Inquiries Submitted
Economic Development Investment Portfolio for Growth Program (IPG)
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Round #1

Please see below all responses to the first round of questions received from the public via email and the Submission of Inquires Form posted on the CDBG-DR IPG Program Landing Page.

1. **For any entities that submitted an EOI in April of this year, can we apply for the IPG Program?**
   All eligible and interested entities can apply to the program regardless of whether they submitted an EOI. The EOI was simply an expression of interest and not an actual application. If you created an account previously, you could use the same username and password. The application form can be found at https://cdbg-dr.pr.gov/en/investment-portfolio-for-growth-ipg-program/

2. **When is the deadline for this Program? Is it 60 days after the opening on August 2 or will the deadline be published on PRDOH’s website?**
   The 30-day application period closes on August 31st, 2021. Any changes to the deadline will be announced through the CDBG-DR Website.

3. **Is a current SAM.gov active registration required for the application process?**
   The System for Award Management (SAM) registration is not required to apply for this Program; however, SAM is mandatory in order to receive Federal Financial Assistance. You are advised to begin the process of acquiring your SAM number if you do not already have one. If you are recommended for an IPG award, you will not be able to proceed without a SAM number. Any company that does business with the federal government, or needs to report subcontract information, must register with SAM.

4. **Is there a limit on how many projects can be submitted in the application by one eligible entity?**
   Applicants can submit multiple project requests and must submit an individual application for each proposed project. You cannot enter two project requests in a single application.

5. **How realistic is that PRDOH will award an application with a budget project over the $50M limit?**
   IPG loan awards will range from $10,000,000 to $50,000,000. PRDOH can reassess this threshold at its discretion as stated in the updated IPG Program Guidelines.

6. **Is the $50M limit only for the HUD portion of the funding for this Program?**
   All funds awarded through the IPG Program are CDBG-DR funds from HUD and are designed to be part of a larger leveraged project. These projects will consist of combined CDBG-DR grant funds and private funding, as outlined in the program guidelines.

7. **Regarding the CDBG-DR IPG program, the guidelines do not mention the evaluation scoring. Will PRDOH share the scoring criteria?**
   The Program Guidelines state all requirements for applying to this Program and applications will be scored by professional reviewers accordingly.

8. **We’d like to apply for IPG funds for a new business. We have a questions about the number of jobs created requirement, and whether employees must be hired directly by the applicant entity, or if they can be hired through an agency.**
CDBG regulations require that the grantee and HUD only count those permanent jobs, computed on a full-time equivalent (FTE) basis, that are directly generated or retained by the CDBG assistance, i.e., the scope of the assisted economic development project as defined by the grantee and the business. Therefore, in order to answer your question more definitively the Program would need additional information regarding the role of the agency, the positions being hired, and any other relevant details to support the jobs to be created as permanent FTEs.

9. The Program Guideline describe the term "essential service" as “essential goods or services necessary for immediate and long-term community recovery. Such goods and services include, but are not limited to, recycling facilities, grocery stores, gas stations, pharmacies, healthcare providers, childcare providers, and social service providers.” Is an assisted living facility (for the elderly) considered an essential service? If it meets the criteria for health care providers and demonstrates the tie back to the hurricane and need for disaster recovery, it is possible it could be an essential service. The Program needs more information to make a determination.

It is possible that businesses not listed may be considered essential services. The applicant should demonstrate the unmet need that currently exists in the service area of the project and how the project will fulfill that need. The applicant should also clearly describe how the project will provide a benefit to the community in which the business will be located, particularly for low-to-moderate income residents. The description should include demographic and statistical evidence to support the anecdotal data.

10. If projects have a budget of less than $10M, are they still eligible to submit under this NOFA?
No, projects with a budget of less than $10M are not eligible for the CDBG-DR IPG Program funds.

11. Is the market study/feasibility analysis a mandatory requirement to be eligible for these funds?
Yes, the market study/feasibility analysis is required for completion of the IPG Program Application.

