October 1, 2018

The Honorable Ben Carson The Honorable Pam Patenaude Secretary U.S. Department of Housing and Urban
Development
451 7th St SW
Washington, DC 20410

Deputy Secretary
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Washington, DC 20410

Deputy Secretary

To Secretary Carson and Deputy Secretary Patenaude:

We, the undersigned tribes, tribal housing authorities, and advocacy organizations, write to commend the U.S. Department of Housing and Urban Development (HUD) for its role in securing an additional \$100 million for competitive tribal housing grants in the Fiscal Year 2018 (FY 2018) spending bill. By appropriating these new resources, Congress has provided HUD the discretion and flexibility to design a new, transformative funding competition to address the daunting housing challenges in tribal areas. Specifically, Congress has indicated that when allocating these new resources, HUD "shall consider need and administrative capacity, and shall give priority to projects that will spur construction and rehabilitation." As outlined below, we urge HUD to use this opportunity to meaningfully target these new resources to tribes with the greatest housing needs.

## National Competition

A national competition – rather than a regional one – will allow HUD to concentrate more resources on larger-scale projects for tribes with the greatest needs. Housing challenges vary significantly between and within HUD's six eligible Office of Native American Programs regions. Allocating funds through a regional competition could arbitrarily dilute these limited resources, weakening outcomes by preventing tribes from building or rehabilitating a significant number of homes.

## Housing Needs

We urge HUD to select competitive criteria that address underlying barriers to safe and decent homes - such as high poverty rates and low median incomes - as well as the pressing challenge of overcrowding and high development costs that directly affect low-income tribal members' housing needs. In doing so, HUD will ensure this funding is allocated as intended by Congress to the areas with the greatest need for new housing.

HUD should prioritize tribes with the highest poverty rates and lowest median incomes, who are more likely to struggle with generating resources to meet housing needs. While an estimated one-third (32%) of all Native households in tribal areas live below the poverty line, poverty rates vary widely across the hundreds of tribes. Similarly, annual median household income for the entire American Indian and Alaska Native population is 33% less than the national median

<sup>&</sup>lt;sup>1</sup> FY 2018 Transportation, Housing and Urban Development spending bill, located at https://www.congress.gov/115/bills/hr1625/BILLS-115hr1625enr.pdf

income<sup>2</sup> but ranges from \$3,000 to \$228,750 among all Native nations.<sup>3</sup> Because incomes and poverty rates reflect tribes' varying access to resources and opportunities, these competitive grants need to target the very lowest income populations within and among the tribes.

One of the greatest housing challenges faced in tribal areas is overcrowding, which functions as an alternative to unsheltered homelessness. The severe shortage of decent, affordable housing forces multiple families to share single-family homes or leave tribal lands to find housing. HUD's 2017 Housing Needs of American Indians and Alaska Natives (AIAN) in Tribal Areas estimates that 68,000 units are needed to house the 42,000 to 85,000 American Indian and Alaska Natives staying with friends or relatives because they are homeless. HUD's analysis also indicates that tribes with higher rates of overcrowding are more likely to have poor housing conditions and less likely to have robust economies or access to private sector capital, making federal resources even more critical.

When determining need for Native American housing programs such as IHBG, HUD considers the number of households that are overcrowded, lack complete kitchen or plumbing facilities, or are cost-burdened. Although cost burden is a serious housing issue among tribal nations, they do not necessarily reflect which areas have the greatest need for additional housing stock. According to HUD's assessment, cost burden is more likely to occur in areas with more diverse economies and opportunities for private investment to supplement federal funds. American Indians and Alaska Natives lack basic amenities at a rate far higher than the national average, but data collection for this metric is problematic. We urge HUD to provide sufficient federal assistance to tribal grantees to overcome the development costs to build and preserve safe and decent homes.

HUD should not use using existing program formulas to allocate these new resources. Existing calculations tend to undercount more rural and isolated tribal areas, where the worst housing conditions exist.

## **Past Performance**

HUD should also consider a tribe's record of success with previous funding and other indicators of capacity. Many tribes have had impressive success utilizing funds through IHBG or the American Recovery and Reinvestment Act of 2009 (ARRA). The successful use of these funds should be considered as a factor when evaluating a tribe's capacity. Similar criteria were included for previous Indian Community Development Block Grant (ICDBG) applications as well as the competitive grant under ARRA and should be maintained for this new program.

HUD has a unique opportunity to thoughtfully design a new competitive tribal housing program. By truly targeting these new resources to tribes with the greatest housing needs, HUD can help ensure that these limited funds are used effectively and demonstrate to Congress the importance of continuing and expanding these particular resources in the future.

