Community Development

CDBG

Block Grant

Community First. Community Always.

Office of COMMUNITY & RURAL AFFAIRS

2026 Recovery Housing Program

Application Instructions

Indiana Office of Community and Rural Affairs
CDBG Program
One North Capitol, Suite 600
Indianapolis, IN 46204

Office of COMMUNITY & RURAL AFFAIRS

Table of Content

Key Dates And Updates 3
Mission Statement 4
Introduction 4
PART 1: Before You Apply 4
A. Program Description 4
B. General Selection Criteria 5
C. Eligible & Ineligible Activities 7
D. Demonstrating Compliance With The Federal National Objective 10
E. Maximum Grant Amounts 10
F. Grant Administration Procurement & Fees 11
PART 2: When You Apply 12
A. Timeline ..... **Error! Bookmark not defined.**
B. Two Stage Application Process 12
PART 3: Submitting An Application In The Grant Management System 13
PART 4: Application Evaluation Metrics 14
A. Grant Evaluation Criteria 14
B. Project Design Factors: Scoring Question Criteria 18
PART 5: Post Award 23
A. Funded Communities 24
B. Unfunded Communities 24
PART 6: Appendicies 24
Appendix A: Duplication Of Benefits 24
Appendix B: Public Hearings And Citizen Participation 24
Appendix C: CDBG Policy Notice 2024-001: Build America Buy America 25
Appendix D: CDBG Policy Notice 2024-002: Radon Policy 26
Appendix E: CDBG Policy Notice 2024-006: Federal Flood Risk Management Standards. 27
Appendix F: CDBG Policy Notice 2024-003: Lead Safe Housing Rule 27
Appendix G: CDBG Policy Notice 2025-006: Equal Participation Policy 28

Key Dates and Updates

2026 Recovery Housing

Important Updates

- **NEW**
  - Open door application process-program will remain open
  - Letter of Intent required before application submission
  - Points available for elevated county overdose death rates
  - Grant funds beyond $750,000 availabe at OCRA discretion

New Documents

- RHP-002: National Objective Form
- Template RHP-001: Letter of Intent
- CDBG Project Readiness Checklist

Mission Statement

Indiana's state-administered Community Development Block Grant program fosters growth and resilience in rural cities and towns by investing in local initiatives that encourage communities to build, strengthen and thrive.

Introduction

This guidance has been developed specifically for OCRA-certified Grant Administrators to support the preparation and submission of a comprehensive and compliant CDBG application. Given the limited availability of funds and the high volume of submissions received for each grant cycle, Grant Administrators should understand that this program is highly competitive, and the quality of the application is taken into consideration. OCRA values the significant time, effort, and resources required to develop a full application and acknowledges the complexity of the process.

By following these instructions and using the provided tools and recommendations, Grant Administrators will be better prepared to clearly demonstrate the needs of applying communities and ensure each application meets all criteria required for a high-quality submission.

PART 1: Before You Apply

The Office of Community and Rural Affairs (OCRA) seeks applications from eligible local government units interested in participating in the Recovery Housing Program. Eligible local units of government are counties, cities, incorporated towns, unincorporated areas, and entitlement communities. Unincorporated areas must apply through the county in which they are located.

A. Program Description

The Recovery Housing Program (RHP), authorized by the SUPPORT for Patients and Communities Act (SUPPORT Act), assists local government units and their eligible nonprofit partners (if applicable) in providing individuals recovering from substance use disorders with temporary transitional housing (up to two years) as they work toward sober, independent living. Competitive projects must demonstrate the following:

- The project must directly advance the objectives of the SUPPORT Act.
- The project must fulfill the national objectives outlined in the Housing and Community Development Act of 1974, as amended and modified by FR-6225-N-01.
- The project supports the community's long-term planning and development goals.
- The funds granted will significantly advance the project's success.
- The community has demonstrated clear evidence of strong local support and a commitment to the project's long-term sustainability.
- The project must be prepared to commence upon receipt of the grant.

B. Selection Criteria

General Selection Criteria

The Office of Community and Rural Affairs (OCRA) will assess applications and the proposed CDBG-projects based on the general selection criteria outlined below. All submissions will be evaluated for threshold criteria, ensuring each submission demonstrates a sufficient level of readiness to proceed upon grant approval and will be completed within eighteen (18) months. Applications with significant deficiencies may be excluded from the scoring process.

1. The applicant must be a legally recognized entitlement, non-entitlement units of general local government, Indian tribes in the State of Indiana.
2. The applicant must have the legal capacity to implement the proposed program.
3. If a unit of general local government partners with a subrecipient to carry out an eligible activity. The subrecipient must demonstrate the following to be considered;
   a. The organization can document its nonprofit status with the U.S. Internal Revenue Service, the Indiana Department of Revenue, and the Indiana Secretary of State
   b. The non-profit organization has the capacity to carry out the activities of an eligible project.
   c. The applicant must demonstrate a clear commitment to full accountability for all awarded funds and maintain close collaboration with the partnering subrecipient.
4. At the time of the application submission, the applicant and subrecipient must not have any overdue documents or outstanding semi-annual reports, closeout reports, State Board of Accounts audit findings, or unresolved monitoring issues from OCRA/IHCDA. The determination of what constitutes “overdue” is entirely at the discretion of OCRA.
   a. Applicants must verify their overdue status in the CDBG Project Timeliness Report on the CDBG webpage, which is updated monthly.
5. The applicant must clearly demonstrate how the proposed project will fulfill with the Low to Moderate Income (LMI) Limited Clientele National Objective or Presumed to be Low to Moderate Income People, as modified by the Federal Register Notice (FR-6225-N-01).
6. The applicant must use funds for activities described in the Federal Register Notice (FR-6225-N-01), which are CDBG-eligible activities consistent with the purpose of RHP to provide stable, temporary housing for individuals in recovery from a substance use disorder.
7. The applicant must show that the proposed project is an eligible activity under Title 1 of the Housing and Community Development Act of 1974 and meets the requirements of the SUPPORT Act.
8. The applicant may only submit one application at a time. Counties may submit either for their own project or an “on-behalf-of” application for projects of other eligible applicants within the county. However, no application will be invited from an applicant where the purpose is clearly to circumvent the “one application per submission” requirement for other eligible applicants
9. There is no limit on open CDBG grants or pending awards for the Recovery Housing Program.
10. If an applicant has any pending applications awaiting a “Notice of Release of Funds” or has not yet received approval for a final plan, these will not be considered when determining an applicant eligibility.

