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MEMORANDUM

May 21, 2020

To: Tribal Housing Clients

From: Ed Clay Goodman

Re: ICDBG-CARES Act Funding Implementation Notice

On May 15, 2020, the U.S. Department of Housing and Urban Development ("HUD") issued an Implementation Notice (Notice PIH 2020-11) for the Indian Community Development Block Grant ("ICDBG") Imminent Threat funding provided under the CARES Act ("ICDBG-CARES"). On May 20, 2020 and May 21, 2020, HUD ONAP hosted two training sessions for Tribes and Tribal organizations on the ICDBG-CARES program Notice, waivers, and application submissions. These sessions both included a repeat of the general ICDBG-CARES program training offered by HUD on May 15, 2020. Slides for the general training can be found at: https://www.hud.gov/program_offices/public_indian_housing/ih/Covid_Recovery.

However, most of the time on both calls involved specific questions and answers. This memo covers the question and answers section of both calls regarding the ICDBG-CARES application process as well as potential uses and limits on uses of the funding. For a number of the questions, the presenters urged participants to review HUD's COVID-19 waiver notice, PIH Notice 2020-05, available here: <u>https://www.hud.gov/sites/dfiles/PIH/documents/PIH2020-05.pdf</u>.

Heidi J. Frechette, ONAP Deputy Assistant Secretary, Jad Atallah, ONAP Director of Performance and Planning, Hilary Atkin, ONAP Director of Grants Management, and Gary Nemec, ONAP Director of Grants Evaluation answered questions from callers.

Questions from May 20, 2020 HUD Call.

- 1. Are the required applications for ICDBG-CARES grants on the website? Where can we find the Notice of Funding Availability (NOFA) forms?
 - The forms required for the grant are listed in the Implementation Notice in Section 5. There is no NOFA for this as should just file the requirements in the Implementation Notice. Applicants can find the forms on the ONAP website: <u>https://www.hud.gov/program_offices/public_indian_housing/ih/Covid_ Recovery</u>.

- 2. Can we send multiple emails if the application is too big to send in one email?
 - Yes, applicants can send multiple emails. The first one that applicants send will determine the time stamp of the application. Applicants should submit the subsequent emails as soon as possible after submitting the first email. Additionally, applicants should be able to send zip files to reduce the size of the application. Applicants may also send a test email with all of their files before 3:00 PM eastern time on June 1st 2020 to determine if they will bounce back but they will have to resubmit after 3:00 PM eastern time. Applicants must submit their applications to ICDBGCARES@hud.gov. Applications sent to Area ONAP offices will not be accepted. Applications will be considered and awarded on a first-come, first-serve basis. There is no page limit for the application.
- 3. Is there a format or template requirement of the detailed budget?
 - No format or template is required.
- 4. Are there any formatting requirements, such as font size or type?
 - There are no requirements for formatting.
- 5. What date should we start our project date for our project implementation schedule?
 - HUD recommends picking a date about a month out after applicants submit the application. HUD will work with tribes and TDHEs to change the start date as needed after the funds are awarded.
- 6. Can applicants include more than one project in one submittal? Do applicants need separate texts and timelines if so?
 - Applicants can submit multiple projects as part of one submittal, and applicants may, but are not required to, use separate text for the multiple projects
- 7. Can applicants combine different types of requests?
 - Yes.
- 8. Will state-recognized tribes be eligible for ICDBG-CARES funding?
 - Some tribes are, some are not. If an applicant is a state-recognized tribe, reach out to your Area ONAP office to determine if applicants are eligible.
- 9. On the amount chart, does the amount listed for the various thresholds determine the ICDBG-CARES amount?
 - No. Those are the caps; the ICDBG-CARES grant amounts will not exceed those amounts for those threshold levels.
- 10. Will there be additional webinars covering the environmental review processes and timelines?

