



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

Special Attention of:
Administrators, Offices
of Native American Programs;
Tribes; Tribally Designated
Housing Entities

Notice PIH 2024-08pihn

Issued: April 8, 2024

Expires: This Notice remains in effect until amended, rescinded, or superseded.

Supersedes: ONAP Program Guidance 2013-09(R)

Cross References:

[NAHASDA](#), [ONAP Program Guidance 2018-02a](#) (*Guidance for Completing the Indian Housing Plan/Annual Performance Report (form HUD-52737)*), and [2018-02 Attachment](#) Indian Housing Plan and Annual Performance Report Form Guidance, [ONAP GEMS Grantee User Guide](#), [ONAP Program Guidance 2020-02](#) Useful Life and Binding Commitments

SUBJECT: Indian Housing Block Grant (IHBG) Model Activity Requests

- I. PURPOSE:** The purpose of this Notice is to provide IHBG formula recipients with updated information on the process to follow when requesting approval for IHBG model activities. This Notice replaces Program Guidance 2013-09 (R).
- II. BACKGROUND:** Section 202(6) of the Native American Housing Assistance and Self-Determination Act (NAHASDA), 25 USC §4132(6), enables recipients to undertake model activities if they are designed to carry out the purposes of [NAHASDA](#). These model activities are housing activities not explicitly listed elsewhere in Section 202 of the statute.

Model activities must be approved by HUD prior to being carried out by the recipient. All model activities must benefit affordable housing residents, including families residing in housing units developed under the United States Housing Act of 1937, families receiving NAHASDA assistance for affordable housing, eligible families applying for NAHASDA assistance, and other housing units which meet the requirements of Title II of NAHASDA.

HUD will review all proposals with the goal of approving the activities, and encouraging the flexibility, discretion, and self-determination granted to Indian tribes under NAHASDA to formulate and operate innovative housing programs that meet the intent of NAHASDA ([24 CFR §1000.112](#)).

III. PROPOSING MODEL ACTIVITIES: Model activities may be proposed at any time through a separate Model Activity Request (MAR) that is emailed to the Area Office of Native American Programs (ONAP) or included as part of an Indian Housing Plan (IHP), or IHP amendment. As a reminder, Area ONAP staff are available to discuss with you your model housing activity, offering necessary technical support to refine or adjust the proposal as needed for program compliance.

Model activities that have been approved previously by ONAP, including those listed below, will be reviewed, and approved at the Area ONAP level. New model activities, for which there is no approval precedent, will be reviewed and approved at the HUD Headquarters level. Proposed model activities must meet statutory requirements, as described below in Section VII. **CONDITIONS UPON APPROVAL.**

IV. INTERPETING ELIGIBLE ACTIVITY CATEGORIES: Model activities are activities that do not explicitly fall under a statutory eligible activity category, so an approval process is necessary to carry them out. HUD has received numerous requests for approval of model activities that fall under a statutory eligible activity category and, therefore, do not require separate HUD approval as a model activity. Commonly requested model activities that fall under a statutory eligible activity category and do not require separate approval include the following:

- Security Patrol Services fits into (21)
- Construction, Rehab, and Expansion of Housing Administration Buildings and Warehouses fit into activities (2), (19), or (20)
- Solar Panel Arrays for units, admin buildings or streetlights fit into (5) or (24)
- Housing Administration Computer Systems fit into (2) or (20)
- Housing Fleet Acquisition fits into (2) or (20)
- Broadband and Wi-fi fit into (18) or (24)
- Demolition to clear sites for housing fits into activities (1), (4), or (11)
- Revolving Fund for Homebuyer Loans fits into (15)