11. An applicant must not have any unresolved complaints filed against the applying party with the Indiana Civil Rights Commission or any other local human relations commission with jurisdiction (collectively “Commissions”).
12. The cost/beneficiary ratio is waived for this program.
13. If an applicant includes leveraged funds in their application, the Indiana Office of Community and Rural Affairs will assess the appropriateness and eligibility of those funds. Although matching or leveraged funds are not a program requirement, their inclusion is strongly encouraged
    a. To request in-kind match, please submit your request with the letter of intent via email at cdbg@ocra.in.gov. All in-kind contribution requests must include all of the information and follow the format outlined in CDBG Policy Notice 2025-004.
14. The application must be fully complete upon submission.

Readiness to Proceed Criteria

1. The applicant must have an active SAM registration by the application deadline.
2. Applicants are required to procure an OCRA Certified Grant Administrator to support both the submission and administration of a CDBG application.
3. CDBG submissions must be made by an OCRA certified Grant Administrator with active certification through Indiana’s Grants Management System (GMS).
4. The applicant must first encumber or expend all CDBG program income receipts before applying for additional grant funds from OCRA.
    a. OCRA may approve using CDBG program income toward the local match requirement. To obtain approval, applicants must email cdbg@ocra.in.gov.
    b. The use of CDBG program income must be in compliance with CDBG Policy Notice 2024-004.

Resource: Current Grant Administrators List.

C. Eligible & Ineligible Activities

Eligible Activities

Funding from the Recovery Housing Program is exclusively available for eligible activities that provide stable, temporary housing, up to two years or until permanent housing is secured, for individuals recovering from substance use disorders. OCRA seeks to allocate federal funds to initiatives that deliver timely, measurable benefits to low- and moderate-income individuals in need of recovery housing. The following activities are eligible for funding. This list is not meant to include or to exclude any particular project.

Resource: For questions regarding specific activities, consult your Community Liaison.

Eligible Activities	Description
Acquisition of Real Property	Purchase of land or buildings intended for use as recovery housing • Surveying and appraisal costs • Legal costs related to acquisition • Actual purchase costs of land or easement provided URA is followed, and the property is not purchased before release of funds.
Clearance and Demolition	Costs associated with the removal of unsafe or obsolete structures required for the development or expansion of recovery housing facilities.
Lease, Rent, and Utilities	These funds may be used for new services or quantifiable increase in existing services compared to what the local government provided, using local or state funds, in the 12 months before application submission as a result of expanding transitional recovery housing. Funds may be used to • Subsidize lease payments, monthly rent, and essential utilities (electricity, water, gas, trash) for eligible individuals. • Support new services or a quantifiable increase in existing services tied to transitional recovery housing. • Cover costs for up to 24 months per individual.
Rehabilitation and Reconstruction of Single or Multi-Unit Residential Buildings (Up to four units)	Costs may include repairs, upgrades, or complete reconstruction of residential facilities to ensure they meet safety, accessibility, and habitability standards for recovery transitional housing.
Disposition of Real Property	Costs associated with the legal transfer or sale of property that was previously acquired or improved with program funds.
Soft Costs	**Description**

Administration	Reasonable expenses directly related to the management and oversight of the grant. (Maximum of 8% of the grant, if paid with CDBG funds)
Environmental Review	Costs related to obtaining the necessary environmental review of the proposed project
Labor Standards	Costs related to labor standards compliance

Determination Eligibility for Lease, Rent and Utility Only Activities

1. **Eligibility**
   - **a.** Is the service new or a quantifiable increase in the level of an existing service?
   - **b.** Was the service not provided by or on behalf of the local government in the 12 months prior to application?
   - **c.** Is the activity designed to serve eligible individuals (e.g., low- to moderate-income, in recovery)?
2. **Cost Coverage**
   - **a.** Does the activity include lease payments, monthly rent, or essential utilities (electricity, water, gas, trash)?
   - **b.** Is the support limited to no more than 24 months per individual?
   - **c.** Are costs reasonable and necessary for transitional recovery housing?
     - **Cost Calculation Examples-**Applicants can use the following methods to estimate and justify costs:
       - Per-Unit Monthly Cost Model

Item	Example Calculation
Rent	$850/month × 12 months = $10,200/year
Utilities	$150/month × 12 months = $1,800/year
Total per unit	$12,000/year × 2 years = $24,000

       - Shared Housing Model
         - 4 residents share a unit at $2,000/month
         - Rent per person = $500/month
         - Utilities split = $100/month per person

3. **Required Documentation for Lease, Rent and Utilities Cost Activities Only** To verify and approve these costs, Applicants must submit:
   - **a.** Lease/Rental Agreements
     a. Signed Lease with landlord
     b. Terms, duration, and monthly cost
     c. Proof of occupancy by eligible individual
   - **b.** Utility Bills
     a. Copies of recent bills (electric, water, gas, trash)
     b. If shared, a cost allocation method (e.g., per capita) as indicated in cost example

c. Cost Breakdown
    a. Spreadsheet showing per-unit or per-person cost
    b. Duration of support (start/end dates) must not exceed 24 months
    c. Total requested amount
d. Eligibility Verification
    a. Documentation of individual's eligibility
    b. Intake forms or certification from service provider
e. Service Expansion Justification
    a. Comparison to previous years' service levels

Ineligible Activities

The following are common activities that are not eligible for CDBG funding, this list is not exhaustive :

- The acquisition, construction, or rehabilitation of buildings for the general conduct of government
- Real property acquisition for ineligible activities
- General equipment purchase
- Purchase of items that are living (plants, trees, sod, animals, etc.)
- Operation and maintenance expenses associated with public facilities or services
- General government expenses
- Political activities of any nature

Resource: For questions regarding specific activities, consult your Community Liaison.