- Look at the HUD exchange website for existing webinars covering the environmental reviews: <u>https://www.hudexchange.info/programs/environmental-review/</u>. HUD will likely be releasing new webinars as new information is available on the ICDBG-CARES environmental review process.
- 11. Can we serve all tribal members or only those within our service area?
 - Tribes and TDHEs can follow the same approach as under ICDBG funds, which is that there is no service area limitation under ICDBG.
- 12. Can we apply for ICDBG funds to expedite progress of another ICDBG project already underway?
 - It depends on the situation, as applicants must consider whether the project is preventing, preparing for, and responding to COVID-19. However, funding for expediting progress of such projects may be possible. Tribes and TDHEs should reach out to their Area ONAP with specific questions about this.
- 13. Will HUD give more weight to applications proposing longer term remedies than to short term "band aids"?
 - HUD will not be using any weighting in awarding ICDBG-CARES funds. Tribes and TDHEs should review the Implementation Notice carefully. However, HUD will apply more scrutiny if a project is scheduled to take 12 months or more.
- 14. How quickly will HUD notify tribes and TDHEs that their applications are approved?
 O HUD will notify grantees as soon as possible on a rolling basis.
- 15. When will ICDBG FY 2019 awards be announced?
 - HUD will notify grantees as soon as possible.
- 16. Who should tribes contact with specific questions about eligible projects?
 - Tribes and TDHEs should reach out to their Area ONAP office.
- 17. Can applicants use these funds to provide laptops, hotspots, internet service, etc. to children, elders, and disabled tribal members?
 - This is probably okay as a public service, as the Waiver Notice does allow funding to be used for equipment. Tribes and TDHEs should make sure the equipment is reasonable.
- 18. Can Tribes and TDHEs use funds used to pay for a consultant who prepared the ICDBG-CARES application?
 - Yes, however, the 20% cap on administration and planning costs applies.

- 19. Is adding a safety shield to tribal office reception desk an allowable use of the ICDBG-CARES funds?
 - No, this sounds like a retrofit of a government building, which is not an allowable use.
- 20. Can tribes and TDHEs use ICDBG-CARES funds to repairs of the homes of seniors?
 - Yes, this is an allowable use of the funds, as long as it is preventing, preparing for, or responding to COVID-19.
- 21. Can we use ICDBG-CARES funds to purchase multifamily units in neighboring areas to house homeless and tribal citizens?
 - Yes, this is an allowable use of the funds, as long as it is preventing, preparing for, or responding to COVID-19.
- 22. Are there any waivers for the existing grant caps in PIH Notice 2020-11?
 No.
- 23. Are indirect costs allowable?
 - Yes. The same indirect cost rules apply as for normal ICDBG grants.
- 24. Will matching funds be required? • No.
- 25. Will there be extensions on submittal of SF425 forms?
 - Yes, the extensions apply to all SF425s. See PIH Notice 2020-05.
- 26. What is deadline for funds to be spent?
 - The deadline is September 30, 2025, but tribes and TDHEs should spend the funds as expeditiously as possible, given that it is emergency funding that must be used to prevent, prepare for, or respond to COVID-19. The applications should include an implementation schedule, which HUD will scrutinize. Project funds should be spent within one to two years of the award, although HUD may consider allowing the funds to be spent within three years if it is a big project.
- 27. Do tribes and TDHEs have to comply with the citizen participation requirement?
 - Yes, tribes and TDHEs must comply with the citizen participation requirement. Tribes and TDHEs should currently be developing plans for what projects to apply for and how they will make the plans available to the public, including providing the public with a forum to give feedback. If applicants are able to submit a tribal resolution certifying compliance with citizen participation, they should do so. But if applicants are not able to obtain the resolution before submitting their application, that is okay. However, a tribal resolution is required

before tribes and TDHEs receive the ICDBG-CARES award. If tribes and TDHEs cannot practically obtain resolution because their tribe is shut down, HUD will consider a waiver request.

