What does creating and preserving affordable housing on Native American lands look like in our state? With which major issues do tribal leaders and housing authorities struggle? How do they go about solving them? What resources are available to them?

This issue of My View is dedicated to housing on Native American lands in Washington state because I want to share a fuller picture of how the work of affordable housing is accomplished in Indian country.

In addition to four creative and hard-working housing authority directors on Washington state Indian reservations, I spoke with tax-credit consultants David Bland of Travois and James Horvick of Raymond James for a broader national perspective.

Also, I’ve highlighted some of the outstanding housing created in Indian country using the Housing Tax Credit. Since 2000, the Commission has approved more than $97 million in credits to build 628 homes on 10 different reservations in the state.
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Tribal housing challenges include:

- A significant shortage of healthy rental housing on tribal lands—and an ongoing shortfall in federal funding adequate to maintaining this housing stock;
- The remoteness of many reservations, which translates into higher costs for creating and maintaining housing and infrastructure—and challenges in securing capable contractors;
- Almost-flat appropriations for NAHASDA [see sidebar], which restricts available funds;
- Difficulty of combining Indian Housing Block Grant (IHBG) funding with other funding sources, due to the requirements of many federal programs;
- Legal restrictions on private mortgages on tribally owned and trust lands;
- Costly and burdensome federal red tape, including environmental reviews, that are typically required by, and often uncoordinated among, federal agencies.

In the face of these challenges, tribal housing authorities in Washington are using creativity and persistence to make the most of the resources they do have—with, as you will see, extraordinary results.

Top: The Colville Homes II project created 20 single-family homes on the Colville Reservation. Photo Credit: Crystal Banks-Mann

Left: The Makah’s Sail River Heights development will increase housing stock on the reservation by 25 percent.
One of the tasks of a housing authority (HA) is to think strategically, to get the most out of the resources you have available—and then scour for more. As LHA director, Diana Phair and her staff are highly strategic—and relentless. Diana continues to seek ways to create more housing for her people, while also providing tools that will help those living in the housing to be more successful.

The Lummi Nation’s tribal land sits along the coast north and west of Bellingham in the Northwest corner of the state. More than 5,000 tribal members live on about 13,000 acres. Diana manages about 300 units of rental housing and runs an internal tribal company that builds about three to five homes a year for homeownership. Through her HA, she’s created a number of social programs to support residents and help preserve the integrity of Lummi Tribal Housing’s community. Her tribe was the first to take advantage of the Low-Income Housing Tax Credit (LIHTC) program; they built 24 homes through the program in 2000. Currently, they are in the process of transitioning these homes out of this 15-year program.

Diana says that the LIHTC program has worked for the tribe, “but if we were to do it again we wouldn’t go so low as 40% or lower of area median income (AMI) to qualify” those living in the homes. Like most LIHTC programs, ours here in Washington uses a scoring process to award housing tax credits to applicants based on the public benefits that will be achieved for the community. The points allow applicants to choose which public benefits they want to provide to residents and to meet community objectives. The purpose is to provide a fair process for all potential applicants. Many Lummi families make their living in the fishing industry and these Lummi homes were specifically targeted to low-income fishing families. But fishing is cyclical, with some good years and some bad. Many families, Diana explains, would cycle above and below the required income level, which made it difficult to remain within the terms of the program.

Like all federally recognized tribes, the Lummi are eligible each year for the Indian Housing Block Grant (IHBG) program administered by HUD [see sidebar]. Each tribe’s grant is based on a formula that takes into account...
the size of the tribe and many other factors; the Lummi’s allocation is about $3.4 million annually. That may not sound like an inconsiderable amount of funding, but there are wide-ranging demands on that money, from maintaining and rehabbing existing housing stock, to administering the HA and its myriad programs, including providing tenant-based rental assistance. Most HAs are extremely hard-pressed to make their grants cover anything but the most clamoring needs.

