

THRESHOLD STATEMENTS:

- AHA is submitting this application for funding as a housing rehabilitation project. Solar facilities are included as housing rehabilitation projects pursuant to 24 C.F.R. § 1003.202(b)(4).
- AHA has no outstanding ICDBG obligations to HUD.
- At least seventy percent of the grant funds will be used for activities that benefit low- and moderate-income persons, in accordance with the requirements of 24 C.F.R. § 1003.208. In fact, in accordance with 24 C.F.R. § 1003.208(c), all units impacted by this housing rehabilitation project are and will be occupied by low- and moderate-income households upon completion.
- AHA has no outstanding violations of applicable civil rights provisions, including Title II of the Civil Rights Act of 1968, known as the Indian Civil Rights Act; Section 109 prohibitions against discrimination based on age, sex, religion, and disability; the Age Discrimination Act of 1975; and Section 504 of the Rehabilitation Act of 1973.
- In accordance with 24 CFR § 1003.302(a), AHA has adopted rehabilitation policies and standards in accordance with Tribal law and HUD regulations. AHA's Rehabilitation Policy was adopted by Board Resolution #2015-34, and is included with this grant application.
- The project funds will be used to rehabilitate HUD-assisted houses only when the homebuyer or homeowner's payments are current or the homebuyer or homeowner is current in a repayment agreement that is subject to approval by the Area ONAP.
- Direct costs for rehabilitation do not exceed \$35,000.00 in ICDBG funds per unit.
- The views and comments from all Tribal community members about the possible use of ICDBG funds were gathered and considered prior to the submission of this application. Akwesasne Housing Authority Board Resolution #2015-35 is included with this application and states that the Tribe has met the citizen participation requirements of 24 CFR 1003.604 with respect to this particular project. This application includes concurring Tribal Resolution # TBD that the Tribe has met the citizen participation requirements of 24 CFR 1003.604 with respect to this particular project and authorizes AHA to submit this grant application on behalf of the St. Regis Mohawk Tribe.
- This application includes a letter from each partner that AHA proposes to work with on the project. The letter from each partner demonstrates the partner's willingness and ability to participate in the proposed project. [Each partner letter of commitment must be on the partner's letterhead and signed by the chief executive of the entity/organization that demonstrates that the partner is willing and able to participate. We will obtain a letter of commitment from the solar investor that SunVest bringing into the project.]

- AHA has provided its most recent Code of Conduct to the area ONAP. Mary White, Grant Management Specialist, Eastern/Woodlands ONAP confirmed to AHA that AHA's Code of Conduct had been uploaded and is now listed on HUD's internal Code of Conduct Sharepoint site. Mr. Loyd LaMois, Supervisory Program Analyst, Grants Management & Oversight Division, confirmed that listing on the internal Code of Conduct Sharepoint site was sufficient to meet the application requirements. *See* Emails from Loyd LaMois to Mary White on September 15, 2015, and from Mary White to Retha Herne on October 1, 2015, which are included in Attachment [REDACTED].
- As discussed in more detail under Rating Factor 1, Section 1.b below, AHA's proposed project will be underway within 180 days from the date funds are available to AHA if its application is selected for funding.
- AHA received an eligibility determination letter from Bruce Maytubby, Eastern Region Director of the BIA, stating:

[T]he Bureau of Indian Affairs (BIA) concurs and recognizes the Akwesasne Housing Authority (AHA) as a Tribal Organization consistent with 24 CFR 1003.5 and as defined in Title I of the Indian Self-Determination and Education Assistance Act, as amended (the "Act").

*See* Letter from Bruce Maytubby, Regional Director, Eastern Region, BIA, to Eric Thompson, Beverly Cook, and Ronald W. LaFrance, Jr., Chiefs, St. Regis Mohawk Tribe on Sept. 23, 2015.

The BIA letter was forwarded to the Eastern/Woodlands Office of Native American Programs. AHA received a confirmation letter from Elton L. Jones, Director, Grants Management Division, Eastern/Woodlands Office of Native American Programs, HUD, stating:

The Eastern/Woodlands Office of Native American Programs [received] a letter dated September 23, 2015 from Bruce Maytubby, Regional Director of the Bureau of Indian Affairs, Eastern Region Office. This letter meets the requirements of 24 CFR § 1003.5 for the Akwesasne Housing Authority to be recognized as an eligible recipient for the Indian Community Development Block Grant Program (ICDBG) and to be able to submit an ICDBG application on behalf of the St. Regis Mohawk Tribe.

*See* Letter from Mr. Elton L. Jones, Director, Grants Management Division, Eastern/Woodlands Office of Native American Programs to Ms. Retha Herne, Executive Director, AHA on September 25, 2015.

Therefore, AHA is submitting this application for ICDBG funding as a tribal organization. Mary White, Grant Management Specialist, Eastern/Woodlands ONAP confirmed that because this is AHA's first application for ICDBG funding, AHA will be

considered a new applicant. *See* Email from Mary White to Retha Herne on October 1, 2015.

- AHA is a tribally designated housing entity established by a federally-recognized Indian Tribe, the St. Regis Mohawk Tribe, and as a result of the exercise of the Tribe’s sovereign power, is excluded from coverage of the Byrd Amendment. As a result, and as indicated in the ICDBG NOFA and the General Conditions, AHA is not required to submit Standard Form LLL (“SFLLL”), “Disclosure of Lobbying Activities,” in its application.

