

**TESTIMONY OF KAREN R. DIVER, CHAIRWOMAN
FOND DU LAC BAND OF LAKE SUPERIOR CHIPPEWA
BEFORE THE SENATE COMMITTEE ON INDIAN AFFAIRS
ON S. 710, TO REAUTHORIZE NAHASDA**

March 18, 2015

Mr. Chairman, members of the Committee, I am Karen R. Diver, Chairwoman of the Fond du Lac Band of Lake Superior Chippewa. On behalf of the Band, I would like to thank you for holding this hearing on S. 710 to reauthorize the Native American Housing Assistance and Self-Determination Act.

NAHASDA is an invaluable tool to help tribes meet the longstanding and very serious lack of affordable housing in Indian country. We very much appreciate all of the work that this Committee has done, and continues to do, to reauthorize this important legislation.

The unmet need for decent, safe and affordable housing in Indian country.

As this Committee knows from your work on this matter, the housing needs for Native Americans are substantial. Native Americans continue to suffer from the most substandard housing compared to the population at large. The Fond du Lac Band, like tribes nationwide, has longstanding and severe housing needs. At Fond du Lac we have been striving to combat the endemic problems that result from the lack of a sufficient supply of decent, safe and affordable housing. NAHASDA has been critical to our ability to begin to make progress in addressing those needs, but there is still much to do.

The Fond du Lac Band occupies a small reservation in northeastern Minnesota. The Band has approximately 4,200 members, and we provide health, education, social services, public safety, housing and other governmental services to more than 6,700 Indian people who live on or near our Reservation.

The lack of safe and affordable housing has been a serious problem for the Fond du Lac Band for decades. In working to address this, we face several considerable challenges.

One such challenge is our land base. Although our Reservation encompasses 100,000 acres, the federal allotment policy of the 1880s left us with the poorest lands; our most valuable lands went to timber companies and homesteaders. In addition, our Reservation is located in a geographic area that contains mostly marginal lands that require costly drainage projects for the land to be useable. Our lands are considered a difficult environment for affordable housing because they require high development costs associated with substandard soils, expensive sewage systems, and a lack of decent infrastructure. In an effort to meet our members' housing needs, we have to invest significant funds to remediate our Reservation lands, purchase other lands, and construct the infrastructure (septic systems, water and sewer lines, roads, and utility services) that is essential to provide housing.

A second challenge we face has been, and continues to be, the very substantial need among our members for affordable housing. Although we have made strides in expanding economic and employment opportunities on our reservation, poverty and unemployment persist. According to the 2010 Census, 11.6 percent of Minnesotans were living in poverty while the poverty rate among American Indians in the State was 39.5 percent. And in 2010, the median household income for American Indians in Minnesota was approximately \$27,000, which was less than half the statewide median of \$55,459.¹ As to unemployment, according to the U.S. Census Bureau American Community Survey 2006-2010, unemployment at Fond du Lac was 14.1%, while unemployment among all Minnesotans was less than half that – at 6.4%. The large number of Indian people who are unemployed or living below the poverty level puts a huge demand on tribes to provide affordable housing.

A third challenge we face is a very limited housing stock, and limited financial resources to build, acquire and maintain a supply of housing sufficient to meet the needs of our members. Many of our housing units are over twenty years old, with the oldest units built more than 40 years ago, in 1970. Because of the age of our housing stock, the units are constantly in need of maintenance and repairs. Approximately 30% of our housing units require major renovation, such as the replacement of roofs and siding, as well as upgrades in plumbing and other utility systems, and the replacement of windows and doors. Other units require routine repairs and maintenance, the average cost of which currently is \$11,000.

Our current housing stock is simply not sufficient to meet the need for low income housing. Because of the costs of maintenance and repair, we have little left to acquire or build additional low income rental units. We currently have a waiting list of 185 applicants seeking low income and homeownership housing. We have many other tribal members who are also in need of housing, but who do not apply and therefore do not appear on our waiting list – either because they feel that the wait for housing is too long, or because they believe that they might not meet the income eligibility requirements for low income housing. Accordingly, our waiting list understates the full need for housing among our members.

