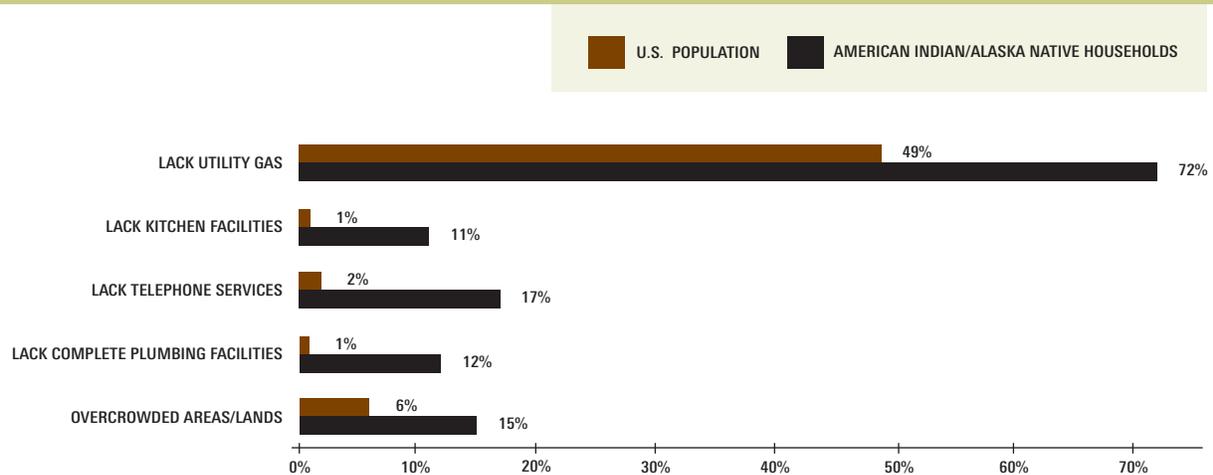


Housing



While significant strides have been made in recent years, Indian tribes, Alaska Native communities, and Native Hawaiians still face some of the most deplorable housing and socioeconomic conditions in the United States. Despite some improvements and sizable investments in Indian housing as part of the American Recovery and Reinvestment Act, Native households face demonstrable ongoing needs. To close the gap, sustained federal investment is essential.

Figure 7: Overcrowding and Lack of Basics in Native Households Compared to the U.S. Population



Source: U.S. Census Bureau, 2000 and U.S. Government Accounting Office, 2005. Note: At time of publication, updated 2010 Census figures were not available. Therefore, data displayed is the most recent data publicly available.

Building on the strong foundations of Indian self-determination, Congress passed the Native American Housing Assistance and Self-Determination Act (NAHASDA) in 1996, which revolutionized how federal housing assistance is made available to Native communities. NAHASDA consolidated existing housing funds into a single block grant—the Indian Housing Block Grant (IHBG)—and increased Indian tribes’ role in the design and implementation of tribal housing and related infrastructure programs. Fourteen years later, NAHASDA has resulted in tens of thousands more housing units being constructed as well as increased tribal capacity to address related infrastructure and economic development challenges.

NAHASDA authorizes several programs and activities that are in dire need of additional funding. These include IHBG; Indian Community Development Block Grant (ICDBG); Sections 184 and 184A Guaranteed Loan Program; Title VI Guaranteed Loan Program; NAHASDA’s Training and Technical Assistance Funding; and Title VIII Housing Assistance for Native Hawaiians.

Key Recommendations

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, Housing and Urban Development Appropriations Bill

- Fund the Indian Housing Block Grant at \$875 million.

IHBG funding is the means of support for housing development, construction, infrastructure, maintenance, and repair in Native communities. These funds are also important in helping Indian tribes and tribally designated housing entities (TDHEs) leverage other funds, such as low-income housing tax credits. Even at its highest enacted level, the IHBG has not met all Indian housing needs. Housing construction costs are exacerbated by inadequate infrastructure and rising costs for building materials, energy, transportation, and utilities.

Despite a documented annual need of \$1 billion in federal funds for the IHBG, appropriations have never exceeded an annual appropriation of \$700 million.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, Housing and Urban Development Appropriations Bill

- Fund the Indian Community Development Block Grant at \$100 million.