## **Rating Factor 1: Capacity of the Applicant**

### **1. Managerial, Technical, and Administrative Capability**

#### **a. Managerial and Technical Staff, including their relevant, recent, and successful experience and knowledge**

The Akwesasne Housing Authority (“AHA”) has a seasoned and highly-experienced staff that has overseen, implemented, and performed ongoing maintenance on an already existing solar project (the “Prior AHA Solar Project”) that was planned and installed in 2012-2013 as part of the larger Elderly Rental Neighborhood Phase II twenty-unit development at the Sunrise Acres Complex (“Phase II Green Development”). The Phase II Green Development is a renewable energy and green strategies development featuring geo-thermal/in-floor radiant heating systems, solar domestic hot water, day-lighting tubes, energy star appliances, LED lighting, water efficiencies, low flow faucets, dual-flush toilets, and sustainable construction materials and finishes. The Phase II Green Development also included installation of the Prior AHA Solar Project, which includes six solar photovoltaic systems ranging from [ ] kW to [ ] kW that generate approximately twenty percent of the electrical energy required by the units in the Phase II Green Development.

The Phase II Green Development in total cost \$7 million, which was funded by \$4 million of HUD American Recovery and Reinvestment Act (“ARRA”) funds and \$3 million of Indian Housing Block Grant funds. The \$4 million of HUD ARRA funds included \$3 million of competitively awarded ARRA funds, which the AHA successfully applied for and used to complete the Phase II Green Development.

The AHA managerial and technical staff listed below successfully implemented and completed the Phase II Green Development and in particular the Prior AHA Solar Project in compliance with all of the applicable grant requirements for ARRA and HUD funds. Phase II was completed within its originally identified timeline of one year and within the originally estimated budget. Because of the project’s successful implementation, the project was selected by HUD as the host site for the HUD Regional Training on Sustainable Construction in Indian Country in 2013; was showcased at the Sustainable Construction Reception held at the National Museum of the American Indian, Washington, DC in 2013; was selected to participate on a panel at the University of Arizona’s Sustainability in Indian Country Conference in 2014; was selected by HUD for an energy evaluation study conducted by the University of Illinois in 2012; and participated in the “Green & Sustainable” educational session for St. Regis Mohawk Tribe’s Environmental Division summer session in 2013.

**1. Ms. Retha Herne, Executive Director,** has been Executive Director of AHA for 11 years. Prior to serving as Executive Director, she served as AHA’s Assistant Deputy Director, Human Resources Director, and Acting Director. Ms. Herne oversaw and authorized all actions relating to the Prior AHA Solar Project and all other aspects of the Phase II Green Development. These actions included executing interconnection and net metering agreements with National Grid, AHA’s utility provider; overseeing negotiation and execution of the contract with the solar installer, which included elements to receive New York State Energy Research and

Development Authority (“NYSERDA”) block incentives for the project; overseeing the preparation of the competitive grant application under ARRA; overseeing successful compliance with all HUD grant requirements; and successfully interacting with the AHA Board of Commissioners, St. Regis Mohawk Tribal Government, and divisions and departments within the Tribal Government to obtain approvals and to implement the Phase II Green Development, including the Prior AHA Solar Project. AHA Confirms Ms. Herne’s roles.

**2. Ms. Cecilia Cook, Finance Director**, has been the Finance Director of AHA for seventeen years. Ms. Cook establishes and monitors activity-based costing and management practices, productivity measures, and creation of annual capital operations and maintenance budgets. Ms. Cook oversaw development of the budget and financial management of the Prior AHA Solar Project. Ms. Cook reported directly to Ms. Herne and assisted Ms. Herne with the financial and grant compliance oversight of the Prior AHA Solar Project. AHA Confirms Ms. Cook’s roles.

**3. Michel Simon, Operation Manager**, has worked for AHA since 2003. Mr. Simon oversees all new construction, rehabilitation, and modernization projects and ongoing maintenance of AHA’s facilities. Mr. Simon oversaw construction of the Prior AHA Solar Project as a part of the Phase II Green Development, as well as all other aspects of that project, and is in charge of ongoing maintenance of the Prior AHA Solar Project as well as other aspects of the Phase II Green Development. Mr. Simon utilized his skills as a certified Master Electrician to ensure that all electrical aspects of the Prior AHA Solar Project were properly installed. In addition, Mr. Simon has since completed training in solar installation and maintenance at SUNY-Canton, which he will utilize to further ensure proper installation of the presently proposed solar project. Specifically, Mr. Simon completed the following solar course: NY-Sun PV Network’s Solar PV Permitting and Inspection Methods. This course provided in-depth training on the equipment commonly found in solar photovoltaic (pv) systems, and on utilizing local electrical and building codes in the permitting and inspection processes. The training centered on developing permitting and inspection checklists, reviewing photos and schematics of equipment installed correctly and incorrectly, and hands on practice with pv equipment during training sessions. It also included practice problems and discussion of solutions. AHA Confirms Mr. Simon’s roles.