- 28. Per NOFA and 24 CFR 1003.206, is the indirect cost capped at 20% of the budget?
 - Yes, applicants are subject to the 20% cap on administration and planning expenses. Many indirect costs will be counted towards this cap. Even if an applicant has negotiated an indirect cost rate with another agency that is higher than 20%, you cannot go over that cap when using the ICDBG-CARES funding. Please review 2 CFR part 200 and 24 CFR part 1003 to understand how indirect costs are funded under the ICDBG.
- 29. Can applicants use these funds to renovate a building that was already built using ICDBG funds?
 - Yes as long as the renovation or use is tied to COVID-19.
- 30. What is the CFDA number for this grant?
 - The CFDA number is the same as the regular ICDBG: 14.862.
- 31. Can we submit a One Drive link instead of submitting attachments?Yes.
- 32. Is double spacing required?
 - There are no format requirements.
- 33. Is a leverage or match required for the ICDBG-CARES grant?o No.
- 34. The Implementation Notice says ICDBG-CARES funds can be used to provide emergency payments for low income families– where can applicants find the income limits?
 - HUD has published updated limits on HUD ONAP website. https://www.hud.gov/program_offices/public_indian_housing/ih.
- 35. For construction projects, is there a waiver on submitting architectural plans?
 - Yes, such plans do not need to be submitted.
- 36. In addition to costs used to build a broadband facility, would the cost for a business plan be required to spell out how a broadband facility would be eligible?
 - Yes, the application must show that the project prevents, prepares for, or responds to COVID-19.

- 37. Can applicants use funds to purchase a building to turn it into SRO for homeless people?
 - Yes, the application must show that the project prevents, prepares for, or responds to COVID-19.
- 38. In response to COVID-19, the tribe had to furlough employees but is continuing to pay for their insurance. Are insurance costs allowable for funds?
 - This proposed use of ICDBG-CARES funds would not likely be allowable, unless the payments were somehow used to carry out funding of ICDBG-CARES grant. The ICDBG-CARES funding cannot be used to cover salaries and expenses if the employees have not helped distribute or implement ICDBG-CARES funding.
- 39. Is there a local median income ("LMI") requirement for use of ICDBG-CARES funding?
 - There is no LMI requirement overall, but there are some requirements for using emergency funds for over-income families. See the IHBG-CARES Training Slides posted at <u>https://www.hud.gov/program_offices/public_indian_housing/ih</u> for more information.
- 40. The Implementation Notice mentioned that HUD encourages tribe to spend funds expeditiously. Does this mean one or two years or up to seven years?
 - There is no set timeline, but HUD will be looking with more scrutiny at those projects that are longer than a 12 month timeframe. The cut-off date for the grant is September 30, 2025.
- 41. Are road improvement projects an allowable use of this grant?
 - Yes, as long as the project prevents, prepares for, or responds to COVID-19. It would fall under the public facilities/public improvements category. Anything typically eligible under the normal ICDBG program is eligible but it must tie to COVID-19.
- 42. Can tribes submit more than one application?
 - No, only one application per tribe is allowed.
- 43. Can a tribe apply for both ICDBG and ICDBG-CARES grants?
 - Yes, but HUD is reserving the regular ICDBG funding for non-COVID-19 imminent threat activities.
- 44. Will the training slides be emailed to participants?
 - The slides will be posted on HUD website. <u>https://www.hud.gov/program_offices/public_indian_housing/ih</u>.
- 45. What happens if a recipient is engaged in home construction during COVID-19 and then the pandemic is declared over? Will the recipient have to return the funds?