12. Is the agency considering an extension to the August 31st due date?
The due date to complete the application is August 31st, 2021. Any changes to the deadline will be announced in the CDBG-DR Website.

13. Is there a limit on the project implementation period? What is the expectation of the PRDOH in terms of an average project length?
All IPG funds must be disbursed up to a year before the PRDOH expenditure deadline in 2026. The timeline included in the IPG application should reflect the ability to meet the expenditure deadline.

14. Due to the short turnaround from the date the RFP was published and the deadline, could we submit evidence that the market/feasibility study is being prepared and that it will be forwarded as soon as it is finalized? Also, could you provide more details on what the study should include?
If the Project is selected to move forward to underwriting, the applicant must submit a market/feasibility study, as specified in the IPG Program Guidelines. Therefore, not submitting the market/feasibility study prior to the underwriting phase could lead to delays in processing your project application. A market/feasibility study should include, but is not limited to:
- Industry description and outlook
- Target market introduction
- Market demand
• Distinguish target customer characteristics
• Target market size and growth
• Market share percentage
• Pricing and gross margin targets
• Competitive analysis
• Barriers and regulatory restrictions
• Due diligence documentation

15. In the case where an entity is owned by other entities, how far do we have to go into each entity structure to find single person ownership?

All individual owners that have 25% or more ownership stake in the organization must be included in the application. Please note a minimum credit score of 600 is required for owners with twenty-five (25%) or more ownership interest or guarantors.

16. What would happen if owners are foreign and do not possess a credit history as defined by the US? Are there alternate methods to demonstrate financial capacity? You must be a U.S. resident or incorporated in Puerto Rico in order to apply for the IPG Program.

Alternative methods to demonstrate financial capacity may be accepted at the discretion of PRDOH on a case-by-case basis. Financial documentation such as, but not limited to, personal tax returns, financial statements, financial disclosures, etc., may be requested during underwriting.

17. Will PRDOH share what are the personal guarantee terms? What happens if the senior lender is also requesting personal guarantees?

A limited personal guarantee, for up to ten percent (10%) of the amount of the loan, is required for owners with twenty five percent (25%) or more ownership interest. Entities without twenty five percent (25%) or more ownership interest will be required to meet alternative requirements, which may include a reduced loan to value ratio and/or alternative guarantors.

18. The new draft for the CDBG-DR Action Plan (Amendment no. 7) was recently published for public comments beginning August 6 through September 6. Is extending the deadline to submit the IPG application currently under consideration, given the fact that public comments may result in changes to the Action Plan, and hence change the current IPG Program Guidelines?

The last day to complete an application to the IPG Program is Tuesday August 31st, 2021. Any changes to the deadline will be announced through the CDBG-DR Website.

19. According to the Program Guidelines and the Action Plan (Amendment no. 7), the loans awarded will not exceed 40% of the total project cost and a maximum of 50% award could be granted if the project meets other requirements. This requirement results in a disadvantage to local projects that have to obtain additional funding through the local banking sector, at 9% interest or more. Given the little time (one month) allowed to apply for additional funding through local banking and have proof of commitment of funds, we’d like to know if there is a possibility to at least submit a LOI as part of the application to the Program.

A Letter of Intent (LOI) indicating a third-party’s intention to commit the funds may be submitted as part of the IPG application. If the Project is selected to move forward to underwriting, the applicant must submit confirmation these funds have been committed, as specified in the IPG Program guidelines.
Guidelines. Therefore, not submitting the requisite letter(s) of commitment could lead to delays in processing your project application.

20. There was a change to the eligibility requirements (reflected on the AP-7 draft), and now for-profit businesses are eligible. Do these for-profit businesses need to comply with any additional requirements?
For-profit businesses/entities are eligible as long as they comply with underwriting requirements, as described in the Program Guidelines.

21. In the Program Guidelines published on August 2, 2021, in section 4.3 Eligible Entities, “Units of general Local Government” were mentioned. Do these “units of general Local Government” include Puerto Rico municipalities?
Units of general Local Government include all municipalities of Puerto Rico.

