

MEMORANDUM

April 25, 2025

TO: TRIBAL HOUSING CLIENTS

Ed Clay Goodman & Caleb J. Norris FROM:

HOBBS, STRAUS, DEAN & WALKER, LLP

RE: Tribal Housing Update

The Northwest Indian Housing Association (NWIHA) held its spring meeting on April 22-24, 2025 at the Northern Quest Resort and Casino in Airway Heights, Washington. As part of that meeting, there were presentations by the National American Indian Housing Council (NAIHC) as well as by federal and state officials that are of relevance to our housing clients generally, and we provide a report on those sessions here.

NAIHC Updates and Vision for 2025 and Beyond

Rudy Soto introduced himself as the new NAIHC Executive Director, and provided an update on NAIHC's priorities in 2025. To begin, Mr. Soto expressed his appreciation for his new role as Executive Director. Previously, Mr. Soto worked under the Biden administration as the appointed Deputy Assistant Secretary of the United States Department of Agriculture's (USDA) Office of External and Intergovernmental Affairs and USDA's Rural Development State Director for Idaho. He has been the Executive Director since February of this year.

Mr. Soto emphasized his mission to increase awareness of the NAIHC and the importance of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). To do so, the NIAHC is currently working on a film that will be used to educate the broader public.

Mr. Soto also acknowledged that it has been an intense start to the new year, but NAIHC is working on a plan to not only respond to the new administration, but also push for the reauthorization of NAHASDA. He noted that Congressman Tom Cole (R-OK, Chickasaw Nation) is the chair for the House Appropriations Committee and has indicated he would like to see NAHASDA reauthorized. Mr. Soto is concerned that if NAHASDA is not reauthorized now (when we have an alignment of parties in the House, Senate, and White House), it could take many more years before there is as good an opportunity. He also expressed gratitude for the United States Department of Housing and Urban Development's (HUD) guidance on the President's executive orders and their application, or lack thereof, to Indian tribes. He also highlighted a HUD and Department of Interior (DOI) joint task force which will evaluate federal lands for potential housing activities. Mr. Soto wants to ensure that tribes have a seat at the table for meetings of that task force, and he encourages Tribal Leaders to make their positions known to their congressional representatives.

Mr. Soto recommended tribes and tribally designated housing entities (TDHEs) pass resolutions and sign letters supporting NAHASDA reauthorization, but also educate representatives on the importance of that law to Indian country.

Finally, Mr. Soto highlighted NAIHC's upcoming convention and trade show in Universal City, California. This will be held on May 26–29, 2025. He encouraged NWIHA members to attend or designate alternates.

HUD and NwONAP: Updates and News

Tom Carney (Administrator, Northwest Office of Native American Programs (NwONAP)) provided an updated on the NwONAP office. Newly appointed Regional Administrator for HUD Region X, Chris Patterson (a political appointee), also attended to introduce himself and his priorities.

Mr. Carney began his presentation by providing updates on key promotions within HUD. This included introducing Mr. Patterson as the new Regional Administrator for Region X. Ben Hobbs is the new Principal Deputy Assistant Secretary for the Office of Public and Indian Housing, Heidi J. Frechette is the new Deputy Assistant Secretary for Nation American Programs, and Erna Reeves is the Acting Deputy Director of ONAP.

Turning to the NwONAP office, Mr. Carney informed the attendees that four NwONAP staff members accepted early retirement offers and were leaving the office. He asked that tribes and TDHEs be patient with the office as they adjust to the new Administration. Mr. Carney emphasized that they have less staff, but more grantees. He also encouraged tribes and TDHEs to spend any remaining pandemic funding, as it will remain a factor in grant applications. While there is no set date for recapturing these funds, it could happen at any time.

Mr. Carney then provided a brief update on grants management. He recommended that tribes and TDHEs reach out to grant management staff (GMS) and grant evaluation staff (GES) if there are questions or concerns related to the submission of an Indian Housing Plan (IHP) or SF-425 forms. He reminded tribes and TDHEs that SF-425s are due within 90 days of the end of each program year. For those tribes and TDHEs investing Indian Housing Block Grant (IHBG) funds, SF-425s are due each quarter. ROSS grantees must submit an SF-425 annually. Mr. Carney expects FY 2025 ONAP program funding to be announced no later than May 14, 2025, with the grant agreements to be announced shortly after. The budget for FY 25 is \$1.1 billion. The IHBG Competitive Notice of Funding Opportunity (NOFO) is expected to be released shortly with a total budget of \$125 million. The Indian Community Development Block Grant (ICDBG) NOFO is also expected to be released shortly with a budget of \$75 million. Finally, the ICDBG Imminent Threat Funding is available and interested tribes or TDHEs can contact GMS/GEM.

