



Navajo Housing Renaissance

WORK PLAN

May 6, 2023

Background

As of May 2023, several Navajo offices are looking to the Navajo Thaw Team (Team) to provide support to ensure the successful utilization of American Rescue Plan Act (ARPA) funding directed toward new and improved housing.

At a minimum, the \$15.55 million allocation for housing in the Former Bennett Freeze Area (FBFA) and Navajo Partitioned Lands (NPL) will be managed by the Navajo Hopi Land Commission Office (NHLCO) assisted by the Team. The Team may also be requested by the Navajo Veterans Administration and the Navajo Nation Division of Community Development to assist (each Office has \$50 million in ARPA allocation for housing). Additionally, \$30 million has been allocated to advance the development of a manufactured home sector on Navajo.

The Team is interested in facilitating success with this housing initiative (termed the **Navajo Housing Renaissance**), as it serves to implement the Navajo Thaw Regional Recovery Plan (Regional Plan). Also referred to as the Navajo Thaw Implementation Plan, it has always been the vision of the Team to advance from planning to *implementation*. The Housing Renaissance mobilizes this vision toward action.

Finally, the Team has always envisioned the formation of a Technical Team comprised of engineers, architects, project managers, and other skilled professionals that enable development projects to move from the visioning stage to construction and operations/use.

The purpose of this paper is to identify the steps necessary to launch the Housing Renaissance.

Step #1: Fund the Technical Team. Since 2019, NHLCO has been communicating with the Navajo Housing Authority (NHA) related to the commitment made by NHA to support what is now known as the Navajo Thaw. NHA has funding dedicated to support the NHLCO contractor serving the FBFA, and yet has not utilized or transferred the funding to NHLCO to fulfill this commitment. More than ever, Technical Team funding is essential to advance the Housing Renaissance. As such, NHA should re-transfer the funding to NHLCO (as was done in 2014). In turn, NHLCO should extend the 2019-2022 contract with its Navajo Thaw contractor, Building Communities, to oversee the efforts of the Technical Team and the implementation of the Regional Plan.

Step #2: Formalize CJNI 29-22 to Authorize Funding from the Navajo Fiscal Recovery Fund (NFRF) Office to NHLCO for FBFA and NPL Housing Funding. Navajo ARPA legislation directs \$15.55 million for two uses: 1) new housing in the FBFA and NPL (\$14.0 million), and 2) an analysis for housing manufacturing associated with Nahata Dziil (\$1.55 million). The Nahata Dziil-based housing manufacturing plan should be conducted through NHLCO by its contractor, Building Communities (see Step #3 below).

Step #3: Commit Housing Manufacturing Study Funding to Navajo Thaw Team. For the Housing Renaissance to advance, a housing manufacturing industry must be developed on the Navajo Nation. This will be from a combination of: 1) centralized, on-reservation housing manufacturing that will be built in a manufacturing plant(s) and distributed throughout the Nation, and 2) fostering the growth and establishment of existing and new residential housing contractors. The purpose of this study will be to identify locations throughout the Navajo Nation to foster such housing manufacturing operations and businesses. The study will also make recommendations related to government reform to facilitate the establishment and growth of the housing manufacturing industry. Sufficient housing manufacturing capacity will be established to support the full implementation of the Regional Plan including job-creating investments in the large-scale energy storage and value-added agriculture sectors. In other words, the study will have a long-range view on the need for housing and how housing can be maintained in the future.

Step #4: Contracting with Nizhoni Homes. More than any Navajo residential housing development company, Nizhoni Homes is committed to being a part of the Technical Team and to advance residential housing construction and housing education on the Navajo Nation. Not only does Nizhoni Homes have the capability of constructing housing, but the company also possesses ancillary skills to communicate with Navajo people and Chapters to ensure a steady progression from beneficiary-identification to housing-project-completion. NHLCO should contract with Nizhoni Homes for housing improvements throughout the Navajo Thaw Region.

Step #5: Updating the Navajo Residential Housing Manufacturing Directory. In January of 2021, Building Communities conducted a survey of all known Navajo companies in the housing manufacturing sector. A total of 51 business development interests were identified, and a survey was deployed to understand *who does what type of housing and in what volumes?* Despite rigorous outreach to identified companies, the response rate was minimal. An even stronger effort to identify “Navajo’s housing manufacturing sector” will be conducted in 2023. All business interests will be informed of current and future business opportunities. The Navajo Thaw will participate in and support the Navajo President’s “1000 Homes Initiative” and housing conference.

Step #6: Engaging Navajo Housing Manufacturing Interests. Beginning with H&B Service based in the FBFA at Tonalea, the Team will seek proposals from Navajo (primarily) and non-Navajo (secondarily) business interests that can develop and operate housing manufacturing plants. With a Navajo-first philosophy, one or more companies will be identified for prospective housing manufacturing plant development throughout the Navajo Nation, beginning in the Navajo Thaw Region. Interests by Nahata Dziil will also be prioritized given the intent of the Navajo legislation.

Step #7: Formulation/Finalization of Funding Distribution Policy. One of the greatest challenges to distributing the funding is the determination of the specific beneficiaries. Because Navajo is “one big family” (especially when considering clan relationships), it is challenging to distribute benefits without the perception of conflicts of interest. The team will develop unambiguous distribution policies that offer clarity and do everything possible to overcome any perceptions of conflicts of interest. Chapters will be notified of deadlines and the unalterable consequences of missed deadlines and incomplete submittals. Simultaneously, Chapters will be assisted by Team members to meet deadlines and file completed applications.

Step #8: Matching Demand with Supply. A major objective of the Housing Renaissance is to facilitate a dramatic increase in residential housing construction (both individual contractors as well as housing manufacturing facilities). Increased supply levels and types of housing will be matched with the identified needs of Navajo people as certified by their Chapter leadership through resolutions.

Step #9: New Housing Economy. In the short term, housing will be provided to Navajo beneficiaries without future financial obligation. In other words, the housing is free.

In the long term, however, the implementation of the Regional Plan will deliver a transformation to the Navajo economy. The Team will engage Harvard University to examine the Regional Plan and its job-creating implications. Policies will be developed to create a “housing economy” akin to off-reservation economic dynamics. Paired with new policies that meet the intent of self-determination, Navajo people will finally enjoy the benefits of home ownership.

Step #10: Progress Reporting. It is understood that June 30, 2024, is the deadline for obligating ARPA funding. The Team will be cognizant of this deadline and offer quarterly reporting on the construction and placement of residential housing.