Alaskan Natives (AIAN) households experiencing income or housing problems.

**(8 points)** The dollar amount for the Indian tribe is \$751 - \$1,250.

**(4 points)** The dollar amount for the Indian tribe is \$1,251 - \$3,999.

**(0 points)** The dollar amount for the Indian tribe is \$4,000 or higher, or the Needs Table indicates that the Indian tribe has no AIAN households experiencing income or housing problems.

**d. Microenterprise Programs (12 points)**

A microenterprise is a business that has five or fewer employees, one or more of whom owns the enterprise. The owner(s) of the microenterprise must be low- and moderate-income and the majority of the jobs created or retained will be for low- and moderate-income persons. To evaluate need, the nature of the jobs created or retained will be evaluated. For documenting persons employed by the project, you do not need to submit a demographic data statement and corresponding documentation. However, you do need to submit information that describes the nature and number of the jobs created or retained for low/moderate income people. Such information includes, but is not limited to, brief descriptions of proposed job responsibilities, job titles, salaries, and the number of full-time equivalent positions. If you believe jobs will be retained as a result of the ICDBG project, include information that shows clearly and objectively that jobs will be lost without the ICDBG project. Jobs that are retained only for the period of the grant will not count under this rating factor.

The owners of the microenterprises are low- and moderate-income and:

**(12 points)** All employees are low- and moderate-income.

**(8 points)** At least 75 percent but less than 100 percent of the employees are low- and moderate-income.

**(4 points)** At least 50 percent but less than 75 percent of the employees are low- and moderate-income.

**(0 points)** Less than 50 percent of the employees are low- and moderate-income.

**Rating Factor 3: Soundness of Approach (36 points)**

This factor addresses the quality and anticipated effectiveness of your proposed project to enhance community viability and meet the needs you have identified in Rating Factor 2 and the commitment to sustain your proposed project. The populations that were described in demographics that documented need should be the same populations that will receive the primary benefit of the proposed project.

**1. Description of and Rationale for Proposed Project (13 points)**

**(13 points)** The proposed project is a viable and cost effective approach to address the needs outlined under Rating Factor 2 of your application. The proposed project is described in detail and you indicate why you believe it will be most effective in addressing the identified need. In order for an application to receive full credit under this factor, the application must demonstrate how the community's viability will be enhanced, as presented in Rating Factor 5. The application includes a description of the size, type, and location of the project and a rationale for project design. If your application is for construction of housing or a public facility building or rehabilitation project, it must also include anticipated cost savings related to project development due to program design or construction methods. For land acquisition to support new housing projects, you must establish that there is a reasonable ratio between the number of net usable acres to be acquired and the number of low- and moderate-income households to benefit from the project.

**(10 points)** The proposed project is a viable and cost-effective approach to address the needs outlined under Rating Factor 2 of the application. 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, as well as a

rationale for project design. For land acquisition to support new housing projects, the applicant has established that there is a reasonable ratio between the number of net usable acres to be acquired and the number of low- and moderate-income households to benefit from this project. The application (for construction of housing or a public facility building or rehabilitation projects) does not include anticipated cost savings due to program design and/or construction methods.

**(6 points)** The proposed project is a viable and cost-effective approach to address the needs outlined under Rating Factor 2 of the application. The project is described and you indicate 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. For land acquisition to support new housing projects, the applicant has established that there is a reasonable ratio between the number of net usable acres to be acquired and the number of low- and moderate-income households to benefit from the project. The application (for construction of housing or a public facility building or rehabilitation activities) does not include anticipated cost savings due to program design and/or construction methods.

**(0 points)** The proposed project is not a viable and cost-effective approach to address the needs outlined under Rating Factor 2 of the application. The proposed project is not described in detail with an indication of why the applicant believes the project will be most effective in addressing the identified need. For land acquisition to support new housing projects, the applicant has not established that there is a reasonable ratio between the number of net usable acres to be acquired and the number of low- and moderate-income households to benefit from the project. The application (for construction of housing or a public facility building and rehabilitation activities) does not include anticipated cost savings due to program design and/or construction methods.

## 2. Budget and Cost Estimates (8 points)

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

**(8 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.

**(4 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. HUD Policy Priorities (2 points)

Your application addresses the goals for “Promoting Energy Star and Green Development,” one of HUD’s 2009 policy priorities, as described in Section V.B.2.f. of the **General Section**.