22. Projects that qualify as an “essential service” do not need to meet the job creation requirement.

a. The award amounts listed are from $10,000,000 to $50,000,000, would you consider funding requests for smaller projects?
Projects with a budget lower than $10,000,000 are not eligible for the CDBG-DR IPG Program funds.

b. Alternatively, can one sponsor submit two projects to meet the $10,000,000 threshold?
The IPG Program awards per project, not per applicant. Projects with a budget lower than $10,000,000 are not eligible for the CDBG-DR IPG Program funds.

c. The company we typically use for Market/Feasibility studies is backed up and cannot provide the full report until September. Can we submit the application with some of the initial data and submit the full report in September?
If the Project is selected to move forward to underwriting, the applicant must submit a market/feasibility study, as specified in the IPG Program Guidelines. Therefore, not submitting the market/feasibility study prior to the underwriting phase could lead to delays in processing your project application.

23. Can you please elaborate on the definition of a reportable financial interest?
A reportable financial interest is a monetary reward for a service rendered, a monetary gain for commercial dealings or the ownership of shares with the potential monetary profit, resulting from an IPG award.

24. Please explain the difference between, project area, property area & gross building area?
Property area is the legal boundary of the property. Project area is the total area of the execution of the project, which includes: all areas of the site, such as constructed and non-constructed areas. Gross building area is the total enclosed area of a building exterior dimensions, excluding covered walkways or exterior fire escapes.

25. Please explain what is intended to be included in the planning studies?
The applicant has an opportunity to provide any planning studies including, but not limited to, zoning/land use studies, downtown development/redevelopment plans, market studies, feasibility studies, etc., to support the viability of their proposed project. These studies will be considered as part of the application review phase.
26. **Does a ground-up/start-up development have to describe a current operating budget and revenues?**
   Anticipated Operating Budgets and Revenues must be included in the project pro-forma as required in the Program Guidelines.

27. **Does a Letter of Intent from a bank satisfies the requirement of a committed source of fund?**
   A Letter of Intent (LOI) indicating a third-party’s intention to commit the funds may be submitted as part of the IPG application. If the Project is selected to move forward to underwriting, the applicant must submit confirmation these funds have been committed, as specified in the IPG Program Guidelines. Therefore, not submitting the requisite letter(s) of commitment could lead to delays in processing your project application.

28. **What document will satisfy the requirement of a committed source of fund for the equity portion of the project?**
   Documentation substantiating committed sources of funds include, but are not limited to contracts, letters of intent, option agreements and intra-governmental requisitions and orders.

29. **Do we have to provide all the details for potential jobs created as a result of the Program?**
   For example, if we anticipate creating 100 permanent jobs, do we have to provide the hourly wage, hours per week, weeks paid and annual payroll for all 100 potential permanent jobs?
   We encourage all applicants to provide as much detailed information they have available in order to facilitate the Underwriting process. Nonetheless, if the applicant does not have all of the information, please provide as much information as you have available.
Round #2

Please see below all responses to the second round of questions received from the public via email and the Submission of Inquiries Form posted on the CDBG-DR IPG Program Landing Page.

30. Are entities established as recently as March 2020 able to apply for an IPG award?
All entities, no matter when they were established or if they are start-ups, are encouraged to apply for the IPG program.

31. Request for Clarification of Timeline for Environmental Level of Review
Applications under the Investment Portfolio for Growth Program (IPG Program) must be submitted by September 20, 2021. The IPG Program Guidelines (the Guidelines) published on August 2, 2021, contain no information on the duration of any stage of the applications' review process. Step 2 of Section 6.3 of the Guidelines (*1) suggests that only applications that meet eligibility requirements will be presented to the Evaluation Committee, but Step 6 of Section 6.3 of the Guidelines (*2) suggests that a preliminary environmental review will not be conducted until later in the process. That interpretation seems to be confirmed by Section 9 of the Guidelines, where the text creates the impression that applicants only need to have completed the environmental evaluation process by the time construction related activities begin at the site (*3). That interpretation is supported by the fact that the environmental review process described therein, where HUD determines the project’s category, if an EIS is required and what federal environmental laws listed in section 9.1 need to be complied with, is conducted after the preliminary environmental evaluation described in Section 6.3 takes place.

