



U.S. Department of Housing and Urban Development
Native American Housing Assistance and Self-Determination Act
Report to Congress
FY 2020

Office of Native American Programs
Office of Public and Indian Housing



Native American Housing Assistance and Self-Determination Act
Report to Congress
FY 2020

Contents

Introduction	1
Message from Deputy Assistant Secretary	2
Funding Summary	3
Indian Housing Block Grant	4
Indian Housing Block Grant Competitive	10
Title VI Loan Guarantee Program	11
Training and Technical Assistance.....	12
NAHASDA in Action.....	13



Introduction

The Native American Housing Assistance and Self-Determination Act of 1996¹ (NAHASDA) Annual Report for Fiscal Year (FY) 2020 provides an overview to Congress on the U.S. Department of Housing and Urban Development's (HUD's) Native American Housing programs authorized under NAHASDA. The information provided in this report fulfills the requirement in Section 407 of NAHASDA (25 U.S.C. 4167). Section 407 requires HUD to submit an annual report to Congress, which:

- Describes the progress made in accomplishing the objectives of NAHASDA;
- Summarizes the use of funds available under NAHASDA during the preceding FY; and
- Describes the aggregate outstanding loan guarantees under the Tribal Housing Activities Loan Guarantee program, also known as the Title VI Loan Guarantee program.

This report reflects HUD's continuing commitment to inform the American people, Congress, its partners, and its employees about the mission, goals, and work it seeks to accomplish. HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business.

At the time of publication, HUD is also heavily involved in the COVID-19 National Emergency recovery effort and has been working tirelessly to provide assistance to Native American families across Indian Country.

¹ Pub. L. No. 104-330 (codified as amended at 25 U.S.C. 4101 *et seq.*)

Message from Heidi J. Frechette, Deputy Assistant Secretary

I am pleased to issue the Annual Report to Congress for FY 2020. This report reflects our progress toward addressing housing issues through the programs authorized under NAHASDA, including the Indian Housing Block Grant (IHBG) program and the Title VI Loan Guarantee program (Title VI).



This report also addresses the tremendous work that HUD did to implement additional funding provided to the IHBG program through the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136) designed to help Tribes prevent, prepare for, and respond to the COVID-19 National Emergency.

This year, we have made great progress in working to streamline our programs and provide improved training and technical assistance. We continue to work closely with nearly 600 sovereign Tribes that are eligible for NAHASDA's programs. HUD is committed to honoring our government-to-government relationship with our Tribal partners and is dedicated to increasing access to opportunities to individuals and families in Indian Country. This dedication is evident through the work of our staff who firmly believe in HUD's mission to address housing needs in Tribal communities.

While there is much work yet to be done, I am proud of the progress Tribes have made under NAHASDA's programs. Below are just a few of HUD's highlights from FY 2020:

- Awarded over \$640 million in IHBG formula grants to provide affordable housing to low-income Native American families in Tribal communities.
- Awarded an additional \$200 million to Tribes through the IHBG-CARES program.
- Provided vital training and technical assistance to over 1,400 individuals through ONAP-sponsored instructional resources to assist Tribes to increase their capacity and technical expertise.

Finally, I would like to say *waewanen* (thank you) to our staff, Tribal leaders, and other community partners who continue to help make our work and this report possible.

Sincerely,

A handwritten signature in blue ink that reads "Heidi J. Frechette".

Heidi J. Frechette
Deputy Assistant Secretary
Office of Native American Programs

Funding Summary

In FY 2020, Congress appropriated a total of \$955 million for NAHASDA programs of which:

- \$646 million was provided for IHBG grants and \$200 million in IHBG-CARES grants that were distributed by formula to Indian tribes and TDHEs (IHBG awards ranged from \$74,594 to \$72,872,295; the median IHBG grant amount was \$1,105,312; IHBG-CARES grants ranged from \$15,184 to \$22,333,177; the median IHBG-CARES grant amount was \$84,526);
- \$100 million was provided for IHBG competitive grants;
- \$2 million was provided to guarantee loans under the Title VI Loan Guarantee program; and
- \$7 million was provided to fund training and technical assistance for Indian program recipients, and to support the inspection of Indian housing units and contract expertise. As authorized under Section 703 of NAHASDA, a portion of these funds was made available to national organizations representing Native American housing interests.