Applicants that design, build, rehabilitate, or operate housing or community facilities will receive one policy priority point if they incorporate energy-efficiency measures in the design, construction and operation of their properties. Applicants that demonstrate they will undertake green development in the implementation of their program are eligible to receive one additional policy priority point. This additional policy priority point for green development is only available to applicants that fulfill the requirements for use of Energy Star appliances and products, plus undertake green development. You must be prepared to report on progress in meeting this priority.

## 4. Intent to Meet Section 3 Requirements (1 point)

Your application demonstrates how you will apply the Section 3 requirements of the Housing and Urban Development Act of 1968 and the regulations in 24 CFR part 135 (Economic Opportunities for Low- and Very Low-Income Persons) to the proposed project. You must demonstrate how you will incorporate Section 3 principles, with goals for expanding opportunities for Section 3 residents and business concerns, to your proposed project. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons (but not in derogation of compliance with the Indian Preference provisions in Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e(b)).

**5. Commitment to Sustain Activities (12 points)**

Your application demonstrates your commitment to your community's viability by sustaining your proposed activities. The information provided is sufficient to determine that the project will proceed effectively.

The criteria for this sub-factor vary according to the type of project for which you are applying.

**a. Public Facilities and Improvement Projects (12 points)**

**(12 points)** If a tribe or an entity other than the tribe will have operation and maintenance responsibilities for the public facilities and improvements, provide a written statement that the tribe has adopted, or the entity has developed, the operation and maintenance plan and commits the necessary funds to provide for these responsibilities. In addition, describe how the operation and maintenance plan addresses maintenance, repairs, insurance, security, and replacement reserves and include a cost breakdown for annual expenses. For public facility buildings only, a



commitment is included in the application that identifies the source of and commits the necessary operating funds for any recreation, social, or other services to be provided. In addition, letters of commitment from service providers are included that address both operating expenses and space needs. For infrastructure projects such as water lines, the operations and maintenance plan need not provide for security.

**(8 points)** If a tribe or an entity other than the tribe will have operation and maintenance responsibilities for the public facilities and improvements, provide a written statement that the tribe has adopted, or the entity has developed, the operation and maintenance plan and commits the necessary funds to provide for these responsibilities. In addition, a description was included that shows that the operation and maintenance plan addresses only four of the following items (maintenance, repairs, insurance, security, and replacement reserves) but a satisfactory cost breakdown for annual expenses was not included. For community buildings only, a commitment is included in the application that identifies the source of and commits the necessary operating funds for any recreation, social, or other services to be provided. In addition, letters of commitment from service providers are included that address both operating expenses and space needs. Information provided is sufficient to determine that the project will proceed effectively.

**(4 points)** If a tribe, or an entity other than the tribe, will have operation and maintenance responsibilities for the public facilities and improvements, the application includes a written statement that the tribe has adopted, or the entity has developed, the operation and maintenance plan and commits the necessary funds to provide for these responsibilities, or a description of the operation and maintenance plan is included that shows that the plan addresses only three of the following items (maintenance, repairs, insurance, security, and replacement reserves). Letters of commitment to provide services are included but they do not address operating expenses and

space needs. Information provided is sufficient to determine that the project will proceed effectively.

**(0 points)** None of the above criteria is met.

**b. New Housing Construction, Housing Rehabilitation, and Homeownership Assistance**

**Projects (12 points)**

**(12 points)** The ongoing maintenance responsibilities are clearly identified for the tribe and/or the participants, as applicable. If the tribe or another entity is assuming maintenance responsibilities, then the applicant must describe the maintenance responsibilities and provide a commitment to that effect.

**(8 points)** Maintenance responsibilities for the tribe and/or participants are identified and described, but lacking in detail, and the commitment regarding maintenance responsibilities is submitted.

**(4 points)** Tribal maintenance responsibilities are identified but participant responsibilities are either not addressed or do not exist, or there is no commitment regarding maintenance responsibilities.

**(0 points)** None of the above criteria is met.

**c. Economic Development Projects (12 points)**

In addition to information requested in the economic development threshold requirement at Section III.C.3(c) of this NOFA, you must describe: how your project will operate; why it is needed in your market/area; and how and why the project will succeed.