**4. Ms. Elizabeth Jacobs, Operations Planner**, has worked for AHA since 2008. Ms. Jacobs is responsible for planning and coordinating all of AHA’s projects, including conducting environmental assessments for AHA projects. Ms. Jacobs assisted with developing the budget for the Prior AHA Solar Project and the Phase II Green Development generally, including the specific budget for each grant AHA received to implement the Prior AHA Solar Project and Phase II Green Development generally. She also assisted Ms. Cook with the financial management of the Prior AHA Solar Project and the Phase II Green Development Project generally, including financial reporting required under the grants. Ms. Jacobs also worked with the Environment Division of the St. Regis Mohawk Tribal Government in conducting required environmental analysis for the Prior AHA Solar Project. Additionally, since the installation of the Prior AHA Solar Project, Ms. Jacobs has completed training in solar installation and maintenance at SUNY-Canton. Specifically, NY-Sun PV Network’s Solar PV for Engineers and Architects. This accredited course provided basic design and installation instruction for engineers and architects for PV systems including National Electric code, international fire

code, and internally building code considerations. Participants received in depth and hands on training on the equipment commonly found in PV systems as well as on utilizing local electrical and building codes in the design and installation of PV systems. This course was intended to provide information fundamental to the design and installation of code compliant PV systems. AHA confirms Ms. Jacobs' roles.

**5. Conrad Benedict, AHA Construction Foreman**, has worked for AHA since 2001 in the Construction Operations Department, and has over thirty years' experience in the construction field, with a specialty in cement mason and concrete finishing fields. Mr. Benedict currently holds his certification as a New York State Code Enforcement Official. Mr. Benedict assisted Mr. Simon with respect to oversight of construction of the Prior AHA Solar Project, including in particular oversight of the installation of the cement foundations for the solar systems. Mr. Benedict also has assisted Mr. Simon with the ongoing maintenance of the Prior AHA Solar Project. Additionally, since the installation of the Prior AHA Solar Project, Mr. Benedict has completed training at SUNY-Canton, NY-Sun PV Network's Solar PV Permitting and Inspection Methods. This course provided in-depth training on the equipment commonly found in solar photovoltaic (pv) systems, and on utilizing local electrical and building codes in the permitting and inspection processes. The training centered on developing permitting and inspection checklists, reviewing photos and schematics of equipment installed correctly and incorrectly, and hands on practice with pv equipment during training sessions. It also included practice problems and discussion of solutions. AHA Confirms Mr. Benedict's roles.

**6. SunVest Solar Inc.**, is an experienced solar developer that has worked with over 500 customers, including Tribes, to install more than 30,000 solar panels or 7,500 kW. SunVest has worked with tribal clients to successfully install community-scale solar projects to help achieve tribal energy independence goals. Specifically, Kirk Kindred and Matt Effler of SunVest will work on this project. Mr. Kindred has been developing solar projects since 2008 and has overseen the development of solar projects in multiple markets across the country. [Kirk to provide additional details regarding his and Mr. Effler's experience on projects within the last five years to include in this section.]

**7. Godfrey & Kahn** has provided legal services to Tribes and tribal housing authorities for more than twenty years. Over the past five years, Godfrey & Kahn has successfully assisted tribal and other governmental and nontaxable organizations with the development and installation of more than fifteen solar facilities that include monetizing tax credits for the benefit of these organizations and incorporating grant funds to further reduce project costs. In addition, Godfrey & Kahn is presently assisting numerous additional tribal and other organizations to develop and implement solar projects utilizing grants and tax credits. In particular, Brian Pierson and John Clancy will be the key individuals working on this project. Mr. Pierson has over 20 years of experience working with tribal housing authorities and over the past five years has successfully assisted them in leveraging block grants with tax credits on approximately six housing projects. Over the past five years, John Clancy has worked with tribal housing authorities and other nontaxable entities to successfully implement numerous solar and other renewable energy projects under structures that allow them to monetize the solar investment tax credit and bring in investors to pay for a large portion of the project. These projects have included solar installations for numerous tribal governmental buildings, several tribally owned business

facilities, a not-for-profit school, a religious facility, as well as a large-scale biogas facility for a tribal business operation.

**Staff Roles and Responsibilities**

<b>Staff Member</b>	<b>Role</b>	<b>Responsibilities for this project</b>
Retha Herne	Project Manager	Oversee and coordinate all aspects of the installation of the solar facilities. This includes executing interconnection and net metering agreements with National Grid; overseeing negotiation and execution of contract with the solar installer, including elements to receive NYSEDA block incentives; overseeing compliance with all HUD grant requirements and submitting reporting documents for same; and interacting and coordinating with the AHA Board of Commissioners, St. Regis Mohawk Tribal Government, and divisions and departments within the Tribal Government to ensure successful completion of the project. <i>Reports to Board of Commissioners and directly interacts with the St. Regis Mohawk Tribal Government and Tribal Council.</i>
Cecilia Cook	Project Finance Director	Oversee development of the budget and financial management of grant and other funds; assist Project Manager in overseeing compliance with all HUD grant requirements, including financial requirements, procurement, and submitting reporting documents for same. <i>Reports directly to Project Manager.</i>
Michel Simon	Construction Manager	Oversee on a daily basis the construction of the solar facilities to ensure successful, timely completion of project within budget; ensure all electrical aspects of solar facilities are properly installed; perform ongoing maintenance on the solar facilities after installation. <i>Reports directly to the Project Manager.</i>
Elizabeth Jacobs	Operations Planner	Coordinate and conduct environmental assessment for solar project; assist Project Finance Director with developing budget for project, financial and grant(s) management and procurement. <i>Reports directly to the Project Finance Director.</i>
Conrad Benedict	Construction Foreman	Assist Construction Manager with oversight of the construction and installation of the solar

		facilities; inspect and ensure concrete foundations for solar facilities are installed properly; assist Construction Manager in ongoing maintenance of the solar facilities after installation. <i>Reports directly to the Construction Manager.</i>
SunVest Solar, Inc.	Solar Developer	Provide solar technical expertise throughout the development and implementation of the solar project, including budgeting, site identification, design and engineering support, assistance drafting the request for proposal, assistance with procurement and contractual issues, and assistance with installation of the solar systems; provide access to tax investors for funding remaining cost of solar project beyond ICDBG funds. <i>Reports directly to Project Manager and provides assistance to all AHA staff on the project.</i>
Godfrey & Kahn	Legal Services	Assist in developing and implementing financing structure to monetize the solar investment tax credits; provide legal review of all contractual documents for solar project. <i>Reports directly to Project Manager.</i>