Funding by NAHASDA Program in FY 2020

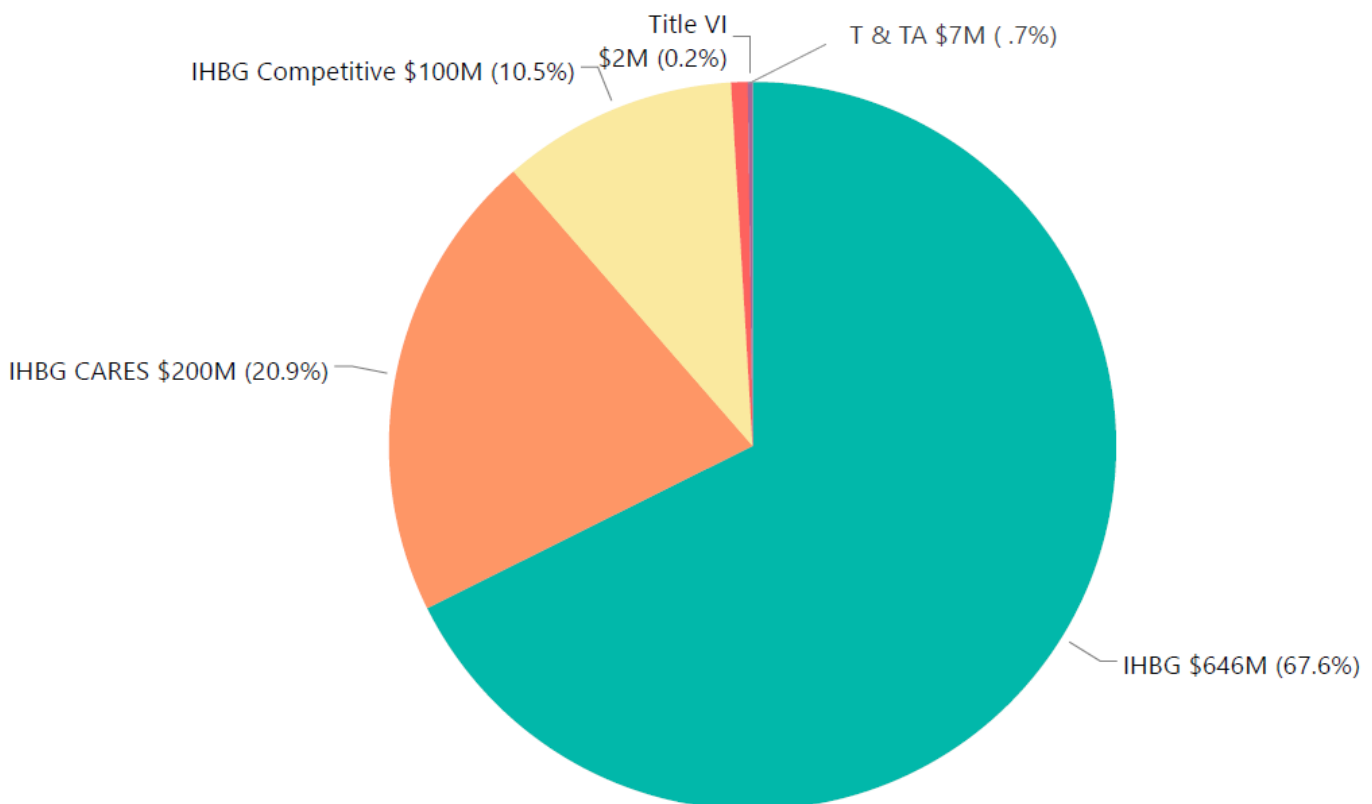


Figure 1 FY 2020 funding by NAHASDA program.

Indian Housing Block Grant Program

Program Overview

The IHBG program is authorized under Title I of NAHASDA. Under the program, HUD distributes block grants by formula annually to eligible Indian tribes or their tribally designated housing entities (TDHEs). These recipients may use their IHBG funds to carry out a range of affordable housing activities that benefit low-income Indian families living on Indian reservations or in other Indian areas. In FY 2020, 593 Indian tribes were eligible to receive an allocation under the program.

Regulations governing the IHBG program were initially developed with active tribal participation through negotiated rulemaking. Program regulations were first issued in 1998 and are currently codified at 24 CFR part 1000. Since then, HUD and Indian tribes have conducted three additional negotiated rulemaking sessions, which resulted in regulatory changes that strengthened and improved the program. Over the years, this process has proven to be effective at furthering tribal self-determination while also ensuring program accountability.