**(12 points)** All three components have been addressed and evidence is provided that the project's chance for financial success is excellent.

**(8 points)** Two of the above components have been addressed and evidence is provided that the project's chance for financial success is reasonable.

**(4 points)** One of the above components has been addressed and evidence is provided that the project's chance for financial success is marginal.

**(0 points)** None of the above components have been addressed.

**d. Microenterprise Programs (12 points)**

Your application must include a description of your microenterprise program including the types of assistance offered to microenterprise applicants and the types of entities eligible to apply for such assistance. You must describe your processes for analyzing microenterprise applicants' business plans, market studies, and financial feasibility. For credit programs, you must describe your process for determining the loan terms (i.e. interest rate, maximum loan amount, duration, loan servicing provisions) to be offered to individual microenterprise applicants.

**(12 points)** All of the above information or documentation applicable to the proposed project is thoroughly addressed in the application and evidence is provided that the chance for success is excellent.

**(8 points)** Most of the above information or documentation applicable to the proposed project is addressed in the application and evidence is provided that the chance for success is reasonable.

**(4 points)** Some of the of the above information or documentation applicable to the proposed project is addressed in the application and evidence is provided that the chance for success is marginal.

**(0 points)** None of the above criteria is met.

**e. Land Acquisition Projects to Support New Housing (12 points)**

Applications must include the results of a preliminary investigation conducted by a qualified independent entity demonstrating that the proposed site has: suitable soil conditions for housing and related infrastructure; potable drinking water accessible for a reasonable cost; access to utilities; vehicular access; drainage; nearby social and community services; and no known environmental problems.

**(12 points)** The application includes all of the above-mentioned items and all necessary infrastructure is in place.

**(8 points)** The application includes the results of a preliminary investigation conducted by a qualified independent entity which demonstrates that the proposed site(s) is/are suitable for housing but that not all necessary infrastructure is in place. A detailed description of resources to be used and a detailed implementation schedule for development of all necessary infrastructure indicates such infrastructure, as needed for proposed housing development, will be developed in time for such development, but no later than two years after site purchase.

**(4 points)** The application demonstrates that the proposed site(s) could be suitable for housing but only a limited amount of infrastructure is in place. The results of a preliminary investigation by a qualified independent entity is not included.

**(0 points)** None of the above criteria is met.

**Rating Factor 4: Leveraging Resources (8 points)**

HUD believes that ICDBG 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 ICDBG funds. To encourage this, HUD will award points based on the percentage of non-ICDBG resources provided relative to project costs as follows:

| <u>Non-ICDBG 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 18 percent | 4             |
| At least 18 percent but less than 25 percent | 6             |
| 25 percent or more                           | 8             |

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 grants including IHBG (also known as NAHBG) 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 environmental review requirements under 24 CFR part 58 apply to the commitment or use of both ICDBG and non-ICDBG funds in a leveraged project. See Section VI.B. of this NOFA for information related to this requirement.

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 (if you have received

a waiver of the electronic submission requirement) or for electronically submitted applications, the documentation must be scanned and submitted as part of the application documents or sent by facsimile transmittal (see the **General Section**). 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 ICDBG assistance. In the case of IHBG funds, whether the tribe or a TDHE administers them, an approved Indian Housing Plan (IHP) must identify and commit the IHBG resources to the project. Do not submit the IHP with your application. ONAP will rely on the most recently approved IHP on file. If the tribe/TDHE intends to include the leveraged commitment in a future IHP, the application must contain a written statement that identifies and commits the IHBG resources to the project subject to the same requirements as above.

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.

HUD recognizes that in some cases, firm commitments of non-tribal resources may not be obtainable by your tribe by the application deadline. For such projected resources, your

application must include a statement from the contributing entity that describes why the firm commitment cannot be made at the current time and affirms that your tribe and the proposed project meets eligibility criteria for receiving the resource. In addition, a date by which the funding decisions will be made must be included. This date cannot be more than six months from the anticipated date of grant approval by HUD. Should HUD not receive notification of the firm commitment within 6 months of the date of grant approval, HUD will recapture the grant funds approved and will use them in accordance with the requirements of 24 CFR 1003.102.

