Delegate Phelps addresses block grant funding concerns with HUD officials

WASHINGTON D.C. – On Oct. 24, Council Delegate Walter Phelps (Cameron, Coalmine Canyon, Leupp, Tolani Lake, and Tsidi To ii) met with U.S. Department of Housing and Urban Development officials in Washington D.C. to discuss the Indian Community Development Block Grant program and other areas of concern for the Navajo Nation.

According to HUD, the ICDBG program provides eligible grantees with direct grants for use in developing viable Indian and Alaska Native communities, including decent housing, a suitable living environment, and economic opportunities, primarily for low and moderate income persons. Projects funded by the ICDBG program must principally benefit low-and-moderate-income people.

“The ICDBG program is one of the most beneficial resources for Navajo citizens living in rural, isolated areas by supplementing the most basic infrastructure such as electricity and potable water,” Delegate Phelps said.

Regarding decreases in ICDBG funding levels over the past several years, Delegate Phelps said the decrease is a serious concern for the Navajo Nation, especially when considering the extent of the housing shortage for families. Delegate Phelps also raised the matter of the lapse of time from when HUD announces the annual ICDBG notice of funding availability to the time funds are released to the Navajo Nation and other tribes.

“Our experience with the late release of ICDBG funds is having to deal with subsequent increases in construction costs, involving outdated quotes. By the time we receive our funds for a project, the construction costs have risen, and we need to request a new quote. Another issue we have is with expiring and duplicated costs incurred for NEPA compliance reports. We have to absorb these costs often in hundreds of thousands of dollars. We would rather use these dollars for infrastructure improvement or building more homes for our people,” Delegate Phelps said.

HUD announced the ICDBG notice months ago, but HUD did not release the $65 million in funds for tribes until Oct. 23, a day prior to Delegate Phelps’ scheduled meeting with the HUD officials.

HUD administers the Native American Housing Assistance and Self Determination Act program with a goal of providing homes for low-income families on tribal lands. HUD also administers the
Section 184 program where homebuyers can apply for bank loans to finance construction of their own homes.

“Our inquiry on these funds is on HUD regulations, with regards to Title 6. We are interested in learning more about tribal bond financing for housing development. At one time the Navajo Housing Authority explored this potential with HUD, however, we never received any outcome on HUD’s findings. We are interested in training on this issue,” Delegate Phelps added.

Delegate Phelps extended an invitation to HUD Secretary Ben Carson to visit the Navajo Nation and to develop a way of better streamlining the disbursement of federal funds for tribes.

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