



ASSOCIATION OF ALASKA HOUSING AUTHORITIES

Building communities, empowering Alaskans.

2020 FEDERAL LEGISLATIVE PRIORITIES

Priority # 1: Fund NAHASDA's Native American Housing Block Grant (NAHBG) at \$800 Million.

Request: Fund the Native American Housing Block Grant (NAHBG) at \$800 Million. As demonstrated by the appropriations of an extra \$100 Million competitive funding for 2018, 2019 and 2020; additional funding for affordable housing in Indian Country is gravely needed.

Priority # 2: Appropriate NAHBG competitive funding at \$100 Million.

Request: Continue funding an additional \$100 million appropriation competitive grant program for the Native American Housing Block Grant.

Priority # 3: Support the Bureau of Indian Affairs, Housing Improvement Program (BIA HIP).

Request: Support the BIA HIP appropriations at a minimum of \$24 million to serve the lowest income population, improve deteriorating housing stock and provide low income homebuyers with down payment assistance when they qualify for a home mortgage.

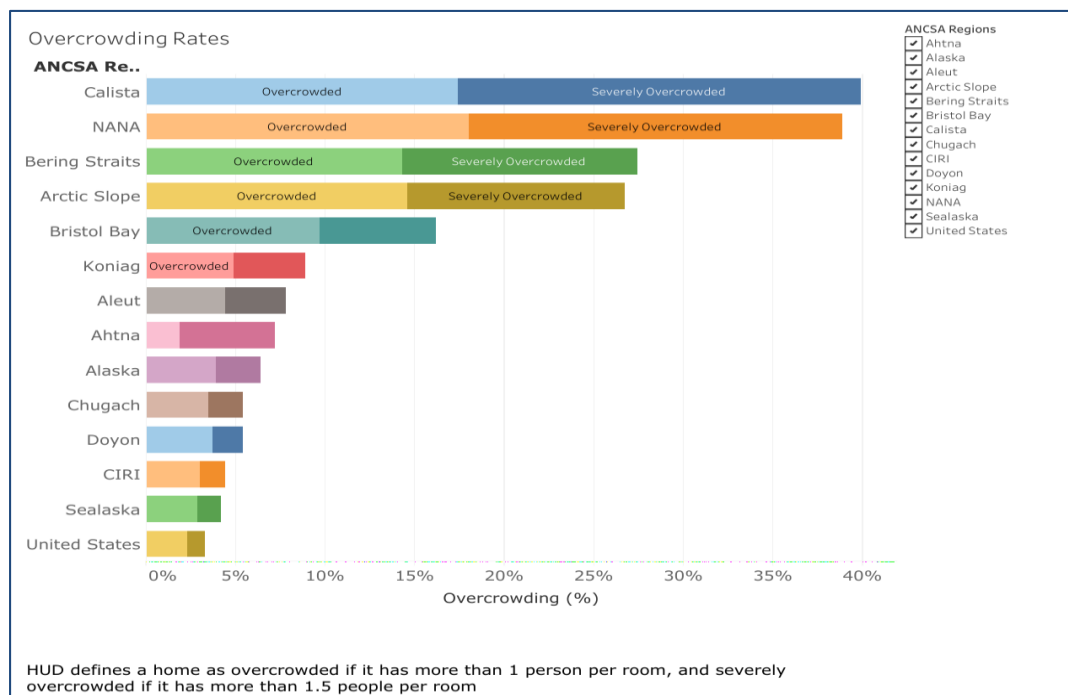
"Dedicated to Increasing the Supply of Safe, Sanitary and Affordable Housing in Alaska"



Priority # 1: Fund NAHASDA's Native American Housing Block Grant (NAHBG) at \$800 Million.

Request: Fund the Native American Housing Block Grant (NAHBG) at \$800 Million. As demonstrated by the appropriations of an extra \$100 Million in competitive funding for 2018, 2019 and 2020; additional funding for affordable housing in Indian Country is gravely needed.