- Not sure, but tribes should spend funds expeditiously. The emergency declaration does not require that funds immediately returned when the declaration is removed. However, there will come a point when the response to COVID-19 is over and tribes cannot use money for that purpose.
- 46. Can a tribe use a single source procurement of a contractor who is already building a neighborhood and has already created a design-build plan?
 - Tribes should look at 2 CFR 200.320, which provides information on procurement requirements for construction. For the current pandemic, a delay in procurement due to competitive procurement could be the basis for the public emergency exception. In such instances, tribes and TDHEs would not need to conduct a competitive procurement. But look carefully at the regulation and the PIH 2020-05 waiver notice for the requirements for non-competitive procurement. *See* PIH Notice 2020-05.
- 47. Regarding the Public Notice for citizen participation, how detailed must the announcement be? Can it be general and provide only general details?
 - Tribes and TDHEs should follow the process for submitting comments for environmental reviews, which include providing the project description and the amount of funding available. 24 CFR 1003.604 provides general guidelines on the citizen participation requirements. In PIH Notice 2020-05, HUD did remove the requirement that tribes hold one or more meetings.
- 48. Will there be future teleconferences, will they be specific to region, and when will regional offices reach out to Alaska tribes?
 - HUD is hosting national trainings now; they do not plan on having regional trainings on the Implementation Notice.
- 49. SF424 form link on the website is not opening. Is there another way to get the form?
 - Look at HUD COVID-19 recovery website: <u>https://www.hud.gov/program_offices/public_indian_housing/ih/Covid_</u> <u>Recovery.</u> Training slides from 5/15/2020 HUD training on ICDBG-CARES are posted on that same website. Reach out to HUD if applicants continue to have problems.
- 50. When taking on any new construction for new homes, will HUD require approval of the use of force account crews?
 - This is a regulatory requirement that has not been waived, so tribes and TDHEs should work with their Area ONAP to get such approval. However, you do not need approval prior to the time of the application submittal.

- 51. What is the difference between the application requirements for a written statement and a written description for submittals?
 - The written statement should include information on how the activity will respond to COVID-19. The written description should include information on how activities will be carried out in appropriate timeline.
- 52. After submitting the application, will applicants receive a notice that the application was received?
 - Yes, applicants will receive an auto response that HUD received application and then a second notice saying that the application is complete.
- 53. Can applicants submit for more than one activity as long as applicants do not exceed the funding threshold?
 - Yes, the application may include multiple activities or projects.
- 54. Who do we contact if we have technical problems in submitting application?
 - No specific person is currently set as a technical contact, but HUD will be monitoring the email inbox at that time.
- 55. How long does the FONSI have to be published before tribes submit the 7015.15 Request for Release of Funds (RROF)?
 - Tribes and TDHEs should look at the HUD exchange website for resources on the RROF.
- 56. We have a need for tiny homes or temporary modular homes; can we bypass the RFP process for modular homes?
 - There are regulations in 2 CFR part 200 governing single-source procurement where applicants can streamline procurement when there is a public emergency.
- 57. May 100% of project funding be used for public services?
 - Yes, congress recognized the substantial need for public services, so there no 15% cap on public service activities.
- 58. If tribes purchase "tiny homes" for housing people during the COVID-19 pandemic, after COVID-19 has run its course, can tribes use those homes at their discretion?
 - HUD has program requirements governing real property acquired with funds under any HUD program. If tribes spend more than \$25,000 on a property, applicants have to ensure that the continued use is consistent with the original purpose for five years after the grant is closed out. Applicants should look at 24 CFR 1003.504. If tribes do not have a continued need for the property consistent with the original purpose, they can get rid of the property or change the purpose, with certain parameters. HUD will give more guidance on this down the road.

- 59. Can funds be used to provide direct assistance for payment to use for living expenses?
 - Generally, funds cannot be used for such assistance. The ICDBG-CARES legislation includes an express prohibition against welfare payments. It is allowable to provide emergency assistance payments for rent, utilities, clothing, medical equipment, and other necessities. If the assistance is for low and moderate income families, tribes and TDHEs can provide six months assistance to them, but must maintain documentation. Such assistance may be paid directly to the families, or to third parties such as landlords. If tribes or TDHEs are providing assistance to over-income families, they can provide payments for up to three months.
- 60. Regarding non-supplanting clauses, does this extend to funds planned in tribes' future budgets?
 - If applicants have tribal sources that have been committed, they cannot use ICDBG-CARES funds to change the budgets and de-obligate tribal funds. However, if the budget is just a general future plan but does not include concrete plans right now, then using ICDBG-CARES funds for those tentative plans does not constitution supplanting tribal funds.
- 61. Does the email submission of the application have to come from the Authorized Organization Representative (AOR) or can it come from a representative on behalf of tribe?
 - The application submittal should come from the AOR.
- 62. Is the requirement to post the project publicly for citizen participation met by posting it tribe-wide or must it be posted outside of the tribe?
 - Tribes are only responsible for posting in their jurisdiction, so posting it tribewide is sufficient, as long as applicants certify compliance with the citizen participation through a tribal resolution.
- 63. Would purchasing or renting a refrigerator truck to provide food storage be acceptable?
 Yes, applicants should look at PIH Notice 2020-05, which addresses similar uses.
- 64. How do we determine the ceiling limits for the ICDBG-CARES project?