The applicant must complete the environmental review prior to any choice-limiting activities taking place. This includes awards, detailed procurements, permits, or any construction or demolition activities. Typically, a preliminary environmental review can be performed at the very beginning of the process to identify known risks or concerns or determine the likelihood of future concerns with the project.

Evidently, it is not clear at what point an applicant must evidence compliance with the environmental laws listed in Section 9.1 of the Guidelines. (*4)

(*1) PRDOH completes an application threshold review, which includes reviewing the application for completeness, eligibility requirements and alignment with program requirements and goals (our emphasis).

(*2) PRDOH conducts a preliminary environmental review, underwriting analysis, duplication of benefits review, and determines potential award amount and terms (our emphasis).

(*3) The applicable category for the project and the level of environmental review must be determined by HUD before a participant can take a choice limiting action (an activity part of the development process that commits HUD funds).
(*4) Please note that this point is crucial for Applicant, whose EIS for the project was prepared and validated in 1972, before the laws listed Section 9.1 were enacted (except for the National Environmental Policy Act of 1970). The EIS and the project’s environmental compliance process are acquired rights. Applicant’s filing would assume its project meets all environmental eligibility requirements and Applicant should be allowed to conduct any additional environmental required assessment, study, evaluation or consultation at a later date. To require full compliance with Section 9.1 related requirements upon filing, or during the application’s preliminary environmental evaluation process would hinder Applicant’s vested property interest and violate its constitutionally protected right.

In this case, HUD would require a re-evaluation of the EIS (or other environmental reviews) in accordance with 24 CFR 58.47, to determine whether the original findings are still valid. If there is enough information to determine that the original findings are still valid, activities can proceed. However, if the original findings are no longer valid, a new Environmental Review Record will have to be prepared prior to any choice-limiting activities. While possible, an EIS performed in 1972 would need a significant re-evaluation in order to determine compliance with 24 CFR 58.47.

32. We plan to use New Markets Tax Credits (NMTCs) and Tourism Tax Credits as part of the capital funding for our project. As a result, we need to create a separate legal entity to qualify for these programs. We understand that CDGB-DR funds have been used as a source of leverage by other NMTC financed projects and wanted to confirm that we can use the CDGB-DR funds as a source of leverage in the NMTC structure. We will be able to trace the CDGB-DR funds through the NMTC structure to the project described in our application.

- Under the definition of “Loan Funding Participation”, based on the structure of the Tourism Tax Credit (with the investor purchasing the credit being a person residing in or doing business in Puerto Rico), does the equity contributed by such investor qualify as a “Local Funding Participation”? We think it should but wanted to confirm.
  Yes, equity contributed by an investor residing or doing business in Puerto Rico qualifies as “Loan Funding Participation”.

- Can we count the amount of the NMTC loan provided to the project as “Local Funding Participation”, if our NMTC lender is “an entity organized under the laws of Puerto Rico” (#5 under the Local Funding Participation definition)? Specifically, we expect that Banco Popular’s NMTC entity, Popular Community Capital, will be making the NMTC loan to the project.
  Yes, the value of NMTC counts as “Loan Funding Participation”, as long as the NMTC lender is an entity organized under the applicable laws of Puerto Rico.

- Can grants or fundraising donations be treated as “Local Funding Participation”, if the donor is a resident of Puerto Rico or entity/person doing business in Puerto Rico?”
  Yes, grants and fundraising donations qualify as “Local Funding Participation” as long as the donor is a resident of Puerto Rico or an entity doing business in Puerto Rico.

33. Does the IPG application allow to enter more than 50 jobs on the LMI job form, as well as the non-LMI jobs form?
   The application has been updated to allow applicants to enter up to 1,000 jobs.
34. To calculate "eligible costs", can the investments already made to date be included, since these are projects that include various manufacturing and assembly processes?