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 5: Comprehensiveness and Coordination (10 Points)**

This factor addresses the extent to which your project planning and proposed implementation reflect a coordinated, community-based process of identifying and addressing needs, including assisting beneficiaries and the program to achieve self-sufficiency/sustainability. The applicant should describe the project's specific benchmarks, outputs, outcomes, and goals for enhancing community viability. The applicant should also indicate how you will measure and evaluate how the goals are being met.

Applicants are strongly encouraged to use the Logic Model, HUD form 96010, to provide information on the measurable outputs, outcomes and program evaluation requirements.

Alternatively, this information can be submitted in a narrative format.

**1. Coordination (up to 2 points)** The application addresses the extent to which you have coordinated your proposed ICDBG activities with other organizations and/or tribal departments that are not providing direct financial support to your proposed work activities, but with which you share common goals and objectives and are working toward meeting these objectives in a holistic and comprehensive manner. For example, your project is consistent with and, to the extent possible, identified in the IHP (One-Year Financial Resources Narrative; Table 2, Financial Resources, Part I., Line 1E; and, Table 2, Financial Resources, Part II) submitted by you or on your behalf for the IHBG (also known as NAHBG) program. If the IHP for the IHBG (also known as NAHBG) program year that coincides with the implementation of the ICDBG proposed project has not been submitted, you must provide a written statement that when submitted, the IHP will specifically reference the proposed project.

**2. Outputs, Outcomes, and/or Goals (up to 8 points)** The extent to which your proposed project identifies, measures and evaluates the specific benchmarks, outputs, outcomes and/or goals of your project that enhance community viability.

Outputs must include, where applicable:

- Number of houses rehabilitated;
- Number of jobs created;
- Square feet for any public facility;
- Number of education or job training opportunities provided;
- Number of homeownership units constructed or financed;



- Number of businesses assisted (including number of minority/Native American);
- Number of families proposed to be assisted through a drug-elimination program, or through a program to reduce or eliminate health-related hazards.

Outcomes must include, where appropriate:

- Reduction in the number of families living in substandard housing;
- Increased income resulting from employment generated by project;
- Increased quality of life due to services provided by the public facility;
- Increased economic self-sufficiency of program beneficiaries;
- Increase in homeownership rates;
- Reduction of drug-related crime or health-related hazards.
- The relationship of the activities to the proposed outcomes.

HUD is providing a Master Logic Model as a Microsoft Excel™ file with dropdown listings from which applicants may select the items in each column that reflect their activity outputs and outcomes. The Master Logic Model listing also identifies the unit of measure that HUD is interested in collecting for the output and outcome selected. Applicants can also select the appropriate estimated number of units of measure to be accomplished and identified for each output and outcome. The space next to the output and outcome is intended to capture the anticipated units of measure. Multiple outputs and outcomes may be selected per project. The Logic Model form may be found with other forms at

<http://hud.gov/offices/pih/ih/grants/icdbg.cfm>.

## **B. Review and Selection Process**

1. **Application Selection Process.** You must meet all the applicable threshold requirements listed in Section III.C. of this program NOFA. Your application must meet all screening for

acceptance requirements and all identified applicant and project specific thresholds. HUD will review each application and assign points in accordance with the selection factors described in this section.

**2. Application Screening.** The Area ONAP will screen applications for Single Purpose grants. The Area ONAP will reject an application that fails this screening and will return the application unrated. The Area ONAP will accept your application if it meets all the criteria listed below as items (a) through (e).

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

b. You are eligible;

c. The proposed project is eligible;

d. Your application contains substantially all the components specified in Section IV. B. of this NOFA; and

e. Your application shows that at least 70 percent of the grant funds are to be used for activities that benefit low- and moderate-income persons, in accordance with the requirements of 24 CFR 1003.208. For screening purposes only, HUD will use the 2000 census data if the data you submitted does not meet this screening requirement. For housing activities, all units must be occupied by low- and moderate-income households in accordance with 24 CFR 1003.208(c).

**3. Threshold Compliance.** The Area ONAP will review each application that passes the screening process to ensure that each applicant and each proposed project meets the applicant threshold requirements set forth in 24 CFR 1003.301(a) and the project specific threshold requirements set forth in 24 CFR 1003.302 and III.C. 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 15 points under Rating Factor 1 in order to meet the minimum point requirements outlined below in this NOFA.