• ICDBG-CARES grant ceilings are based on the amount of funding a tribe or TDHE received under the IHBG-CARES funding allocation, as follows:

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

- 65. Would construction of a new fire department facility or police station, or purchase of truck or ambulance, be allowed?
 - Yes, these activities are likely eligible, as long as they prevent, prepare for, or respond to COVID-19.
- 66. Under what circumstances would ICDBG-CARES funds be recaptured or given to a different applicant?
 - HUD does not have an answer to this at this point.
- 67. Is there a template for the certification of the citizen participation language?
 - At a minimum, it must be certified by an official tribal resolution that the tribe has met the requirement required under ICDBG-CARES and that it considered any comments expressed by the public. If applicants modified their application because of comments received, applicants should also state that.
- 68. Can applications be modified after they are submitted?
 - Yes, HUD has procedures for amending an application.
- 69. Could a tribe apply with multiple projects to be carried out by multiple groups?
 - HUD will not approve applications carried out through two entities, but HUD may consider a project to be carried out by the applicant and sub-contractor.

Questions answered on May 21, 2020 HUD call.

- 1. Would lease and utility charges all be allowable for use of a refrigerator truck to store meat (or other perishables)?
 - Yes, as long as it is used to prevent, prepare for, or respond to COVID-19.
- 2. Would a need to create space for social distancing be enough to justify an imminent threat for building renovations?

- Yes, as long as it is used to prevent, prepare for, or respond to COVID-19.
- 3. Can we acquire an existing house in the community with ICDBG-CARES funds, and could they renovate as needed?
 - Yes, as long as it is used to prevent, prepare for, or respond to COVID-19.
- 4. Is a food distribution program for the elderly considered emergency assistance or public services?
 - It is considered to be both emergency assistance and public services.
- 5. What must be contained in tribal resolutions? Will building codes need to be included?
 - It does not need to include specific details, such as information on the Fair Housing Act or building codes. The resolution just has to certify that you met the citizen participation requirements. A tribal resolution may be required for doing new construction but this resolution does not need to be included in the application. HUD will follow up with more information on such a resolution. If it is a tribal organization applying on behalf of a tribe, HUD will require a tribal resolution approving this. However, if the tribal organization is not able to secure the resolution at the time of the application, it can submit it afterward. This resolution also does not need to include specific details such as building codes.
- 6. If the tribe is the one applying, does it need a resolution?
 - No, tribes do not need a resolution to apply.
- 7. What is the funding opportunity number for the ICDBG-CARES application?
 - The PIH ICDBG-CARES Implementation Notice Number is the funding opportunity number, which is 2020-11.
- 8. Are TDHEs eligible to apply as a tribal organization?
 - The same rules apply as under ICDBG. Contact your Area ONAP for more guidance.
- 9. Tribes must know the outcome of the ICDBG funding awards before deciding how to apply for the ICDBG-CARES grant. When will they receive the information?
 - \circ $\;$ HUD is aware of this need and will release award information shortly.
- 10. If tribes do not have homes to purchase for quarantining but have lands that they can purchase to develop within six months, is that an eligible activity?
 - Yes acquisition of land is an eligible activity, but the end result must tie back to preventing, preparing for, or responding to COVID-19. Tribes cannot just buy land and sit on it.

