

PUBLIC AND INDIAN HOUSING
 NATIVE HAWAIIAN HOUSING BLOCK GRANTS
 2005 Summary Statement and Initiatives
 (Dollars in Thousands)

NATIVE HAWAIIAN HOUSING BLOCK GRANTS	<u>Enacted/ Request</u>	<u>Carryover</u>	<u>Supplemental/ Rescission</u>	<u>Total Resources</u>	<u>Obligations</u>	<u>Outlays</u>
2003 Appropriation .....	...^a	...	...	...	...	...
2004 Appropriation/Request .....	...^a	...	...	...	...	...
2005 Request	<u>\$9,500</u>	<u>...</u>	<u>...</u>	<u>\$9,500</u>	<u>\$9,500</u>	<u>\$1,000</u>
Program Improvements/Offsets	9,500	...	...	9,500	9,500	1,000

a/ Funds for this account were appropriated under the Community Development Fund.

Summary Statement

The Office of Public and Indian Housing is requesting a total of \$9.5 million for the Native Hawaiian Housing Block Grant (NHHBG) account. This includes up to \$400 thousand to support related training and technical assistance activity. This program provides grants for housing and housing-related assistance to the Department of Hawaiian Home Lands. Congress provided \$9.6 million for the NHHBG program as a set-aside under the Community Development Fund in fiscal years 2003 and 2004. The Department requested \$10 million as a separate account in fiscal year 2004 and is requesting \$9.5 million as a separate account in fiscal year 2005.

Initiatives

In fiscal year 2005, the Department is not proposing any new initiatives. However, the Department is requesting the funds as a separate account to be appropriated under the Office of Public and Indian Housing.

Native Hawaiian Housing Block Grants

PUBLIC AND INDIAN HOUSING
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 Summary of Resources by Program
 (Dollars in Thousands)

<u>Budget Activity</u>	<u>2003 Budget Authority</u>	<u>2002 Carryover Into 2003</u>	<u>2003 Total Resources</u>	<u>2003 Obligations</u>	<u>2004 Budget Authority/ Request</u>	<u>2003 Carryover Into 2004</u>	<u>2004 Total Resources</u>	<u>2005 Request</u>
Formula Grants	\$9,100
Technical Assistance	400
Total Native Hawaiian Housing Block Grants	9,500
FTE								
Headquarters			1				1	1
Field			<u>...</u>				<u>...</u>	<u>...</u>
Total			1				1	1

NOTE: Funds for this account were appropriated under the Community Development Fund for fiscal years 2003 and 2004.

Native Hawaiian Housing Block Grants

**PUBLIC AND INDIAN HOUSING
NATIVE HAWAIIAN HOUSING BLOCK GRANTS
Program Offsets
(Dollars in Thousands)**

Formula Grants	<u>Amount</u>
2003 Appropriation .....	...
2004 Appropriation/Request .....	...
2005 Request	<u>\$9,100</u>
Program Improvements/Offsets	9,100

Proposed Actions

The Department proposes \$9.1 million for Native Hawaiian Housing Block Grants in fiscal year 2005 to provide grants for housing and housing-related assistance to eligible Native Hawaiian families through the Department of Hawaiian Home Lands. The Hawaiian Homelands and Homeownership Act of 2000 (25 U.S.C. 4221 et seq.) was signed on December 27, 2000. Numerous studies have documented the housing needs of Native Hawaiians who are either eligible to reside on, or now live on, the Hawaiian Home Lands. Native Hawaiians experience the worst housing conditions in the State of Hawaii and constitute approximately 30 percent of its homeless population. The Department issued a 1995 report, which cited evidence that Native Hawaiians have the highest percentage of housing problems (49 percent) in the United States. Overcrowding in these households exceeds 36 percent, as compared to 3 percent of households throughout the nation. This housing block grant program provides an allocation of funds to assist and promote affordable housing activities to develop, maintain and operate affordable housing for eligible low-income Native Hawaiian families.