Orchestrating efforts to support the Lummi community

Here’s a pared-down version of what LHA has accomplished in recent years:

Secured competitive federal stimulus funds during the recession to build more housing. “We were able to get both the competitive and the formula money,” Diana says. “The formula money was $1.2 million in 2010; we were ‘shovel ready’ so we were able to get another $3 million. That $4.2 million helped us get our 72 apartments built.” Kwina Village currently consists primarily of one- and two-bedroom apartments; phase two is 52 more apartments currently under construction. All are targeted to low-income families.

“We found that many times when we put families in large units, we were setting them up to fail. So instead, we start these families out young and teach them the tools, the costs of moving to a larger unit. Then they can get on the waiting list to transfer to a bigger unit. That was one of our success stories of those 72 apartments.”

Aggressively sought and secured funding from myriad sources to build and maintain housing stock—and support residents.

About 10 years ago, Diana hired a professional planner to help perform environmental reviews and write grants. Lummi has, in addition to IHBG formula funds, successfully received funding from the IHBG competitive grants program, the USDA’s rural housing program, the Housing Trust Fund, DOL for youth programs, ROSS grants for financial literacy, and others.

Integrated drug testing and treatment into the community. Substance abuse bedevils many Native American communities; about 10 years ago, Diana and her staff decided to draw a line. “We do intensive backgrounds and we do drug testing. Anyone 16 and older has to undergo a drug test.” Early on, if anyone in the family unit failed the drug test, the family would come off the waiting list. “Now,” she says, “we’re able to keep that family on the waiting list so long as those who fail the test do an assessment and then show us that they got that and are following their assessment program.” The tribe offers on-reservation drug treatment and counseling, as well as a suboxone program to combat oxycontin and cocaine addictions.

Built a gym and sponsored youth programs.

LHA used funding from an Indian Community Development Block Grant (ICDBG) to build a gym for kids on the reservation. They also won three consecutive Youth Build Grants through DOL in recent years. “It helped us of communication with tribal leadership. A common frustration for Indian HAs is that tribal council membership changes over time; it can be difficult to maintain great relationships and keep council members educated about their tribe’s housing needs. Historically, says Diana, “we’d get new council members, and we’d get run through the wringer. So we redid the ordinance. I said, ‘Why don’t we have a council position? That way they can’t say they don’t know what we’re doing.’”

Now LHA has a commissioner, Henry Cagey, who also sits on the Lummi Indian Business Council. “We keep him informed, and when housing comes up at the council, he’s right there at the table. That gives us some stability.”

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grab the teens at risk between the age of 16 and 24. We bring them into our facility and help them get their GED, get structure, behavioral health counseling, their driver’s license—and they actually got to put on their tool belts and work with our construction guys on Kwina Village and get paid for it.”

**Brought a behavioral health counselor on board.** The counselor who worked with the Youth Build program proved to be a boon for working with teens and young adults; now Diana has brought him in on contract 30 hours a week to counsel other residents who can benefit. He’s currently working with 43 individuals, couples, and families. “It’s been a really different experience these last six months—a good tool to help turn people around a little bit.”

LHA also sponsors community gatherings once a month, and has housing advocates on staff who stay in touch with all the residents. “We develop a community,” says Diana.

Federal funding for Native American homes and housing

**HUD Funding**

HUD’s Northwest Office of Native American Programs in Seattle administers Native American-focused housing programs in Idaho, Oregon, and Washington.

- **The Native American Housing Assistance and Self Determination Act** of 1996 (NAHASDA) gives tribes the flexibility to prioritize the funding to best meet their housing needs. This includes building, acquiring, and maintaining housing, as well as tenant-based rental assistance and other housing. NAHASDA’s two programs are the formula-based Indian Housing Block Grant (IHBG) and the Title VI Loan Guarantee, which guarantees private-market loans to tribes to develop affordable housing.

- In addition, the competitive **Indian Community Development Block Grant** (ICDBG) provides about $2.2 million per year in the three-state region (no more than $500,000 per tribe per year).

- Finally, the **Section 184 Indian Home Loan Guarantee Program** is a home mortgage for Native American families, tribes, or Tribally Designated Housing Entities (like housing authorities). Under Section 184, HUD fully guarantees loans made by private lenders for construction, acquisition, or rehabilitation of single-family homes. This includes loans to tribal members who purchase homes off the reservation.