- 11. Regarding the implementation schedule, why is May considered the first quarter?
 This is a good question for your Area ONAP office.
- 12. Can housing be provided for those who are not considered essential workers or medical staff?
 - You can provide housing for families in your community, but it must tie back to COVID-19.
- 13. Can funds be used to provide tribal members with water well or pipe without access to home?
 - Yes, as long as it is used to prevent, prepare for, or respond to COVID-19.
- 14. Most of the required forms are listed in the Notice–is there a website where we can find the forms?
 - Applicants should follow the links contained within the Implementation Notice to find the forms.
- 15. Is there a preferred application format?
 - There is no formatting requirement, but anything you can do to label documents is appreciated.
- 16. If we are providing direct assistance to tribal members, does those tribal members need to provide income information?
 - There is no specific requirement. However, ICDBG-CARES assistance is not just rental or utility assistance, but is <u>emergency</u> assistance. It should only be provided to those who have experienced a drop in income because of COVID-19.
- 17. Will the FY2019/FY2020 ICDBG Imminent Threat (I.T.) funds be folded into the ICDBG-CARES funding?
 - No the FY2019 and 2020 ICDBG I.T. funds are being held to fund non-COVID-19 related projects.
- 18. For any construction projects, do they have to use the Davis Bacon Act rate requirements for project labor standards?
 - Look at 24 CFR 1003.603, which waived the Davis Bacon rates for ICDBG funding generally. That waiver applies to ICDBG-CARES funds.
- 19. If a tribe is submitting an application, do they need to verify that they are eligible, or is this requirement only for organizations applying on behalf of tribes?
 - If you are a tribe that is federally recognized, you do not need to prove that you are eligible.

- 20. If tribes cannot obtain the tribal resolution before the application, can they put a generic statement of the funding for which they are applying or do they have to list a specific amount?
 - The resolution can state only a general amount.
- 21. Where does an applicant post information on citizen participation?
 - There is no specific requirement, so anything such as Facebook or the tribe's website is sufficient.
- 22. Is new construction for housing victims of domestic violence who are under stay-at-home orders eligible?
 - Yes, as this is a population who is eligible for protection under ICDBG-CARES.
- 23. Can costs for operations and maintenance expenses for public facilities be included in the ICDBG-CARES funding?
 - No, as these expenses are not included in the PIH Waiver Notice 2020-05.
 However, the expenses may be allowed if the facility is used for responding to COVID-19, such as medical hospitals or homeless shelters.
- 24. Are over-income families eligible for new housing or only housing payments?
 - Yes, they are eligible for assistance; there are a few restrictions around emergency payments, but otherwise over-income families can be served. *See* PIH Notice 2020-05.
- 25. Is the purchase of vehicles for construction crew use allowable?
 - There is a general prohibition in the ICDBG program for paying for construction equipment and vehicles. Look at PIH Notice 2020-05, which waives the prohibition if there is a strong connection between the equipment and vehicles and preventing, preparing for, or responding to COVID-19.
- 26. Will the purchase of food and cleaning supplies fall in the ICDBG-CARES grant.
 - Yes, as long as it is used for preventing, preparing for, or responding to COVID-19. You can do food distribution for specific families for up to six months if they are low or moderate income, and up to three months for over-income families. If the food distribution is for the broad public, this falls under the public facility activity and there is no time limitation.
- 27. How much time should an applicant provide for citizen participation comments?
 - There is no requirement for a specific timeline; given that applications are due on June 1st, it just needs to be a reasonable time, such as five days.