The severity of our housing shortage also means that many Indian households that we serve – close to 20 percent of our service population – live in overcrowded homes. It is not uncommon on our Reservation and among our people to find 10 or more individuals living together in a two-bedroom home. Overcrowding, in turn, accelerates the wear and tear on those homes, creating a vicious cycle of need. Overcrowded housing creates other risks. It increases the risk of fire and accidents. It can lead to unsanitary conditions, with increased spreading of normally preventable illnesses. Overcrowded housing also leads to a stressful environment that can create or exacerbate family dysfunction. Overcrowded homes can be especially harmful to children, putting at risk their health, development, and educational success.

Overcrowded housing is also a symptom of a larger housing problem – homelessness and near-homelessness. Many people in overcrowded homes are either actually homeless or only a step away from becoming homeless, but these individuals are often overlooked in the traditional means by which homelessness is counted. The standard procedure for estimating homelessness is through point-in-time counts of the number of persons who, on a given night, are living either

¹ See Minnesota Council of Nonprofits, [Minnesota Budget Project](#).

in a shelter or on the street. This approach makes sense in urban areas where shelters are available or homelessness is visible, but does not fit in rural communities (or Indian country) where small populations are dispersed over a larger geographic area, and emergency shelters are uncommon. As discussed in a number of studies, including a 2013 report by the Housing Assistance Council (HAC) and the Corporation for Supportive Housing (CSH),² in rural communities (including Indian country), homeless individuals and families “typically experience precarious housing conditions, moving from one extremely substandard, overcrowded housing situation to another, often doubling or tripling up with friends or relatives.” As the HAC and CSH further found, these problems are compounded in Indian country, which has experienced a history of persistent poverty and inadequate housing on tribal lands.

The severity of homelessness among Indian communities was confirmed by a series of studies of homelessness among Native Americans on Reservations in Minnesota, including the Fond du Lac Reservation. As those reports explained:³

The federal definition of homelessness does not include doubling up with family and friends, and so tells only part of the story in describing the experience of homelessness on Indian reservations. On reservations extended family ties are strong, and traditions dictate that those who have housing will take in those who do not, if at all possible.

Doubling up with family or friends is often the last housing arrangement a person has before becoming literally homeless, and it is common for people to go back and forth between doubling up and homelessness.

These studies further found that a disproportionately high number of Native Americans in Minnesota are homeless. A study done in 2012 found that although Native American adults are only 1 percent of the State population, they are 10 percent of the adults identified as homeless. And while Native American youth (under age 21) are only 2 percent of the youth population in Minnesota, they are 22 percent of the homeless youth that are unaccompanied by an adult.⁴

Why NAHASDA is critical to helping address unmet housing needs in Indian country

The Fond du Lac Band – like many tribes across the Nation – is doing everything it can to address these serious housing needs. The resources provided through NAHASDA have been critical to this effort.

² Housing Assistance Council and Corporation for Supportive Housing, [*Conducting Homeless Counts on Native American Lands: A Toolkit*](#) (February 2013).

³ Wilder Research, [*2006 Study: Homeless and Near-Homeless People on Northern Minnesota Indian Reservations*](#), at 2 (Nov 2007).

⁴ Wilder Research, [*2012 Minnesota Homeless Study: Fact Sheet, Initial Findings, Characteristics and Trends*](#), at 2 (April 2013).

At the most basic level, NAHASDA has been key to our ability to repair and maintain our existing housing stock. We have also relied on NAHASDA to address the costs of infrastructure— especially septic and water systems – needed for housing. We also use a small part of our NAHASDA funds to aid eligible Band members with emergency rental assistance.

But in addition, as a result of the funds provided through NAHASDA, the Fond du Lac Band has been able to use a portion of those funds, supplemented by other Band resources, to partner with state and private entities in an effort to begin to more comprehensively address housing needs. In particular, in July 2010, we completed construction of 24 units of Supportive Housing to provide housing and related social services to low income tribal members and their families who are homeless or live in overcrowded conditions or places that are unfit for habitation. The project was constructed using a combination of funding sources that included NAHASDA, tribal, private non-profits, and state funds. This housing development includes a mix of housing types to meet a range of needs – with several townhomes for families, as well as an apartment building with efficiency, one and two-bedroom units. We used green technology to reduce long-term operating expenses. Our Housing Division operates these supportive housing units in conjunction with our Human Services Division so that social and related services are also provided to these tenants to address the barriers to their ability to maintain housing and to create a support system to prevent homelessness. These supportive services are provided both on-site and within walking distance of the housing units.