The Office of Native American Programs (ONAP), under the jurisdiction of the Assistant Secretary for Public and Indian Housing, is tasked with the responsibility to administer all programs for American Indians, Alaska Natives and Native Hawaiians. All current programs, including the Native Hawaiian Housing Block Grant (NHHBG) program, which is authorized by Title VIII of the Native American Housing Assistance and Self-Determination Act of 1996, as amended (25 U.S.C. 4101 et seq.), are managed by ONAP. Funds for the NHHBG program have been appropriated differently over the past 2 fiscal years in the HUD/VA annual Appropriations Acts, but in both instances have come under the Office of Community Planning and Development. To maintain internal structure and consistency, and for organizational purposes, it makes more sense for the appropriation to come under the Office of Public and Indian Housing. It is essential that the NHHBG account is kept separate from the Native American Housing Block Grant program account, as funds appropriated for that program are limited statutorily for use by eligible Indian tribes or their tribally designated housing entities.

The NHHBG program provides annual grants to the Department of Hawaiian Home Lands (DHHL) for housing and housing-related assistance, pursuant to an annual housing plan, within the area in which DHHL is authorized to provide that assistance. DHHL uses performance measures and benchmarks that are consistent with the national goals of the program, but it can base these measures on the needs and priorities that it establishes in its 5- and 1-year housing plans.

ONAP staff monitor the DHHL to ensure compliance with the objectives of the housing plan. The NHHBG allows the DHHL to develop and support affordable rental and homeownership housing and provide housing services through the following eligible activities:

Development. Grant funds may be used to support acquisition, new construction, reconstruction or moderate or substantial rehabilitation of affordable housing which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other housing related activities.

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Housing Services. Grant funds may be used to support housing-related services including housing counseling in connection with rental or homeownership assistance, the establishment of resident management corporations, energy auditing, activities related to the provisions of self-sufficiency and other services related to assisting owners, tenants, contractors and other entities participating or seeking to participate in other housing activities.

Housing Management Services. Grant funds may be used to support management services for affordable housing, including the preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

Crime Prevention and Safety Activities. Grant funds may be used to support safety, security and law enforcement measures, and activities appropriate to protecting residents of affordable housing from crime.

Model Activities. The Department may approve housing activities under model programs that are designed to develop and support affordable housing.

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PUBLIC AND INDIAN HOUSING
NATIVE HAWAIIAN HOUSING BLOCK GRANTS
Program Offsets
(Dollars in Thousands)

Technical Assistance	<u>Amount</u>
2003 Appropriation .....	...
2004 Appropriation/Request .....	...
2005 Request	<u>\$400</u>
Program Improvements/Offsets	400

Proposed Actions

The Department proposes a set-aside of \$400 thousand from the total Native Hawaiian Housing Block Grant. This will support contract expertise, training and technical assistance to engage in the management and oversight of Native Hawaiian housing. These activities include, but are not limited to, training and technical assistance for the Department of Hawaiian Home Lands, the Office of Hawaiian Affairs, and non-profit organizations.

**PUBLIC AND INDIAN HOUSING
NATIVE HAWAIIAN HOUSING BLOCK GRANTS
Performance Measurement Table**

Program Name: NATIVE HAWAIIAN HOUSING BLOCK GRANT FUND					
Program Mission: The Hawaiian Homelands Homeownership Act of 2000 (25 U.S.C. 4221 et seq.) was signed on December 27, 2000. Numerous studies have documented the housing needs of Native Hawaiians who are either eligible to reside on, or now live on, the Hawaiian Home Lands. Native Hawaiians experience the worst housing conditions in the State of Hawaii and constitute approximately 30 percent of its homeless population. The Department issued a 1995 report, which cited evidence that Native Hawaiians have the highest percentage of housing problems (49 percent) in the United States. Overcrowding in these households exceeds 36 percent, as compared to 3 percent of households throughout the nation. This housing block grant program provides an allocation of funds to assist and promote affordable housing activities to develop, maintain and operate affordable housing for eligible low-income Native Hawaiian families.					
Performance Indicators	Data Sources	Performance Report		Performance Plan	
		2003 Plan	2003 Actual	2004 Enacted	2005 Plan
Grant recipient will obligate 50% of all NHHBG funds made available from fiscal years 2002 through 2005.	PIH Office Of Native American Programs Administrative Data derived from Access database and LOCCS system	50%	73%	50%	50%
Develop infrastructure for future single-family development.				2 projects	155 single-family units
Develop "self-help" project for single-family housing.				33 units	

Explanation of Indicators

This program has one grantee, the Department of Hawaiian Home Lands (DHHL), which provides services to Native Hawaiian families eligible to reside on the Hawaiian Home Lands. The Native Hawaiian Housing Block Grant (NHHBG) program is a relatively new program. The initial grant agreement between HUD and the grant recipient was executed in August 2002. Most of the early programmatic activity by the grant recipient consisted of infrastructure and site development, which is essential to support and facilitate future home construction.