Projects Combining Eligible and Ineligible Activities

Depending on a community's needs, it may be appropriate for a project to combine CDBG eligible and ineligible activities. This type of project may still be eligible for CDBG funds, provided that:

- The budget clearly delineates the costs of the eligible and ineligible activities
- Local funds that are used to cover expenses related to the ineligible activities must be clearly indicated in the budget as "ineligible costs"
- CDBG funds will not pay for any ineligible activities; and
- Local funds comprise at least the minimum percentage required local match portion of the project
    - OCRA's Detailed Budget Template must be used to outline these costs.

Resource: For guidance on combining eligible and ineligible activities, please consult the CDBG Program Team at cdbg@ocra.in.gov.

D. Demonstrating Compliance with the Federal National Objective

To ensure alignment with the statutory requirements of Title I of the Housing and Community Development Act of 1974, as amended, and applicable modifications by the Notice of FY 2020 Allocations, Waivers, and Alternative Requirement for the Pilot Recovery Housing Program. All Recovery Housing Program activities must demonstrate and fulfill compliance with the Low- and Moderate-Income Persons (LMI) National Objectives as outlined in the following chart:

Low to Moderate Income Persons Benefit	
Limited Clientele	To qualify under this objective, at least 51% of the individuals served must be low- or moderate-income. The program must ensure that moderate-income beneficiaries do not receive benefits to the exclusion of low-income individuals.
Presumed Class	The program is designed to serve one of the following groups: • Persons meeting the federal poverty limits • Persons insured by Medicaid • Senior citizens (60 years of age or older) • Migrant farmworkers • Abused children • Battered spouses • Severely handicapped adults • Homeless persons • Illiterate adults • Persons with AIDS

Demonstrating a National Objective

Applicants must clearly establish that their proposed activity satisfies the designated National Objective as outlined above by providing all the required documentation and answering all relevant questions for that National Objective using Part 4 of these instructions and completing all applicable items in Section 3 of the application in GMS.

E. Maximum Grant Amounts

OCRA has established a standard maximum grant amount for eligible Recovery Housing Program projects. However, OCRA, at its discretion and as funding permits, may authorize additional funds beyond this threshold for projects demonstrating substantial readiness to proceed.

Standard Grant Award: $750,000
Local Match: Not required for this program*

**OCRA strongly recommends that local units of government leverage additional funds towards an application.*

F. Grant Administration Procurement & Fees

Grant Administrators must be selected in compliance with all relevant federal and state procurement laws. CDBG program requires professional services to be procured using the Request for Proposals (RFP) method if being paid with CDBG funds. CDBG funds may be used to pay for the professional service fees of grant administrators Grant Administrators may charge the following:

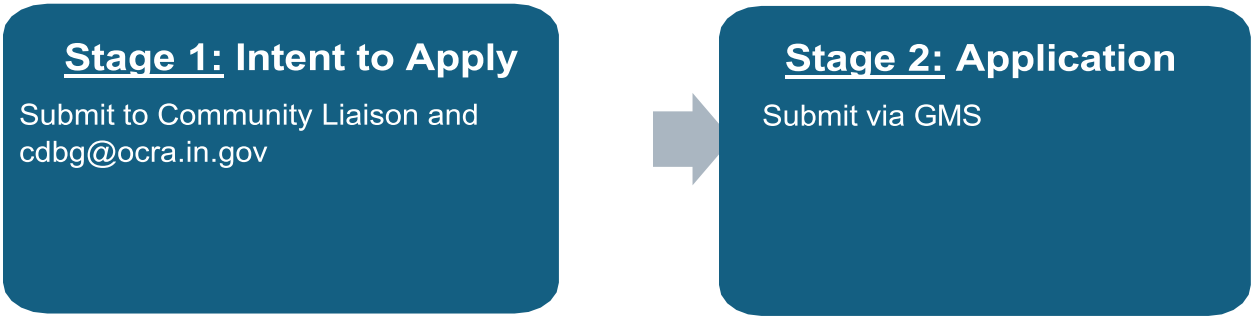
Type of Service	CDBG Maximum Amount
Environmental Review	$5,000 maximum
Labor Standards	$5,000 maximum
Administration	8% of the CDBG grant amount

When local funds are used to cover grant administration services, applicants should adhere to their local procurement policies. If administrative fees are paid from local funds, OCRA will allow up to 8% of the grant amount toward local match. Any additional funds toward administration will be considered ineligible local match for this purpose. For applicants using CDBG funds to pay for administrative fees, procurement must be completed prior to grant award.

Example: A community requests $750,000 in CDBG funds for a Recovery Housing Project. Total project cost is $1,000,000. Eligible grant administration fees are $60,000 (8% of the CDBG request) paid from CDBG funds. Any amount above the allowable 8% is considered ineligible cost.

NOTE: Private firms or non-governmental entities that perform project development and administration activities for CDBG-assisted projects (project development, environmental review, grant application preparation, procurement assistance, grant administration) will NOT be allowed to perform architectural, engineering, planning, or other related services/activities for grantees or their non-profit sub-recipients on those projects

PART 2: When You Apply



A. Application Process

General Considerations

1. Submission of an application requires detailed supporting materials and documentation. As such, materials and documents must be referenced in narratives using the file name and page number. For example, (Filename-00). Do not include attachments that are not discussed and referenced in the narratives unless required by federal or state policy.
2. The application must be submitted via the Indiana Electronic Grants Management System (GMS) by a Certified Grant Administrator.
3. In order to submit a competitive application, applicants are strongly encouraged to take advantage of the technical assistance available from their Community Liaison.

Stage 1-Intent to Apply

1. Eligible applicants must contact their regional OCRA Community Liaison and CDBG program staff (cdbg@ocra.in.gov) to express their interest in the program.
   a. **In-Kind Contribution:** If applicable, applicants utilizing in-kind contributions towards the local match must submit the required request to the cdbg@ocra.in.gov prior to proposal submission.
   b. See CDBG Policy Notice 2025-004 In-Kind Contribution Policy for the process of requesting the use of in-kind contributions.
2. OCRA reserves the right to conduct a site visit to verify project eligibility and provide technical assistance before application submission. *At the discretion of OCRA, projects may not be invited to submit an application if there is significant uncertainty in a community's ability to meet eligibility criteria, state and/or federal compliance issues, financial risk concerns, or other substantial concerns.*
3. After submission of an intent to apply has been accepted, OCRA, in coordination with Grant Services and DHMA, as applicable, will continue to provide technical assistance to the communities in the development of a final application.

