

MEMORANDUM

December 10, 2018

To: Housing Clients

From: Hobbs, Straus, Dean & Walker, LLP

Subject: HUD Notice PIH-2013-29: Providing Interim Funding to IHBG Recipients

As in many past years, final appropriations for HUD have not yet been enacted by October 1, the start of the federal Fiscal Year (FY). HUD programs currently have limited funding under a Continuing Resolution, but this limited funding may result in administrative delay in allocating the 2019 Indian Housing Block Grant (IHBG) to recipients. In 2013, HUD released a notice, PIH-2013-29, to provide instructions to tribes and TDHEs on the process for requesting an advance on IHBG funds when there is limited funding under a Continuing Resolution.

The notice provides specific instructions for tribes and TDHEs requesting an advance on IHBG funds, which are summarized as follows:

Eligibility: Tribes/TDHEs are eligible for an advance of funds if the following conditions apply:

- 1. An Indian Housing Plan (IHP) for the current FY has been submitted and determined to be in compliance with NAHASDA; and
- 2. There are no unobligated development or modernization program funds or reserves available that were provided under the 1937 Housing Act; and
- 3. There are no unobligated IHBG funds available, excluding any funds invested in accordance with 24 CFR §1000.58.

Amount of Advance: The amount of advance allowable will be limited to 25 percent of the current FY IHBG estimated formula allocation amount for each tribe unless the Area Office of Native American Programs (AONAP) approves a higher amount, based on justification submitted by the recipient and agreed to by the AONAP.

Eligible Expenses: Funds will be provided to a tribe/TDHE only for expenses for the first and second quarters of the current federal FY. Eligible expenses include salaries, benefits, taxes, insurance, travel, training, emergency maintenance for 1937 Housing Act housing units, and renewal of tenant-based or project-based rental assistance. Funds also can be used for affordable housing activities, including modernization of 1937 Housing

Act units, development, housing services, crime prevention and safety activities, and model activities as described in Section 202 of NAHASDA.

Submission Requirements: To request an advance on the current FY formula funds, a tribe/TDHE must submit a letter from the recipient's authorizing official requesting an advance on the current FY IHBG funds. This letter must include a certification that no unobligated funds are available from 1937 Act reserves, 1937 Housing Act modernization or development program funds, or IHBG program funds. The letter should be sent to the AONAP Administrator.

Final Steps: Once the AONAP and Headquarters Office of Native American Programs process the request, a Funding Approval/Agreement, form HUD 52734-B, and compliance letter will be sent to the tribe/TDHE. The tribe/TDHE must complete and return those documents. After the formula allocation is determined, the tribe/TDHE funding documents must be amended for any recipient who has received advance funding.

Conclusion

Please let us know if you have any questions about requesting an advance on 2019 IHBG funds. Do not hesitate to contact Ed Goodman at egoodman@hobbsstraus.com or by phone at (503) 242-1745.