



Housing

Housing infrastructure in Indian Country still lags behind than the rest of the country. Tribal governments are still struggling to reduce overcrowding and the long waitlist for housing. The Native American Housing Assistance and Self-Determination Act (NAHASDA), first enacted in 1996, was a major authorization for tribal nations to self-determine their housing programs. It gave flexibility for tribal nations to develop, construct and maintain housing for their members, transforming how federal housing programs addressed housing needs in tribal communities. NAHASDA consolidated existing housing funds into a single block grant—the Indian Housing Block Grant—resulting in tens of thousands more housing units being constructed, as well as increased tribal capacity to address related infrastructure and economic development challenges.

Funding is vital for the Indian Housing Block Grant; Indian Community Development Block Grant; 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.

Over 70 percent of existing housing stock in tribal communities is in need of upgrades and repairs, many of them extensive. A fast growing population in tribal communities will intensify existing housing needs. For example, from 2000 to 2010, the population of American Indians/Alaska Natives rose 18 percent, which is almost twice the population growth rate of the U.S. population in general. Poverty and unemployment rates remain consistently higher in Indian Country than the American population in general.

Other federal programs outside of the Department of Housing and Urban Development also address housing issues for tribal nations. These include the 502 direct home loan program in the Department of Agriculture, the Housing Improvement Program in the Department of the Interior, and the Native American Direct Home Loan Program in the Department of Veterans Affairs.

Key Recommendations

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, HUD Appropriations Bill

- ***Fund the Indian Housing Block Grant (IHBG) at \$932 million but not less than \$755 million.***

IHBG funding is important for housing development, construction, infrastructure, maintenance, and repair in tribal communities. These funds also assist tribal governments and TDHEs to leverage other funds, such as low-income housing tax credits. However, the IHBG has seen mostly level funding over the past two decades. The IHBG would receive nearly \$1 billion if funding had kept pace with inflation since its creation in 1996. At current levels, tribal nations' purchasing power with IHBG funds is less than it was 20 years ago.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, HUD Appropriations Bill

- ***Fund the Indian Community Development Block Grant (ICDBG) at not less than \$100 million.***

ICDBG funding provides tribal nations with the resources to improve the overall economic and community development infrastructure of their communities. The ICDBG funds also provide key support to tribal economies and community development efforts and enable tribes to increase the variety of commercial, industrial, and agricultural projects on their lands.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, HUD Appropriations Bill

- ***Fund Title VI's Loan Guarantee Program at \$2 million.***

Title VI of NAHASDA assists IHBG recipients to secure financing from private lending institutions at favorable rates with the assistance of a federal guarantee. Eligible activities under Title VI assistance 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.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, HUD Appropriations Bill

- ***Fund the Section 184 Loan Guarantee Program at \$10 million.***

The Section 184 Loan Guarantee Program provides a 100 percent guarantee to private lenders in cases of home loan default. Tribal nations have successfully participated in this program with an extremely low default rate. Using Section 184, tribal nations or tribal citizens 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.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, HUD Appropriation Bill

- ***Fund the Tribal HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program at \$7 million.***

The HUD-VASH program is a successful program combating veterans' homelessness; however, it does not provide direct funding opportunities for Native veterans. Tribal nations should have the same opportunity afforded to other local governments in providing affordable housing for its veterans.

In FY 2015, Congress appropriated funding for a tribal HUD-VASH demonstration project to address at-risk and homeless Native veterans on tribal lands. This funding was the first time tribal nations and tribal veterans organizations could apply for HUD-VASH funding. Funding has decreased for the Tribal HUD-VASH program from \$7 million to \$5 million in FY 2019. Funding should be restored to \$7 million.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, HUD Appropriations Bill

- ***Fund NAHASDA's Training and Technical Assistance at no less than \$7 million.***

Building tribal capacity is essential for tribal nations to enhance their housing and community development projects. The training and technical assistance provided through NAHASDA to address Native housing needs is an indispensable resource for tribal nations and TDHEs to run their programs more efficiently and in compliance with applicable laws and HUD regulations. Training and technical assistance also includes developing model policies, which saves tribal nations tens of thousands of dollars each year by sharing information about successful efforts undertaken by other tribes.