Resource: Letter of Intent to apply template available on CDBG Resources page.

Stage 2-Application Submission

The final submitted application will be reviewed and evaluated for fundability based on the established Grant Evaluation Criteria. *OCRA retains the discretion to invite or exclude applicants from advancing to the final application stage. Applications demonstrating insufficient readiness may be denied.*

1. **Subrecipient Identification and Contractual Requirements (If applicable):** Clearly identify the designated subrecipient for the project, including their legal name and role in project implementation.
    a. Documentation: the following documentation must be included in the proposal.
        i. 501 not-for profit status
        ii. IRS Designation Letter
        iii. Secretary of State Check
        iv. Subrecipient Agreement to be used
        v. Covenants and Liens contract to be used
2. **Local Match:** If applicable, secure the required local match and include all relevant documentation in the final application package.
    a. If utilizing American Rescue Plan Act Funds, include the Duplication of Benefits Disclosure
3. **Documentation:** The following must be included in Section 13.
    a. Complete the CDBG Legal Section
    b. Include the CDBG Signature Page,
    c. Include most up to date Disclosure form (if applicable) Fair Housing Ordinance and Drug Free Workplace ordinance, refer to CDBG Forms for templates and form.
4. Prior to submission, verify that the community is in full compliance with any previous projects to prevent potential disqualification.
5. Submit the completed application using Part 3 of these instructions.

Resource: For questions about application content, consult your Community Liaison.For questions about the Indiana Electronic Grants Management System (GMS) contact the GMS administrator at lggmsadmins@office365groups.in.gov or refer to the GMS FAQ page on OCRA's website.

PART 3: Submitting An Application In The Grant Management System

General Instructions

1. Go to the Grant Management System.
2. Select the program to which you are applying.
3. Ensure all Federal I.D./EIN, SAMS UEI, CAGE, and DUNS are correct and up to date for the local unit of government
4. Fill out the application using the Project Design Factors and Evaluation Criteria in Part 4: Application Evaluation Metrics of these instructions as your guide.
    - Ensure all questions are answered and all relevant documents are attached.
5. Utilized the GMS FAQs for submitting an application guidance for any other questions related to the GMS application.
6. Complete a final check of your work. Be sure to:

- Review each section and make sure all information is accurate.
- Use line breaks and titles to separate sections and paragraphs in the narratives.
- Pictures should be in a single PDF file at the highest resolution possible with clear captions and dates.
- Reference the file name and page number of each piece of supporting documentation that has been uploaded.
- Do not include uploads that are not discussed or referenced in the narrative or are not related to the project (unless federal or state policy requires).
- Do not provide handwritten notes, dates, etc. within any upload.

7. Submit the appropriate documentation with final submission.

PART 4: Application Evaluation Metrics

A. Grant Evaluation Criteria

There are 700 in total points available for this application. To be eligible for award, applications must attain a minimum score of 450 out of 700 possible points. Applications that complete the Bonus Point section can receive up to an additional 25 points towards their application total. The point reduction policy does not apply to this program.

The scoring framework includes:

Base Scoring Framework	Maximum Points
National Objective Score	100 points
Community Distress factors	150 points
Local Match Contribution	25 points
Indiana Recovery Residence Designation	20 points
Feasibility Study	15 points
Overdose Death Rate	25 points
Program Design Factors	300 points
Program Specific Points	65 points
Total Points Available	**700 points**
Additional Scoring Factors	
Bonus Opportunity	+25 points

National Objective Score (100 Points)

To show that a project will benefit individuals who are generally presumed to be principally low- to moderate-income, awardees will submit transitional recovery housing program admission criteria addressing the following items. The following items must be addressed in the application. Identify intended beneficiaries of the proposed facility.

1. Detail how the national objective-limited clientele will be met. **Choose one (1)** of the following.

    a. **Presumed Class**-Explain how all beneficiaries in a group are presumed to be low- and moderate-income (see list of presumed class groups).
        i. Identify the ONE qualifying presumed class to be used for all beneficiaries.

ii. Describe the process to verify that all residents qualify under the selected presumed class.
iii. Will any other groups or the general public also use the facility? If so, to what extent?

b. **Limited Clientele-All beneficiaries meet LMI.** Explain how beneficiaries will be qualified based on income.
   i. Describe how income and family size information is to be verified as meeting 51% LMI criteria.
   ii. Will any individuals not verified as LMI also use the facility? If so, to what extent?

c. **Limited Clientele-Beneficiaries are at least 51% LMI.** Explain how at least 51% of the beneficiaries will be LMI individuals.
   i. Describe how income and family size information is to documented. How will the percentage of low- to moderate-income users be estimated or determined?

2. Submit the Income Verification Document to be used.
   a. If awarded, The benefit to low- and moderate-income people must be documented by an income verification process and should include at least three (3) months of data.
   b. If awarded, income data for all people served at the facility must be provided.

Submit National Objective items using RHP-002 National Objective Form. Include all information and documentation and upload as one(1) file with final application submission.

Community Distress Factors (150 Points)

Various factors are used to determine the distress of a community. OCRA has partnered with Stats Indiana, an Indiana University entity, to analyze and calculate the distress of Indiana's small cities, towns, counties, and townships. Local government scores, which are updated and published annually, can be found at Stats Indiana. Factors used to calculate the Community Distress points used for CDBG scoring include:

- Poverty Rate
- Median Household Income
- Unemployment Rate
- Non-seasonal Housing Vacancy Rate
- Housing Cost Burden
- Population Change (10-year % Change)

Local Match Contribution (25 Points)

Based on the percentage of local funds devoted to the project, not grant request. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

This category is capped at 25 points or 25% match, i.e., a project with 25% match or greater will receive 25 points. Below 25% match, the following formula will apply.