**b. Project Implementation Plan identifying specific tasks and timelines**

[Kirk to fill out HUD form 4125; make sure the project shows it will be underway within 180 days from the date the funds are available]

**c. Financial Management**

[Brian reviewing and updating as appropriate this section in light of grant requirements]

AHA operates on a fund-accounting system, including separate budgetary accounts for all programs to provide sound management and effective fiscal control over the expenditure of funds. AHA has administered and successfully accounted for projects equal to and exceeding the size of the proposed project. AHA is in compliance with all requirements of 2 CFR part 200 and 24 CFR part 1003, as demonstrated by the following financial management standards:

- Financial Reporting: AHA provides accurate, current, and complete disclosure of the financial results of financially assisted activities in accordance with the financial reporting requirements of the grant or subgrants.
- Accounting Records: AHA maintains records which adequately identify the source and application of funds provided for financially-assisted activities. These records contain information pertaining to grant or subgrant awards and authorizations.

- **Internal Control:** Effective control and accountability is maintained for all grant and subgrant cash, real and personal property, and other assets. AHA safeguards all such property and assures that it is used solely for authorized purposes.
- **Budget Control:** Actual expenditures or outlays are compared with budgeted amounts for each grant or subgrant. Financial information is related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or subgrant agreement. If unit cost data area required, estimates based on available documentation will be accepted whenever possible.
- **Allowable Cost:** Applicable OMB cost principles, agency program regulations, and the terms of grant and subgrant agreements are followed in determining the reasonableness, allowability, and allocability of costs.
- **Source Documentation:** Accounting records are supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.
- **Cash Management:** Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursed by grantees and subgrantees is followed whenever advance payment procedures are used. AHA has established reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter-of-credit or electronic transfer of funds methods, AHA makes drawdowns as close as possible to the time of making disbursements. AHA monitors cash drawdowns by its subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees.

AHA is required to submit quarterly federal transaction reports, an annual performance report and have an annual audit completed. The most recent reporting has been completed and AHA's audit contains no significant findings, is considered a low-risk auditee and the audit expresses an unmodified opinion on the general purpose financial statements and on the programs tested as major federal awards programs.

#### **d. Procurement and Contract Management**

AHA's adopted Procurement Policies & Procedures meet the requirements of 2 CFR part 200 and 24 CFR part 1003 by providing for the fair and equitable treatment of all persons or firms involved in purchasing by the AHA; assuring that supplies, services, and construction are procured efficiently, effectively, and at the most favorable prices available to the AHA; promoting competition in contracting; providing safeguards for maintaining a procurement system of quality and integrity; and assuring that the AHA purchasing actions are in full compliance with applicable federal standards and regulations along with any applicable state and local laws. Specifically:

- AHA maintains a written code of standards of conduct governing the performance of employees engaged in the award and administration of contracts which addresses conflicts of interest.
- AHA procedures provide for review of proposed procurements to avoid purchase of unnecessary or duplicative items and with consideration for consolidating or breaking out procurements for a more economical purchase.
- AHA uses value engineering clauses in construction contracts to offer reasonable opportunities for cost reductions.
- Before awarding a contract, AHA reviews the proposed contractor's ability to perform the contract successfully, considers the contractor's integrity, compliance with public policy, record of past performance, and financial, administrative and technical capability to perform contract work of the size and type involved within the time provided under the contract.
- AHA maintains detailed records including rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- AHA uses time and material type contracts only after a determination that no other contract is suitable, and if the contract includes a ceiling price, that the contractor exceeds at its own risk.
- AHA is solely responsible for the settlement of contractual and administrative issues arising out of procurements.
- AHA has protest procedures in place to handle and resolve disputes relating to procurements and discloses information regarding the protest to the awarding agency.
- All AHA procurement transactions are conducted in a manner providing full and open competition.
- AHA conducts procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except where expressly federally mandated.
- AHA has written selection procedures for procurement transactions, ensuring that solicitations include clear descriptions and identify all requirements that must be fulfilled.
- AHA ensures that prequalified lists of persons, firms, or products are current and include enough qualified sources to maximize open and free competition.
- Small purchase procurement procedures are in place to ensure that quotes are received from an adequate number of qualified sources.