Activity	IHBG Eligible Activity Category	NAHASDA
1	Modernization of 1937 Act Housing	202 (1)
2	Operation of 1937 Act Housing	202 (1)
3	Acquisition of Rental Housing	202 (2)
4	Construction of Rental Housing	202 (2)
5	Rehabilitation of Rental Housing	202 (2)
6	Acquisition of Land for Rental Housing	202 (2)
7	Development of Emergency Shelters	202 (2)
8	Conversion of Other Structures to Affordable Housing	202 (2)
9	Other Rental Housing Development	202 (2)
10	Acquisition of Land for Homebuyer Unit Development	202 (2)
11	New Construction of Homebuyer Units	202 (2)
12	Acquisition of Homebuyer Units	202 (2)
13	Down Payment/Closing Costs Assistance	202 (2)
14	Lending Subsidies for Homebuyers (Loan)	202 (2)

15	Other Homebuyer Assistance Activities	202 (2)
16	Rehabilitation Assistance to Existing Homeowners	202 (2)
17	Tenant Based Rental Assistance	202 (3)
18	Other Housing Services	202 (3)
19	Housing Management Services	202 (3)
20	Operation and Maintenance of NAHASDA Assisted Units	202 (4)
21	Crime Prevention and Safety ¹	202 (5)
22	Model Activities	202 (6)
24	Infrastructure to Support Housing	202 (2)
25	Reserve Accounts	202 (9)
P&A	Administration and Planning	101 (h)

See [PIH Notice 2023-30: Affordable Housing Activities Under the Native American Housing Assistance and Self-Determination Act \(NAHASDA\)](#) for more information on interpreting eligible activity categories for affordable housing activities.

The most common proposed model activities that do not fit into one of the categories above are, but are still eligible for approval as a model activity:

- Cost matching for competitive grants
- Housing construction loan repayment
- Multi-purpose or shared use community or administrative buildings

Consult your Area ONAP with questions regarding interpretation of eligible activity categories.

V. SUBMITTING A MAR: You can submit a MAR as a separate request through a letter emailed to your Area ONAP Grants Management Director or included as an activity in an IHP or IHP amendment.

1. When submitting a MAR as a separate request letter, (not including it an IHP), you must include the following:
 - a. **Program Name:** A descriptive title, a few words to summarize the program.
 - b. **Program Description:** Describe what specific type of projects will be developed during the program year.

If the model activity is a building, include the anticipated square footage of the building and a schematic or sketch depicting the general layout of the facility. Specify whether the building is solely for housing use or if it is shared use.

¹ Consistent with Executive Order 14110, recipients are prohibited from using HUD funds to purchase or fund any form of facial or biometric recognition technology for the purpose of surveillance.

If the model activity is a housing service, describe the nature of the service and who will be responsible for providing it.

If the model activity is not cost matching or a loan repayment, describe what is new or innovative about the project/activity and why it does not fit into the standard categories of eligible activities described in [NAHASDA](#) Section 202 Eligible Affordable Housing Activities.

- c. **Intended Outcome:** Describe the intended outcome of the activity. For example, these are the outcomes listed in the IHP dropdown menu in ONAP's Grants Evaluation and Management System (GEMS):
- Reduce Over-Crowding
 - Assist Renters to Become Homeowners
 - Improve the Quality of Substandard Units
 - Improve the Quality of Existing Infrastructure
 - Address Homelessness
 - Assist Affordable Housing for Low-Income Households
 - Create New Affordable Rental Units
 - Assist Affordable Housing for College Students
 - Provide Accessibility for Persons with Disabilities or Elders
 - Improve Energy Efficiency
 - Reduction in Crime Reports
 - Other (must describe outcome that benefits residents of affordable housing)
- d. **Who Will Be Assisted:** Describe the types of households that will be assisted under the program. Identify the anticipated number of beneficiaries using the following criteria:
- Total Community Members benefitting
 - Low-income community members benefitting
 - Non-low-income community members benefitting
 - Occupants of affordable housing managed by the Tribe or the Tribally Designated Housing Entity (TDHE) benefitting
- e. **Types and Level of Assistance:** Describe the types and level of assistance that will be provided to each household for each criterion described above.