Today, the IHBG program is the single largest source of Federal funding for housing in Indian Country, where safe, decent, affordable housing is desperately needed. Flexibility inherent in this self-determination program enables Indian tribes to design, develop, and operate their own affordable housing programs based on local needs and customs. IHBG funds can be leveraged and used as a catalyst for community and economic development. The program substantially contributes to stabilizing communities and building healthy economies within American Indian and Alaska Native communities, many of which are in rural areas. During the last decade, individual grants have ranged in size from about \$50,000 to about \$92 million, with a median grant of about \$269,000.

IHBG Formula and Grant Administration

The IHBG allocation formula, developed in consultation with Indian tribes under statutorily mandated negotiated rulemaking, is based on need and the number of existing housing units that were funded under the U.S. Housing Act of 1937 (before NAHASDA was enacted). Need is calculated using several weighted factors, such as the local population's income levels, condition of existing housing, and local housing costs. In November 2016, HUD published a Final Rule that marked the completion of three years of work by a negotiated rulemaking committee charged with developing regulatory changes to the allocation formula of the IHBG program. Since FY 2018, the formula data are drawn from the Decennial Census and the American Community Survey, with adjustments to spread the impact of data changes on individual grantees' yearly funding levels over several years.

To receive an IHBG grant, eligible Tribes are required to submit an Indian Housing Plan (IHP) annually to HUD. The IHP describes the recipient's planned affordable housing activities for its upcoming program year. The IHP is due at least 75 days before the recipient's program year begins. Recipients must also submit an Annual Performance Report (APR) to HUD within 90 days of the end of their program year. The APR details the actual activities and accomplishments of their IHBG-funded housing programs.

Grant Performance Tracking

ONAP has developed performance indicators and tracks the progress made by IHBG recipients using a performance tracking database. ONAP updates this data weekly based on APRs and other information received from IHBG recipients.

Due to the COVID-19 national emergency, Tribes were granted administrative relief including APR submission deadline extensions. As a result of the extensions granted by HUD and the disruption caused by the COVID-19 National Emergency on housing construction and rehabilitation, data reporting for FY 2020 at the time of publication may be incomplete or inconsistent with past data trends.

IHBG Program Performance

Cumulative Totals

Based on reported data, HUD estimates that between FY 1998 (the inception of the IHBG program) and the end of the FY 2020 (based on data reported as of February 2021):

- **41,496** affordable housing units have been built or acquired; and
- **102,148** affordable housing units have been rehabilitated.

FY 2020 IHBG Insights

Based on reported data, HUD estimates that in FY 2020 (based on data reported as of February 2021):

- **551** affordable housing units were built or acquired;
- **4,694** affordable housing units were rehabilitated;
- **38,783** affordable housing units, which were originally built or acquired with funding provided under the U.S. Housing Act of 1937, were maintained, and operated by IHBG recipients (30,196 Low Rent, 4,981 Mutual Help, 4 Turnkey, and 3,602 Section 8);
- **51 acres** of land were purchased for the development of affordable housing; and
- Approximately 13.6 % of total IHBG expenditures were for planning and administrative expenses.