In July 2013, the Band, again in partnership with state, private and non-profit entities, was able to leverage tribal and NAHASDA funds to complete construction of the first Veteran’s Supportive Housing facility in Indian country. Our Veterans Supportive Housing consists of 10 units to provide housing for Native American Veterans and their families who are homeless or at risk of homelessness. Because these units are operated as supportive housing, our Social Services Division works with the Veterans who are tenants in these units to provide medical and social services to help them address problems that put them at risk of homelessness. In short, we seek to provide them with an affordable, stable home and the tools to gain more control over the decisions that affect their lives.

We are grateful to the members of this Committee for the work done last December to have Congress include, in the FY15 Omnibus Appropriations Act, a provision that authorizes the Department of Housing and Urban Development to set aside a portion of the funds provided for the HUD-Veterans Supportive Housing Program (HUD-VASH), for use in tribally-administered housing projects to serve Native American veterans. As many of you know, by the HUD-VASH program, HUD and the Department of Veterans Affairs work to combat homelessness among veterans by providing vouchers so that they can obtain rental assistance for housing along with related supportive counseling and clinical services. The program, revived by President Bush in 2008 and supported by President Obama, has been very successful, as HUD’s data shows a 17% reduction in homelessness among veterans from 2009 to 2012. But due to an oversight in the law, the HUD-VASH program had not been available to Native American veterans for use in tribally-administered housing projects. The provisions that you and your colleagues included in the FY15 Omnibus Appropriations Act established the first critical step to fixing this problem. We understand that HUD is now working on regulations to implement the Tribal VASH program, and the availability of HUD-VASH vouchers for use in tribally-administered Veteran’s

Supportive Housing will be of tremendous assistance by providing us, and other tribes, with help on the operating subsidy that is essential to our ability to effectively provide supportive housing to veterans.

The Reauthorization Bill, S. 710.

We support S. 710. We agree with its provisions, set out in section 102 of the bill, to help streamline the environmental review process required for housing construction and rehabilitation. This is especially important since tribes, like Fond du Lac, often rely on a variety of funding sources from different agencies to build housing and should not be subject to multiple and potentially different NEPA requirements for the same project.

We also support the provisions of S. 710 which would not cap appropriations at the current funding level but would instead allow the appropriators to adjust funding levels to meet need.

In addition, we very strongly support section 501 of the bill, which would permanently authorize the Tribal HUD-VASH program that was initiated in the FY15 Omnibus Appropriations Act. The rules set out in that section will allow the program to be implemented within the framework established by NAHASDA, which should ensure that the program fits the unique needs for veterans supportive housing in Indian country.

Housing represents the single largest expenditure for most Indian families. The development of housing has a major impact on the national economy and the economic growth and health of regions and communities. Housing is inextricably linked to access to jobs and healthy communities and the social behavior of the families who occupy it. The failure to achieve adequate housing leads to significant societal costs.

Decent, affordable, and accessible housing fosters self-sufficiency, brings stability to families, vitality to distressed communities, and supports overall economic growth. In particular, it improves life outcomes for children. In the process, it reduces a host of costly social and economic problems that place enormous strains on the education, public health, social service, law enforcement, criminal justice, and welfare systems.

As illustrated by the Fond du Lac Band's experience, NAHASDA is critical not only to our ability to maintain existing affordable housing for our members – but also to our ability to leverage federal and tribal funds into innovative partnerships with the state and private sector so that we can expand the resources available to meet unmet housing needs. We have begun to make inroads on these challenges, but much remains to be done. NAHASDA is an essential tool for us to continue this important work, and we urge it be reauthorized on the terms set out in S. 710.

Miigwech. Thank you.