

Investing in Sustainable Tribal Economies

Council of Infrastructure Financing Authorities
Presentation

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Office of Native American Programs



Tribal Sovereignty & Government-to-Government Relationship

- Commerce Clause;
- Tribal Sovereignty and Self-Government;
- Indian Country and Indian Lands; and
- Other Indigenous Americans.

What is the Need in Indian Country

- Estimated 200,000 units are needed immediately in Indian Country;
- 90,000 Native families are homeless or under-housed;
- 11.7% of residents in Indian Country lack complete plumbing facilities compared to 1.2% of the general U.S. population; and
- FY 2005 over 150,000 homes needed sanitary facilities, 38,000 without potable water.

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- Housing finance is an essential component in any emerging economy.
- Shelter is a fundamental need; the ability to invest and develop wealth is the key to sustainability.
- Federal grants, loan guarantees and tribal dollars serve as a catalyst, Capital Market investments drive long-term growth.

Serving Tribal Communities

- ONAP's serves approximately 580 tribal recipients;
- Headquarters Office in Washington, DC and in Denver, with one staff member outstationed in Hawaii; and
- Six area ONAP offices.

Area ONAP Offices

- Eastern/Woodlands -- Chicago, Illinois (58 tribes)
- Northern Plains -- Colorado (32 tribes)
- Southern Plains -- Oklahoma City (49 tribes)
- Southwest -- Phoenix, Arizona, and Albuquerque, New Mexico (162 tribes)
- Northwest -- Seattle, Washington (42 tribes)
- Alaska -- Anchorage, (237 villages)

ONAP Programs

- Indian Housing Block Grant (IHBG)
- Native Hawaiian Housing Block Grant
- Indian Community Development Block Grant (ICDBG)
- Title VI, Federal Guarantees for Financing for Tribal Housing Activities
- Section 184, Loan Guarantees for Indian Housing
- Section 184A, Loan Guarantees for Native Hawaiian Housing

Stable Housing Revenue Stream

HUD Indian Housing Block Grant (“IHBG”)

Funding continues to be the largest single source of housing capital on Trust Land today. IHBG dollars are self directed and encourage leveraging.

<u>Years</u>	<u>IHBG</u>	<u>ICDBG</u>
2001	\$649 million	\$71 million
2002	\$649 million	\$70 million
2003	\$654 million	\$70 million
2004	\$627 million	\$72 million
2005	\$627 million	\$69 million
2006	\$616 million	\$57 million



Office of Loan Guarantee

- Programs Administered:
 - Section 184;
 - Section 184A;
 - Title VI programs; and
 - Indian Housing Bond Finance.
- Mission to encourage, facilitate, and stimulate the investment of private sector capital in Indian country.

Section 184 Facts

Single Family Loan Guarantees

- Loan Guarantees: 4,381 homes
- Total Financed: \$554.6 million
- States with Loans 32

Title VI Loan Guarantee Activity

- Title VI Loans outstanding: 38 Loans
- Dollars Financed: \$109 million
- Dwellings Units Built: 1,697 Homes
- Infrastructure Financed: \$5.2 million
- Dollars Leveraged: \$54.2 million
- States 14

Title VI Benefits

- Lender/Infrastructure Finance Authority has a federal loan guarantee as collateral rather than securing an interest in the project;
- The Infrastructure Finance Authority does not have to negotiate lease terms or be involved with Bureau of Indian Affairs on Tribal Trust Lands.

NAHASDA Bond Financing

- Leverage up to 33% of the need portion of the Tribe's annual IHBG dollars to finance “affordable housing activities;”
- Tax-exempt, Appropriation Risk Bonds;
- Management Review of Tribally Designated Housing Entity by “bond rating agency;” and
- Single Issuer or Pool transactions.

Summary

- ONAP encourages Tribal leaders to utilize housing development as an economic catalyst for supporting the creation of sustainable reservation economies; and
- This can happen as long as we continue to leverage public funds with private sector capital for financing homeownership opportunities.

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