U.S. Department of Housing and Urban Development
Native American Housing Assistance and Self-Determination Act
Report to Congress
FY 2021

Office of Native American Programs
Office of Public and Indian Housing
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Introduction

The Native American Housing Assistance and Self-Determination Act of 1996¹ (NAHASDA) Annual Report for Fiscal Year (FY) 2021 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, Tribes, 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 uphold HUD’s federal trust and treaty responsibilities.

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

Message from Heidi J. Frechette, Deputy Assistant Secretary

I am pleased to issue the Annual Report to Congress for FY 2021. 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 has done to administer 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 COVID-19, as well as the American Rescue Plan (ARP) Act of 2021 (Public Law 117-2) in response to the health and economic effects of COVID-19.

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 challenges remain, I am inspired by the accomplishments Tribes have achieved under NAHASDA’s programs. Below are just a few of HUD’s highlights from FY 2021:

- Timely awarded over $640 million in IHBG formula grants to provide affordable housing to low-income Native American families in Tribal communities;
- Awarded an additional $450 million to Tribes through the IHBG-ARP program;
- Provided vital training and technical assistance to over 2,000 individuals through ONAP-sponsored instructional resources to assist Tribes to increase their capacity and technical expertise;
- Developed new state-of-the-art IT systems to modernize and streamline ONAP’s grant and loan guarantee programs; and
- Provided more Native American families a path to homeownership by guaranteeing over 3,000 loans through the Section 184 Indian Home Loan Guarantee program.

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

Sincerely,

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

In FY 2021, Congress appropriated a total of $1.125 billion for NAHASDA programs of which:

- $647 million was provided for IHBG grants and an additional $450 million in IHBG-ARP grants that were distributed by formula to Indian tribes and Tribally Designated Housing Entities (TDHEs). IHBG awards ranged from $74,000 to $72,024,391; the median IHBG grant amount was $260,780. IHBG-ARP grants ranged from $15,184 to $22,333,177; the median IHBG-ARP grant amount was $84,526;
- $100 million was provided for IHBG competitive grants;
- $1 million was provided to guarantee loans under the Title VI Loan Guarantee program; and
- $17 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.
**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 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 2021, 593 Indian tribes were eligible to receive funding 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 grant recipient’s planned affordable housing activities for its upcoming program year. The IHP is due at least 75 days before the grant recipient’s program year begins. Grant 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. As part of ongoing IT modernization efforts, HUD is developing and deploying a cloud-based grants evaluation and management system that is referred to as GEMS.

Due to COVID-19, Tribes were granted administrative reporting relief including APR submission deadline extensions. As a result of the extensions granted by HUD and the disruption caused by COVID-19 on housing construction and rehabilitation, data reporting for FY 2021 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 FY 2021 (based on data reported as of February 2022):

- 41,874 affordable housing units have been built or acquired; and
- 105,613 affordable housing units have been rehabilitated.²

**FY 2021 IHBG Insights**

Based on reported data, HUD estimates that in FY 2021 (based on data reported as of February 2022):

- 346 affordable housing units were built or acquired;
- 3,336 affordable housing units were rehabilitated;
- 38,159 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 (30,205 Low Rent, 4,348 Mutual Help, 4 Turnkey, and 3,602 Section 8);
- 12 acres of land were purchased for the development of affordable housing; and
- Approximately 14.9 percent of total IHBG expenditures were for planning and administrative expenses.

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² Amount includes all types of unit rehabilitation as reported by the grantee.
IHKG Funds by Eligible Activity FY2021

IHKG grantees have reported that a total of $467,728,597 in funding had been expended. Tribes spent IHKG funds during FY 2021 on the following eligible activities:
Indian Housing Assistance ($190.6 million or 40.8% 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 2021, there were approximately 38,159 units in this inventory. Rent and utility subsidies for this housing stock are also included in this category.

Development ($98.0 million or 20.9% 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 ($53.7 million or 11.5% 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.

Planning and Administrative Expenses ($69.6 million or 14.9% 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 ($39.1 million or 8.4% 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

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3 Totals may not add to 100% or reported total expenditure due to rounding.
participating in eligible housing activities, including rental and down payment assistance.