<sup>&</sup>lt;sup>2</sup> Nancy Pindus et al., Housing Needs of American Indians and Alaska Natives in Tribal Areas: A Report from the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs. U.S. Department of Housing and Urban Development, Office of Policy Development and Research, January 2017, 35.

<sup>&</sup>lt;sup>3</sup> Selected Economic Characteristics, 2011-2016 American Community Survey 5-year estimates, U.S. Census Bureau. Retrieved using <a href="https://factfinder.census.gov">https://factfinder.census.gov</a>.

<sup>&</sup>lt;sup>4</sup> Pindus, Housing Needs, 91.

<sup>&</sup>lt;sup>5</sup> Id., 48-53.

On behalf of the undersigned tribal leaders, housing authorities, and organizations, the National Low Income Housing Coalition would like to request a meeting with you and other HUD staff to further discuss potential criteria for this funding. Sarah Mickelson, NLIHC's Senior Policy Director (<a href="mailto:smickelson@nlihc.org">smickelson@nlihc.org</a>), will follow up with your staff to find a time that works best for your schedule. If you have any questions, please feel free to reach out to her or myself at <a href="mailto:dyentel@nlihc.org">dyentel@nlihc.org</a> at any time.

Thank you for your attention and consideration of these recommendations. Sincerely,

Diane Yentel, President and CEO, National Low Income Housing Coalition Chancy Kittson, Executive Director, Blackfeet Housing Sharon Vogel, Executive Director, Cheyenne River Housing Authority The Honorable Harold Frazier, Chairperson, Cheyenne River Sioux Tribe Rosanna Allen, Executive Director, Coeur d'Alene Tribal Housing Authority Ed Naranjo, Executive Director, Confederated Tribes of the Goshute Reservation Joseph Shields, Executive Director, Crow Creek Housing Authority The Honorable Lester Thompson, Chairperson, Crow Creek Sioux Tribe Jessica Old Elk, Executive Director, Crow Tribal Housing Authority Charles Washakie, Executive Director, Eastern Shoshone Tribe Shelli Marshall, Executive Director, Flandreau Santee Sioux Housing Authority Harlan Mount, Executive Director, Fort Belknap Tribal Housing Authority The Honorable Andy Werk, Jr., President, Fort Belknap Indian Community Terrance Redfox, Executive Director, Fort Berthold Housing Authority Lorraine Shay, Executive Director, Fort Hall Housing Authority Dr. Robin Bighorn, Executive Director, Fort Peck Housing Authority Gay Kingman, Executive Director, Great Plains Tribal Chairman's Association The Honorable Olivia Dennis, Chairwoman, Hopi Tribal Housing Authority Jean Cadwell, Executive Director, Lower Brule Housing Authority Patrick Goggles, Executive Director, Northern Arapaho Tribal Housing

Joey Nathan, Executive Director, Northern Ponca Housing Authority

Raine Little, Executive Director, Oglala Sioux Lakota Housing

The Honorable Troy Weston, President, Oglala Sioux Tribe

Emma Clifford, Executive Director, Oglala Sioux Tribe Partnership for Housing, Inc.

Darin Bennett, Executive Director, Ojinjinkta Housing Development Corporation

Red Dawn Foster, Keya Wakpala Coordinator & Business Coordinator, Rosebud Economic Development Corporation

The Honorable Rodney Bordeaux, President, Rosebud Sioux Tribe Jason Adams, Executive Director, Salish & Kootenai Housing Authority Warren Mackey, Executive Director, Santee Sioux Tribal Housing Authority Eric Spady, Executive Director, Southern Ute Indian Housing Authority April St Pierre, Executive Director, Spirit Lake Housing Corporation The Honorable Myra Pearson, Chairperson, Spirit Lake Tribe Timothy Horan, Executive Director, Spokane Indian Housing Authority Gary LaPointe, Executive Director, Sicangu Wicoti Awayankapi Corporation Melissa Lee, Executive Director, Trenton Indian Housing Authority The Honorable Henry LaDue, Chairman, Trenton Indian Service Area The Honorable Jamie Azure, Chairman, Turtle Mountain Band of Chippewa Indians Jason Adams, Chairman, *United Native American Housing Association* James Emery, Executive Director, Utah Paiute Tribal Housing Authority Benny Cordova, Executive Director, Ute Mountain Ute Housing Authority Norma Stealer, Executive Director, Winnebago Housing and Development Commission The Honorable Frank White, Chairman, Winnebago Tribe of Nebraska Galicia Drapeau, Executive Director, Yankton Sioux Tribe The Honorable Robert Flying Hawk, Chairperson, Yankton Sioux Tribe