The term “eligible costs” refers to costs the applicant proposes using the CDBG-DR funding for. CDBG-DR funding cannot be used for reimbursement. As such, previous investments in ongoing projects are not considered eligible costs. However, previous investments directly related to the project for which the entity is applying for may be considered as owner equity and should be disclosed in the development budget section on the application. This would be evaluated in the underwriting process on a case-by-case basis.

35. To calculate LMI jobs created, can jobs already created be counted, since part of the investments have been made but the business does not have enough capital to complete the project in all its stages?

The objective of the IPG Program is to address the critical needs of businesses and residents of Puerto Rico as well as increase the island’s competitiveness for sustained economic growth by supporting projects that provide job opportunities and spur long-term job creation. As such, jobs already created may not be considered as new LMI jobs resulting from the project presented in an IPG application. Per HUD guidance: “The regulations do require that the grantee and HUD only count those permanent jobs, computed on a full-time equivalent basis, that are directly generated or retained by the CDBG-DR assistance, i.e., the scope of the assisted economic development project as defined by the grantee and the business. Given that requirement, the jobs to be counted would generally occur after the grantee has obligated the CDBG-DR assistance to the for-profit business in some manner.”

Refer to the following link for HUD additional HUD guidance on this matter: https://files.hudexchange.info/resources/documents/CDBG-Memorandum-Counting-Jobs-for-Economic-Development-Activities.pdf

36. Are indirect or induced jobs included in the LMI job creation calculation?

Indirect jobs are not counted as part of LMI job creation. Job creation applies to the business(es) directly assisted by the CDBG-DR funds. Although indirect jobs are not counted towards CDBG-DR LMI job creation, applicants may still be evaluated on high-impact job creation and other criteria during underwriting and overall assessment of the benefits of the project.

37. Would a not-for-profit organization providing youth services to low-income families qualify for an IPG award? Is it possible to request a loan for less than the $10 million minimum?

Not-for-profits providing services to communities are encouraged to apply for an IPG loan. However, IPG loans must provide a minimum of $10 million and a maximum of $50 million in CDBG-DR and are designed to leverage additional private capital of which the IPG award is only a portion.

38. Is an extension to the application period for IPG being considered?

We are pleased to announce that the IPG application period deadline has been extended from August 31st, 2021, to September 20th, 2021.

39. Are existing entities that wish to expand and/or increase their competitiveness eligible to apply for the IPG program?

Existing entities are encouraged to apply for the IPG program as long as their projects include eligible costs, as stated in the Program Guidelines. The term “eligible costs” refers to costs the applicant proposes using the CDBG-DR funding for.
Round #3

Please see below all responses to the third round of questions received from the public via email and the Submission of Inquiries Form posted on the CDBG-DR IPG Program Landing Page.

40. In Section 4, can we upload a document with a list of the job positions rather than manually input each position? On the website, it is currently formatted to enter each occupation, hours per week, hourly wage, weeks paid, and annual payroll. If each IPG submission has over 200 positions, it will take a while to manually input each one. Applicants may upload a single document with the list of job positions as long as all of the criteria requested is included, according to the job creation requirement for the project.

41. We have the following inquiry regarding the CDBG-DR application.

   Facts: A holding company (“Holding”) is interested in developing a mixed-use project. Holding owns Affiliate A and Affiliate B. Affiliate A owns the property where the mixed-use project will be developed. Affiliate A will develop one use. Affiliate A will also lease a portion of the land to Affiliate B (for liability purposes) for the development of a second use by Affiliate B. The CDBG loan would be structured to comply with the program.

   We see the following options for filing in the IPG application:

   A. Application is filed by Affiliate A as entity having land control at the time of application, and Affiliate B is named as party with an interest in the application.

   B. Application is filed by Holding as sole member of both Affiliate A and Affiliate B, and both Affiliate A and Affiliate B are named as parties with interest in the application.

   Question: Are either of these options better suited for the above set of facts? It is not clear from the Guidelines which option should be followed, or if both options are acceptable. Thank you in advance for your insight and cooperation.