- Sealed-bid procurements are publicly solicited, and a firm-fixed-price contract is awarded to the lowest bidder who conform with all the terms and conditions of the invitation for bids.
- Competitive proposal procurement RFPs are used when there is an adequate method of evaluating technical proposals.
- Non-competitive proposal procurement is used only when award of a contract is infeasible using small purchase procedures, sealed bids, or competitive proposals and if an emergency exists and only one source of supplies is available and only with the approval of the contracting officer and HUD.
- AHA, to the greatest extent feasible provides preference to Indian-owned economic enterprises and Indian organizations and requires statements from all contractors agreeing to provide Indian preference in subcontracting, training, and employment, and also requires the contractors to specify the method to be used to ensure this requirement.
- AHA takes affirmative steps to assure that minority firms, women’s business enterprises, and labor surplus area firms are used when possible.
- AHA performs cost analysis in connection with every procurement action including contract modifications, making independent estimates before receiving bids or proposals, and negotiates profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. Costs and prices based on estimated costs for contracts under grants are allowable only to the extent that costs incurred are consistent with Federal cost principles, and the cost plus a percentage of cost and percentage of construction cost methods of contracting are not used.
- AHA makes technical specifications on proposed procurements and pre-award review procurement documents available to awarding agencies when requested.
- AHA follows the bonding requirements as applicable.

## **2. Past Performance**

AHA received an eligibility determination letter from the Bureau of Indian Affairs which states, AHA received an eligibility determination letter from Bruce Maytubby, Eastern Region Director of the BIA, stating:

[T]he Bureau of Indian Affairs (BIA) concurs and recognizes the Akwesasne Housing Authority (AHA) as a Tribal Organization consistent with 24 CFR 1003.5 and as defined in Title I of the Indian Self-Determination and Education Assistance Act, as amended (the “Act”).

*See Letter from Bruce Maytubby, Regional Director, Eastern Region, BIA, to Eric Thompson, Beverly Cook, and Ronald W. LaFrance, Jr., Chiefs, St. Regis Mohawk Tribe on Sept. 23, 2015.*

The BIA letter was forwarded to the Eastern/Woodlands Office of Native American Programs. AHA received a confirmation letter from Elton L. Jones, Director, Grants Management Division, Eastern/Woodlands Office of Native American Programs, HUD, stating:

The Eastern/Woodlands Office of Native American Programs [received] a letter dated September 23, 105 from Brue Maytubby, Regional Director of the Bureau of Indian Affairs, Eastern Region Office. This letter meets the requirements of 24 CFR § 1003.5 for the Akwesasne Housing Authority to be recognized as an eligible recipient for the Indian Community Development Block Grant Program (ICDBG) and to be able to submit an ICDBG application on behalf of the St. Regis Mohawk Tribe.

*See* Letter from Mr. Elton L. Jones, Director, Grants Management Division, Eastern/Woodlands Office of Native American Programs to Ms. Retha Herne, Executive Director, AHA on September 25, 2015.

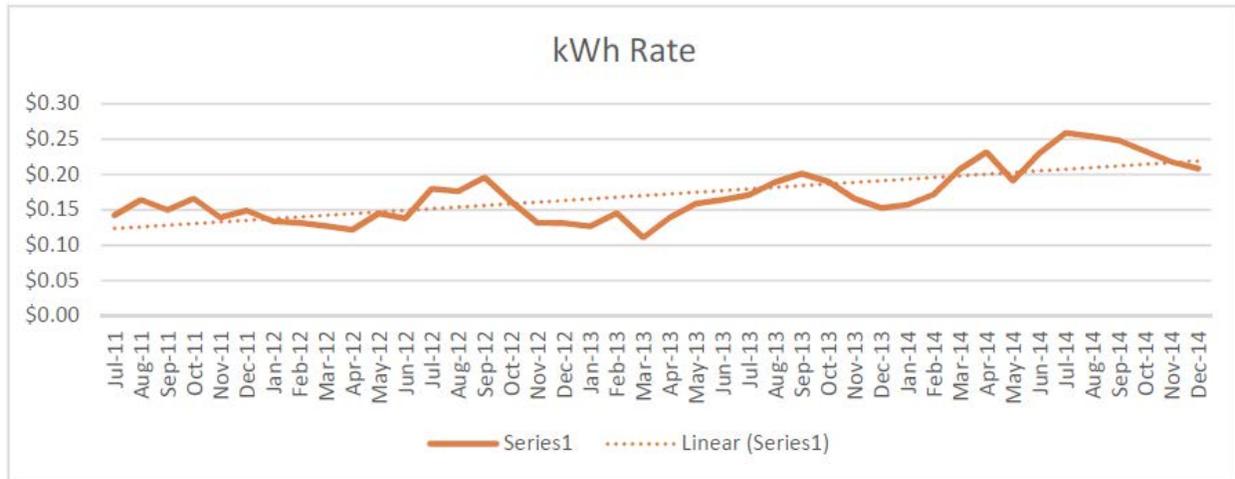
Therefore, AHA is submitting this application for ICDBG funding as a tribal organization. Mary White, Grant Management Specialist, Eastern/Woodlands ONAP confirmed that because this is AHA's first application for ICDBG funding, AHA will be considered a new applicant. *See* Email from Mary White to Retha Herne on October 1, 2015. Accordingly, this application does not address the subfactors required for past ICDBG recipients under this section.

## **Rating Factor 2: Need/Extent of the Problem**

### **1. Need and Viability**

Electrical energy represents a very significant and increasing cost for AHA and its residents. In order to keep housing costs within the financial capability of the tenants that AHA serves, AHA presently pays electrical costs, which otherwise would be a very significant additional rental-related cost for tenants. Electrical rates for AHA's residents are the highest in New York State and are some of the highest in the United States. While the average residential electrical rate in the United States is 12.22 cents per kWh, AHA's facilities pay on average approximately 18 cents per kWh. *See* U.S. Energy Information Administration, "Frequently Asked Questions," available at <http://www.eia.gov/tools/faqs/faq.cfm?id=97&t=3> (last updated Feb. 20, 2015) (stating average residential electric rate for the United States). In addition, as the below chart shows, electrical costs have been steadily increasing over time. As a result, electrical costs represent a substantial cost to AHA and its residents.

