

**STATEMENT OF RODGER J. BOYD**  
**Deputy Assistant Secretary, Office of Native American Programs**  
**Office of Public and Indian Housing**  
**U.S. Department of Housing and Urban Development**

**BEFORE THE**  
**COMMITTEE ON INDIAN AFFAIRS**  
**UNITED STATES SENATE**

**February 25, 2014**

Good Afternoon Chairman Barrasso, Vice Chairman Tester, and Members of the Committee. Thank you for inviting me to provide comments on lending and leveraging in Indian Country. In my remarks today, I will focus on how HUD's Indian housing programs provide the tools for us to work in partnership with Indian tribes to identify barriers and find solutions to further the development of better affordable homes for American Indian and Alaska Native communities.

My name is Rodger Boyd, and I am the Deputy Assistant Secretary for Native American Programs at the Department of Housing and Urban Development. At HUD, the Office of Native American Programs (ONAP) is responsible for the management, operation, and oversight of HUD's American Indian, Alaska Native, and Native Hawaiian programs.

HUD's programs are available to 566 federally recognized Indian tribes; 5 state-recognized tribes; and the State of Hawaii's Department of Hawaiian Home Lands. We serve these entities directly, or through their tribally designated housing entities (TDHEs), by providing grants and loan guarantees designed to support the development of affordable housing to create greater reservation sustainable economies and communities.

From HUD's perspective, our Title VI leveraging and Section 184 loan guarantee programs provide solutions to the barriers to Indian housing development. These programs have and are making great progress in providing housing opportunities to Native American families across the country because we do not take a "one-size-fits-all" approach to Indian Country. Our programs provide the flexibility for our grant and loan recipients to design their housing programs based on their unique tribal housing and economic development needs. We continue to build upon this approach by identifying new ways to work in partnership with tribes as we work together to build a better living environment in Native

American communities through creating sustainable tribal communities and tribal economies.

HUD administers four programs specifically targeted to American Indian and Alaska Native individuals and families, including the Indian Housing Block Grant program.

Indian Housing Block Grant (IHBG) grantees received more than \$10.6 billion in 17 years of funding (1998 through 2014). Since the inception of the program, IHBG recipients have built or acquired almost 37,000 **affordable housing units** in Indian Country, and substantially rehabbed almost 73,000. IHBG recipients also currently maintain more than **46,000 “HUD units”** that were developed before NAHASDA was enacted.

In implementing these programs, the Department recognizes the right of tribal self-governance and the unique relationship between the federal government and tribal governments, established by long-standing treaties, court decisions, statutes, Executive Orders, and the United States Constitution. Each of the 566 federally recognized tribes has its own culture, traditions, and government. We view our role

as a partner to tribes and TDHEs to face challenges and achieve successes in Indian housing together.

A main barrier to Indian housing development is accessing capital on reservations. HUD, in partnership with tribes, has attempted to overcome this barrier by providing assistance in building capacity for tribes to gain private capital through sources such as Low Income Housing Tax Credits, the Title VI Loan Guarantee program, and the Section 184 Loan Guarantee program. A growing number of tribes are using these and other federal and state tools to leverage private funding on reservations and tribal lands.

HUD has encouraged tribes to use leveraging as one possible tool to build capacity and maximize the impact of their IHBG funds through the Title VI program. Under the Title VI program, HUD can guarantee 95 percent of outstanding principal and interest on a loan made by a private lender to an IHBG recipient for affordable housing activities. Borrowers pledge a portion of their current and future IHBG funds as security for the repayment of the federally guaranteed financial obligation. The 95 percent guarantee has proven to be an incentive for private lenders to get

involved in the development of tribal housing. To date, tribes have used the Title VI program for 80 loans representing \$206.9 million in volume.

There have been many success stories as a result of this strategy.

The Ogala Sioux Tribe in South Dakota is borrowing \$6 million to build 45 low-rent homes (5 in each of the reservation's 9 districts). They were able to almost double the number of homes by purchasing modular homes from a state program. This enables them to start meeting the housing demand across the reservation.