IHBG Funds by Eligible Activity During FY2020

Data current as of 2.16.21

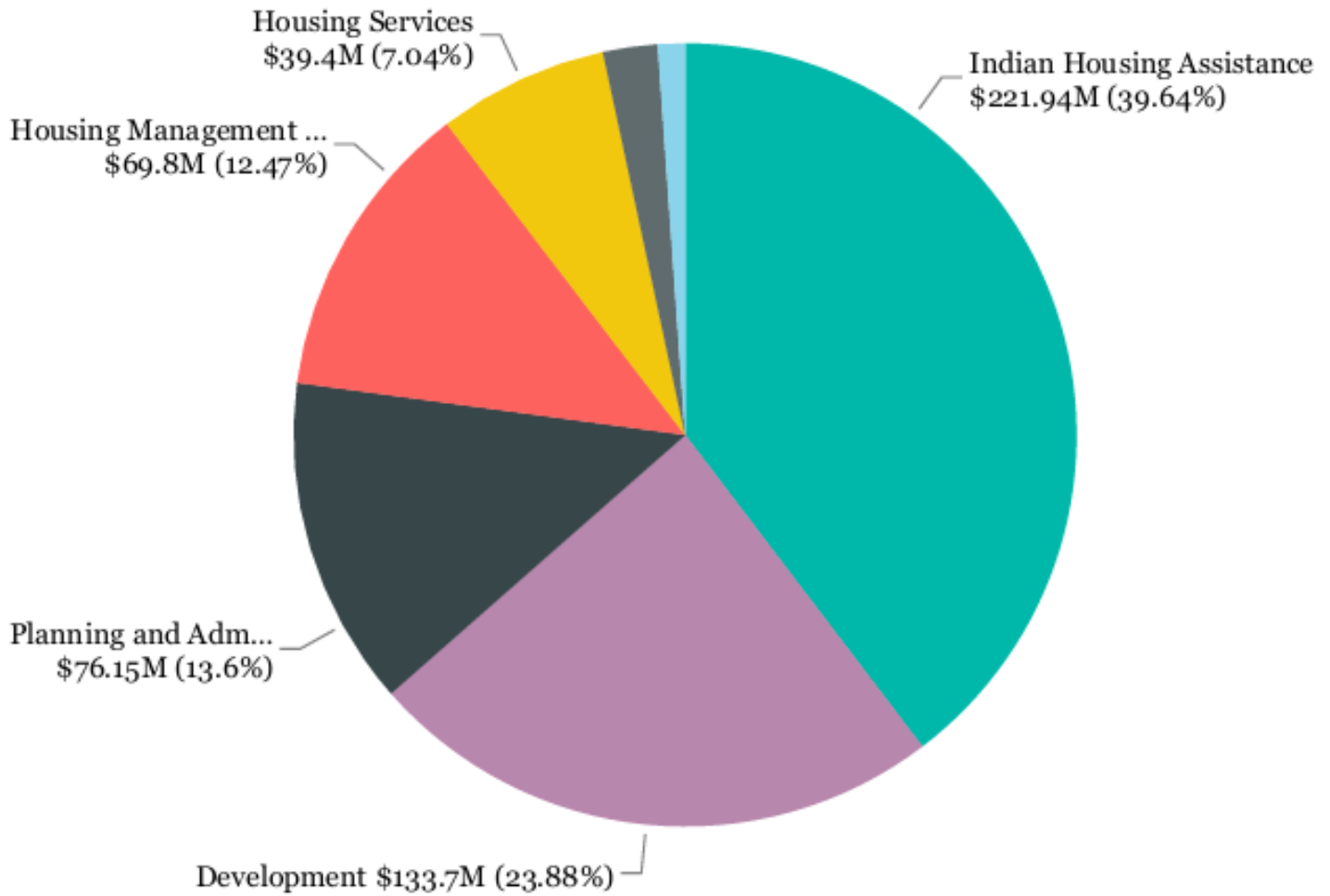


Figure 2 IHBG funds spent on eligible activities during FY 2020 -- Data as of February 16, 2021.

FY 2020 IHBG Funding Breakdown

IHBG grantees have reported that a total of **\$559,830,934** in funding had been expended during FY 2020 on the following eligible activities:

Indian Housing Assistance (\$221.9 million or 39.6% of the total)

Indian Housing Assistance includes modernization and operating assistance for housing previously developed or operated under programs authorized under the United States Housing Act of 1937 (also known as Formula Current Assisted Stock (FCAS)) before enactment of NAHASDA. At the beginning of FY 2020, there were approximately **38,783** units in this inventory. Rent and utility subsidies for this housing stock are also included in this category.

Development (\$133.7 million or 23.9% of the total)

Development includes building, acquiring, and rehabilitating affordable housing units. Included in these eligible activities are real property acquisition, site improvement, development of utilities, utility services, conversion, demolition, financing, administration, planning, and other related activities. Development activities include improvements to achieve greater energy efficiency, mold remediation, and accessibility improvements.

Housing Management Services (\$69.8 million or 12.5% of the total)

Housing Management Services are management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, the costs of operation and maintenance of IHBG units, and management of affordable housing projects.

Administrative Expenses (\$76.2 million or 13.6% of the total)

Administrative and planning expenses include the cost of administrative management, evaluation and monitoring, preparation of the IHP and the APR, staff and overhead costs directly related to carrying out affordable housing activities, and more.

Housing Services (\$39.4 million or 7.0% of the total)

Housing Services are housing-related services for affordable housing, such as housing counseling for rental or homeownership assistance, establishment and support of resident organizations and resident management corporations, energy auditing, and activities related to self-sufficiency. This activity also includes other services related to assisting owners, tenants, contractors, and other entities participating in eligible housing activities, including rental and down payment assistance.