## GRAPHICAL REPRESENTATION OF PAST 3+ YEARS RATE INCREASES



It is unclear how long AHA will be able to continue absorbing rising electrical costs and ensure rental rates remain reasonable for the tenants it serves. Moreover, even if AHA can continue to cover electrical costs for residents, payments for increasing electrical costs erode AHA’s ability to provide other services and programs to its residents.

Electrical costs are especially concerning for AHA and its residents because of the significant need for assisted housing among St. Regis Mohawk tribal members. Due to the significant need for assisted housing, AHA is planning to construct eighteen (18) new units over the next two (2) years. Because AHA will be increasing the number of units, this will proportionally increase AHA’s electrical costs. Unless AHA can control and reduce electricity costs, it will likely need to begin passing these costs onto its residents, which will substantially increase their housing costs.

As a result of the significant electrical costs that will likely continue to increase in the future, AHA has focused on using renewable energy solutions and energy efficiency to reduce costs. AHA completed the Phase II Green Development in the Sunrise Acres Complex in 2013, which utilized renewable energy and green strategies to reduce electrical use. As part of the Phase II Green Development, AHA installed solar facilities to serve the units in the Phase II Green Development. This Prior AHA Solar Project generates approximately twenty percent of the electrical energy required by the units in Phase II. Moreover, utilizing solar energy is critical in light of the Tribe and tribal member’s commitment to green development and energy independence. Solar is a carbon-free energy source, and enables the Tribe, tribal members, and tenants to live out their commitment to environmental protection. The solar installation will provide 100 percent of the electrical needs for the buildings served.

## 2. Unfunded Applicants

As discussed in under Rating Factor 1, section 2, AHA is a new applicant and has never received an ICDBG award in the past.

### **3. Project Benefit**

The Need ratio for the St. Regis Mohawk Tribe is \$425.00, as listed on the referenced Factor 2 Needs table. This solar project will provide all the electrical energy needs of forty-one (41) housing units and forty-one (41) **families will benefit from this project].** At least seventy percent of the grant funds will be used for activities that benefit low- and moderate-income persons, in accordance with the requirements of 24 C.F.R. § 1003.208. In fact, in accordance with 24 C.F.R. § 1003.208(c), all units impacted by this housing rehabilitation project are and will be occupied by low- and moderate-income households upon completion.

FY 2015 ICDBG Rating Factor Needs Table Excerpt

CHICAGO	Pokagon Band of Potawatomi	\$	517
CHICAGO	Red Cliff Band of Lake Superior Chippe	\$	451
CHICAGO	Red Lake Band of Chippewa	\$	491
CHICAGO	Sac & Fox Tribe of the Mississippi, IA	\$	430
CHICAGO	Saginaw Chippewa	\$	1,128
CHICAGO	Saint Croix Chippewa	\$	473
CHICAGO	Sault Ste. Marie Tribe	\$	361
CHICAGO	Seminole Tribe	\$	3,768
CHICAGO	Seneca Nation of New York	\$	582
CHICAGO	Shakopee Mdewakanton Sioux	\$	645
CHICAGO	Shinnecock Indian Nation	\$	613
CHICAGO	Sokaogon Chippewa Tribe	\$	590
CHICAGO	St. Regis Mohawk Tribe	\$	425
CHICAGO	Stockbridge-Munsee Tribe	\$	484
CHICAGO	Tonawanda Band of Senecas		No Need
CHICAGO	Tuscarora Nation		No Need
CHICAGO	Upper Sioux Indian Community	\$	410
CHICAGO	Waccamaw Siouan State Tribe	\$	393
CHICAGO	Wampanoag Tribe of Gay Head	\$	649
CHICAGO	White Earth Band of Minnesota Chippewa	\$	383
<b>NPONAP</b>			
DENVER	Assiniboine & Sioux Tribes of Ft. Peck	\$	478
DENVER	Blackfeet Tribe	\$	503
DENVER	Cheyenne River Sioux	\$	473
DENVER	Chippewa Cree of the Rocky Boy's Res.	\$	489
DENVER	Crow Creek Sioux	\$	448
DENVER	Crow Tribe	\$	500
DENVER	Flandreau Santee Sioux	\$	1,047
DENVER	Fort Belknap Indian Community	\$	483
DENVER	Goshute Reservation	\$	373
DENVER	Lower Brule Sioux	\$	517
DENVER	Navajo Nation	\$	510
DENVER	Northern Arapahoe	\$	432
DENVER	Northern Cheyenne	\$	539
DENVER	NW Band of Shoshoni Nation	\$	389
DENVER	Oglala Lakota Sioux Tribe	\$	456
DENVER	Omaha Tribe	\$	517
DENVER	Paiute Indian Tribe of Utah	\$	539
DENVER	Ponca Tribe of Nebraska	\$	415
DENVER	Rosebud Sioux	\$	500
DENVER	Salish and Kootenai Tribes	\$	435
DENVER	Santee Sioux Tribe	\$	494
DENVER	Shoshone Tribe of the Wind River Res.	\$	446
DENVER	Sisseton-Wahpeton Oyate	\$	444
DENVER	Skull Valley Band of Goshute		No Need
DENVER	Southern Ute Tribe	\$	364
DENVER	Spirit Lake Sioux Tribe	\$	482