Status / Background: Indian housing is not merely a federal entitlement or “discretionary program,” but, like many other Indian programs, has its roots in a solemn trust responsibility to Indian nations and peoples. Housing conditions in Indian country are well documented as being some of the worst of the worst. Alaska Natives suffer from escalating and above national average rates of overcrowding, inadequate housing, and unemployment, both as to the general U.S. population, and within the Native American population as well. The rate of overcrowding, or severe overcrowding, is such that Alaska needs more than 16,100 housing units to alleviate overcrowding. The rates of overcrowding in every region of Alaska are higher than the rest of the United States.



*AHFC: 2018 Alaska Housing Assessment

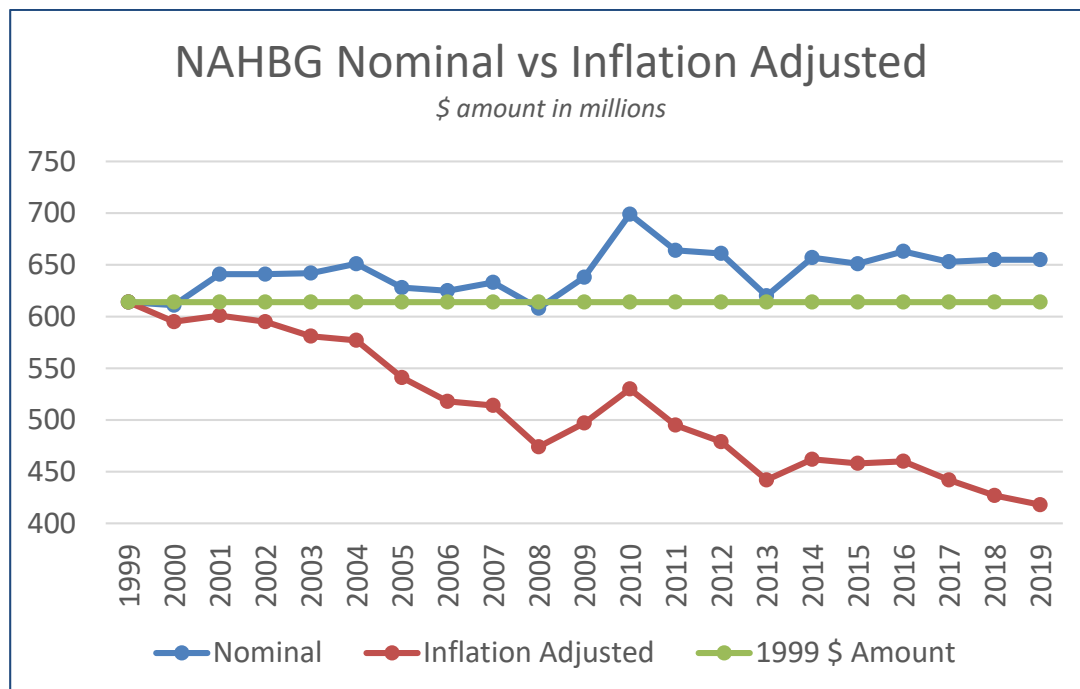
“How is it that they’re living with 20 people in a home and there’s only five beds? How does that work? They truly sleep in shifts. If you’re a mom and a child, then you get the regular shift because you got to deal with school and homework and things like that. Then you have others that are staying up all night so that they can have the bed during the day. And that could be because there’s three or four generations living in a household.” ~Savoonga



Indian housing programs have a unique legal and equitable justification for discrete consideration apart from actions taken relative to other federally funded programs, *including in particular, those within HUD*. Title I of the Native American Housing and Self Determination Act (NAHASDA), the Native American Housing Block Grant (NAHBG), authorizes an allocation of funding for affordable housing programs in Alaska and across Indian Country. This program has essentially been flat-funded since NAHASDA passed in 1996 and continues to be grossly underfunded due to general inflation, population growth, and overall increased costs of construction. One RHA describes the cost for shipping to a regional hub then out to remote communities.