Other (Crime Prevention and Model Activities: \$18.8 million or 3.4% of the total)

Crime Prevention and Safety includes safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime. Model Activities are activities that are not included in the list of eligible activities under NAHASDA, but that HUD specifically approves under the IHBG program upon determining that the activities are designed to carry out the purposes of NAHASDA.

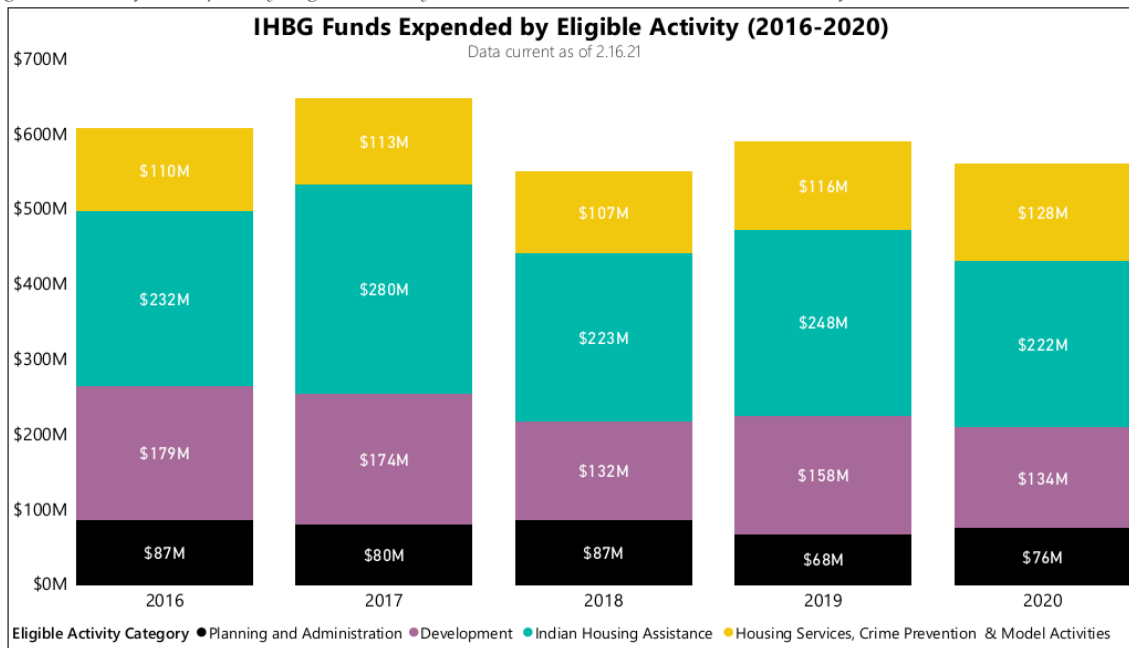
For further information about IHBG eligible activities, see to [Program Guidance 2010-03](#).

IHBG Trends

Over the past decade, ONAP has identified a few trends related to how IHBG funds have been expended. These trends include:

- The number of new homeowner units being constructed with IHBG funds continues to decrease each year—less than 10 percent of total homeowner units in FY 2020. (See Figure 4)
- The total amount of IHBG funds spent on eligible administrative costs has consistently remained at 12%-15% for the previous five years. (See Figure 3 below)
- IHBG recipients are continuing to dedicate most of their grant funds to the rehabilitation of existing units. (See Figures 4 and 5 on the next page.)
- Despite the significant disruption caused by the COVID-19 National Emergency, Tribes and TDHEs have continued to spend IHBG funding at a rate similar to prior years to help address the needs of their communities.

Figure 3 IHBG funds spent by eligible activity 2016 to 2020 -- historical chart. Data as of Feb 16, 2021.



- The COVID-19 National Emergency’s full impact on the development of HUD assisted homes in Indian Country is not yet clear. HUD is working to collect data on CARES Act funded projects through a new CARES Act Reporting System (CARS). As of the date of this report, CARS is still in the final stages of development. Tribes and TDHEs will also begin reporting on the use of this funding in the near future by submitting Annual Performance Reports.