Match funds may come from any source, including local distributions from the National Opioid Settlement, Federal American Rescue Plan (ARP) funds, local general funds, private contributions, philanthropy dollars or in-kind.

- Use of in-kind donations as eligible matches require approval from the CDBG Program Staff, in-kind requests must be submitted with the letter of intent.

All In-Kind Contribution Requests must include all information and follow the format outlined here: **CDBG Policy Notice 2025-004 In-Kind Contribution Policy.**

Indiana Recovery Residence Designation (20 Points)

Based on the level of recovery residence that the facility will seek from FSSA DMHA or has already been designated by FSSA. Applicants must submit a valid certificate of designation or official documentation confirming the level of designation with their application. Total points are determined as follows:

- Level II Designation-5 points
- Level III Designation-10 points
- Level IV Designation-20 points

Feasibility Study (15 Points)

Awarded to applicants who have completed an assessment of the practicality and viability of the proposed project. The study must have been completed within the last 12 months. Applicants must submit valid documentation confirming the completion of the feasibility study with their application.

Overdose Death Rate (25 Points)

Awarded to applicants that fall within the boundaries of the counties identified by the Department of Health as having greater than five (5) deaths due to overdose in 2025.

Project Design Factors (300 Points)

A maximum of 300 points awarded according to the evaluation in four areas:

1. **Project Description** – Is the project clearly defined as to determine eligibility?
2. **Project Need** - Is the community need for this project documented and compelling?
3. **Financial Impact** - Why is grant assistance necessary to complete this project?
4. **SUPPORT Act Goal**- What policies and procedures are in place for the facilities, and do they comply with all applicable federal regulations, including non-discrimination requirements?

The points in these categories are awarded by the OCRA Scoring Committee when evaluating the projects. Scoring questions for these categories are defined in Section B of these instructions. Applicants should refer to the application instruction, scoring guide and other resources to address all questions present. Applicants are encouraged to work with their OCRA Community Liaison to identify ways to increase their project's competitiveness in these areas and of the application.

Program Specific Points (65 Points):

1. **Non-Entitlement Communities (10 points)**
    - A maximum of 10 points will be awarded to applicants that are a non-entitlement.
2. **Beds Available to Pregnant Women or Women with Dependent Children (15 points)**
    - A maximum of 1 point per new bed that is provided by the facility and made available to pregnant women or women with dependents will be awarded.
3. **Individuals with Justice Involvement (10 points)**
    - A maximum of 1 point will be awarded per new bed that is provided by the facility and made available to people involved in court ordered rehabilitation.
4. **Beds Available to Veterans (15 points)**
    - A maximum of 1 point will be awarded per new bed that is provided by the facility and made available to veterans.
5. **Project Sustainability (15 points)**
    - A maximum of 15 points will be awarded for documentation of National Opioid Settlement Funds being used as project match.

Bonus Points (25 Points):

The Division of Mental Health and Addiction's policy encourages Medication Assisted Treatment (MAT) and a whole-person treatment approach amongst providers. As such, a grant application may include how the provider will support residents in their recovery through the acceptance of individuals on medication for the treatment of their substance use disorder and a whole-person treatment approach.

- Provide policies written in a manner to encourage and support use of medications including, but not limited to, nicotine replacement, long acting injectables and daily medication for substance use disorder, and
- Document how trauma informed care and whole-person treatment approach is incorporated into practices and policies.

Program specific points and bonus points must be submitted to the Office of Community and Rural Affairs in Form RHP-001 Program Specific and Bonus Points. The form must be uploaded to Indiana's Grants Management System and submitted with the application.

B. Project Design Factors: Scoring Question Criteria

GMS Section	Project Design Factors 300 Total Point
Section 1	**Applicant Contacts**
1.1	Verify that the Federal ID/EIN, SAMS UEI, CAGE, and DUNS numbers are correct and current for your local government. • If revisions are needed contact your Community Liaison or contact the GMS administrator at lggmsadmins@office365groups.in.gov
1.2	Provide information for • Chief Elected Official • Clerk Treasure • Sub-recipient (If applicable) • Engineer • Architected
1.3	If the applicant will have open CDBG grants at the time of application, list the applicable open grants. • This policy is waived for this program
1.4	Provide completed applicants W-9 and automated Direct Deposit authorization agreement. • Use of most up to date forms as provided by the Internal Revenue Service and State Board of Accounts.
Section 2	**Project Information**
2.1	Select the eligible activity of the proposed project.
2.2	Provide the estimated number of Beneficiaries served by the project.
2.3	Provide the project address.
2.4	Complete the general information for the applicant.
Section 3	**National Objective**
3.1	Identify the National Objective for this project. • Select Benefit to low- and moderate-income person limited clientele. • Provide justification for selecting benefit to low-to moderate-income-limited clientele as the national objective. • Provide census percentage of the LUG as indicated on the LMISD Map. • List all census tract and block group number(s) included in the project area. • Skip income survey and blight clearance sections as they are not applicable.
3.2	Upload National Objective form and required documentation in Section 11-Other Uploads. Name upload “National Objective Documentation”.
Section 4	**PROJECT DESCRIPTION**
4.1	**Project Description**
4.1.a	**Detailed Description** Provide a detailed description of the project without the use of technical language.