Each year, hundreds of tribal housing professionals attend training courses to enhance their management skills and broaden their knowledge of tribal housing operations and management. Over 14,400 housing professionals have been trained over the last fourteen years.

DEPARTMENT OF AGRICULTURE

Agriculture Appropriations Bill

Rural Development, Rural Housing and Community Facilities Programs

- ***Set-aside \$50 million of program allocation from the Rural Development 502 Direct Loan Program to establish a demonstration relending program for Indian Country.***

Rural Development has limited staff resources to provide Single Family Housing direct loans on tribal land. In FY 2016, of the 7,113 direct loans made nationally by Rural Development, only 12 of them were to American Indians or Alaska Natives on tribal land. Native Community Development Financial Institutions (CDFIs) have experience operating on tribal land. In addition, they provide extensive financial and homebuyer education to help their clients become self-sufficient, private homeowners. The proposed demonstration relending program would increase the flow of mortgage capital to Indian Country by allowing Native CDFIs to be eligible borrowers under the 502 Direct Loan Program and enabling them to relend to eligible families for the construction, acquisition, and rehabilitation of affordable housing.

DEPARTMENT OF THE INTERIOR

Interior – Environment Appropriations Bill

Bureau of Indian Affairs

- ***Return the BIA's Housing Improvement Program (HIP) to its previous appropriations level of \$23 million so that it can be fully leveraged to support self-sufficiency through private homeownership.***

The Housing Improvement Program is a home repair, renovation, replacement and new housing grant program administered by the Bureau of Indian Affairs and federally-recognized Indian tribes for American Indians and Alaska Native individuals and families who have no immediate resource for standard housing. In 2015, the BIA updated its regulations and expanded the eligible use of HIP funds to include down payment assistance for very low-income working families seeking to become private homeowners. This new activity expands homeownership opportunities for Native families and allows leveraging of federal housing funds to increase the number of families served and projects funded. To maximize this opportunity to improve self-sufficiency through private homeownership, the HIP program should be funded at \$23 million, returning to its FY 2005 appropriations level.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Transportation, Housing and Urban Development Appropriations Bill

- ***Fund the Native Hawaiian Housing Block Grant at \$20 million and maintain funding for the Section 184A Loan Guarantee at \$1,000,000.***

Since 2000, Native Hawaiian Housing Block Grant (NHHBG) funding has been the primary source for housing assistance for Native Hawaiians eligible to reside on Hawaiian Home Lands. The Department of Hawaiian Home Lands, the sole recipient of NHHBG funds, uses these funds to increase the supply of affordable housing units or rehabilitate existing units to relieve some of the overcrowding pressures and substandard living environments experienced in many low-income Native Hawaiian households.

DEPARTMENT OF VETERANS AFFAIRS

Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill

Veterans Benefit Administration

- ***Authorize the Secretary of Veterans Affairs (VA) to designate \$1 million of the VA Department's program income generated from VA funding fee proceeds to compensate third parties to provide loan packaging and homebuyer education to Native American veteran homebuyers.***
- ***Authorize the VA Secretary to designate \$10 million of existing program allocation from the VA's Native American Direct Loan (NADL) program to establish a Native Veterans Home Loan Relending program that would allow Native CDFIs to obtain intermediary loans through the Native American Direct Loan program and relend to qualified Native American veterans.***

The Native American Direct Loan program is a home loan program authorized by 38 U.S.C. chapter 37, section 3761 to provide direct loans to Native American veterans living on trust lands. The loans are available to purchase, construct, or improve homes to be occupied as veteran residences, or to refinance a loan previously made under this program to lower the interest rate. The program began as a pilot program in 1993 and was made permanent by Public Law 109-233, the Veterans Housing Opportunity and Benefits Act of 2006.

However, the Department of Veterans Affairs lacks adequate staff and resources to provide the required level of technical assistance to help qualified Native American veterans to fully access this VA benefit. By providing the appropriate authority to access a budget-neutral source of funding, the Secretary of Veterans Affairs can follow the practice of other federal loan programs to partner with and compensate third parties to provide homebuyer education, loan packaging, and other homebuyer readiness services. In addition, by setting aside \$10 million of existing program allocation, VA can pilot a relending program that would allow Native CDFIs, who are more familiar with Native communities and the mortgage lending process on trust land, to deploy this much-needed mortgage capital to qualified Native American veteran homebuyers.