In preparation for the meeting, GMS/GEM prepared some feedback and best practices for tribes and TDHEs preparing competitive grant applications. Mr. Carney emphasized that tribes and TDHEs should do their homework and start their applications early. Applicants can review high scoring applications online or submit Freedom of Information Act requests to access prior applications. He recommended that tribes and TDHEs timely submit audits and expend and draw down prior grant funds. Often times, applicants fail to fully complete the applications which automatically prevent them from being rated. Mr. Carney encouraged tribes and TDHEs to develop a checklist to ensure that all necessary application documents are included. NwONAP staff also recommended that tribes and TDHEs make it easy for the scorer to provide maximum points. To do so, applicants can focus on completing all sections of the application, prioritizing the categories in which they are the strongest, highlighting their capacity to manage and expend the funds, and emphasizing the need and extent of the problems.

Once an application is submitted, a decision is typically made within 3–4 months. During the award and monitoring period, the NwONAP office noted that common issues include failure to complete environmental review records, implement procurement practices in accordance with the applicable policy, and adequately implement and record admissions and occupancy standards. In FY 2025, NwONAP will only be conducting three more monitoring reviews, which will be done remotely. The office will coordinate with those tribes and TDHEs which will not be monitored. As a reminder, Mr. Carney also noted that final reports are due 90 days after a project is completed. He also let attendees know that HUD will be hosting a number of trainings in the coming months, which can be found on the NwONAP website. Technical assistance is also available by contacting Kirsten.u.franklin-template@hud.gov.

At the conclusion of Mr. Carney's presentation, Mr. Patterson introduced himself. As an initial matter, he emphasized that the Seattle HUD office will not close, contrary to rumors circulating on that point. He acknowledged HUD's importance and the importance of Indian housing, especially in Region 10, which has the largest number of federally recognized Indian tribes. Mr. Patterson indicated that he would make as many site visits as possible, and would like to know about any opportunities to visit tribal housing projects in the region. In response to a question from an attendee, Mr. Patterson acknowledged that the DOI-HUD task force on the use of federal lands would be moving forward and he would share information as soon as it was available to him.

State-Level Funding & Resources, Washington State

There were two presentations from Washington State officials regarding grant opportunities in the State. The first presentation was from Dawn Pullin (Tribal Affairs Director, Washington State Recreation and Conservation Office (RCO)) and Caroline Morin (Equity Coordinator, RCO) provided a brief presentation on grant opportunities through the RCO.

Ms. Morin first introduced the RCO, a Washington State agency with the 5th largest capital budget in the State. The RCO provides statewide leadership and funding to protect and improve the best of Washington's natural and outdoor recreation resources. The RCO does this through the distribution of grants promoting recreation, conservation, environmental education, and orca and salmon recovery.

Of note, Ms. Morin thought tribes would be interested in the recreation grants, which can be used to acquire and develop parks/outdoor facilities, trails, shooting ranges, and boating facilities. She also highlighted the Washington Wildlife and Recreation Program grant for land protection and outdoor recreation, the Land and Water Conservation Fund grant to protect and develop outdoor recreation, and the No Child Left Inside grant to provide opportunities for underrepresented and historically excluded youth to learn, plan, and experience the outdoors. While grants provide funding for the development of these projects, recipients are responsible for maintenance. Grants are typically issued in amounts between \$150,000–\$2 million.

Ms. Morin noted that grant information is available on RCO.wa.gov, or by emailing dawn.pullin@rco.wa.gov or caroline.morin@rco.wa.gov.

The second presentation was from Keri Williams (Multifamily and Community Facilities Outreach Lead, Washington State Housing Finance Commission (Commission)), Angela Smith (Homeownership Outreach Lead, Commission), and Michelle Gladstone-Wade (Director, Office of Tribal Relations, Washington State Department of Commerce (Commerce)) participated in this panel outlining the various affordable housing resources in Washington.

Ms. Williams began by introducing the role of the Commission and Commerce, which work together to address issues related to: housing and homelessness, infrastructure and broadband, small business assistance, energy, planning and technology assistance, community services, crime victims and public safety, and economic development. She helpfully noted that Commerce typically provides grants, whereas the Commission provides loans.