	• Give an overview of the project in three to four sentences. • Overview should cover the purpose of the project, activities to be completed, and who will benefit from the project.
4.1.b	**Clear Outcomes** Write at least three clear, specific, and objectively measurable outcomes for the proposed program. • This section should include a baseline, a specific desired outcome, and how each of these are or will be measured. • Note, the completion of the project itself is not considered an outcome.
4.1.c	**Project Site Overview** Provide a detailed description and supporting documentation of project location and why that neighborhood/site was optimal for this project. • Include a summary of how the location has access to public or private transit systems, employment, healthcare, childcare, or other similar community resources and services.
4.2	**Subrecipient and Applicant Roles & Responsibilities**
4.2.a	**Identify the Subrecipient** • Describe the organization designated as the subrecipient, including its legal name, mission, and role in the proposed project. If no subrecipient, explain. • Clearly outline the specific responsibilities of both the applicant and the subrecipient. Include who will manage key tasks such as project oversight, implementation, reporting, and compliance.
4.2.b	**Explain Oversight Structure** • Describe how the applicant will monitor and oversee the subrecipient's activities (if applicable). Include methods for ensuring accountability, such as regular check-ins, performance reviews, or reporting requirements. • Explain how communication between the applicant and subrecipient will be maintained. Include frequency of meetings, reporting formats, and points of contact.
4.2.c	**Clarify Compliance Duties** • Describe how both parties (when applicable) will ensure compliance with federal, state, and program-specific regulations. Specify who is responsible for submitting required reports and maintaining documentation. • If there is a subrecipient, describe any potential risks related to subrecipient performance and how those risks will be monitored and mitigated throughout the project, if applicable
4.3	**Summary of Work**
4.3.1	**Summary of Work** Write a 3-5 sentence project summary that highlights the proposed work, the amount of funding requested, and the anticipated impact. This summary should be suitable for use as a media blurb in a press release, should the project receive funding. • Refrain from using technical language. • This paragraph should be written so that it can be clearly understood by the public.
4.4	**Scope of Work**
4.4.a	**Selection Criteria**

	Clearly define the program's selection criteria for project beneficiaries • Include sample enrollment documentation in uploads.
4.4.b	**Scope of Work** Write a scope of work that is clear and logical for the type of project. • Identify any ineligible items.
4.4.c	**Scope Matches Budget** Correlate the scope of work with the detailed budget. • Include per item costs in the detailed budget. • Include specific information about soft costs in the detailed budget. • Detailed Budget Template must be used to outline these costs. • Best Practice: Double check calculations before submitting detailed budget.
4.5	**Project Development and Support**
4.5.a	**Program History** If a local program is established, summarize the history of the program over the last 5 years. If a new program is being developed, provide a summary of the development process. • For established programs, summaries should include Who, What, How, and When components. • For new programs, include evidence of research of issues and solutions for this specific project • For new programs, include evaluation of multiple alternatives • For new or established programs, include timeline showing key dates and milestones. • For new or established programs, include multiple methods of public input used in the development process for this project
4.5.b	**Quality Maps** Identify the project area on high-quality, colored, clearly labeled maps. • Maps show project area in relation to 1. place, 2. county, and 3. state • Detailed project area maps include clear map markers, labels, legend, etc. for key locations and/or features. • Any boundaries marked within the map are clearly defined and labeled
Section 5-1	**PROJECT NEED**
5.1	**Priority**
5-1.1.a	**3-5 Year History of Issues** Provide a summary of the history of issues across the past 3-5 years. Support with documentation (e.g. waitlist/enrollment data, residential anecdotes, newspaper articles related to the issue, etc.) • A summary table presents a well-organized display of information. • Highlight information within the uploads that is specifically cited in the narrative.
5-1.1.b	**Address Issue Frequency and Prevalence** Provide a compelling explanation of the frequency and prevalence of the issue(s) this program would address. Upload adequate documentation.
5-1.1.c	**Risk of Issues** Provide a clear and compelling explanation of the risk of the issue(s) having a significant impact on residents. Include adequate documentation showing a

	connection between the risk(s) and residents' daily lives. • Documentation is specific to the community (e.g. criminal activity data, overdose data, etc.).
5-1.1.d	**Community Priority** Demonstrate in the narrative specifically how this project is a priority to both residents and local units of government. Include adequate documentation. • Diverse documentation must demonstrate support from residents benefitting from the project, residents of the community, local officials/leaders, etc.
5.2	**Current Conditions**
5-1.2.a	**Current Conditions** Explain in detail and document the current system/facility conditions. • Provide analysis and summary of any data included.
5-1.2.b	**Current and Proposed Uses** Explain the current and proposed uses, programs, or services. If the project is a new build or expansion, explain why it is necessary. • Provide analysis and summary of any data included.
5-1.2.c	**Quality Pictures** Include high-quality color pictures relevant to current issues and the proposed project showing conditions within the past five (5) years. • Each picture must have a caption and date stamp. • Provide reason(s) if no pictures are provided. • Photos must be taken within the past five years.
5-1.2.d	**Partnerships** Summarize local, regional, or statewide partnerships that have been established to support the current and proposed programs or services.
5.3	**Residential Impact**
5-1.3.a	**Residential Impacts** Explain and document the residential impact of the proposed program. Summarize the potential impacts on residents if the program is not funded. • Include summary of specific existing needs impacting residents. • Provide a summary of resident survey data.
5-1.3.b	**Residential Support** Outline and document the residential support and need for the program. • Demonstrate resident support during project development. • Demonstrate resident support of desired program outcomes. • Include evidence of resident support beyond the context of public hearings (e.g. awareness event attendance, letters of support, social media posts, etc.).
5.4	**Health and Safety**
5-1.4.a	**Health and Safety Described** Describe how this project will specifically address health and safety issue(s) in the community. Outline the potential health risks if the project is not completed.
5-1.4.b	**Health and Safety Documented** Support with documentation the specific health and safety issues this project would address.

	• Examples: local health department data, local criminal justice data, letters from health and safety officials, etc.
Section 6	**FINANCIAL IMPACT**
6.1	**Previous Efforts**
6.1.a	**Previous Efforts** Summarize the community's previous efforts to address the issue(s) this program aims to remediate. • Provide a timeline or table demonstrating previous efforts.
6.1.b	**Supporting Documentation** Provide supporting documentation that details previous efforts related to the project, including partnerships, expenditures, and labor hours. • The documentation should clearly identify who was involved, when the activities took place, how much was spent, and the purpose behind each effort.
6.2	**Sustainability**
6.2.a	**Sustainability Plan** Outline and document an adequate sustainability plan for this project past the 5-year closeout window. • Plans include the **who**, **what**, **when**, **where**, and **how**.
6.2.b	**Commitment to Maintain** Include in narrative and document the Chief Elected Official's (CEO) and sub-recipient's commitment to maintain the project past the 5-year closeout window. • CEO and Executive Director (or equivalent) commitment must be supported in official documentation such as official letter dated and signed by the respective party.
6.2.c	**Funding Sources for Residents** Describe the funding sources and supportive services available to residents that will help sustain housing stability and employment during the two-year service period and beyond. • Include documentation that outlines these services, such as partnership agreements, program descriptions, or funding commitments.
6.3	**Financial Options**
6.3.a	**Funds Management** Provide a detailed explanation of how the project funds will be managed. • Explain how project funds will be managed. Identify who will handle budgeting, when key financial activities will occur, what processes will be used for disbursements, and financial tracking for both the applicant and subrecipient (If applicable). Include any internal controls or safeguards in place • Upload a chart or diagram to visually support the roles and responsibilities described.
6.3.b	**Move Forward If Not Awarded** Include specific statement on how the project will or will not move forward if not awarded CDBG funds.
6.4	**Fund Balances**
6.4.a	**Fund Balances Explained** Explain the fund balances and include relevant documentation for the applicant and