“They need to know numbers, but we can't give them solid numbers on number of units because of our rising construction costs. But we're trying... Three-quarters of a million just for freight, so we pay a set amount from Anchorage to Nome, then we pay that same amount that we pay for Anchorage or Seattle to Nome, from Nome out. It's not cheap between Gambell and Savoonga. We've spent 1.2 million in freight, just freight. On top of detention fees on the connexes.” ~Nome

From FY 1999 to FY 2019, using the BLS Inflation Calculator, the purchasing power of \$655 million in 2019 equaled to \$418 million in 1999 dollars, which exceeds a 35% reduction. Or, in other terms, the 2019 NAHBG allocation would exceed \$1 billion in order to equal the investment Congress made in the program in 1998.



Approximately half of all available NAHBG funding is committed to providing operating assistance to housing units built prior to NAHASDA, units that are today more than twenty years old. Only after that funding is allocated can the remaining IHBG funding be allocated to Tribes to address unmet housing needs. However, the costs of operating and maintaining all



of the NAHASDA units built over the past 20 years comes out of this “Needs” portion of the allocation. Increasingly, this leaves less and less funding to meet housing needs that continue to grow. New development has begun to slow and we believe that is primarily because tribes need to use more of the available NAHASDA Needs Funding just to keep the lights on and the doors open.

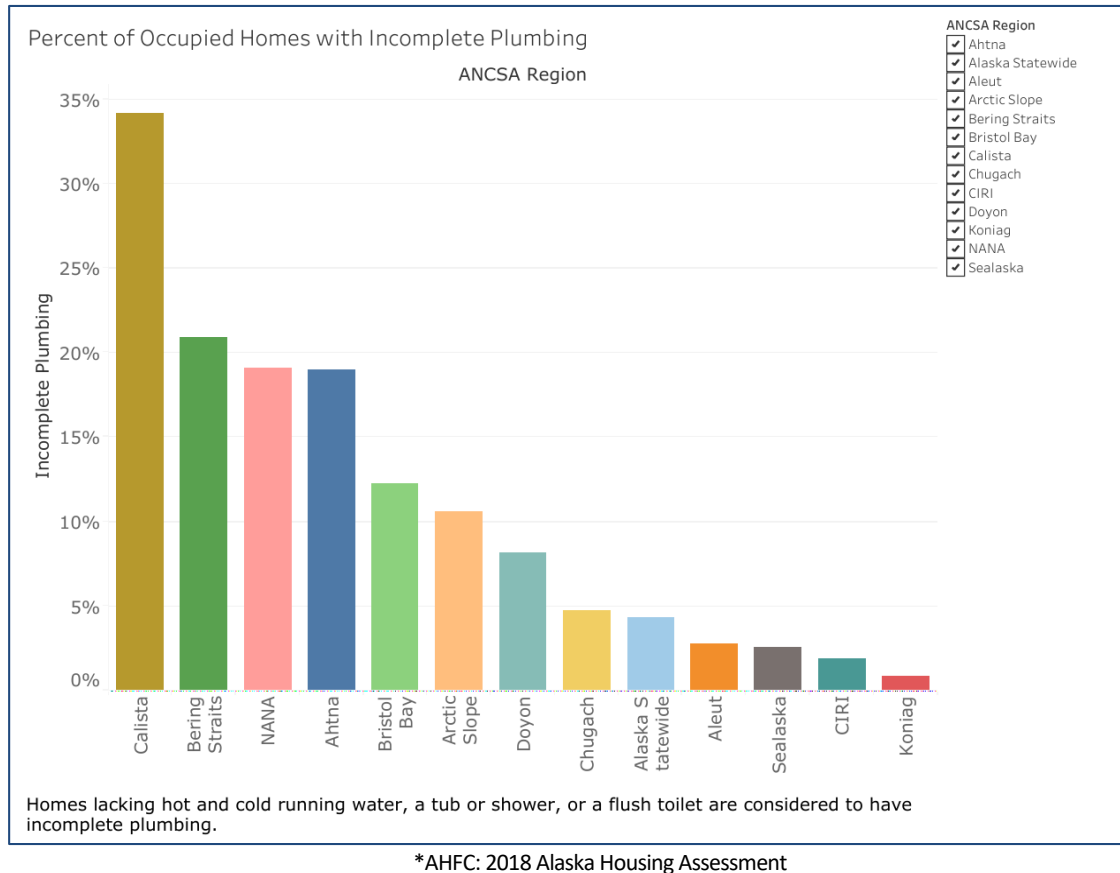
Priority # 2: Appropriate the NAHBG competitive funding at \$100 million.