**Other Funding**

- **U.S. Department of Agriculture Rural Development (RD):** Provides funding for tribal housing and infrastructure. The Section 502 program, for example, makes direct home loans, and provides a 90% guarantee on loans made by private lenders, to qualifying low-income families in rural areas. RD also oversees a Housing Preservation Grant program that helps rural tribes make repairs and improvements to housing.

- **9% Low-Income Housing Tax Credit Program:** The Housing Finance Commission allocates federal income-tax credit to developers for the construction and rehabilitation of affordable multifamily rental housing. The 9% credit is allocated through an annual competitive process; the scoring criteria allow extra points for housing on tribal land. This resource can be difficult for tribes to use—it is most effective for large housing projects and the process can be daunting—and each state balances the allocation differently. But the Commission has successfully worked with tribes across the state to allocate more than $97 million in tax-credit equity for housing on 10 different reservations in Washington. (See pages 14-15.)
John Williamson: It takes these kinds of projects to break that cycle of poverty

Like the Lummi, the Lower Elwha Klallam’s culture and community life has historically centered around fishing and the sea. Their homeland is on the north coast of the Olympic peninsula, west of the city of Port Angeles. Tribal lands encompass about a thousand acres adjacent to the Elwha River. John Williamson estimates that about 400 to 450 people live on the reservation; over the past 20-plus years, as executive director of his tribe’s HA, he’s been steadfastly building and rehabbing homes to meet the continuing shortage of well-built, affordable housing.

In 2009 and 2012, the Lower Elwha participated in the LIHTC program to build a total of 45 homes on tribal land. “For a small housing authority and a small tribe like ours, I get enough money to maybe build at the most two homes a year,” John says. “The tax credit program is the only outlet at the present time that I can use to leverage my other funding and build something to this scale.”

But it wasn’t an easy sell for his tribe. “Tribal councils are leery of tax credits because these houses have to be filled, no matter what,” John points out. The council’s apprehension stemmed from the fact that renters have to be income-qualified; if there weren’t enough tribal members to meet the income criteria, the tribe would end up housing non-tribal members. It took a lot of convincing and education, John says. “At that time I had 110 families on the waiting list. I went through and qualified them. For the first project in 2009 I had plenty of folks, but the council was still very leery of the project.

“And even after the first project was a good success—they were still concerned that Lower Elwha Homes II would be housing non-tribal members.” But John and his assistant Jenn Hutto pulled it off. “I handled all the paperwork and she qualified all the folks and processed the applications.”

“For tribal HAs, particularly those in rural areas, the task isn’t just about bringing in the funding to build the homes; they also need to create the basic infrastructure, including building roads, adding sewer systems, and connecting to utilities. In the case of Lower Elwha Homes I and II, this meant leasing acreage from the tribe, logging it, and short platting it. “It took several years to get to the point where we could build homes,” says John. He was able to use IHBG funds as well as federal stimulus dollars to pay for this.

Although these 45 new tax credit homes have definitely eased the housing needs for John’s tribe, he’ll never be out of a job. The Lower Elwha waiting list is now down to about 30 families. And he’s constantly at work rehabbing older housing units. “What they call ‘overcrowding’ on Indian reservations,” he says, “is living with relatives. At one point the worst situation we had was a two-bedroom home with 13 people living in it. The microcosm of families here on the reservation is the same as on the outside. Children move home with their children.

“The work is pretty much never ending. It takes these kinds of projects to break that cycle of poverty, to get the kids some place stable so they can study and have a stable home environment to come home to.” He adds, “You start seeing those results when you’ve been in the business as long as I have.” John gives the example of about 105 homes built through HUD’s Mutual Help Program (which was discontinued when NAHASDA legislation was passed in 1996—see sidebar) on Lower Elwha land. “With those houses we built back in ‘93, ‘94, I’ve got quite a few success stories. These kids have grown up, gone to college, and gotten jobs.”