If a recipient proposes to use IHBG funds for a facility that will benefit all residents of the area, not just affordable housing residents, then the request should document the proportion of space that will be used for affordable housing activities or the percentage of time the entire facility will be used for affordable housing activities. This proration may be based on one of the following:

- Space – Anticipated square footage used for housing activities/ total square footage.
- Beneficiaries – Anticipated number of residents of affordable housing/total users.

- Time Utilized – Estimated days or hours per week used for affordable housing activities / total operating hours.

The costs associated with the portion of the building that will be used for anything other than activities related to affordable housing (e.g., multi-use or community building), must be paid using other funds.

- f. **Need for the Project:** Describe the need for the proposed project or activity. If applicable, identify all uses of any facility proposed and describe how it will benefit residents of affordable housing.
 - g. **Planned Output:** If applicable, estimate the number of IHBG-assisted units to be completed or households to be served.
 - h. **Map:** If applicable, include a map of the project service area identifying the project location.
 - i. **Number of Jobs Created:** If applicable, describe any jobs created by this model activity.
 - j. **Useful Life:** If applicable, provide the affordability period of the building or housing units.
 - k. **Budget:** The budget should include:
 - Total amount of IHBG funds to be expended in 12-month program year
 - Anticipated amount of all other funds (Tribal or other federal funds) to be expended in 12-month program year
2. To submit a MAR in an IHP or IHP amendment, add the MAR as an activity in Section 3 of the IHP or IHP amendment. By completing the IHP or IHP amendment, you will be prompted to address all the above requirements. Please note you must:
- Give the MAR its own unique Section 3: Program Description.
 - Enter the eligible activity number ‘22 Model Activities’ in Line 1.3.
 - Choose a specific measurable outcome that you hope to achieve in Line 1.4.
 - Enter the budgeted cost activity in the Uses of Funding section. This amount will also be reflected in Section 5: Budget: Uses table in the IHP.

IHPs and IHP amendments are submitted in ONAP’s GEMS. Refer to the [GEMS Grantee User Guide](#) for instructions on preparing and submitting IHPs and IHP amendments.

Also refer to the [ONAP Program Guidance 2018-02a](#) (*Guidance for Completing the Indian Housing Plan/Annual Performance Report (form HUD-52737)*) and [2018-02 Attachment: Indian Housing Plan and Annual Performance Report Form Guidance](#)). For more information and updates on GEMS, visit the ONAP Codetalk [GEMS webpage](#).

VI. REVIEW OF THE PROPOSED MODEL ACTIVITY: Ensure that your submission is complete, accurate, and meets the requirements of this notice. If a proposal for model activity is incomplete, it cannot be approved, and you may have to resubmit. HUD will review the proposed model activity for eligibility and provide a written decision within 60 calendar days of receipt per 24 CFR §1000.114-116. If no decision is issued within 60 days, the proposed model activity is deemed approved by HUD. In no instance may recipients undertake model activities until approved.

1. **Previously Approved Model Activities:** HUD has previously approved various MARs that align with the objectives of NAHASDA. If you submit a MAR for an activity that has been previously approved by HUD, it may be approved by the Area ONAP Administrator. Model activities are subject to regulatory and statutory requirements of all IHBG funding. See Section VII (CONDITIONS UPON APPROVAL) below.

These examples of approved model activities demonstrated their effectiveness in fulfilling the statute's purposes. These include, but are not limited to, the following:

- Youth computer lab
- Emergency medical support building to store ambulances and house essential medical staff
- Expanded housing administration parking
- Storm or tornado shelters
- Resident laundromats
- Resident storage units
- Elder resident transport to health centers
- Community wellness centers
- Swimming pool or playground splashpad
- Fire prevention and safety
- Erosion mediation
- Community gardens

2. **Model Activities Not Previously Approved.** All proposals submitted requesting approval of activities that have never been reviewed or approved will be evaluated for approval by the Headquarters Office of Grants Management.