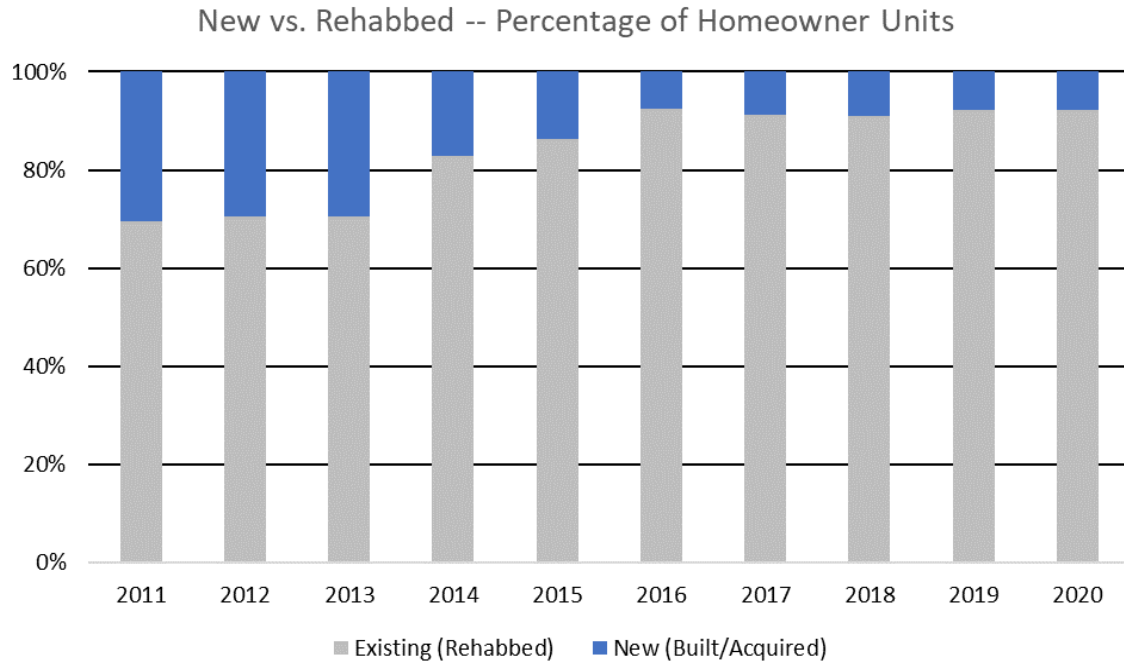


Figure 4 Percentage of homeowner units new vs rehabbed by FY 2011 to 2020 -- historical chart. Data as of Feb16, 2021