We recommend that the applicant be the same entity that will be underwritten. This entity will be legally responsible for the operations of the completed project and would also be financially responsible for the debt repayments, and ultimately be liable if the project does not successfully launch.

42. Can a Municipality of Puerto Rico participate as a subrecipient of the Investment Portfolio Program in Economic Development?

   Yes, PRDOH will implement the IPG Program using a direct distribution model, where awards will be distributed to eligible applicants. As such, municipalities may participate as a subrecipient of the IPG Program.

43. Could there be any issues with the application if the applicant information for the project we are submitting is different from the one that was submitted in the LOI phase?

   No, that is not an issue. The Expression of Interest phase was launched to gauge interest in the IPG Program and was not part of the application process. As such, interested entities are welcome to apply to the IPG Program with a project presented during the Expression of Interest phase or a brand-new project not presented during that period.
44. Could you confirm that “LMI jobs” are defined as those with annual salaries of less than $42,400 by the April 2021 designation?

A low-and moderate-income (LMI) job is defined as a job created or retained by a low-income individual with an annual family income of less than 80% of the HUD area median income.

The HUD Median or LMI Income for the Puerto Rico area is established in the Federal Register Notice (FR83 5844): “HUD will consider the person income-qualified if the annual wages or salary of the job is at or under the HUD-established income limit for a one-person family.” Below please find a chart with the 2021 adjusted income limits for Puerto Rico provided by HUD. In addition, they can be found in the following link: https://www.hudexchange.info/resource/5334/cdbg-income-limits/.

<table>
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<th>Adjusted Income Limits</th>
<th>1-Person</th>
<th>2-Person</th>
<th>3-Person</th>
<th>4-Person</th>
<th>5-Person</th>
<th>6-Person</th>
<th>7-Person</th>
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</table>

Note: The rounded 4-person income limit is adjusted for person sizes and then rounded up by $50.

Prepared: April 1, 2021

However, there are several ways to income qualify the job holder, including using the presumption method, which is based on whether the job created is in an area with 70% or greater LMI persons according to the LMI data normally used for LMI Area Benefit. An LMI job is defined as a job created or retained that is held by a person who qualifies by any of the methods prescribed by HUD, including in the Federal Register.

Background: The Community Development Block Grant (CDBG) Program requires that each CDBG funded activity must either principally benefit low- and moderate-income (LMI) persons, aid in the prevention or elimination of slums or blight or meet a community development need having a particular urgency. In this case, the IPG is available as a response to Hurricanes Irma and Maria, and therefore, filling needs resulting from the storms in Puerto Rico. Most activities funded by the Community Development Block Grant (CDBG) Program are designed to benefit low- and moderate-income (LMI) persons.

This benefit may take the form of housing, jobs, and services. Additionally, activities may qualify for CDBG assistance if the activity will benefit all the residents of a primarily residential area where at least 51 percent of the residents are low- and moderate-income persons, i.e., area-benefit (LMA). Certain exception grantees may qualify activities as area-benefit with fewer LMI persons than 51 percent.

45. Our firm represents an entity that is financing (through loans) the development and improvements to a hotel. The hotel in question belongs to a second entity and the intention of both parties is to enter into a joint venture. The aforementioned joint venture will not be carried out before September 20, so our client would like to confirm who would be
responsible for applying for the IPG loan, the owner of the hotel or the entity financing the
development and improvements to the hotel?
We recommend that the applicant entity be the same entity that will be underwritten. This entity will
be legally responsible for the operations of the completed project and would also be financially
responsible for the debt repayments, and ultimately be liable if the project does not successfully
launch.

46. I wish to submit an application for the IPG program, but do not have some of the information
required to apply, and the application deadline is the 20th of September. Can I submit an
incomplete application and submit the rest of the documents as soon as I have them readily
available? I want to make sure my application is not tossed aside or not reviewed because
it's incomplete.
We encourage all applicants to provide as much detailed information as they have available in order
to facilitate the underwriting process. Nonetheless, if the applicant does not have all the information,
please provide as much information as you have available. Please note that missing or incomplete
information may impact the application’s ability to move forward in the review process, depending
on the extent of the missing information.

