



Native American Housing Assistance Act of 1996 (NAHASDA) – Indian Housing Block Grant (IHBG) Management Systems Policies and Procedures

Amended (9/3/15)
BOC Res. NHA-4544-2015

Navajo Nation Chapter Public Hearing

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March 7 – 11, 2022

I. Purpose of the Policy

- A. Guide the development of Indian Housing Plan (IHP); and the governance of the NAHASDA IHBG allocation;
- B. Outlines procedures and application of IHBG funding to achieve maximum returns to the Navajo Nation in building essential, safe, sanitary and affordable homes within budget limitations

II. Policy Statement

- A. To have an efficient and effective management system in the application of IHBG funds;
- B. Maintain a five-year project plan;
- C. Assess the annual performance of each grant recipient relating to performance and compliance;
- D. Annual assessment of the annual performance of NHA as the TDHE;
- E. APR is due at HUD on or before December 28th on an annual basis; Purpose is to let Congress know the number of homes built and number of families served;

II. Policy Statement cont'd

- E. Prohibition is required on any lien, encumbrance, mortgage or pledge NAHASDA funds or property purchases with NAHASDA funds including housing units without NHA's consent or approval
- F. Sub-recipients are required to report and submit Program Income to NHA for reallocation to new housing development
- G. NHA to adopt general procedures as set forth in this Policy

III. Responsibilities

- A. Grants Management shall comply with NHA Compliance and Self-Monitoring and IHBG Management Systems Policies and Procedures
- B. NHA Board of Commissioners:
 - 1. Approve the IHP for both formal or informal amendments
 - 2. Review the APR and review and approve self-monitoring reports
- C. NHA Executive Management Staff:
 - 1. Ensure staff adhere to statutes, regulations, policies & procedures
 - 2. Ensure resources (labor, equipment, supplies & materials) are available for operation;
 - 3. Support corrective action recommended by Compliance Department
- D. Sub-recipients (SR):
 - 1. Comply with applicable statutes, regulations, policies and procedures
 - 2. Upon termination or ceases to use purchased equipment, all equipment are to be returned to NHA

IV. General Procedure:

A. Development of the Indian Housing Plan:

GMD shall develop the IHP consistent with a five-year plan including:

1. Number of families to be served;
2. Funds shall be allocated uniformly throughout the Navajo Nation;
3. Priority for funding shall be applied in the following order:
 - a. Low income families – homelessness, overcrowded, substandard;
 - b. Low income elders, disable persons, Veterans;
 - c. College housing;
 - d. Housing for essential personnel – public safety, medical, judicial, educational;
 - e. Day Care Centers;
 - f. Other model activities serving low income residents
4. Conduct public hearings *annually*;
5. Five year plan shall consist of number of families to be served and presented to the BOC no later than February 1st of each year

IV. General Procedure:

B. Determination of Funding, Appropriation & Budget Limitation:

GMD shall:

- ✓ Estimate annual IHBG, normally based on prior year allocation; final allocation is determined by HUD
- ✓ Estimate and set aside the FCAS Operating Subsidy and Modernization allocation per HUD notice
- ✓ Collaborate with CFO to develop budget (Utilization Table) including Administrative operating cost not to exceed up to 20% of the annual grant
- ✓ IHBG allocation shall be reviewed and approved by BOC

IV. General Procedure:

C. Prioritization and Allocation of the IHBG Funding:

1. New Residential Housing Construction-Ready - HO
2. New Residential Housing Construction-Ready - PR
3. New Residential Housing Planning & Engineering Projects – HO & PR
4. Existing Residential Housing Renovation/Self-Help Repair (construction-ready) Projects – HO & PR
5. Existing Residential Housing Renovation/Self-Help Repair (P&E) Projects – HO & PR
6. Resident Self-Sufficiency Opportunity & Housing Counseling Programs
7. Regional Model Activities Construction-Ready Projects
8. Regional Model Activities Planning & Engineering Projects
9. Non-regional Model Activities Construction-Ready Projects
10. Non-regional Model Activities Planning & Engineering Projects

IV. General Procedure:

E. Request for Proposal – Request for Proposal (RFP):

- ✓ GMD publishes RFP in January in local newspaper to announce grant funding opportunity for housing projects;
- ✓ Proposals are due at GMD no later than February 28th

E. RFP Evaluation Criterion:

1. Administrative Capacity
2. Proposal Content
3. Funds Leveraged from other Sources
4. Compliance and Monitoring Reviews
5. Performance
6. Capacity to Operate and Maintain units or facility