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Above: Current and former leaders of the Northwest Indian Housing Association (NWIHA), photographed in 2012. Left to right: Brook B. Kristovich, NWIHA Chairman (Colville); Elena L. Bassett (Yakama Nation); Annette Bryan (Puyallup); John Williamson (Lower Elwha); Laurie Ann Cloud (Nez Perce); Wendy Lawrence (Makah); Carina Kistler Ginter (Grand Ronde); Joseph B. Diehl, NWIHA Executive Director.

Left and below: Two of the 20 single-family homes built through the Lower Elwha Homes II tax credit project.
Wendy Lawrence: Don’t be afraid to dream

This summer is a busy time for the Makah Tribal Housing Department. When I spoke with Director Wendy Lawrence, her HA was about a month and a half away from completing the tribe’s Sail River Longhouse, a 21-unit permanent supportive housing project targeted to very-low-income families. This development, funded primarily by the LIHTC program and the state Housing Trust Fund (HTF), is an integral part of Sail River Heights, a mixed-income, mixed-use development that broke ground in 2010.

Sail River Heights is addressing the wide-ranging housing needs on the Makah reservation, from the Longhouse’s supportive housing for homeless families, to 16 workforce-market-rate apartments, to 72 lots designated for homeownership. In a presentation Wendy made on this project two years ago on keys to a successful development, she wrote as the first bullet: “Don’t be afraid to dream.” When Sail River Heights is completed over the next several years, her HA will have succeeded in increasing the housing stock on the Makah reservation by 25 percent.

The Makah’s land is about as remote as you can get in the state of Washington. It sits at the northwestern tip of the Olympic Peninsula, bounded by the Pacific Ocean to the west, and to the north, the Strait of Juan de Fuca. About 1,800 tribal members live on the reservation. The two biggest sources of employment are the tribal organization, which employs about 300 people, and treaty commercial fishing. Most of the Makah’s 47 square miles are a housing developer’s nightmare: rocky coastline, rugged mountains, and timber. Being remote also presents other challenges: It’s difficult to get skilled contractors—and you can’t just run out to the local builder’s supply store when you’re short of something.

Sail River, explains Wendy, emerged from very careful strategic planning by the tribe, “including community and council involvement to try to plan out what and where we need to go with housing.” The subdivision comprises 51 acres; the infrastructure, completed two years ago, was funded by 13 different funding sources, including HUD, the tribe, the USDA, and the Bureau of Indian Affairs (BIA).

About 20 families have already begun—or completed building—their own homes on this land. “We’re already working with families that will be ready to build next summer and then the building season after that,” Wendy says. “We provide the whole gamut of homebuyer education, credit repair, loan packaging, and support and assistance through the mortgage process—and also with the general contractors and through the construction process.”

Above right: Drum ceremony for the groundbreaking of the Sail River Longhouse

Lower right: Still under construction in late June, the Makah’s Sail River Longhouse is a 21-unit permanent supportive housing project for very-low-income homeless families. It was funded primarily through the Low-Income Housing Tax Credit program and the state Housing Trust Fund and is part of a new 51-acre housing development targeted to a broad spectrum of incomes and housing needs.
Leveraging education to achieve success

Historically for Native Americans, getting a mortgage on tribal land had been an extremely tough process. Banks wouldn’t underwrite mortgages if they couldn’t foreclose on tribal lands, and tribes were loath to give up their sovereignty. That changed to no small degree with the passage, by Congress, of the Indian Home Loan Guarantee Program, also known as the Section 184 program, in 1992. With this program, HUD guarantees 100% of the mortgage for eligible borrowers. The program also has a low down payment requirement. But tribes must elect to participate.

“Each tribe has to determine if they’re willing to allow a lender—another federal agency—to come in and foreclose,” Wendy says. “Our tribe agreed to that and passed the required laws in 2007, and we saw the first mortgages take place about 2008. Those were typically refinances: people taking equity out. So that was the first time I’m aware of that any tribal member on the Makah reservation was able to actually treat their home as wealth and leverage it. It was a fairly pivotal time in the way that our people look at homeownership.”