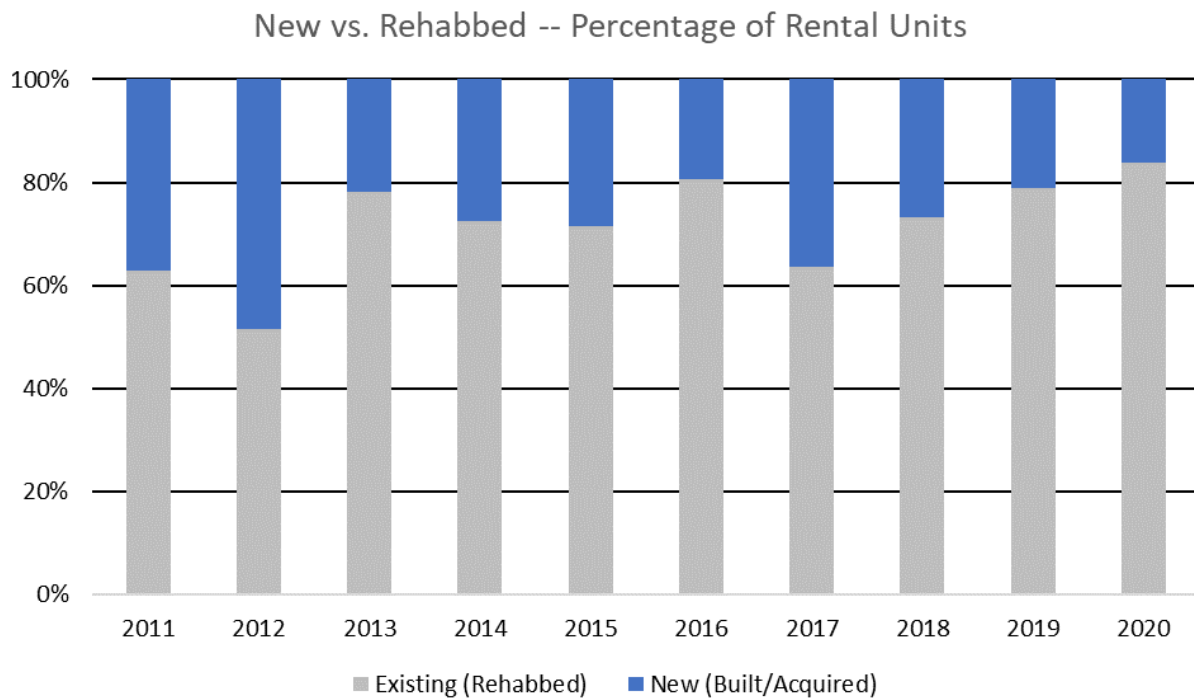


Figure 5 Percentage of rental units new vs rehabbed by FY 2011 to 2020 -- historical chart. Data as of Feb 16, 2021.

IHBG-CARES

Under the CARES Act, HUD was appropriated \$200 million in additional funding for the IHBG program to assist Tribes with preventing, preparing for, and responding to the COVID-19 National Emergency. HUD announced IHBG-CARES allocations to Tribes less than one week after enactment of the CARES Act. Shortly thereafter, HUD granted Tribes regulatory relief by issuing various waivers and alternative requirements, published program requirements, and began disbursing funds.

Tribes have used this funding to help address the ongoing COVID-19 National Emergency and have been effective at using these resources quickly, despite major hurdles posed daily by the ongoing crisis. IHBG-CARES funds have been used to carry out a wide range of activities designed to prevent, prepare for, and respond to the COVID-19 National Emergency. Such activities include providing Personal Protective Equipment to assisted residents and staff, providing rental assistance and other homeless prevention assistance to families facing housing instability caused by the COVID-19 National Emergency, providing mortgage relief to borrowers impacted by the crisis, rehabilitating housing to improve ventilation and address severe overcrowding, delivering food to the disabled and elderly, and much more.

HUD will continue to provide support to Tribal communities as they work to recover from the ongoing crisis.

FY 2020 IHBG Competitive

Overview

In FY 2020, Congress appropriated \$100 million for competitive grants to eligible IHBG recipients authorized under NAHASDA in addition to formula-based funding. In awarding grants, Congress required HUD to consider funding based on need and administrative capacity, and to give priority to projects that will spur construction and rehabilitation.

Grant Competition

During FY 2020, HUD administered a grant competition for \$91 million² in competitive IHBG funds. As authorized in the FY 2020 appropriations act, HUD has allocated \$1 million per year to the administration and oversight of the IHBG competitively awarded funds. HUD published the IHBG Competitive Notice of Funding Availability (NOFA) on August 11, 2020 with an established deadline of December 10, 2020. In

² Some applications submitted under the previous year's NOFA competition were funded from FY20 appropriations to correct errors made in awarding funds identified by HUD and applicants after initial awards were announced.

collaboration with Contracting Resources Group, Inc. (CRG) and Panel Monitors from six ONAP Field Offices, ONAP will facilitate a thorough grant review process which entails rating and ranking of applications from Tribes and TDHEs. This process is underway at the time of publication. ONAP estimates making approximately 20 awards in the spring of 2021.

Title VI

Overview

Under the Title VI Loan Guarantee Program, HUD can guarantee 95 percent of outstanding principal and interest on a loan made by a private lender to an IHBG recipient to finance affordable housing activities and housing related community development activities, including construction, rehabilitation, infrastructure, constructing community facilities, acquiring land for housing, architectural/engineering plans, and to help fund financing costs. Borrowers pledge a portion of their current and future IHBG funds as security for the repayment of the federally guaranteed financial obligation. Historically, the primary use of Title VI loans has been the construction of housing units and the related infrastructure.

Program Performance

Since the inception of the Title VI program, HUD had issued a total of 108 loan guarantees³, totaling more than \$266 million. This has resulted in the development, rehabilitation, or installation of infrastructure for approximately 3,454 affordable housing units. During FY 2020, four Title VI loans were guaranteed for \$12,072,374 for the Interior Regional Housing Authority (Grayling), San Felipe Housing Authority, Lumbee Tribe, and Tule River Indian Housing Authority. Additionally, over \$7 million in firm commitments were issued for new loans to fund projects benefiting several Tribal communities such as Fort Hall, Blackfeet, and Ruby, Alaska. While some lenders may have historically been hesitant to engage in lending on tribal lands, the 95 percent guarantee provided by the Federal Government under the Title VI Loan Guarantee Program has proven to be an effective incentive for lenders to finance the development of tribal housing.