47. Can I submit an application for the IPG Program without all the necessary documentation
in order to meet the deadline, and after September 20, 2021 submit the missing
documentation?
We encourage all applicants to provide as much detailed information they have available in order
to facilitate the underwriting process. Nonetheless, if the applicant does not have all the information,
please provide as much information as you have available. Please note that missing or incomplete
information may impact the application’s ability to move forward in the review process, depending
on the extent of the missing information.

48. There are two entities that will come together to create a company to develop a tourism
project. However, said company will not be created prior to the deadline for the IPG
Program on September 20, 2021. One of the entities will be in charge of raising capital for
tourism development, and the other entity is the owner of the properties to be developed.
Which of the two should submit an application for the IPG Program?
We recommend the applicant be the entity that will be underwritten. This entity will be legally
responsible for the operations of the completed project and would also be financially responsible for
the debt repayments, and ultimately be liable if the project does not successfully launch.

49. We note that the application closes on Monday, September 20. While we certainly do not
plan to cut it so close, we would like to understand if there is a cut-off time, or whether that
means that the deadline is by 11:59 p.m. on Monday, September 20?
All IPG Program applications must be submitted by 11:59pm on Monday September 20th, 2021.

50. How am I able to track my application status?
The Program will be in touch with the applicant. Currently, we are in the process of collecting all
applications. Once the application period ends, we will start evaluating all applications and will
communicate status updates accordingly.

51. Must all jobs created by the project be directly created by the applicant or are indirect jobs
considered as jobs created? For example: The construction or renovation of a mall may
result in an increase in tenants, which will also create additional jobs. Would these jobs be considered as direct jobs created by the project? If so, how should these jobs be included in the application? Are construction workers considered direct jobs as well?

- If the project is to construct and/or renovate a space which will house commercial tenants, then those newly created jobs from those tenants can be counted as jobs created by the project.
- Please note: these jobs would need to be included in the LMI Jobs Form and as such the job and payroll information should be collected from the tenants.
- Construction jobs or indirect jobs are not counted as part of LMI job creation.
- Job creation applies to the business(es) directly assisted by the CDBG-DR funds.
- Although construction and indirect jobs are not counted towards CDBG-DR LMI job creation, applicants may still be evaluated on high-impact job creation and other criteria during underwriting and overall assessment of the benefits of the project.

52. Are projects related to construction or improvements to a shopping center able to apply for IPG funding?
Entities engaged in developing a shopping center are encouraged to apply for the IPG Program as long as their projects include eligible costs, as stated in the Program Guidelines.

53. What types of legal disclosures must be made about the applicant entity? Are the disputes to be included those that have a material impact?
Any material legal disclosure or dispute must be properly disclosed in the financial statements. Materiality is relevant to the presentation and disclosure of the items in the financial statements. The applicant must consider whether the financial statements include all the information that is relevant to understanding an entity’s financial position on the reporting date and its financial performance during the reporting period. Individual disclosures that are not material to the financial statements do not have to be presented – even if they are a minimum requirement of a standard. The applicant needs to consider the appropriate level of disclosure based on materiality for the reporting period.

54. Can I submit the application before receiving the DUNS Number to register in SAM. That number takes approximately 30 days to arrive.
In order to receive Federal Financial Assistance, such as funds via the CDBG-DR and the IPG Program, you will need to be registered with SAM, the System for Award Management, for companies that do business with the federal government. You may submit your IPG application before having registered for SAM, however, applicants are strongly encouraged to register with SAM as soon as possible, which includes securing a DUNS number. You may request your DUNS number here, which typically takes up to two days, although in some instances can be done online in a matter of minutes: https://sam.gov/content/entity-registration

55. I am trying to fill in the “Interested Parties” in section 2.5. What does contract execution date mean? What I have is an entity that owns a portion of the project but I’m not clear as to which date is being referred to. For what time period should I enter the “Financial interest in the Project”?
The contract execution date pertains to the date when the party became an interested party in the project with a contract.