The Yakama Nation Housing Authority has used two Title VI loans. The first was to finance water storage and wastewater infrastructure necessary to support existing housing and a 68-unit LIHTC project. Combined, the two loans came to about \$15.8 million.

The Tagiugmiullu Nunamiullu Housing Authority (TNHA) in Alaska is currently using Title VI to build highly energy efficient homes using technology from the Cold Climate

Housing Research Center. In Alaska, it is not uncommon for the cost of energy to exceed the mortgage payments. By using new technology, TNHA has developed an energy efficient housing program that is currently using a \$6.7 million Title VI loan to build 24 homes in northern Alaska.

Also, the Tohono-O'odham Ki:Ki Association in Arizona will borrow \$2.5 million to substantially rehabilitate 20 vacant rental units. Twelve of these 20 units will receive accessibility upgrades for seniors and for persons with disabilities.

HUD encourages tribes to continue to look beyond their IHBG grant funding for other sources of capital to further the expansion of housing and economic development in Indian Country. One example is the Section 184 loan guarantee program. This program promotes home ownership by encouraging lenders to finance mortgages in Indian Country. The program has proven successful in that it has produced more than 26,000 loans in 20 years. The program is continuing to grow in popularity, and is expected to exceed the 3,400 loans guaranteed in fiscal year 2014. So far in fiscal year 2015, the program has seen a 21 percent increase in firm

commitments and a 37 percent increase in certifications issued, compared to the same period a year before.

HUD is collaborating with the Bureau of Indian Affairs (BIA) to strengthen its relationship with tribes as a means of increasing the inventory of available housing in tribal communities. The Office of Native American Programs (ONAP) and the BIA have committed to improve the loan closing process to reduce the time it takes to guarantee or insure loans. The Agencies are also emphasizing self-determination and self-governance through the HEARTH Act and by compacting the Land Title Records Office functions from the BIA.

For Fiscal Year 2016, HUD is requesting: \$660 million for IHBG, which is an increase of \$10 million from Fiscal Year 2015 and includes \$2 million for Title VI Credit Subsidy; and \$8 million for Section 184 Loan Guarantees, which is a \$1 million increase from Fiscal Year 2015. HUD is also requesting \$80 million for the Indian Community Development Block Grant, which is a \$14 million increase from Fiscal Year 2015, from which \$10 million will be set-aside for a new initiative to

address teacher housing in Indian Country. Tribes will be able to rehabilitate, acquire, and construct new homes to attract and retain teachers in tribal areas. All together, the request provides a total of \$748 million for these programs, \$15.9 million more than in Fiscal Year 2015.

Two additional initiatives for Fiscal Year 2016 include the Special Purpose Vouchers and the Jobs-Plus set-aside. The Department has requested \$177.5 million for new Special Purpose Vouchers to assist Native Americans, non-Native American families, and Veterans experiencing homelessness, as well as victims of domestic and dating violence.

The Jobs-Plus program provides support to help residents of assisted housing to obtain employment and increase earnings. The Department is proposing to expand this program to include Indian tribes and Native American families, and has set aside \$15 million for this purpose within the \$100 million requested for Jobs-Plus.

## **Closing**

In closing, HUD's investments in Indian Country through leveraging and loan guarantees are yielding positive results



while recognizing the important of tribal sovereignty and government-to-government relationships with tribes. In order to continue doing so, HUD strongly supports the reauthorization of NAHASDA, which authorizes the single largest source of federal funding for housing in Indian Country. We have seen the great strides that have been made by tribes under this seminal piece of Indian legislation, even in challenging fiscal environments. We look forward to working with the Committee and tribes to secure reauthorization this year.

Thank you again, Chairman Barrasso, and members of the Committee, for the opportunity to appear before you today. I look forward to continuing to work with you and your staffs on these issues. I would be happy to answer any questions you may have.