- 28. If a tribe were to build or rebuild a building for use as a homeless shelter or for some other use to be used for COVID-19, do they have to keep it as a homeless shelter after the pandemic?
 - The shelter can be repurposed, but it must be used for a purpose eligible under ICDBG for the term of the grant and for five years afterward. It can be repurposed after that timeline. Talk with your Area ONAP with any further questions.
- 29. Will ONAP be providing FAQs for the ICDBG-CARES Implementation training?
 - No there is not enough time before the application submission, so the FAQs will not be published before the June 1st application date. Some of the FAQs already online do address ICDBG-CARES issues.
- 30. For the regular ICDBG grant, when will grantees be notified?
 - HUD will notify grantees soon.
- 31. Can we provide tribal members with items such as a washer and dryer in anticipation of the closure of local laundromat?
 - Normally, under the ICDBG program you can pay for stoves but not washers. However, the wavier for ICDBG-CARES covers equipment used to respond to COVID-19, so washers likely fall within that waiver and are acceptable.
- 32. Can funds be used to purchase a generator for a facility?
 - Yes, if it is used for preventing, preparing for, or responding to COVID-19.
- 33. If one of the activities in an application is determined to not be eligible, will HUD still fund the other activities, or will it reject the whole application?
 - HUD will still consider the other activities within the application.
- 34. Would the costs of professional sanitation of government buildings be an eligible activity?
 - It would be eligible for non-governmental buildings, but sanitizing governmental buildings is not an eligible activity.
- 35. Can payments be made to tribal members to pay bills when utilities increase?
 - Yes, but HUD advises against doing this directly. When you provide emergency payments in the form of checks or credit cards directly to tribal members, you cannot document how the funds were used, as the individuals may use it for other purposes. The best way to provide assistance is to provide payments directly to the utility companies, as this allows tribes to demonstrate where the funding went.

- 36. If a tribe provides general welfare assistance, can they use ICDBG-CARES funds to reimburse general funds used for general welfare?
 - No, such reimbursements is not allowed, as general welfare assistance is not an eligible activity under ICDBG-CARES. However, if the tribe used tribal funds to pay utility providers on behalf of the families, you can probably use ICDBG-CARES funds to reimburse those expenses. Generally, tribes can only reimburse costs for activities that are eligible activities under ICDBG-CARES.
- 37. Is hazard pay an allowable expense?
 - Yes it is an eligible expense, but it falls under an administrative expense, so the 20% cap applies. You can pay for whatever is reasonable and necessary under the circumstances.
- 38. If a project will reasonably exceed 12 months, what documentation must the tribe provide?
 - The implementation Notice lists factors that HUD will consider, such as barriers to receiving supplies and labor, the effect of COVID-19 on the community. The most important factor is the nature of the proposed activity-infrastructure will obviously take longer than food distribution. However, do not plan on doing activities that will take five years. Look for short term activities and for longer activities no longer than two years.
- 39. Is the hiring of personnel allowable for expediting additional needs for activities to begin after the pandemic is over?
 - Yes, this is an allowable expense, as long as the hiring is for the purpose of carrying out the grant.
- 40. Can tribes use the funds to acquire storage space to reduce overcrowding?
 - Yes, this is likely allowable, as long as this is tied to COVID-19.
- 41. What sort of payments can over-income families receive?
 - Over-income families can receive emergency assistance payments.
- 42. Regarding the sanitation of government buildings, what if the local post office is attached to tribal government building?
 - You can provide assistance to the portions of the building that are not used for the conduct of the government. Reach out to your Area ONAP offices for clarification.
- 43. Would providing broadband services or assistance for distance learning for children be allowable?

- Yes, this is allowable, as long as it is used for preventing, preparing for, or responding to COVID-19.
- 44. Do you have an example of an ineligible activity?
 - HUD has advised against economic development such as payments to local businesses. Other examples are general government expenses or building government facilities.
- 45. What is the format for 15011 reporting?
 - HUD does outline some reporting items in the Implementation Notice of things you should include. HUD is currently looking at what the reporting requirements will be for the CARES Act programs and will provide further information in the future. Keep track of contracts as well as the number of jobs created, in case these are required.

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If you have any questions regarding this memorandum, please contact Ed Clay Goodman at egoodman@hobbsstraus.com or by phone at (503) 242-1745.