

Resilience Innovation Fund (RIF) Application
Frequently Asked Questions
Last update: 11/29/2018

1. Can RISE RIF funds be used for demonstrations/pilots at private properties?

An investment of federal funds into a privately-owned property (be it residential or commercial) is an option but triggers a series of additional requirements and considerations, including:

- A requirement for a home owner benefiting from an intervention to maintain flood insurance in perpetuity. Otherwise, the homeowner will not be eligible to receive federal funds in the future (e.g. after a catastrophic event).
- In addition to maintaining flood insurance, when making mitigation/retrofit improvements to the homes, RISE would need to understand the dollar value of proposed improvements. If substantial improvements/retrofits are made to a home, then there could be a requirement for a home in a floodplain to be elevated. HUD defines substantial improvement as 50% of the value of the home.
- If selecting privately-owned homes as a pilot, HUD requires that access to the program is available to all potentially eligible homeowners. Therefore, the RISE fund applicant would need to develop an outreach and marketing plan to ensure that all potential eligible homeowners are aware of the program. This does not mean that the whole Hampton Roads region would have to be eligible. However, the applicant (in conjunction with RISE) would need to develop what the target pilot area is, and determine requirements for the homes that can be in the pilot (e.g. one story or two story, repetitive loss property, or other requirements).

2. Can RISE RIF funds be used to purchase equipment?

Equipment purchases are generally not eligible under CDBG funding. The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing or depreciations is allowed. In addition, the purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible. See [24 CFR 570.2017\(b\)](#).

3. What if one or two existing businesses are forming a new entity? How should we demonstrate capacity in our RIF application?

If you are forming a new entity (Company A), please explain how your existing company or companies (if two different companies are forming a new entity) are involved and contributing to Company A (for instance providing additional capital, leadership and management, intellectual property and so on). In other words, provide information regarding your existing company or companies that would help assess capacity of this new Company A. RISE can only have a grant or a loan agreement with one entity. If you are a team of existing entities, you either need to establish a new entity or select a prime and describe an arrangement you will have with other entities that are necessary to deliver the project.

4. If a company that is the prime (i.e., will sign a contract with RISE if awarded the RIF funds) already knows that it will need another company, a non-profit organization, and/or a

university to deliver certain parts of the project. If the prime includes these entities as team members in the RIF application (without forming a new legal entity), does it mean that the prime awarded the RIF funds does not have to competitively procure services provided by these team members/sub-contractors down the road?

Yes. However, the prime will have to have a separate contract with each team member/sub-contractor in order to pay them. The prime is also responsible to ensure that their sub-contractors have a DUNS number and are registered with sam.gov, that they are not debarred, and that all HUD compliance provisions that flow down to the prime from RISE are pushed to the subs.

5. The RIF application asks for three references. Do we need to submit reference letters?

No. The RIF applicant should only submit names, affiliations, emails and phone numbers for their references.

6. Will a new entity, who has registered with the SCC and obtained a DUNS number, need to have also obtained a local business license under that entity's name from the Commissioner of Revenue prior to submitting the sam.gov registration request?

No. You do not need DUNS or sam.gov registration to obtain a business license. Norfolk city business license information can be accessed at: <https://www.norfolk.gov/index.aspx?NID=744>