



# Tohono O'odham Ki:Ki Association

## Renovation for 20 Vacant FCAS Units

### Highlights:

- 8 partial renovations
- 12 full renovations
- Senior friendly
- Energy efficient
- Useful life extended
- Loan terms:
  - Fixed rate
  - 10 year term
- Loan repayment:
  - Rents
  - IHBG subsidized

The Tohono O'odham Ki:Ki Association (TOKA) has been facing a problem all too common for many tribes, which is the aging and deterioration of their 1937 Act Housing. The race to keep up with the pace has moved them to look beyond their IHBG funding for operation and maintenance, to creative financing with Title VI Loan Guarantee. IHBG will now serve as the collateral for renovations and extend useful life.

TOKA was granted Title VI Loan Guarantee financing in the amount of \$2.5 million to renovate 20-units located in a 100-unit subdivision. 12 of the 20 units will be modernized to

provide accessibility for the disabled and elderly; including ramps, wider halls, special shower features and grab bars. All units will be upgraded extensively and include energy efficiency.

This renovation project will provide safe, decent, and affordable rental housing to 20 low-income families from a waiting list of 43. It will also increase the rental compound to 100% occupancy. The tenants will sign current rent/lease agreements for rents not to exceed 30% of their net income.

Construction method will be mostly force account, and the project will be administered by TOKA.



## The Title VI Loan Guarantee Story

TOKA interviewed lenders and negotiated the interest rate and loan terms, including related financing costs that were structured into the loan. Even though NAHASDA IHBG was used as collateral

for the loan, TOKA will continue to receive their regular annual IHBG allocation, which will be used to repay the Title VI loan.

The HUD Southwest Office of Native American

Programs (SWONAP) completed the environmental review to expedite the loan processing, and save time and money with future funding that may be needed for additional units in this rental compound.