**Other** (Crime Prevention and Model Activities: $16.8 million or 3.6% 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 2021. (See table on next page)
- The total amount of IHBG funds spent on eligible administrative costs has consistently remained at 12%-15% for the previous five years. (See table below)
- IHBG recipients are continuing to dedicate most of their grant funds to the rehabilitation of existing units. (See tables on the next page.)
- Despite the significant disruption caused by COVID-19, Tribes and TDHEs have continued to spend IHBG funding quickly to help address the needs of their communities.
**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 COVID-19. HUD announced IHBG-CARES funding 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. As of February 2022, Tribes have spent approximately 70 percent of the allocated funding IHBG-CARES funding.

Tribes have used this funding to help address COVID-19 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 COVID-19. Such activities include providing personal protective equipment (PPE) to assisted residents and staff, providing rental assistance and other homeless prevention assistance to families facing housing instability caused by COVID-19, providing mortgage relief to borrowers impacted by COVID-19, rehabilitating housing to improve ventilation and address severe overcrowding, delivering food to the disabled and elderly, constructed new units to address overcrowding, and much more.

**IHBG-ARP**

Under the American Rescue Plan (ARP) Act of 2021, HUD was appropriated $450 million in additional funding to assist Tribes with their responses to the health and economic effects of COVID-19. Like the IHBG-CARES funds, the IHBG-ARP funds are to be used to prevent, prepare for, and respond to COVID-19.

IHBG-ARP funds have been used to carry out a wide range of activities respond, such as include providing PPE to assisted residents and staff, purchasing manufactured homes to be used as quarantine units, payment of rent for tenants in private rentals, and housing-related infrastructure projects, and projects to prevent homelessness.

As of February 2022, approximately $40 million has been expended.
IHBG Competitive

Overview

In FY 2021, 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 2021, HUD administered a grant competition for $95 million in competitive IHBG funds. HUD published the IHBG Competitive Notice of Funding Opportunity (NOFO) on August 24, 2021, with an established deadline of January 4, 2022. In collaboration with Panel Monitors from six ONAP Field Offices, ONAP is actively facilitating a thorough grant review process which entails rating and ranking of applications from Tribes and TDHEs.

Muckleshoot Housing Authority constructing affordable housing units with IHBG Competitive funding in Washington state.

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4 Some applications submitted under the previous year’s NOFA competition were funded from FY21 appropriations to correct errors made in awarding funds identified by HUD and applicants after initial awards were announced.
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 111 loan guarantees, totaling more than $279 million. This has resulted in the development, rehabilitation, or installation of infrastructure for approximately 3,560 affordable housing units. During FY 2021, three Title VI loans were guaranteed for $13,500,000 for the Fort Hall Tribe, Yurok Tribe, and Blackfeet Tribe. Additionally, a $12 million firm commitment was issued for a new loan to fund projects benefiting the Turtle Mountain Tribe. 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.
Training and Technical Assistance

FY 2021 Training Highlights

- Over 2,000 individuals received IHBG focused training and technical assistance through ONAP-sponsored instructional resources.
- ONAP partnered with expert technical assistance providers to support 146 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
- Minnesota Tribal Collaborative to Prevent and End Homelessness
- Muckleshoot Housing Authority and Salish and Kootenai Housing Authority

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

Training Webinars

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, all trainings have been held virtually. A total of 69 trainings were held in FY 2021 (an increase from the 53 trainings the year before), covering such topics as Addressing Housing and Community Safety Needs, Managing your Housing Programs during a Pandemic, Program Income, Contract Administration and Procurement, Financial Management, Self-Monitoring, Admissions and Occupancy, and NAHASDA Essentials.
Southern Plains

The Chickasaw Nation used IHBG funds to help develop Hilltop Meadow, which is an 86-lot tract of land, located in Ada, Oklahoma. Hilltop Meadow is within walking distance of an elementary school, grocery store, and a variety of restaurants.

Sixty homes are under different stages of construction for Chickasaw families. Eleven of the sixty homes have been completed and the selected families for those homes received their keys on December 15, 2021, and began moving in.

The homes include a living area between 1,200 and 1,580 square feet, energy efficient windows, storage building, storm shelter and a fenced-in back yard. The homes also include maintenance-free exteriors of brick and vinyl soffit facia.