	sub-recipient. • Include most recent Gateway report in uploads. • If applicable, include sub-recipient financials in discussion and support with documentation.
6.4.b	**Discretionary Balances** Explain all discretionary fund balances and include supporting documentation.
Section 6-2	**SUPPORT Act Goal-***Below Financial Impact in Section 6 of the application in GMS.*
6-2.1	**Skills for Independent Living** Describe the policies and practices your organization uses to help individuals build the skills needed to sustain recovery and transition to independent living after completing up to two-years in temporary transitional housing.
6-2.2	**Recovery Residence Designation** Indicate the facility's current or desired level of NARR recovery to be designated by the Family and Social Services Administration (FSSA). • Indicated whether the organization has received a recovery residence designation for other facilities in the State. • Indicate the level to be achieved for this new or expanded facility • If the designation is still pending, indicate the current stage of the organization's submission process with FSSA. Attach either the certificate of designation or the application submitted to FSSA for this new or expanded facility, along with any relevant documentation from FSSA confirming the current stage of the application process.
6-2.3	**Staffing Recruitment Strategy** Describe your recruitment strategy, including specific efforts to hire staff who reflect the demographics, backgrounds, and lived experiences of the community and individuals served by the program
6-2.4	**Operating Experience** Provide a detailed overview of the recipient's or sub-recipient's experience in operating a recovery residence. Include information such as the length of time in operation, types of services provided, populations served, staffing structure, and outcomes achieved.
6-2.5	**Resident Rules and Responsibilities** Describe the specific policies and practices that participants are expected to follow during their stay at the recovery facility • Include a detailed outline of participant rules, responsibilities, and the daily or weekly schedule of activities. Ensure that all activities and program components comply with equal participation standards and civil rights requirements.

PART 5: Post Award

A. Funded Communities

- Grant awards will be publicly announced via press release 9 to 10 weeks from the application deadline. Following the announcement, Grant Services will contact each awarded community to initiate the next steps in the grant process.

Resource: To receive information on awards subscribe to OCRA's Press Releases.

B. Unfunded Communities

- Applicants who are not selected for funding must complete a feedback meeting with their assigned Community Liaison before reapplying for the same program in the future.

PART 6: Appendices

Appendix A: Duplication of Benefits

Many communities have received or will receive federal stimulus funds from the CARES Acts, American Rescue Plan (ARP), or other federal allocations that can be used for the same eligible activities as CDBG, as such OCRA must consider any duplication of benefit. Per the Stafford Act "Duplication occurs when an agency has provided assistance which was the primary responsibility of another agency, and the agency with primary responsibility later provide assistance."

To determine if any duplication has or will occur, applicants who intend to use ARPA funds *or* other federal allocations as their local match must complete the Duplication of Benefits form and upload it with their application. On the form, applicants will provide details on any federal stimulus funds received and their status. Any of those funds that are not yet obligated could be considered duplicative of CDBG funds and could decrease an award from this round.

Appendix B: Public Hearings and Citizen Participation

Two public hearings must be held at different stages of project development. One public hearing must be held before submission of the proposal, and the second must be held before the submission of the full application. **Note: New public hearings must be held for each grant round, regardless of prior application(s).**

Public hearing notice must be posted at least 10 days prior to the hearing date. **Therefore, the public hearing cannot occur until the 11th day or after.** Applicants should be aware of local newspaper deadlines for submitting advertisements. Some smaller newspapers are published weekly and will require that the advertisement is placed well in advance of the public hearing. Other methods of advertising the public hearing are also encouraged. All public hearings must be accessible to disabled persons. Public hearings should also be made convenient for low- and moderate-income residents who will benefit from the project.

The public hearing notice and the publisher's affidavit documenting publication dates, the dated

sign-in sheet and signed minutes must be attached to the application for **both** public hearings. The affidavits are the only application document accepted after the application due date. **The affidavits must be received within 14 days of the application due date. OCRA is not responsible for reminding applicants to submit the documents.** Public hearing documentation should be packaged independently as Hearing 1 and Hearing 2.

Minutes must be signed and dated by the party that recorded them.

*If a third party, such as a grant administrator, takes the minutes of the meeting, the applicant **must** include a document stating that the third party is acting as the applicant's representative.*

It is recommended that an audiotape of the public hearing be recorded and kept until the grant is closed out. OCRA may request transcripts of the public hearings.

- Place all documents from each public hearing together in the application. Do not separate by type of documentation.
- All public hearing ads submitted with the application must be of sufficient size to be readable upon review.
- Minutes should be a transcript that documents the topics of discussion and comments made. Not merely state, "there was a discussion."
- Minutes are a great source of quotes showing residential impact.

All questions regarding Limited English Proficiency must be answered on the Citizen Participation page. Please attach the 4 Factor Analysis and Language Access Plan as required.

For more information, please refer to the CDBG Handbook.

Appendix C: Build America Buy America Act

The Build America, Buy America Act requires any infrastructure project funded by any Federal Financial Assistance, such as CDBG, to apply a domestic procurement preference, also referred to as the "Buy America Preference" (BAP). This means that all iron, steel, manufactured products, and construction materials used in infrastructure projects must be produced in the United States, unless the U.S Department of Housing and Urban Development (HUD) has issued a waiver of the domestic procurement requirement.