³ The number of total Title VI loans was incorrectly reported in the FY 2019 NAHASDA report as 102. The correct number should have been reported as 104.

Training and Technical Assistance

FY 2020 Training Highlights

- Over 1,500 individuals received IHBG focused training and technical assistance through ONAP-sponsored instructional resources.
- ONAP partnered with expert technical assistance providers to support 117 direct technical assistance training sessions.
- ONAP planned and facilitated issue-area focused training events focused on pressing needs in Indian Country.

National Best Practice Webinars

ONAP offers a national best practice webinar series featuring innovative approaches to meeting housing needs in Tribal communities. Each quarter, ONAP features a Tribe from one of six regions to provide an in-depth overview of their project, planning process, staffing, funding sources, construction methods, and lessons learned. To date, ONAP has featured:

- Lummi Nation Housing Authority's [Sche'Lang'En](#) (Our Way of Life) Village, a 45-unit Transformational Housing project with supportive services located in Bellingham, Washington
- San Felipe Pueblo's [Black Mesa Subdivision](#), a 150-unit subdivision
- Bering Strait's Regional Housing Authority's [Title VI project in Savoonga](#), Alaska
- Housing Authority of the Choctaw Nation of Oklahoma's [Service Coordination Model](#)

The webinars are two hours in length and are facilitated by ONAP's Deputy Assistant Secretary. Each webinar is recorded and posted on www.hud.gov/codetalk.

Training Conferences

NAHASDA provides Tribes with great flexibility on how they develop their tribal housing programs. To ensure that Tribes are aware of the many options available to them, ONAP partners with technical assistance providers to host a variety of training opportunities including issue focused trainings. Beginning in March 2020, many scheduled trainings were postponed due to the COVID-19 National Emergency. While some trainings were able to be rescheduled and performed virtually, the number of trainings was reduced in FY 2020. A total of 53 trainings were held, covering such topics as Program Income, Opportunity Zones, Financial Management, Admissions and Occupancy, and Developing and Financing Infrastructure.

ONAP anticipates that many previously planned trainings will resume in the near future.

NAHASDA in Action



Figure 6: Local community leaders arrive for the grand opening of Nesika Illahee in Portland, Oregon.

Northwest

The Siletz serve local Native American families through Nesika Illahee

In 2020, the Confederated Tribes of Siletz Indians invested \$1.7 million in IHBG funds to construct an urban, 59-unit affordable housing development in Portland, Oregon. The development is named Nesika Illahee, which in the Chinook language translates to “Our Place”. The project represents the culmination of efforts between the Siletz Tribe, the Native American Youth and Family Center (NAYA), Community Development Partners and Native American Rehabilitation Association of the Northwest and marks a rare time when IHBG funds have been used for off-reservation housing in an urban center. Nesika Illahee will provide much needed affordable housing for Native American families living in the Portland area.



Figure 7: Installation of a new roof on the Unalaska Senior Center in Unalaska.

Alaska

Honoring Qawalangin Elders on Unalaska Island

The Aleutian Housing Authority, in partnership with the Qawalangin Tribe, leveraged a combination of IHBG and IHBG Competitive funds to rehabilitate the Unalaska Senior Center. The project included the removal and replacement of the existing roof, installation of ice and water membrane, installation of commercial standing seam metal roofing, demolition of exterior concrete sidewalks and landings and the replacement of both audible and visual end use devices that are connected to the fire panel system. This facility provides safe, affordable, energy efficient and healthy living environments for 15 low-income elderly families, helping them to remain in the community and relieving current community members and families from continuing to endure overcrowded conditions. Additionally, this project created temporary jobs and training opportunities for three individuals in the community, representing significant earned income and thereby contributing to the support of the local economy.

Southwest

Tohono O'odham Ki: Ki Association

In March 2020, the Tohono O'odham Nation won the Charles L. Edson Tax Credit Excellence Award and gained national recognition for their TOKA Homes III affordable homes project. The 38-unit development was funded through a combination of sources including \$3,154,654 in IHBG funds and an \$8.7 million loan leveraged through Low Income Housing Tax Credits (LIHTC) awarded by the Arizona Department of Housing. 24 of the 38 new homes serve families with children. Two of the townhomes are Americans with Disabilities Act accessible and one of the single-family units can accommodate those who have sensory impairments.



Figure 8: New Tohono O'odham home completed in 2020.