## Rating Factor 3: Soundness of Approach

### 1. Description of and Rationale for Proposed Project

**OVERVIEW OF PROJECT:** AHA will install 370 kW of solar capacity, which is estimated to off-set 100% of the electrical energy usage of all of AHA’s existing housing units. AHA consumes approximately 424,644 kWh on an annual basis, which results in an approximate annual electric expenditure of \$76,158. AHA will install the solar facility on an approximately 20 acre parcel off-site of the Sunrise Acres Complex and take advantage of New York’s remote net metering statute, which allows for credit from equipment located on property located within the same utility zone to be credited to another meter, to credit power generated by solar facilities at the off-site parcel to units at the Sunrise Acres Complex. The 370 kW solar facility is estimated to off-set 100% of AHA’s Sunrise Acres Complex’s electrical usage.

The AHA’s initial 370 kW solar facility will consume only a portion of the 20 acre parcel on which it will be located. As funding becomes available, the St. Regis Mohawk Tribe plans to continue to add additional solar facilities to this parcel, thus building a larger grouping of solar facilities to provide carbon-free energy to the Tribe.

**ENHANCEMENT OF COMMUNITY VIABILITY:** This solar project will allow AHA to continue to provide free electrical energy to its low-income residents. Since the solar facilities are projected to off-set 100% of the electrical energy usage of the existing housing facilities, this project will also allow AHA to provide additional services to its housing residents with the funds that it presently uses to pay their energy bills. In addition, this will ensure that AHA will be able to continue to provide free electrical energy or pay for the cost of additional electrical energy required for new units as AHA’s low-income housing facilities expand.

**SIZE, TYPE and LOCATION:** The 370 kW solar project will be located on 20 acres of land contributed by the St. Regis Mohawk Tribe located at 2743 State Route 95, Bombay, NY 12914, part of a 600 acre tribally owned undeveloped parcel. The 370 kW solar facility will utilize photovoltaic panels with at least a \_\_\_ year warranty, ground mount racking systems with at least a \_\_\_ year warranty, and inverters with at least a \_\_\_ year warranty [Kirk: please provide the warranty information]. The 370 kW solar project will use only a portion of the 20 acres of land that the St. Regis Mohawk Tribe has made available for solar facilities, and as a result, will serve as a starting point for a future solar farm to off-set electricity use for other Tribal buildings.

**RATIONALE FOR PROJECT DESIGN:** Because of space limitations at AHA’s existing Sunrise Acres Complex, AHA will locate the solar facility on a 20 acre parcel of land nearby but not directly adjacent to the AHA buildings. AHA will utilize National Grid’s existing remote net metering program for the solar facility, which allows AHA to create a metered account for the solar facility and to off-set all of the electrical bills for its existing housing units through that net-metered account. See National Grid, “Net Metering,” [https://www.nationalgridus.com/niagamohawk/business/energyeff/4\\_net-mtrg.asp](https://www.nationalgridus.com/niagamohawk/business/energyeff/4_net-mtrg.asp). Under NYSERDA’s block incentive program, AHA will also receive the full benefit of New York State incentives for the installation

of solar. See NYSEDA, “PON 2112 – NY-Sun Solar Electric Incentive Program,” <http://www.nyserda.ny.gov/Funding-Opportunities/Current-Funding-Opportunities/PON-2112-Solar-PV-Program-Financial-Incentives>. Since the 370 kW AHA solar project will require approximately  acres [Kirk: please fill in this information], the 20 acre parcel will have additional land available for the development of a solar farm as funding and projects become feasible to supply carbon-free energy to the St. Regis Mohawk Tribe.

**ANTICIPATED COST SAVINGS RELATED TO PROJECT DEVELOPMENT:** Because AHA will participate in National Grid’s aggregated net metering program, which allows it to offset 100% of AHA’s units electrical energy usage at its full retail rate, it is anticipated that the solar project will provide approximately \$76,158 [Kirk: Please confirm whether this amount should be adjusted as we determine the final size of the solar project and to account for any remaining non-energy charges from National Grid] per year in operational savings, which will increase by the rate of inflation for electrical energy costs in National Grid’s territory.

**SECTION 3 COMPLIANCE:** AHA is not subject to reporting requirements to ensure Section 3 compliance as confirmed in a letter from Mr. Jaime E. Forero, Field Office Director, HUD to Ms. Colleen Leaf, Human Resource Manager, AHA dated September 23, 2015. Mr. Forero states that AHA is exempt from the requirements of 24 C.F.R. § 100.42 as long as AHA complies with the employment and contract preference laws adopted by the St. Regis Mohawk Tribe in accordance with section 101(k) of NAHASDA.

Nonetheless, AHA will voluntarily comply with Section 3 requirements. In compliance with Section 3 requirements of the Housing and Urban Development Act of 1968 and the regulations in 24 CFR part 135, AHA will expand opportunities for Section 3 residents by including the Section 3 clause from 24 CFR 135.38 in every contract executed with subcontractors for this project:

- A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth

minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract.

Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

## **2. Budget and Cost Estimates**

[Kirk to create budget using HUD from 4123. Budget must be broken down by line items for each activity, including planning and administrative costs.]

[Note in application that budget is prepared by SunVest, who has recent and relevant experience in preparing budgets for the type of projects proposed.]