Request: Continue funding an additional \$100 million for the Native American Housing Block Grant competitive.

Status / Background: For the past few years, an additional \$100M was appropriated to the Native American Housing Block Grant as a competitive program. This funding is a start in helping address the critically eroded funding of the Native American Housing Block Grant and providing a boost in serving the housing needs of Alaska and Indian Country. We are grateful to Congress for the additional funding and although the funding is gravely needed to address the housing crisis in Alaska, the implementation of the funding application and selection process could be refined. The AAHA members are still processing the results of the competition however, upon initial review, we are concerned about the distribution of funds nationwide and the scoring errors made when a local region is not reviewing the final scores for accuracy (i.e. one applicant was in compliance with timely reporting requirements however, they were docked points; an error that caused the THDE not to be funded).

We would be remised if we didn’t address the appropriations language that the funding should be determined based on need and preference would be provided for new unit development. The beauty of NAHASDA is the ability for Tribes and Tribally Designated Housing Entities to exercise self-determination and align funding to meet the greatest need in their respective community. For example, some communities are in dire need of rehabilitation to homes that were constructed in the 1970s and 80s and are substandard. If these homes become entirely uninhabitable, our already above average overcrowding and homelessness issues will skyrocket. A grading system that prioritizes new construction puts an automatic limitation on a Tribes ability to be self-determined if they believe that rehabilitation is their greatest need.

“Instead of building houses, what we’ve talked about is building a development. I.e. getting a subdivision, putting in the roads, putting in the sidewalks, making paths, putting in the sewer main. And then having a spot on the property for the sewer and water. And then selling those lots. Build ready lots. That’s one of the areas that Nome is lacking in is build ready lots that are affordable. There are some build ready lots, but there’s not nearly enough. So, I see a lot of opportunity there.” ~Nome



“My son bring it (water) in a jug every day, five times a day by walking. He got used to it. When we hear if the water is going to get shut off, he’ll get 10 gallons. Sometimes they have problems, and they’ll have to shut it off. My kids and I wish to wash dishes and to cook on our oven, to look out through the window.” ~Savoonga

The appropriation language for the competitive funding stipulates that recipients of the funding will be determined based on “need” and capacity. Tribal and Federal governments have already negotiated how the term “need” is to be determined for purposes of the Native American Housing Block Grants. AAHA urges the US Department of Housing and Urban Development to not redefine the term “need” as it relates to funding the Native American Housing Block Grants.

Priority # 3: Support the Bureau of Indian Affairs, Housing Improvement Program (BIA HIP).