F. RFP Evaluation Team:

- | | |
|----------------------------|-------------------------|
| 1. GMD Manager | 5. NHA Management Staff |
| 2. Grants Accounting Supvr | 6. NHA Legal Staff |
| 3. NN Executive Office | 7. NHA Board member |
| 4. NN Legislative Office | |

IV. General Procedure:

G. Selection Process:

- ✓ Any proposals with a score of at or over 75% threshold are prioritized for funding based on score & funding category;
- ✓ Cutoff point are when funding category are depleted;
- ✓ Projects that did not get funded will be reconsidered in the subsequent plan year;
- ✓ Selection Process requires BOC review and approval by April 30th

H. Appeal:

- ✓ Applicants can appeal within 30-days if at least they scored 65 pts; Appeal must have good reason;
- ✓ Evaluation Committee has 30-days to make decision and any decision shall be final

I. Preparation of Formal IHP:

- ✓ IHP is compiled on HUD Form HUD-52737

IV. General Procedure:

J. Navajo Nation Approval:

- ✓ BOC approves the IHP at least by (1st Thursday in May)
 1. RDC Approves IHP in May/June
 2. Navajo Nation President certifies the IHP in June/July
- ✓ Approved IHP is submitted to HUD at least by July 15th electronically with hardcopy via FedEx

K. Land Use Restriction Agreement (LURA) Process Pg. 8 - 10

1. Length of Useful Life (6 months to 20 years);
2. Required on Trust, Allotted and Fee land;
3. Required for all IHBG-assisted units or facility;
4. Serves as Collateral Assignment for Sub-recipient Projects;
5. Timing for LURA Execution – within 6 weeks of funding;
6. LURA is required for recipients who conveys or deeds to another homeowner within the affordable period;
7. Breach of LURA results in repayment of funds to NHA retake control of the facility or units

IV. General Procedure:

L. Sub-recipient Agreement Process (SRA):

- ✓ Upon HUD Award Notice, GMD issues formal written letter to Sub-recipients to submit Sub-recipient Agreement (SRA) within 6-weeks of official notification
- ✓ Failure to file within time required, funds will be recaptured and awarded to the next qualified applicant
- ✓ SRA is executive by Sub-recipient and NHA CEO to carryout eligible activity

M. Project Management Process:

1. Pre-application process
2. Pre-planning – legal survey, environmental, archaeology, ROW, NEPA
3. A/E and engineering services
4. Construction contractor including subcontractors and supplies
5. Project Close-out Activities
 - a. GMD/QIP Development Coordinators assigned to provide technical assistance
6. IHBG funds shall be expended within two years and cannot exceed more than 1 year extension

IV. General Procedure:

N. Monitoring and Reviews of Sub-recipients:

- ✓ All sub-recipients are monitored and reviewed by NHA Compliance Department
 - Sub-recipients must comply with their Agreement at times (submit required reports, pay apps, requisitions, APR, ensure timely expenditure of funds and close-outs)
 - Comply with onsite monitoring reviews and any Corrective Action Plan
- ✓ NHA shall monitor SRs through the duration of the useful life period

O. Five-Year Plan:

- ✓ NHA shall prepare a Five Year Plan consistent with:
 - ✓ Housing priorities of the Navajo Nation in concert with Navajo Nation Chapters and communities
 - ✓ Public hearing will be conducted every five years
 - ✓ A One-Year Plan is to be submitted on an annual basis for new or ongoing funded projects

IV. General Procedure:

P. Assessment and Maintenance of a Five-Year Plan:

GMD shall perform the following:

1. Assess the annual performance of each Sub-recipients;
2. Review and adjust the five-year plan on an annual basis;
3. Present to BOC in December for review and approval;
4. Initiate the development of the next one year plan to be added to the four-year plan

Q. Navajo Nation (Grant Beneficiary) Monitoring Responsibility

- ✓ All NHA Programs and Departments are responsible for monitoring grant activities including compliance requirements

R. Recapture and Reallocation of NAHASDA Funds

- ✓ New projects or new requests shall not be considered for funding from recapture funds;
- ✓ Recaptured funds shall only be considered for current on-going or shortfall projects through approval of the Board of Commissioners



Acronyms

- APR** : Annual Performance Report
BOC : Board of Commissioners
GMD : Grants Management Depart.
HUD : U. S. Department of Housing & Urban Development
IHBG : Indian Housing Block Grant
IHP : Indian Housing Plan
LURA: Land Use Restriction Agreement
NHA : Navajo Housing Authority
NPI : Non-program income
PI : Program Income
RDC : Resources and Development Committee
SR : Sub-recipients: 501c organizations, Chapters, NN
Departments, Schools, Colleges, etc.