If the model activity was proposed in an IHP or IHP amendment, notification of approval or disapproval of the proposed model activity will be received via GEMS. If the model activity was proposed by email, the Area ONAP will issue a Notice of Request Approval or Notice of Request Disapproval via email.

If your MAR is approved, the approval letter will include instructions to submit an IHP amendment incorporating the model activity.

VII. RECONSIDERATION REQUESTS AND APPEALS: In accordance with [24 CFR §1000.118](#), if HUD disapproves a request for a model housing activity, you may request a

reconsideration of the decision as outlined below. Within 30 calendar days of receiving HUD's denial, you may submit a request, in writing, to the Area ONAP for reconsideration and provide justification for the reconsideration. The Area ONAP will either affirm or reverse its initial decision and provide notification via email within 20 calendar days.

If the Area ONAP affirms the initial decision to disapprove the requested model activity, the grantee may appeal this second disapproval decision with the HUD Assistant Secretary. Within 20 days of receiving notice of the reconsideration decision, you may submit an appeal via email to your Area ONAP, to the attention of the Assistant Secretary, detailing the reasons why you disagree with the Area ONAP's disapproval of the proposed model activity. The Assistant Secretary shall review the appeal and act on the appeal, setting forth the reasons for the decision within 20 calendar days of receipt.

Note that unlike the initial consideration of a MAR, reconsiderations and appeals are not deemed approved if the deadline for HUD's decision is exceeded.

VIII. CONDITIONS UPON APPROVAL: If approved, all model activities must comply with NAHASDA requirements, including, but not limited to, the following:

1. Insurance Coverage: Adequate insurance must be purchased consistent with section 203(c) of NAHASDA. Pursuant to [2 CFR § 200.310](#) and [§ 200.443 \(b\)\(3\)](#), costs may be disallowed if a loss occurs and adequate insurance was not obtained to protect the investment.
2. Useful Life: Section 205(a)(2) of NAHASDA requires an affordability period to be established for a housing unit or non-dwelling building developed or supported with IHBG funds. See [ONAP Program Guidance 2020-02: Useful Life and Binding Commitments](#) for detailed information.
3. Necessary and Reasonable Costs: Pursuant to [2 CFR § 200.403](#), the costs for model activities must be necessary and reasonable for proper and efficient performance and administration of the IHBG grant.
4. Moderate Design: The cost and design of affordable housing units should be consistent with the size and amenities of unassisted housing offered for sale in the Indian tribe's general geographic area to buyers who are at or below the area median income, as defined in [24 CFR §§ 1000.156-158](#). Please refer to the most recent Total Development Cost Notice, [PIH-2022-16](#).

The costs or design standards for non-dwelling structures are limited, pursuant to [24 CFR § 1000.160](#) to a design, size, and with features or amenities that are reasonable and necessary to accomplish the purpose intended by the structure. The recipient must demonstrate and document that the structure meets the cost or design limitations of [24 CFR §1000.160](#) by using one of the methods described at [24 CFR § 1000.162 \(b\) or \(c\)](#). If the recipient develops, acquires, or rehabilitates a non-dwelling structure with funds from NAHASDA and other sources, then the cost

limit standard established under these regulations applies to the entire structure. If funds are used from two different sources, the standards of the funding source with the more restrictive rules apply.

5. Environmental Review: Model activities that do not meet the definition of maintenance per Notice CPD-16-02 will require environmental review in accordance with the National Environmental Policy Act (NEPA) (42 U.S.C. 4321) and 24 CFR §§ 1000.18 and 1000.20.

IX. PAPERWORK REDUCTION ACT: The information collection requirements contained in this notice are approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. § 3520). In accordance with the PRA, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. The active information collections contained in this Notice are approved under the PRA OMB Control Number 2577-0191.

If you have questions about the eligibility of a proposed model activity or how to submit a MAR, contact your Area ONAP for technical assistance.



Richard J. Monocchio
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