Before the passage of NAHASDA in 1996, Wendy explains, all HUD-funded homes, whether built for homeownership like the Mutual Help Program or public housing, were burdened with HUD’s directives. “HUD dictated what you built, who was building it, and what materials you would use. Oftentimes, because of the remote nature of most reservations, you didn’t get the highest-quality contractors. There wasn’t a high quality of workmanship, and our people were not really taught how to maintain a home. And consequently housing, especially HUD housing on a reservation, was looked at as though it was basically disposable housing.

“Having access to mortgage capital and actually bringing it to the reservation and seeing it work,” she continues, “was critical to our long-range planning in the creation of this new subdivision. We knew that we did not receive enough funding to even build one house and maintain jobs and services at the level that we had. We knew that we couldn’t be the bank, we were not going to be able to build homeownership units and carry the contract because we just couldn’t sustain that.

“It took probably two years to convince the tribal council and the community to even consider taking a mortgage out and having tribal members paying a bank and not the tribe. It’s been a process—and we’ve now actually gotten to the point where I think if you spoke to people here, even including the Tribal Council, they would probably express surprise and excitement that the vision is actually coming to fruition and the skeptics are being proven wrong.”

Wendy adds that her HA was able to leverage their success at educating the council on the Sail River LIHTC project for the benefit of a New Market Tax Credit (NMTC) deal the following year. They were able to “piggyback on that education” and help the tribe obtain these credits to fund most of a critically needed new $5.5 million commercial fishing dock for the tribe.

“I can plan and develop and build things but if my staff doesn’t have the capacity, and we don’t have the buy-in from the community and the council, none of it works. It needs all of us.”
Place of Hidden Waters

A prime example of thoughtful housing construction by a tribal housing authority is Puyallup Tribal Housing Authority’s Longhouse (Place of Hidden Waters) in Tacoma. The project, which includes 10 apartments, achieved a LEED Platinum rating, and was named LEED Homes 2012 Project of the Year by the U.S. Green Building Council. It was funded primarily through the American Recovery & Reinvestment Act and the Indian Housing Block Grant (IHBG) program.
Brook Kristovich: The tax credit program has raised the bar for housing standards on the reservation

I told the Commissioners: ‘You’ve raised the bar that we need to meet to stay in compliance.’"

Of course we were gratified to hear this from Brook. Talk to any recipient of a tax credit project, whether on the reservation or off, and you’ll hear the same thing: Compliance with the program is extremely rigorous. But the upside of all this compliance, year in and year out, is beautiful, well-maintained homes for those who live in them. What Brook was telling us is that this discipline is having a ripple effect on his reservation.

Eagle Nest is the third CIHA development to be awarded tax credits. Colville Homes I and II were recipients in 2007 and 2009: 45 homes for those two projects. "I had a meeting with tenants at our second project last winter," Brook recounts. "And I said the same thing. These people have gone through so much with all the inspections, all the requirements with the program. I told them, ‘You’ve rolled with it so well, that with our other programs with HUD-funded homes in other areas, we have raised their standards.’”

Brook laughs. "They gave me a big applause and said, ‘It’s about time.’"

Though he’s headed CIHA for just a year and a half, Brook is very much an elder to the Indian HA community in the Pacific Northwest. Over the past two decades at varying times, he’s run HAs for the Spokane, Kalispell, and Quileute tribes here in Washington state, as well as the Umatilla in Oregon. Since 1998, he’s served as Chair of the Northwest Indian Housing Association (NWIHA), a trade organization for Indian HAs and affordable housing organizations in Idaho, Oregon, Washington—and one Alaska Native tribe.

In fact, Brook is a member of an Alaska Native tribe, but says that when he first started working for the Colville Federated Tribes "it felt like going home.” He had raised his kids in the area—the Spokane Indian reservation is right across the river.

The complexities of meeting wide-ranging needs

The Colville Federated Tribes are made up of 12 different Indian bands across four Districts: Inchoelim, Keller, Nespelem, and Omak. Their reservation covers some 2,100 mostly contiguous square miles, making it the second-largest Indian reservation in Washington (just a couple of square miles less than the Yakama). More than 9,000 people live there. The reservation sits in the middle of the northeast quadrant of Washington state, bounded to the east and much of the south by the Columbia River, and the cities of Omak and Okanogan to the west.