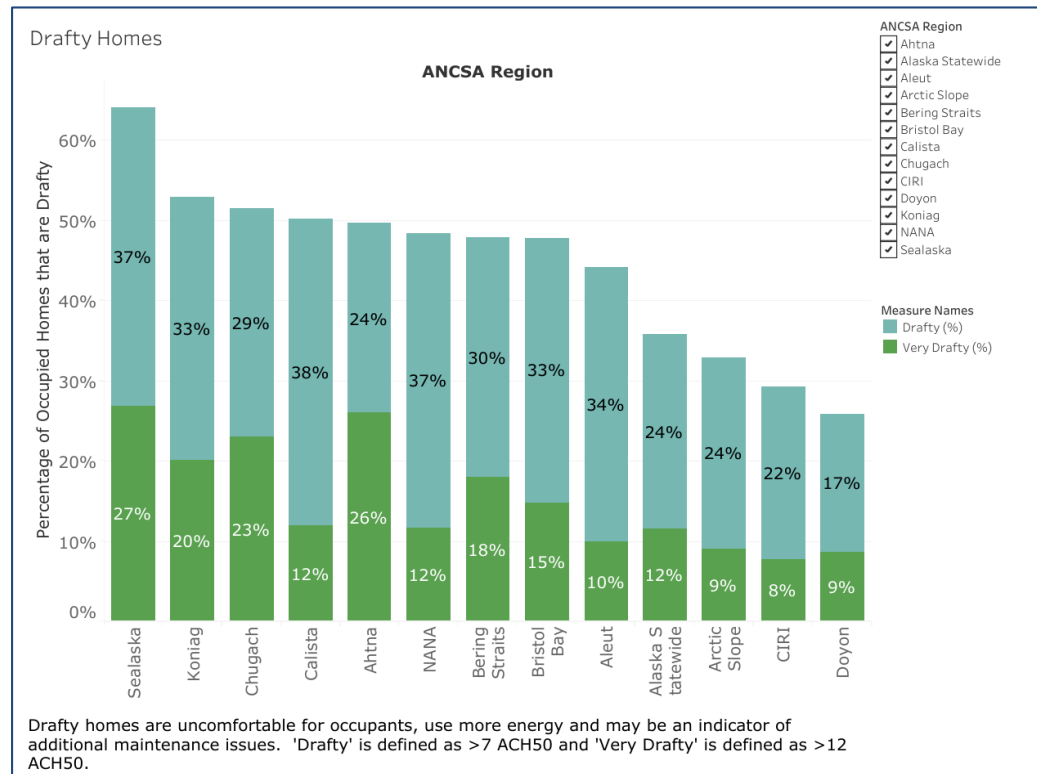
Request: Support the BIA HIP funding appropriations in the amount of \$24M.

Status / Background: Throughout the years, BIA HIP funding has fluctuated from \$23.1 million in 2005, to zero in FY 2008 to \$8M in FY2019. The funding has been targeted for elimination



in the Department of Interior Budget requests in the past couple of years. In FY 2019, the BIA HIP program was funded at approximately \$8 million while Alaska's demonstrated need in 2019, based on eligible applicants, exceeded \$436 million.

The BIA HIP serves the lowest income population to improve deteriorating housing stock across the state. Categories A, B & C provide a grant to repair an existing home or to purchase/construct a new home for individuals typically disqualified for financing due to extremely low income.



*AHFC: 2018 Alaska Housing Assessment

"Everything isn't insulated. The walls aren't insulated. The flooring isn't insulated, and it's low to the ground. So every winter the floor is always frozen, and we can see frost. We're always wiping that up. My son moved down to my mom's, because of lack of room. And we moved down to her when my sister moved down to Seward last summer. So we moved in with her for a while. And the whole house is drafty." ~Savoonga

Category D is a program where homebuyers are eligible to receive down payment assistance when they qualify for a home mortgage. This funding has been leveraged with other funding sources to make homeownership a reality for tribal members in Alaska. As program awareness increases, we see the Category D as being a key tool for increasing homeownership for tribal members in rural Alaska.



Additionally, the Indian Health Service (IHS) prioritizes BIA HIP recipients for water and sewer infrastructure to new and like-new housing. According to the HUD Housing Needs Assessment, infrastructure is one of the top three factors that increase the cost of developing new housing and sustaining existing housing. To compensate for the lack of infrastructure, homeowners often must fund necessary infrastructure themselves. Prioritization from IHS for water and sewer projects increases the chance that homeownership can become a reality for tribal members.

"I feel that I'm ready to be a home buyer. I believe I have my finances in order, and I got to pay my bills and my biggest drawback with six kids is just that it's hard to get ahead. There's always a need because with kids growing up, when school starts, I got to buy my kids clothes and shoes and school supplies. It'll be so wonderful when my youngest is in the first grade. I was lucky enough to find a sitter... At one point in time I was paying sitters \$10 to \$12 an hour so our child care is a big deal. It's even worse in the villages." ~Nome



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Thank you for your consideration of our concerns and priorities. Contact Information:

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