## **3. Commitment to Sustain Activities**

AHA will be responsible for ongoing maintenance of the solar facilities. AHA's partner in the project, [redacted], has committed for the first five years of the solar facilities' life to provide operation and maintenance services for these solar facilities. See [redacted]'s Commitment Letter. Operation and maintenance services for the solar facilities include [redacted] [obtain

information from Kirk] \_\_\_\_\_. During the five year term, Michel Simon will oversee and ensure that operation and maintenance services are properly provided. After completion of the initial five year term, Mr. Simon will utilize AHA staff to provide operation and maintenance services for the facilities. As noted above, Mr. Simon presently oversees operation and maintenance services for the solar facilities installed as part of Phase II.

In addition to operation and maintenance services, AHA will ensure that the solar facilities are fully insured with respect to any property damage or liability issues. The solar facilities will have property damage coverage in an amount equal to at least \$ \_\_\_\_\_ and liability insurance in an amount equal to at least \$ \_\_\_\_\_ [Kirk: please insert the insurance coverage information].

Also as noted above, the solar facilities shall be warranted under at least the following terms: (1) the panels shall be under a warranty that lasts at least \_\_\_\_ years; (2) the racking system shall be under a warranty that lasts at least \_\_\_\_ years; and (3) the inverters shall be under a warranty that lasts at least \_\_\_\_ years [Kirk: please insert the warranty information].

AHA shall also provide security for the solar facilities by placing a \_\_\_\_\_ foot tall fence around the facilities.

[Check against both Housing Rehabilitation and Public Facilities requirements to see whether to add additional information.]

#### **Rating Factor 4: Leveraging Resources**

AHA will leverage ICDBG funds it receives by combining them with several other resources. First, AHA will monetize the solar tax credits it receives by partnering with a tax investor, \_\_\_\_\_. \_\_\_\_\_ has committed to provide the remaining cost of the \$ \_\_\_\_\_ solar facility provided that AHA receives the \$600,000 ICDBG and utilizes it for the solar project. Based on this commitment alone, the leveraged resources available to be combined with ICDBG funds will exceed 25 percent of the ICDBG funds.

In addition to the above, AHA will apply for and anticipates it will receive a New York State Energy Research and Development Authority (“NYSERDA”) grant. In addition, the St. Regis Mohawk Tribe will donate the land that the solar facility will be located on and AHA will cover direct administrative costs.

#### **Rating Factor 5:**

##### **1. Coordination**

AHA has made achieving energy independence a priority. As discussed above, in 2012-2013, AHA completed the Elderly Rental Neighborhood Phase II twenty unit development at the Sunrise Acres Complex, which uses renewable energy, including solar power, and green strategies to reduce electrical costs.

To continue progressing towards energy independence, AHA initiated an energy summit on June 2-4, 2015 to discuss the St. Regis Mohawk Tribe's energy priorities and develop a draft Strategic Energy Plan for the St. Regis Mohawk Tribe. The energy summit was open to all tribal members and attended by representatives of numerous departments of the Tribe, including the Tribal Council Chiefs, Environmental Division, Tribal Administration, Economic Development Department, Planning and Infrastructure Department, Tribal Health Services, Emergency Planning Office, Akwesasne Boys and Girls Club, Mohawk Indian Housing Corporation, Beardsley Design Associates, Tribal Communications, AHA Board Commissioners, and others. This session was the result of the AHA's application for technical assistance through the US Department of Energy and was facilitated by Sandia National Laboratories and the National Renewal Energy Lab. AHA also discussed solar power opportunities through the Solarize Akwesasne! Campaign at AHA's 2015 Annual Meeting of the AHA Board of Commissioners on July 16, 2015, which was open to the public.

With respect to this particular solar project, AHA complied with the public participation requirements in 24 C.F.R. § 1003.604. Specifically, AHA posted a Community Development Statement, Meeting, and Opportunity for Comment on its website at [www.aha-nsn.gov](http://www.aha-nsn.gov) on Thursday, October 1, 2015. AHA held a public meeting on October 8, 2015 from 7:00 – 9:00 pm at the AHA's Training Center. AHA obtained public input and comments on the proposed solar project at the public meeting. AHA made available drawings of the proposed project, including site alternatives, at the meeting and allowed written comments to be submitted directly to AHA until Thursday, October 15, 2015..

AHA will coordinate with the St. Regis Mohawk Tribal Council as the Tribe will be providing the land for the solar facility. AHA will also coordinate with the following divisions of the Tribe: Planning and Infrastructure regarding PV site access and road construction oversight , the SRMT Environmental Division regarding environmental compliance and reviews for the solar project, the SRMT Office of Compliance regarding permitting and code enforcement, and the Office of Economic Development within the Division of Administration regarding Native employment opportunities and workforce development. In addition, AHA will coordinate with the Tribal Capital Projects Manager , who would plan for future expansions to the PV project on behalf of the Tribe.

## **2. Outputs and Outcomes**

### **Outputs include:**

- Kilowatts of solar installed
- Dollars invested
- Number of St. Regis member jobs created
- Number of AHA resident jobs created
- Number of housing units served
- Number of residents served

**Outcomes include:**

- The amount of energy produced per month and per year
- The amount energy bills are reduced per month and per year
- Kilowatt hours of energy offset from housing unit energy bills per month and per year
- Increased St. Regis member income resulting from employment generated by the project
- Increased AHA resident income resulting from employment generated by the project

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