Brook currently manages about 400 housing units for rent to tribal members; these include both apartment complexes and single-family homes. The challenging logistics of building and maintaining homes on a rural, remote reservation are fully at play here on the Colville reservation. And he puts a lot of miles on his vehicle every year.

Each of the three Colville tax credit developments has been built as a subdivision in a different Colville District. Eagle Nest is in the Omak District. "Just like any city project, you
can spend a million dollars just in the infrastructure getting ready for the houses," Brook says. Like many HA directors, historically, he has been able to take advantage of Indian Health Service (IHS) funding for the water and sewer portion of developments. "But only if the homes weren’t all going to be funded by HUD. There’s a conflict with using other federal money on federal projects. It’s just been one of those challenges over the years. You try to package things where you can."

Though CIHA has been creating many rental units over the years, Brook says he’s been talking to the tribal council about “looking at the possibility of building more homebuyer homes on family-owned land—instead of on tribal land. That’s probably one of the next phases as we look for future housing beyond Eagle Nest. We want to do a combination of rentals and homeownership-type homes.”

The point, explains Brook, is to meet the full range of housing needs on the reservation. “So many of us over the years have focused on housing for low-income families; that’s where the funding has been. But we have another group of people saying, ‘What about us? When are you going to focus on other people besides just the lowest of income?’ I heard it when I was working with the Umatilla in Pendleton and I hear it here,” he says.

Just as with juggling tribal housing programs and federal allocations for tribal housing, dealing with the intricacies of families’ land ownership on reservations is no small feat. Many times, Brook explains, family land is owned by a group of family members; all owners must agree to gift deed a particular parcel to a family member to enable them to get a mortgage. “It happens a lot in Indian country: A family has a lot of kids and every one of them is willed a portion of land. Then they have kids, and everyone gets a portion. So then we have 30, 50 people on a parcel of land. It can get very complicated.”

Fortunately for Brook and his peers at NWIHA, they don’t have to reinvent the wheel with every project. NWIHA members have quarterly meetings to trade stories and talk shop; Brook says he’s on the phone quite a bit with other HA directors as well. Wendy remarks that, “Every time I go to a meeting I hear someone bring up an issue that I wasn’t aware of. We build off everyone else’s successes.”

Adds Brook, “We’re like a little family. It’s been a great partnership.”

For its Colville Homes II development, the Colville Indian Housing Authority was awarded the 2012 Charles L. Edson Tax Credit Excellence Award for the most outstanding Low-Income Housing Tax Credit (LIHTC) property in the Rural category. Says David Bland of Travois, “It’s like the Academy Award for affordable housing.”
The LIHTC program on tribal land: A national perspective

I want to add a few words from our partners who consult on tax credit projects around the country to give a broader view on how the LIHTC program is working. As I mentioned at the outset, David Bland’s Kansas City-based firm, Travois, serves as a consultant to tribes all over the U.S. on both the LIHTC and its economic development counterpart, the NMTC program. He’s been at this work since 1995 and has consulted to tribes on 18 LIHTC developments in Washington state.

“The beauty of the tax credit program is that you can get profoundly low rents,” says David. “You have the ability to leverage the tribes’ and NAHASDA money … It’s not ‘free’ but it’s as close to that as the tribal members are going to get. The program also comes pretty darn close, in my view, to the federal government meeting its treaty obligations to Native Americans.”

David brings up the appeal of tribal LIHTC projects to investors in these developments. “Tribal deals have far less actual risk than non-tribal deals. All things being equal, tribes have 100 percent soft debt; there’s no foreclosure risk. Second, and this is very important, tribal deals have 100 percent tribal-based rental assistance. That’s huge: This means that these projects will not get into financial difficulty. And third, and this truly is a double-edged sword: Nowhere else in the country do you have a built-in population of eligible, low-income households that is not going to go away.”

Because of their successes in surmounting the many challenges, they face, “The best-run housing authorities in the United States are Indian housing authorities, absolutely, without any question.”