The Hilltop Meadow addition has provided the Chickasaw Nation with an opportunity to greatly reduce the housing waiting list in Pontotoc County and has provided citizens the opportunity to become homeowners.
Northern Plains
Cheyenne River Housing Authority

The Cheyenne River Housing Authority (CRHA) is investing IHBG funds to construct the Ridgeway Housing Project as part of its Badger Park Subdivision. The goals of the project, include:

- Complete the new construction of six residential housing units to address the overcrowding crisis families are facing.
- Increase the number of Native American families who have access to safe, sanitary, and affordable housing conditions.
- Increase the number of handicapped accessible rental units.

This is a six-unit rental project that will serve eligible low-income families; CRHA estimates that 10 percent of the units will be occupied by disabled/handicapped individuals and 10 percent by Veterans.

In the short-term, the project will offer safe and affordable rental housing to income-eligible families, which will help reduce the number of overcrowded households. In the long-term, the project will increase the rental housing stock; the annual operating proforma will have a positive cash flow as there is no loan debt associated with these units.
North Fork Rancheria staff pose at a new affordable housing development site.

Southwest
North Fork Rancheria

The North Fork Rancheria Indian Housing Authority (NFRIHA) held a groundbreaking ceremony on Friday, January 22, 2021, for a new $16.4 million affordable housing development on Tribal lands in North Fork, California. Both IHBG formula and IHBG competitive funds are being used in conjunction with Low Income Housing Tax Credits (LIHTC) to finance the project, which is referred to as the “North Fork LIHTC Homes #1”. The project includes:

- 19 structures, made up of both single-family homes and duplexes;
- 12 single-family homes and 7 duplexes;
- Units range in size from 1-4 bedrooms, as well as accessible housing units;
- Provide 26 new affordable housing units for Tribal citizens; and
- Construction began in early 2021 and is expected to be complete by December 2022.
Eastern

Red Lake Housing Authority

Red Cliff Community Members will soon have increased access to affordable housing options, including 10 new homeownership units, 12 new rental units, and a completely renovated six-plex – as part of a $4.8 million IHBG grant. These new units and renovations are a vital step in providing more quality affordable housing options for more Native American families.

The 10 homeownership units are open to any Red Cliff Tribal Member regardless of where they currently live. They include five two-bedroom homes, three three-bed homes, and two four-bed homes. The 10 ownership units come in the following layouts: one, two, three, and four-bedroom models. All homeowner units were made available for purchase in 2021.
Ten years ago, Cook Inlet Housing Authority (CIHA) collaborated with Covenant House Alaska as they developed their Youth Engagement Center (YEC) in downtown Anchorage. As part of the partnership, CIHA sub-granted $925,000 in IHBG formula funds to help secure a parcel of land adjacent to their YEC site for future development rights. In 2021, Covenant House and CIHA broke ground on the Bridge to Success at that site. Bridge to Success includes 22 micro-unit apartments with some common area space and an administrative office. This stand-alone building is adjacent to the YEC. The location offers a “bridge” to youth leaving Covenant House, as they continue their journey to full and lasting self-sufficiency. The proximity to their “home base” at the YEC is an important support system for them as they learn to become successful tenants and successful members of the workforce. Groundbreaking for the development of Bridge to Success occurred in June 2021. The general contractor has been working diligently to stay ahead of supply chain issues and already has lumber and mechanical equipment packages in market. The anticipated completion date for the build is June 2022. CIHA invested $1.74 million in IHBG competitive funds towards the development of Bridge to Success.
In July 2021, Port Gamble S’Klallam Tribal Elder Kenny Charles received the keys to his new home. Mr. Charles is a retired carpenter and fisherman and has lived on the Port Gamble S’Klallam reservation his entire life. Prior to this event, Mr. Charles had been living in a manufactured home from the 1960s that needed many significant repairs and was declared “condemned” and later demolished. His newly built home provides greater stability for the Charles family. The home was built almost entirely by the Port Gamble S’Klallam Housing Authority (PGSHA) construction crew. The PGSJA crew are all novices. Under the guidance of a mentor who provides training, as well as subcontractors who provide training to the crew, the crew act as labor for the subcontractors. All the homes for these projects are purchased as a kit and assembled on-site. Under this project, a total of six homes will be built for Elders who are living in multi-generational and over-crowded homes. COVID-19 and living in crowded conditions has put Elders at high risk to contract the virus. The six homes are funded with a combination of IHBG and Tribal funds.