



NAHASDA GUIDANCE

National Office of Native American Programs

Tribe/TDHE

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TO: All Tribal Government Leaders and Tribally Designated Housing Entities (TDHE)

FROM: Jacqueline Johnson, Deputy Assistant Secretary, P

TOPIC: NAHASDA Eligible Activities

SUBJECT: Eligible Affordable Housing Activities and Administrative Expenses

Purpose: This guidance transmits the following document, NAHASDA Affordable Housing. The document is intended to provide assistance to tribes and tribally designated housing entities (TDHE) when determining eligible affordable housing activities and eligible administrative expenses when using NAHASDA funds. Please note that this is not a complete list of eligible activities under NAHASDA. It is a guide.

Background: This document was distributed during *the Sixth Native American Housing Summit: Building a Strong Foundation* and can be found on the CD-ROM that was later distributed to summit participants.

Inquires: Should you have any questions regarding this guidance, please contact your Area Office of Native American Programs.

For further information, contact your Area ONAP

NAHASDA AFFORDABLE HOUSING

Section 202. Eligible Affordable Housing Activities

Affordable housing activities under this title [title II of NAHASDA] are activities, in accordance with the requirements of this title, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

- Affordable housing is housing that meet the requirements of title II of NAHASDA:
 - Housing units developed under the United States Housing Act of 1937 (low rent, Mutual Help and Turnkey housing units) are considered to be and must be maintained as affordable housing for purposes of NAHASDA
 - Housing units developed under NAHASDA are required to meet NAHASDA requirements
 - Other housing units that are not assisted under NAHASDA, but which meet the requirements of title II of NAHASDA, qualify as affordable housing
- “Housing” includes
 - Rental housing that may be single family units, multifamily units, Single Room Occupancy units, attached units such as duplex, triplex
 - Homeownership housing
 - Group homes for persons with special needs such as the elderly/disabled
 - Congregate housing
 - Transitional housing
 - Halfway housing
 - Domestic violence shelters
 - Homeless emergency shelters

(1) Indian Housing Assistance -- The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

Eligible activities include, but not limited to:

- Modernization of 1937 Act Housing
- Operating assistance for 1937 Act Housing
 - Maintenance
 - Rent and participants’ utility subsidies

(2) Development -- The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

Eligible activities include, but not limited to:

- Acquisition of affordable housing
 - Financing acquisition of affordable housing by homebuyers
 - Down payment assistance
 - closing costs assistance
 - direct lending
 - interest subsidies or other financial assistance
- New construction of affordable housing
- Reconstruction of affordable housing
- Moderate rehabilitation of affordable housing, including but not limited to:
 - lead-based paint hazards elimination or reduction
 - improvements to provide physical accessibility for disabled persons
 - energy-related improvements
- Substantial rehabilitation of affordable housing, including but not limited to:
 - lead-based paint hazards elimination or reduction
 - improvements to provide physical accessibility for disabled persons
 - energy-related improvements
- Conversion of building into affordable housing
- Activities related to the affordable housing include but not limited to:
 - Site improvements
 - Recreational area and playgrounds for use by residents of affordable housing
 - On-site streets and sidewalks
 - Development of utilities and utility services
 - Acquisition of real property
 - Demolition
 - Relocation
 - Environmental review of the affordable housing project
 - Administration and planning of the affordable housing project
 - Architectural and engineering plans

(3) Housing Services -- The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, establishment and support of resident organizations and resident management corporations, energy auditing, activities related to the provision of self-sufficiency and other services, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

Eligible activities include, but not limited to:

- Housing counseling in connection with affordable rental or homeownership housing
- Establishment and support of resident organizations in affordable housing
- Establishment of resident management corporations in affordable housing
- Energy auditing of affordable housing
- Activities related to the provision of self-sufficiency,
 - Child care costs – subsidies to residents of affordable housing or operating costs of a facility [but not construction or rehabilitation of a facility] for residents of affordable housing
 - Transportation costs -- subsidies to residents of affordable housing or rental of car, van, or bus for residents of affordable housing to attend training
 - Job placement and job training for residents of affordable housing
 - Assistance to residents of affordable housing in obtaining other Federal, state and local assistance
- Homeless prevention activities, which are short-term subsidies to defray rent and utility bills that families have received.
- Security deposits and/or first month's rent to permit family to move into an apartment
- Payments to prevent foreclosure on a home
- Tenant-based rental assistance payments, including
 - College housing vouchers
- Youth activities for residents of affordable housing that reduce or eliminate the use of drugs
 - Salaries and expenses for staff of youth sports program
 - Educational programs relating to drug abuse
 - Boys and Girls Clubs
 - Sports and recreation equipment

(4) Housing Management Services -- The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

Eligible activities include, but not limited to:

- Preparation of work specifications for affordable housing
- Loan processing for affordable housing
- Inspections for affordable housing
- Tenant selection for affordable housing
- Management of tenant-based rental assistance
- Mediation programs for landlord-tenant disputes for affordable housing

(5) Crime Prevention and Safety Activities -- The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

Eligible activities include, but not limited to:

- Physical improvements for affordable housing to enhance security such as fences, speed bumps, monitors, locks, additional lighting
- Employment of security personnel for affordable housing
 - Equipment for patrols

(6) Model Activities -- Housing activities under model programs that are designed to carry out the purposes of this Act and are specifically approved by the Secretary as appropriate for such purpose.

Eligible activities include, but not limited to:

- Construction of an office building for the recipient's administration of NAHASDA activities, including the rehabilitation of or additions to existing office spaces
- Construction of warehouse, maintenance and storage space for housing materials for housing assisted under NAHASDA, including the rehabilitation of or additions to existing structure.
- Construction of day care center, including the rehabilitation of existing facility to be used for day care, to the extent that the facility will be used by residents of affordable housing.
- Construction of a community building or center, including the rehabilitation of an existing facility, to the extent it will be used for affordable housing activities and by residents of affordable housing.
- Construction of college housing to the extent the facility will be used by eligible families.

Each model housing activity must be approved in accordance with the procedures in CFR Part 1000, Subpart B.

Section 101(h). Administrative Expenses -- The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this Act for any reasonable administrative and planning expenses of the recipient relating to carrying out this Act and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this Act and expenses of preparing an Indian housing plan under section 102.

- Eligible administrative and planning expenses of the IHBG program include:
 - Costs of overall program and/or administrative management, including
 - Salaries and benefits of staff administering IHBG program
 - Costs of coordination, monitoring, and evaluation
 - Costs of preparing the Indian Housing Plan, including data collection
 - Costs of preparing the annual performance report
 - Challenge to and collection of data for purposes of challenging the formula.
- Staff and overhead costs directly related to carrying out affordable housing activities can be costs of the affordable housing activity or administration or planning at the discretion of the recipient.
- The recipient can use up to 20% of its grant for administration and planning and must identify the percentage of grant funds which will be used in the Indian Housing Plan.
- The recipient may request HUD approval to use more than 20% of its grant for administration and planning. HUD must consider any cost of preparing the Indian Housing Plan, challenges to and collection of data, the recipient's grant amount, approved cost allocation plans, and any other relevant information with special consideration given to the circumstances of recipients receiving minimal funding.