“...
A key part of James Horvick’s role with St. Petersburg-headquartered Raymond James is to perform due diligence on LIHTC projects all over the U.S. Raymond James raises capital and invests in tax credit developments on behalf of bank investors; in the case of Washington State, some of their biggest client investors have been Bank of America, Key Bank, and Wells Fargo. They’ve represented more than $50 million in invested capital in Native American tax credit projects in our state.

“We’ve raised over $300 million for equity investment deals with Native American tribes nationwide,” says James. “We have been committed to this since 1999. We think it provides high value and high impact.” He adds that, “at the end of the day, you feel good about doing it.”

James’s perspective on risk is slightly different than David’s. He agrees that Native American projects present little or no market risk, “because housing needs on the reservation far outstrip the available housing.” But from an investor’s perspective, “one of the risks investors worry about is, will the tribe, for the next 15 years, have the ability to provide rental assistance for their tenants? It’s just a different set of risks.”

Regardless, says James, “the track record is spotless for our deals. We’ve never lost credits. This is a challenging program to learn. If you’re not in the industry, it can be intimidating. The Commission has done a fantastic job in its outreach to tribes in Washington to make sure they have the information they need to know what’s available to them. Because of that, we see a lot of tribes apply for the program. This is fairly unique when compared to other states. Specifically from the perspective of Native Americans, the Commission has been very good at finding ways to allocate credits to tribes, and to balance the needs of rural and urban communities.”

State LIHTC programs: Lots of hope, some disputes about allocation policies

David expresses frustration at states that, he believes, are not making the LIHTC available to Native Americans as much as they should. “Some states remain hostile and it’s really a sad commentary.” One current controversy has to do with the way different states award their points in determining which projects receive allocations.

“What happens,” David says, “is that the states change their Qualified Allocation Plans (QAPs) every year; too often they disregard the interests of tribes. One of the movements that’s hitting nationally is ‘walkability.’ Many states now are requiring that you have a walkability score, which includes access to public transit.”

It’s all too easy to see the irony of punitive walkability scores for Native Americans in remote areas.

“These public policy concerns make for good public policy in urban and suburban areas—but they’re not good public policy for remote rural areas. And tribes don’t have any choice. They are where they are because we mandated it. This has a disparate impact, and it’s completely unfair.” He gives the example of Michigan, New York, and Nevada, whose tribes have never had a LIHTC development built on their lands. “Even though tribes have the lowest incomes, and they have the worst housing conditions: That’s inarguable. In every state that’s inarguable. And yet we have to fight to get an award.”

He also gives the example of a recent success: California. “We work in every state that has a significant Indian population and for the first time ever—and we’re really, really proud of this—a tribal project was awarded credits in California, to the Bishop Paiute tribe. California had been absolutely resistant, and said they would not award tax credits to tribes. For 14 years I worked on getting them to change their minds and this year they did a Native American set-aside.”

David laughs, “I had cornered [State Treasurer] Bill Lockyer at a conference and I said ‘I’m not going to let you go through this doorway until you hear me out.’ He gave me five minutes and then said, ‘You send me a memo and we’ll do something about this.’ I really credit him: He listened.”

David also puts in a good word for our allocation process, which I’m happy to repeat here: “We know that in Washington State the centerpiece of the LIHTC program will be fairness. Washington State is absolutely committed to doing the right thing, to working fairly with the tribes, and it’s been a joy to work with your team.

“There are lots of good things happening around the country, lots of hope,” David concludes. “Notwithstanding all the terrible conditions and the poverty, there’s great optimism in Indian country, because Indians are probably the most persistent and culturally optimistic people I’ve ever met in my life.”
Washington’s 29 federally recognized tribes and tribal lands

95,015 people in Washington state are self-identified as Native American or Alaska Native—about 1.4% of the state’s total population, according to the U.S. Census Bureau American Community Survey 2012.

The Washington State Housing Finance Commission is a publicly accountable, self-supporting team, dedicated to increasing housing access and affordability and to expanding the availability of quality community services for the people of Washington.