In accordance with HUD's most recent guidance provided in CPD Notice 25-01, Implementation Guidance for the Build America, Buy America Act's Buy America Preference, the Office of Community and Rural Affairs has determined that BAP applies to the following product type and year of appropriated funds:

Does BAP Apply?			
Product Type	**2023**	**2024**	**2025 or after**
Iron & Steel products	*Yes*	*Yes*	*Yes*
Construction Materials-Specifically Listed (*e.g. non-ferrous metals, lumber, and plastic- and polymer-based composite building materials, pipes, and tubes)*	*No*	*Yes*	*Yes*
Construction Materials-Not Listed	*No*	*No*	*Yes*
Manufactured Products	*No*	*No*	*Yes*

As required by HUD, record keeping should be maintained in accordance with applicable program requirements. To ensure record keeping compliance is fully maintained, the applicant must complete the BABA-01: Determination Form. A completed form must be submitted as part of FEPS.

Grant administrators are required to ensure that the Buy America Build America provision is incorporated in bid advertisement and prime/subcontractors' contracts. For sample material please refer to OCRA BABA Resources.

A completed BABA-02: Self Certification Form must be provided by awarded communities to receive Release of Funds and the BABA-Template-02: Manufacture Certification Letter Template will be collected at closeout.

Appendix D: CDBG Policy Notice 2024-002: Radon Policy

The U.S. Department of Housing and Urban Development (HUD) issued CPD notice 23-103, effective April 11, 2024, outlining the addition of radon as a radioactive material which must be considered in the site contamination analysis required under 24 CFR 58.5(i).

Radon testing and mitigation (when necessary) is required for CDBG-funded projects that require an environmental review at the level of Categorical Excluded Subject to 50.4 or 58.5 (CEST), Environmental Assessment, or Environmental Impact Statement and involve structures that are occupied or are intended to be occupied for at least four hours a day.

The Indiana Office of Community and Rural Affairs (OCRA) has established a policy to implement these requirements. Radon testing is required to assess whether a project must undergo radon mitigation. Applicants must consider radon during the project design phase to ensure the cost of testing and potential mitigation are incorporated. Radon testing and mitigation, if necessary, are eligible expenses through CDBG funding. To determine if a project must undergo radon testing, grantees must complete Form Radon-001: CDBG Radon Applicability Checklist as part of the environmental review process.

Appendix E: CDBG Policy Notice 2024-006: Federal Flood Risk Management Standards.

Federal floodplain management risk standards apply to proposed projects that are classified as Categorically Excluded from NEPA, but Subject to related laws at 58.5 or 50.4 (CEST), Environmental Assessment and Environmental Impact Statement. FFRMS applies to all federally funded projects, including construction, renovation, and repairs that occur in flood-prone areas.

Grantees must determine whether floodplain management is applicable to the project and complete Form Floodplain-001: Determination of 24 CFR Part 55 Applicability. This worksheet will help determine whether a project is exempt, if it will follow the 8-Step process, or complete the 5-Step process form. Whether you use the 8-Step or 5-Step process will depend on activity type. OCRA advises that applicants coordinate with the Environmental Review Specialist early to ensure that the proper procedure is completed.

If the project is not eligible for an exemption, a project within a FFRMS floodplain would be required to complete the 8-Step decision-making process to consider how their actions affect floodplains and/or wetlands. Other projects may be required to follow a modified 5-Step process and complete the 5-Step process form.

Early public notice and public notice of final decisions is required if a project is located within a FFRMS floodplain that is required to follow the 8-Step decision making process. **Local governments must start planning early to allow enough time for all necessary processes to be completed.**

Appendix F: CDBG Policy Notice 2024-003: Lead Safe Housing Rule

Residential properties involved in the Recovery Housing Program go through a standard environmental review process. The grantee's designated Environmental Review Officer (ERO) must ensure that lead hazard screening is conducted for the residential property identified as part of the site contamination analysis process.

The designated ERO is required to determine whether a residential property is eligible for an exemption from the Lead Safe Housing Rule by satisfying one of the criteria outlined in Section A of this Policy Notice and documenting the determination in Form Lead-001:CDBG Lead Hazard Applicability Screening.

If an exemption is determined, the grantee is required to provide the required documents and/or complete Form Lead-002: CDBG LSHR Exemptions, if applicable. If a residential property does not meet an exemption, the designated ERO must determine the level of assistance a household receives and document the determination in Form Lead-001:CDBG Lead Hazard Applicability Screening.

If a lead-safe licensed professional is not available among the staff, the grantee must contract with a licensed lead professional with an active license from the Indiana Department of Health in accordance with 410 IAC 32. Grantees are responsible for informing the lead-safe licensed

professional of the determined assistance threshold for the residential property requiring lead activity to be performed to ensure compliance with applicable lead requirements outlined in subsequent section 1,2 or 3. Grantees are required to provide the EPA approved pamphlet "Protect Your Family from Lead in Your Home" to the homeowner, obtain acknowledgement signature from the occupants, and maintain records for each assisted property for a minimum of three years.

Appendix G: CDBG Policy Notice 2025-006: Equal Participation Policy

The U.S. Department of Housing and Urban Development (HUD) *Equal Participation in HUD Program and Activities policy*, as outlined in 24 CFR 5.109, establishes criteria for eligible nonprofit organizations that receive federal financial assistance and contract with local governments to carry out a program or service funded through the Office of Community and Rural Affairs (OCRA) HUD programs.

Eligible nonprofit organizations receiving federal financial assistance through HUD programs administered by the Office of Community and Rural Affairs (OCRA) must ensure equal participation for all beneficiaries. This includes organizations with religious affiliations, which are prohibited from discriminating against individuals based on religion, religious belief, refusal to hold a religious belief, or refusal to participate in religious practices.

Participation in any religious activity must be strictly voluntary and cannot be a condition for receiving services. Organizations must include policies that reflect these requirements in their program or service proposals, especially when serving low- to moderate-income individuals. Additionally, they are required to provide written notice to beneficiaries and potential beneficiaries informing them of their rights and protections prior to enrollment or receiving services. For information on the policy and to obtain the written notice pamphlet for beneficiaries refer to CDBG Policy Notice 2025-006-Equal Participation Policy.