5. **Rating.** The Area ONAP will review and rate each project that meets the acceptance criteria and threshold requirements.

After the applications are rated, a summary review of all applications will be conducted to ensure consistency in the application rating. The summary review will be performed by either the Grants Management Director (or designee) or by a panel composed of up to three staff members.

The total number of points for rating factors 1 through 5 is 100.

6. **Minimum Points.** To be considered for funding, your application must receive a minimum of 15 points under Rating Factor 1 and an application score of 70 points.

7. **Ranking.** All projects will be ranked against each other according to the point totals they receive, regardless of the type of project or component under which the points were awarded. Projects will be selected for funding based on the final ranking to the extent that funds are available. The Area ONAP will determine individual grant amounts in a manner consistent with the considerations set forth in 24 CFR 1003.100(b)(2). Specifically, the Area ONAP may approve a grant amount less than the amount requested. In doing so, the Area ONAP may take into account the size of the applicant, the level of demand, the scale of the activity proposed relative to need and operational capacity, the number of persons to be served, the amount of funds required to achieve project objectives, and the reasonableness of the project costs. If the Area ONAP determines that there are not enough funds available to fund a project as proposed

by the applicant, it may decline to fund that project and may fund the next highest-ranking project or projects for which adequate funds are available. The Area ONAP shall select, in rank order, additional projects for funding if one of the higher-ranking projects is not funded or if additional funds become available.

8. **Tiebreakers.** When rating results in a tie among projects and insufficient resources remain to fund all tied projects, the Area ONAP will approve projects that can be fully funded over those that cannot be fully funded. When that does not resolve the tie, the Area ONAP will use the following factors in the order listed to resolve the tie:

- (a) The applicant that has not received an ICDBG over the longest period of time.
- (b) The applicant with the fewest active ICDBGs.
- (c) The project that would benefit the highest percentage of low- and moderate-income persons.

#### 9. **Technical Deficiencies and Pre-award Requirements**

a. **Technical Deficiencies.** If there are technical deficiencies in successful applications, you must satisfactorily address these deficiencies before HUD can make a grant award. See the General Section at V.B.4. for information on curing deficiencies.

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 facsimile or via the U.S. Postal Service, return receipt requested. Applicants will be provided thirty (30) 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, the Area ONAP 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. The Area ONAP will award, 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 pre-award letter from the Area ONAP.

**10. Error and Appeals.** Judgments made within the provisions of this NOFA and the program regulations (24 CFR part 1003) are not subject to claims of error. You may bring arithmetic errors in the rating and ranking of applications to the attention of the Area ONAPs within 30 days of being informed of your score. Please see Section VI.A. of the General Section for further information regarding errors.

**11. 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 December 14, 2009. As soon as rating and ranking are completed, the applicant has complied with any pre-award requirements, and 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 and approval of release of funds by the Area ONAP in accordance with the requirements of 24 CFR part 58. HUD may impose other grant conditions, if additional actions or approvals are required, before the use of funds.

## **B. Administrative and National Policy Requirements**

### **1. Statutory and Regulatory Requirements.**

**a. Environmental Requirements.** As required by 24 CFR 1003.605, ICDBG grantees must perform environmental reviews of ICDBG activities in accordance with 24 CFR part 58.

Grantees and other participants in the development process may not commit or expend any ICDBG 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 ICDBG or nonfederal funds for such activities prior to HUD approval may result in the denial of assistance for the project or activities under consideration.

**b. Indian Preference.** HUD has determined that the ICDBG 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 1003.510.

**c. Anti-discrimination Provisions.** Under the authority of Section 107(e)(2) of the CDBG statute, HUD waived the requirement that recipients comply with the anti-discrimination provisions in Section 109 of the CDBG statute with respect to race, color, and national origin.

You must comply with the other prohibitions against discrimination in Section 109 (HUD's regulations for Section 109 are in 24 CFR part 6) and with the Indian Civil Rights Act.

**d. Conflict of Interest.** In addition to the conflict of interest requirements with respect to procurement transactions found in 24 CFR 85.36 and 84.42, as applicable, the provisions of 24 CFR 1003.606 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.

