

GAO SAYS HUD CAN IMPROVE TRIBAL DEVELOPMENT EFFORTS

By **Matt Sharp**

Law360, New York (July 10, 2015, 7:40 PM ET) -- The U.S. Department of Housing and Urban Development still has work to do to tackle Native American low-income housing challenges despite progress in providing technical training and support, a Government Accountability Office official said Friday.

Daniel Garcia-Diaz, GAO's director of financial markets and community investment, told a U.S. House of Representatives hearing that HUD's Office of Public and Indian Housing has successfully boosted training and assistance to affordable housing-focused Indian Housing Block Grant recipients but must continue working with other agencies on a coordinated environmental review process for tribal developments.

Garcia-Diaz explained that when tribes combine IHBG and other federal funds on a project, they are required to follow multiple federal agency's National Environmental Policy Act requirements — a necessity that contributes to project delays and higher costs for housing developments.

"Our reviews of public and Indian housing programs since 2012 have identified a number of areas in which PIH could strengthen its program assessments, increase efficiencies and enhance collaboration efforts," Garcia-Diaz said. "HUD has made progress in implementing some of our recommendations, but additional actions are needed to address others."

IHBG provides more than \$600 million in housing assistance to about 570 federally and state-recognized Native American tribes, according to the GAO. Assistance for low-income housing primarily comes through the program under the Native American Housing Assistance and Self-Determination Act.

But the GAO recommended in a March 2014 report that HUD take a look at the costly multiple reviews that tribes can face in housing developments. The agency suggested HUD coordinate the environmental review process with the U.S. Department of the Interior and other agencies involved in tribal housing development, noting that the agencies should consider a lead agency for the overall effort.

But although HUD has kicked off a dialogue with the agencies on simplifying the review process, it has not yet released any specific recommendations. HUD currently says it hopes to have some ideas by September, Garcia-Diaz said in his testimony.

HUD's Office of Public and Indian Housing programs make up roughly 60 percent — or around \$26 billion — of the agency's fiscal year 2015 budget, the GAO said. The programs are aimed at providing assistance to low-income families and members of Native American tribes.

However, despite HUD's successes in areas related to its Moving-to-Work demonstration program for public housing authorities, voucher program for low-income rental housing and

IHBG, the agency still came under fire during Friday's meeting for being "overly bureaucratic" and "fail[ing] to deliver measurable results."

"As I've said in the past, the status quo isn't good enough," Rep. Blaine Luetkemeyer, R-Mo. said in a statement. "The reality is that the funding situation isn't going to get better. Despite even the best of attempts, asking for more federal dollars isn't the solution. It's time to roll up our sleeves and work together to build a stronger Office of Public and Indian Housing and a better HUD."