Ms. Gladstone-Wade highlighted some of Commerce's key programs. Commerce operates the Emergency Solutions grant program, which utilizes HUD funds to support communities in providing street outreach, emergency shelters, and rental assistance. Commerce also serves as a collaborative applicant for the Washington Continuum of Care (CoC) balance to access approximately \$25 million from HUD annually. The Housing Trust Fund is another Commerce Program that helps finance housing for individuals making less than 80% of the area median income (AMI). Ms. Gladstone-Wade also highlighted how tribes can utilize other Commerce programs. For example, Tribes can apply for grants from the Tribal Clean Energy Fund by submitting a single application to a pool of 16 grant opportunities. Tribes can also participate in the Community Capital Facilities program, which provides grants for behavioral health facilities, arts facilities, early learning facilities, youth recreational facilities, among others.

Ms. Williams discussed the Commission's Low-Income Housing Tax Credit Program. To date, this fund has been used to develop 27 tribally owned rental properties, with over 863 available units. Commerce and the Commission provide ongoing technical assistance with this program for a period between 30–40 years, and some of the properties include options for eventual tenant ownership. Tribes can also utilize the Capital Plus Program, which provides affordable loans for non-profit facilities and equipment.

Ms. Smith highlighted the Covenant Homeownership Program, which is a newly established down payment assistance loan program administered by the Commission. Through this program, down payment assistance loans are available to first-time homebuyers who have relatives who lived in the state before 1968 and belonged to a group impacted by racial discrimination. Assistance is available to individuals making up to 100% of the AMI.

If there are additional questions about any of these programs or the agencies, Ms. Williams is available at Keri.williams@wshfc.org, Ms. Smith at Angela.smith@wshfc.org, and Ms. Gladstone-wade@commerce.wa.gov.

State-Level Funding & Resources, Oregon

This presentation was from Oregon Housing and Community Services (OHCS), which oversees housing programs and funding in Oregon, including the allocation of Low Income Housing Tax Credits and state based funding for Tribal housing. The presenters were Timothy Mahern-Macias (Tribal Liaison for OHCS), Colt Sray (OHCS Homeless Services Program Coordinator), and Marcus Luke (Executive Director Umatilla Reservation Housing Authority). OHCS has been at the forefront of several initiatives in the past years aimed at addressing housing issues in Tribal areas in Oregon. OHCS has three main divisions: affordable rental housing, housing stabilization, and home ownership. The presenters noted that there have been historic barriers to getting these programs and their associated funding over to Tribes, including (1) use of language and practices by OHCS that infringed on Tribal sovereignty; (2) lack of a deep relationship between OHCS and Tribes; and (3) complex and expensive applications for OHCS funding.

In recent years, OHCS, under the direction of Governor Brown and then Governor Kotek, has made a concerted effort to overcome these barriers and work directly with Tribes. OHCS began the process by hosting monthly meetings between OHCS staff and Tribal housing/health staff and leadership. This lead, first, to the development of the By and For Initiative: Native Tribes of Oregon (BAFI-NATO) in 2022, which involved, among other things, a decision to allocate homeless services funding directly to Tribes. That was followed, in short order, by Project Turnkey 2.0 in 2022, the Homeownership Development Incubator Program in 2023, and the Tribal Housing Grant Fund (THGF), which went from an agency request, to part of the Governor's recommended budget, to a legislative priority for Governor Kotek in the current session.

The THGF began as a funding recommendation from a year-long workshop in 2023 that included Tribal housing leaders, Tribal health and human services leaders, and elected Tribal leadership. Ultimately lead to a recommendation for annual funding of \$30 million for Tribal housing, again through direct grant allocations to Tribes. Through the legislative process, that amount has been reduced to approximately \$12 million, but that proposed amount has recently passed the Oregon House Housing Committee and now sits in the House Ways and Means Committee. Governor Kotek has, as noted previously, made this a priority for her this legislative session.

OHCS's work with Tribal housing programs is ongoing. They are involved in developing Tribal-specific program guidance, determining which division within OHCS is the best-suited for this work, and ensuring that Tribal voices are involved in any decision-making process. The contact information for the two OHCS presenters was included in the presentation: Timothy Mahern-Macias – timothy.Mahern-macias@hcs.Oregon.gov and Colt Sray – colt.sray@hcs.Oregon.gov

Conclusion

If you have any questions about this memorandum or any of the topics discussed in this memorandum, please contact Ed Clay Goodman (<u>egoodman@hobbsstraus.com</u>) or Caleb Norris (<u>cnorris@hobbsstraus.com</u>). Both may also be reached at 503-242-1745.