

MEMORANDUM

August 28, 2024

To: TRIBAL HOUSING CLIENTS

From: Ed Clay Goodinan and Cari L. Baermann HOBBS, STRAUS, DEAN & WALKER, LLP

Re: HUD ONAP Grant Deadlines and Program Updates

This memorandum provides a summary of upcoming U.S. Department of Housing and Urban Development (HUD) Office of Native American Programs (ONAP) grant deadlines and housing program updates.

a. FY 2024 IHBG Competitive Grant

On May 29, 2024, ONAP published a <u>Notice of Funding Opportunity</u> (NOFO) for the fiscal year (FY) 2024 Indian Housing Block Grant (IHBG) Competitive Grant. A total of \$150 million is available to Tribes and Tribally Designated Housing Entities (TDHEs) through the FY 2024 IHBG Competitive awards. Applications are due by <u>11:59:59 p.m. EDT on August 29, 2024.</u> Tribes and TDHEs can submit applications through https://www.grants.gov/.

ONAP also amended the Rating Factor 2, Subfactor 2.1—Need for Funding—Formula Data in the <u>FY 2024 IHBG Competitive Grant NOFO</u>. This amendment increases the dollar amounts listed in Subfactor 2.1 by 40% to correlate with the increased FY 2024 IHBG formula allocations. Further, ONAP increased the de minimis indirect cost rate from 10% to 15% in anticipation of the revisions to 2 CFR 200 that will take effect on October 1, 2024.

ONAP has published a set of frequently asked questions (FAQs) on the FY 2024 IHBG Competitive Grant, located here. ONAP has also provided a training webinar for the FY 2024 IHBG Competitive Grant on Codetalk. The webinar can help applicants prepare an application. Contact <a href="maining-likelihood-likelihood-no-new-maining-new-maining-ne

b. PIH Notice 2024-24: HUD Programmatic Part 50 Notice.

On August 2, 2024, ONAP published a <u>Dear Tribal Leader Letter</u> announcing the publication of the <u>PIH Notice 2024-24</u>: <u>HUD Programmatic Part 50 Environmental Review</u> ("Environmental Review Notice"). This Environmental Review Notice is intended to help streamline the environmental review process and reduce the burdens on tribes and TDHEs. The Environmental Review Notice intends to accomplish the streamlining by allowing TDHEs to rely upon the Environmental Review Notice to document compliance with environmental requirements. TDHEs

can rely on the Environmental Review Notice instead of going to the tribe for a determination that activities such as soft costs (including administration, operations, maintenance, and planning), tenant-based rental assistance, public and supportive services, and activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction are exempt from the environmental review.

HUD will be delivering a webinar on the Environmental Review Notice on <u>August 29, 2024</u> <u>at 2:00 PM EDT</u>. Tribes and TDHEs can access the webinar <u>here</u>. Contact Danielle Schopp, Program Environmental Clearance Officer, Office of Native American Programs at <u>Danielle.L.Schopp@HUD.gov</u> with any questions.

c. BABA Trainings

The Build America, Buy America Act (BABA) was enacted on November 15, 2021 and establishes a domestic content procurement preference ("Buy America Preference," or "BAP") for Federal infrastructure programs. BABA requires HUD to ensure that none of the funds made available for infrastructure projects may be obligated unless HUD has taken steps to ensure that all iron, steel, manufactured products, and construction materials used in a project are produced in the United States. Projects include "the construction, alteration, maintenance, or repair of infrastructure in the United States." The BAP applies to *all sources* of Federal Financial Assistance (FFA) provided to tribes, TDHEs, and other tribal entities (collectively "Tribal Recipients") involving infrastructure projects. Please see our September 22, 2023 and November 6, 2023 memoranda for a more detailed analysis of the BABA requirements and the effects that BABA will have on tribes.

On May 14, 2022, HUD published a one-year general applicability public interest waiver ("Waiver") of the BAP in connection with HUD funding provided to Tribal Recipients. That Waiver period will end on <u>September 30, 2024</u>. The U.S. Office of Management and Budget (OMB) has noted that it expects Tribal Recipients to fully comply with BABA starting on <u>October 1, 2024</u>.

On <u>September 18–19, 2024</u>, Ed Clay Goodman, Cari Baermann, and Julie Van Winkle of Hobbs Straus Dean & Walker will be providing a day-and-a-half training on the existing requirements for BABA compliance during the Northwest Indian Housing Association (NWIHA) fall quarterly meeting at the Muckleshoot Resort Casino in Auburn, Washington. Among the topics to be covered are the following: which infrastructure projects BABA covers; which products and equipment are covered; what a "buy America preference" is and how to apply it; what project-specific waivers are available. More information about the NWIHA fall quarterly meeting and the BABA training is available here.

ONAP will be holding a virtual <u>BABA Training for ONAP Grantees</u> on <u>September 23, 2024</u> from 1:00 PM–2:30 PM ET. ONAP intends the training to provide a background and history on BABA and cover the roles and responsibilities of ONAP grantees. The training will also cover the BABA waiver request process for tribes and TDHEs.

d. FY 2025 Fair Market Rents (FMRs)

HUD's FY 2025 Fair Market Rents (FMRs) are now available <u>here</u>. These FMRs will be effective October 1, 2024. For more information, see the Federal Register notice available <u>here</u>.

e. CoC Builds Notice of Funding Opportunity

On July 19, 2024, HUD published the Continuum of Care (CoC) Builds ("CoCBuilds") NOFO. The CoCBuilds program will provide grants within CoC geographic areas to address and reduce homelessness by increasing the number of permanent supportive housing (PSH) units through new construction, acquisition, or rehabilitation. The CoCBuilds NOFO provides incentives for tribes and TDHEs to apply for funds to develop new PSH units. HUD anticipates providing approximately 25 awards from the funds available under the CoCBuilds NOFO. The CoCBuilds NOFO sets aside up to three awards for the highest scoring project applications where the PSH units are located on tribal reservations or trust lands. The minimum award is \$1,000,000 and the maximum award is \$10,000,000. Applications are due November 21, 2024.

HUD has advised that tribes and TDHEs that are interested in forming a new CoC should contact the Office of Special Needs Assistance Programs SNAPSinfo@hud.gov as soon as possible.

f. Additional ONAP Trainings

On September 4–5, 2024, from 8:00 AM–5:00 PM ET, ONAP will be offering a virtual training on <u>Tribal Council Roles & Responsibilities</u>. ONAP intends the two-day course to aid tribal council members understand the background and history of the Native American Housing Assistance and Self-Determination Act (NAHASDA). The course will also cover the federal rules and regulations with which tribes and TDHEs must comply when accepting IHBG funding.

On September 5–6, 2024 from 11:00 AM–4:00 PM MT, ONAP will be providing a virtual Force Account for Construction Management Training. The training will provide TDHEs with guidance on the use of Force Accounts in Construction management. The training will cover TDHEs' roles and responsibilities, how to export and plan for construction projects, and the planning, development management of any force account for construction development.

Conclusion

If you have any questions about this memorandum, please contact Ed Clay Goodman (egoodman@hobbsstraus.com) or Cari Baermann (cbaermann@hobbsstraus.com); both may be reached by phone at 503-242-1745.