Native Hawaiian Housing Block Grants

DHHL has the discretion, within the statutory confines of the program, to decide what types of housing assistance to provide with program funds. Strategic Goal A: promoting decent affordable housing and Strategic Objective A.1, expanding access to affordable rental housing, are supported by the NHHBG performance indicator of 50 percent increase in number of households receiving housing assistance funds by the end of this fiscal year. The initial appropriation occurred in fiscal year 2002, and the effective date of the interim regulations was July 13, 2002. Evidence of the actual impact achieved from the use of NHHBG funding to meet the critical housing needs of the low-income Native Hawaiian families eligible to receive services does not yet exist. By focusing on the obligation of funds as a measurement of performance, it is anticipated that the grant recipient will provide services to eligible low-income Native Hawaiian families as quickly as possible.

Native Hawaiian Homelands Block Grant funds in the amount of \$7.04 million were obligated as of September 30, 2003, representing 73 percent of the grant amount of \$9.5 million.

- Work is underway at Waiakea 6 (Hawaii) to develop infrastructure for 40 single-family units. Once the infrastructure is completed in 2004, the sites will be leased to low-income Native Hawaiians from Department of Hawaiian Homelands waiting list to construct their own homes. Native Hawaiian Homelands Block Grant Funds in the amount of \$2 million have been obligated for this activity.
- Work is underway at the Villages of Kapolei (Oahu) to construct 33 single-family homes using the "self-help" development method. Native Hawaiian Homelands Block Grant funds in the amount of \$564 thousand have been obligated and are being leveraged against a total project cost of \$2.3 million. Project completion is scheduled for 2004.
- Work is underway at Waiehu Kou (Maui) to develop infrastructure for 115 single-family units. Once the infrastructure is completed in 2004, the sites will be leased to low-income Native Hawaiians from the Department of Hawaiian Homelands waiting list to construct their own homes. Native Hawaiian Homelands Block Grant funds in the amount of \$4 million have been obligated and are being combined with \$4.9 million in Department of Hawaiian Homelands trust funds for a total project cost of \$8.9 million.

Native Hawaiian Housing Block Grants

**PUBLIC AND INDIAN HOUSING
NATIVE HAWAIIAN HOUSING BLOCK GRANTS
Justification of Proposed Changes in Appropriations Language**

The 2005 President's Budget includes proposed changes in the appropriations language listed and explained below. New language is italicized and underlined, and language proposed for deletion is bracketed.

For the Native Hawaiian Housing Block grant program, as authorized under title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), \$9,500,000, to remain available until expended, of which \$400,000 shall be for training and technical assistance activities.

Explanation of Changes

Adds language for the Native Hawaiian Housing Block Grant program to be administered by Office of Public and Indian Housing as a separate account.

Native Hawaiian Housing Block Grants

PUBLIC AND INDIAN HOUSING
 NATIVE HAWAIIAN HOUSING BLOCK GRANT
 Crosswalk of 2003 Availability
 (Dollars in Thousands)

<u>Budget Authority</u>	<u>2003 Enacted</u>	<u>Supplemental/ Rescission</u>	<u>Approved Reprogrammings</u>	<u>Transfers</u>	<u>Carryover</u>	<u>Total 2003 Resources</u>
Formula Grants .....	...^a	...	...	...	...	...
Technical Assistance .....	...^a	...	...	...	...	...
Total .....	...	...	...	...	...	...

a/ Funds for this account were appropriated under the Community Development Fund.

Native Hawaiian Housing Block Grants

PUBLIC AND INDIAN HOUSING
 NATIVE HAWAIIAN HOUSING BLOCK GRANTS
 Crosswalk of 2004 Changes
 (Dollars in Thousands)

<u>Budget Authority</u>	2004 President's Budget Request	Congressional Appropriations Action on 2004 Request	2004 Supplemental/ Rescission	<u>Reprogrammings</u>	<u>Carryover</u>	<u>Total 2004 Resources</u>
Formula Grants	9,600 ^a	... ^a	...	...	...	...
Technical Assistance	400 ^a	... ^a	...	...	...	...
Total Changes	10,000	...	...	...	...	...

a/ Funds for this account were appropriated under the Community Development Fund.