



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

OFFICE OF PUBLIC AND INDIAN HOUSING

Special Attention of:

Administrators, Offices
of Native American Programs,
Tribes; Tribally Designated
Housing Entities (TDHEs)

NOTICE PIH 2023-30

Issued: October 12, 2023

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amended, rescinded, or superseded.

Supersedes:

[ONAP Program Guidance 2010-03](#)

Cross References:

[NAHASDA](#), [PIH Notice 2014-15](#), [PIH Notice 2020-16](#), [PIH Notice 2021-11](#), [PIH Notice 2021-14](#), [PIH Notice 2022-28](#)

Subject: Affordable Housing Activities Under the Native American Housing Assistance and Self-Determination Act (NAHASDA)

Purpose: The purpose of this Notice is to provide Indian Housing Block Grant (IHBG) recipients with guidance on eligible affordable housing activities and administrative expenses, as defined by [NAHASDA](#).

This Notice replaces [ONAP Program Guidance 2010-03](#) (Affordable Housing Activities and Administrative Expenses). Note that this Notice does not include the activities permitted via waiver for the Indian Housing Block Grant Coronavirus Aid, Relief, and Economic Security Act (IHBG-CARES) and Indian Housing Block Grant American Rescue Plan Act (IHBG-ARP) programs. For information on the activities that go beyond what is discussed in this Notice and are permitted via waiver for these grant programs, see [PIH Notice 2020-16](#) (IHBG-CARES Implementation Notice) or [PIH Notice 2021-11](#) (IHBG-ARP Implementation Notice), respectively. For information on ONAP program waivers specific to the pandemic, see [PIH Notice 2021-14](#).

Note also that the IHBG Competitive Grant Program Notice of Funding Opportunity (NOFO) may limit the eligible activities discussed in this Notice. Please refer to the specific NOFO that you are applying to for information on any limitations to the eligible activities discussed in the Notice.

Additionally, note that although many of the requirements of the IHBG program apply to the Tribal HUD-VASH program, the Tribal HUD-VASH program is limited to rental assistance and

administrative expenses. Tribal HUD-VASH grantees should refer to the [Tribal HUD-VASH website](#) for more information.

Background: The IHBG program, authorized under NAHASDA provides direct block grant funding, in a manner that recognizes the right of self-determination and self-governance, to Indian tribes and their Tribally Designated Housing Entities (TDHEs) for affordable housing activities to develop, maintain, and operate affordable housing in safe and healthy environments for low-income Indian families.

NAHASDA programs must comply with the regulations at [24 CFR part 1000](#), applicable provisions of [2 CFR part 200](#), and other applicable notices and guidance published by HUD. Note that [2 CFR 200.403](#) requires that all allowable activity costs be necessary, reasonable, and allocable, to be consistent with internal policies and procedures, and be treated consistently between programs.

Eligible Affordable Housing Activities

Section 202 of [NAHASDA](#) authorizes the use of IHBG funding to develop, operate, maintain, or support affordable housing for rental or homeownership, or to provide affordable housing services under the following summarized categories:

- **Indian Housing Assistance - Section 202 (1):** Activities related to modernizing or operating Formula Current Assisted Stock (FCAS) housing (i.e., 1937 Act Housing) as defined in [24 CFR 1000.312](#) and [1000.314](#).
- **Development - Section 202 (2):** Activities related to acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, including rental and homeownership housing.
- **Housing Services - Section 202 (3):** Activities related to providing housing-related services for the benefit of affordable rental or homeownership participants or in support of the 1937 Act Housing and NAHASDA-Assisted housing programs.
- **Housing Management Services - Section 202 (4):** Activities related to operating and managing affordable housing assisted under NAHASDA or assisted with other Federal or State funds for the benefit of low-income Indian families.
- **Crime Prevention and Safety Activities - Section 202 (5):** Activities related to providing safety, drug elimination, security, and law enforcement measures and activities appropriate to promote safety.
- **Model Activities - Section 202 (6):** Activities designed to carry out the purposes of NAHASDA that are specifically approved by the HUD Secretary.

Planning and Administrative Expenses (P&A) are addressed in **Section 101(h) of NAHASDA**. P&A costs include salaries of individuals engaged in administering and managing

affordable housing activities and expenses of preparing an IHP/APR. This includes, but is not limited to costs of:

- Overall program and/or administrative management
- Coordination of monitoring and evaluation
- Preparation of the IHP/APR including data collection and transition costs
- Challenges to and collection of data for purposes of challenging the formula
- Administrative and planning expenses associated with expenditure of non-IHBG funds on affordable housing activities if the source of the non-IHBG funds limits expenditure of its funds on such administrative expenses.

Staff and overhead costs directly related to carrying out affordable housing activities can be either determined to be P&A or to be eligible costs of the affordable housing activity at the discretion of the recipient.

Generally, costs related to staff payroll and contractor fees that can only be attributed to one activity are direct costs and would not be included in P&A. Costs that cannot be attributed to only one activity are indirect cost and included in P&A. See [PIH Notice 2014-15](#) (Planning and Administrative Expenses in the Indian Housing Block Grant Program) for guidance on eligible expenses. See [2 CFR part 200, subpart E](#), for more information on direct and indirect costs.

Per the program regulation at 24 CFR 1000.238, recipients that receive grants in excess of \$500,000 may use up to 20 percent of their annual expenditures of grant funds or may use up to 20 percent of their annual grant amount, whichever is greater. Recipients receiving \$500,000 or less may use up to 30 percent of their annual expenditures of grant funds or up to 30 percent of their annual grant amount, whichever is greater. When a recipient receives grant funds on behalf of one or more grant beneficiaries, the recipient may use up to 30 percent of the annual expenditure of grant funds or up to 30 percent of the annual grant amount, whichever is greater, of each grant beneficiary whose allocation is \$500,000 or less, and up to 20 percent of the annual expenditure of grant funds or up to 20 percent of the annual grant amount, whichever is greater, of each grant beneficiary whose allocation is greater than \$500,000.

The recipient may request HUD's approval to use a higher percentage of its grant for administration and planning. The recipient must identify the percentage of grant funds which will be used in the IHP.

Examples of Affordable Housing Activities

IHBG recipients must report on Affordable Housing Activities in the IHP/APR. The chart below indicates where activity costs should be reported on the IHP/APR and provides examples of activities under each IHP/APR eligible activity category.

Note that this list is not all-inclusive but provides general examples of eligible activities to distinguish the differences between the NAHASDA Eligible Activity types. For more information on filling out the IHP/APR, see ONAP Program Guidance [2018-02a](#) and [Attached Instructions](#).