Community Development Block Grant funds are dedicated to improving not only housing but the overall economic and community development foundation of tribal communities. The ICDBG funds



are essential to tribal economies and community development efforts, such as a variety of commercial, industrial, and agricultural projects.

The budget level has decreased over the past 10 years, and funding must be increased to a level that will have real impact in some of the neediest communities in America. These cuts are even more troublesome considering that Native communities often lack the most basic physical infrastructure and tribal economies are often dependent on transfer payments rather than a vigorous, tax-paying economy.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, Housing and Urban Development Appropriations Bill

- Fund Title VI at \$2 million.

Native communities continue to face enormous challenges in capital formation and capital access. NAHASDA contains Title VI, which assists Indian Housing Block Grant recipients (borrowers) who want to finance eligible affordable housing activities, but are unable to secure financing without the assistance of a federal guarantee. Eligible activities under Title VI include rental assistance, development services, management services, crime prevention and safety activities, and model activities. This program provides tribes with an additional resource to leverage limited dollars. The Title VI Loan Guarantee is a key financial tool for Indian tribes and their housing authorities to invest in housing and community development efforts. This program should be funded at \$2 million—the FY2010 appropriated level.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, Housing and Urban Development Appropriations Bill

- Fund the Section 184 Program at \$9 million.

Created in 1992, the Section 184 program provides 100 percent reimbursement to private lenders in case of home loan default. Indian tribes have participated in this program with an extremely low default rate, even as defaults in the broader American economy have increased substantially. Using Section 184, Indian tribes or tribal members can purchase an existing home; obtain single-close construction loans for stick-built or manufactured homes on a permanent foundation; obtain rehabilitation loans; or obtain both a purchase and rehabilitation loan. This program, which is underutilized in Indian areas with land that is held in trust, has grown as Indian tribes and TDHEs expand their housing programs beyond low-income programs, tailoring them to meet the needs of their people. In spite of pronounced need for homeownership opportunities, funding for the Section 184 program has been essentially flat for the last 10 years.



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, Housing and Urban Development Appropriations Bill

- Fund NAHASDA's Training and Technical Assistance at \$4.8 million.

The training and technical assistance (T&TA) to be provided by a national organization representing Native American housing interests is a critical resource for Indian tribes and TDHEs, which rely on T&TA to train housing employees and effectively implement their housing programs. T&TA includes developing model policies, which saves tribes tens of thousands of dollars per year.

The National American Indian Housing Council (NAIHC) is the only national Indian housing organization that provides comprehensive T&TA to tribal nations and their housing entities. Because they know the value added by NAIHC, the NAIHC members have voted unanimously during each of their annual conventions since 2006 to set aside funds from their IHBG funding for NAIHC's T&TA program. In addition, NAIHC members have expressed concerns about the quality of training provided by HUD contractors. To ensure high-quality T&TA, the NAIHC should be funded at \$4.8 million.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, Housing and Urban Development Appropriations Bill

- Fund Title VIII's Native Hawaiian Housing Block Grant at \$20 million.

Since 2000, this funding has been the seminal source for housing assistance for Native Hawaiians who are eligible to reside on Hawaiian Home Lands. Activities eligible to be funded with Native Hawaiian Housing Block Grant (NHHBG) assistance include new construction, rehabilitation, acquisition, infrastructure, and various support services. The Department of Hawaiian Home Lands (DHHL), the sole recipient of NHHBG, will focus the NHHBG funds on increasing the supply of affordable housing units or rehabilitating existing units to relieve some of the overcrowding pressures and substandard living environments experienced by many low-income Native Hawaiian households. In addition, the DHHL will support healthy and safe communities, empower resident organizations, and promote self-sufficiency for Native Hawaiian families. The DHHL will focus on developing the capacity of resident organizations and partnering entities (e.g., nonprofit entities) so they can successfully apply for and administer NHHBG funds. As is the case for other NAHASDA authorizations, funding for Title VIII has had a negative trajectory and was simultaneously eroded by inflation.

