

March 2014

NATIVE AMERICAN HOUSING

Additional Actions Needed to Better Support Tribal Efforts

Why GAO Did This Study

More than 570 federally and state-recognized Indian tribes receive about \$667 million in housing assistance annually under the IHBG program. The IHBG program recognizes the tribes' right to self-determination and self-governance in addressing their affordable housing needs. Conference Report 112-284 mandates that GAO study tribal housing challenges.

Building on past work that raised discussion about some challenges, this report examines common housing challenges tribes face and actions that could address them. GAO interviewed HUD and other agencies, a tribal advocacy group, and 23 tribal entities that were selected using input from HUD and other factors such as tribe funding, and conducted two site visits where challenges appeared to be unique.

What GAO Recommends

Agencies involved in Native American housing should develop and implement a coordinated environmental review process. HUD should also seek input from all tribes about the new training and technical assistance procedures. Finally, HUD should share promising housing approaches among tribes. The agencies generally agreed with GAO's recommendations, but HUD disagreed with the recommendation about creating a feedback mechanism because it said it already had one. However, HUD's existing mechanism does not include outreach to tribes that have yet to use the new procedures.

What GAO Found

Indian tribes and tribally designated housing entities face both external and internal challenges in carrying out affordable housing activities under the Indian Housing Block Grant (IHBG) program, which was authorized by the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). The most commonly identified external challenges included the often remote location of tribal lands and lack of infrastructure such as running water and sewer systems. Meeting these challenges can significantly increase development costs. For example, one Arizona tribe saw its costs double because materials had to be brought in by helicopter. Tribes also identified differing federal agency requirements, particularly for environmental reviews, as a challenge that delayed projects and increased costs when IHBG and other funds were combined. Further, tribes were concerned that recent changes in federally authorized training and technical assistance could reduce their quality and frequency, in part because of the reduced role of a longstanding provider. The most commonly identified internal challenges were recipients' limited administrative capacity, conflicts within tribes that impact housing priorities and planning, and cultural preferences for certain types of housing. The Navajo Nation's housing entity, the largest IHBG recipient, has experienced all of these challenges and had a backlog of nearly \$500 million in unspent IHBG funds, which it has begun to address.

Opportunities exist to support tribes' affordable housing efforts. First, a federal infrastructure task force focused on facilitating tribes' water and wastewater projects has recommended that participating agencies, including Housing and Urban Development (HUD), develop a coordinated environmental review process to address the issue of inefficient and costly multiple reviews. A similarly coordinated process specific to tribal housing would help tribes to plan and build affordable housing more quickly and efficiently. Until such an effort is developed and implemented, tribes will continue to lose valuable time and spend IHBG resources completing overlapping reviews. Second, HUD instituted new training and technical assistance procedures according to revised language in the NAHASDA appropriation legislation, which changed the way that HUD makes funds available to provider organizations. HUD has solicited feedback from tribes that have received training and technical assistance under the new system, but opportunities remain to reach out to tribes that have not used the new system and remain concerned that their needs will not be met. Third, IHBG recipients could also benefit from having HUD disseminate promising approaches that other tribes have used to address housing challenges. In May 2013, HUD recognized 22 tribes that were incorporating resource-efficient elements into their affordable housing projects. However, HUD has not shared promising housing practices more generally across tribes in a way that would make them easily accessible. Information about successful approaches could help tribes use their IHBG funding in the most efficient and effective ways to provide affordable housing in their communities.