**e. Economic Opportunities for Low- and Very Low-Income Persons (Section 3).** Section 3 requirements under 24 CFR part 135 apply to the ICDBG program but, as stated in §135.3(c), the procedures and requirements of part 135 apply to the maximum extent consistent with, but not in derogation of, preferences for the benefit of Indians under §7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e(b)).

**f. Affirmatively Furthering Fair Housing.** Applicants under this NOFA do not have a submission requirement related to the obligation to affirmatively further fair housing as required by Section 808(e) of the Fair Housing Act because Section 106(a)(1) of the Housing and Community Development Act exempts Indian tribes from this obligation.

**2. OMB Circulars and Government-wide Regulations Applicable to Financial Assistance Programs.** The policies, guidance and requirements of OMB Circular A-87, Cost Principles Applicable to Grants, Contracts and other Agreements with State and Local Governments; and OMB Circular A-122, Cost Principles for Nonprofit Organizations; and OMB Circular A-133, Audits of State and Local Governments, and Nonprofit Organizations; and the regulations at 24 CFR part 85, Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments apply to the award, acceptance, and

use of assistance under the ICDBG program and to the remedies for noncompliance, except when inconsistent with the provisions of the Consolidated Appropriations Act, 2006 (Pub L. 109-115; approved November 30, 2005) or the ICDBG program regulations at 24 CFR part 1003. Copies of the OMB Circulars may be obtained from EOP publications. Room 22000, New Executive Office Building, Washington, DC 20503, telephone (202) 395-3080 (this is not a toll-free number) or (800) 877-8339 (TTY Federal Information Relay Service). Information may also be obtained from the OMB website at <http://www.whitehouse.gov/omb/circulars/index.html>.

## **C. Reporting**

### **1. Post-Award Reporting Requirements**

a. Quarterly Financial Reports. Grant recipients must submit to the Area ONAP a quarterly SF-272, 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.

b. Annual Status and Evaluation Report. Recipients are required to submit this report in narrative form annually. The report is due 45 days after the end of the federal fiscal year and at the time of grant close-out. The report must include:

(1) The narrative report must address the progress made in completing approved activities and include a list of work remaining, along with a revised implementation schedule, if necessary. This report should include progress on any outputs or outcomes specified in Rating Factor 5 and incorporated into the final award document (applicants can use the Logic Model (HUD-96010) to address all or some of the narrative requirements).

(2) A breakdown of funds spent on each major project activity or category; and



(3) If the project has been completed, an evaluation of the effectiveness of the project in meeting the community development needs of the grantee, as well as the final outputs and outcomes.

c. **Minority Business Enterprise Report.** Recipients must submit this report on contract and subcontract activity during the first half of the fiscal year by April 10 and, by October 10 for the second half of the fiscal year.

d. A close-out report must be submitted by the recipient within 90 days of completion of grant activities. The report consists of the final Financial Status Report (forms SF 269 or 269A), the final Status and Evaluation Report including outputs and outcomes agreed upon in the final award document relating to Rating Factor 5 and the Close-Out Agreement. More information regarding these requirements may be found at 24 CFR 1003.506 and 1003.508. Effective October 1, 2009, the new Federal Financial Report, SF-425, will replace the SF-269 and SF-269A.

## **VII. Agency Contact(s)**

**A. General Questions.** You should direct general program questions to the Area ONAP serving your area. A contact list for each Area ONAP can be accessed at <http://www.hud.gov/offices/pih/ih/codetalk/onap/map/nationalmap.cfm>. Persons with speech or hearing impairments may call HUD's TTY number 202 708-0770, or 1-800-877-8339 (the Federal Information Relay Service TTY). Other than the "800" numbers, these numbers are not toll-free.

**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 the General Section and 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**

**A. Paperwork Reduction Act Statement.** The information collection requirements in this NOFA have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2577-0191. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. Public reporting burden for the collection of information is estimated to average 43 hours per annum for the application and grant administration. This includes the time for collecting, reviewing, and reporting the data. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

**B. Environmental Impact.** This NOFA provides funding under, and does not alter the environmental requirements of, 24 CFR part 1003. 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 1003.605. See also Section VI.B.1.a. of this NOFA.

Dated:     May 18, 2009    

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

FR-5300-N-05]