

NEEDS, OPPORTUNITIES AND CHALLENGES OF IMPROVING THE ENERGY EFFICIENCY OF EXISTING AND FUTURE TRIBAL HOUSING.

BY

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SALISH & KOOTENAI HOUSING AUTHORITY

INTRODUCTION

- The Salish & Kootenai Housing Authority (SKHA)
 - Created in 1963 by an ordinance of the Confederated Salish & Kootenai Tribes of the Flathead Indian Reservation.
 - In 1985 CS&KT underwent a large reorganization and placed all housing related programs under the umbrella of the SKHA this includes IHS water and sewer services, BIA HIP, Indian Community Development Block Grant and DOE Weatherization program.
 - Governed by a seven member Board of Commissioners.
 - In 1998 became the Tribally Designated Housing Entity for the CS&KT under the new Native American Housing Assistance and Self-Determination Act (NAHASDA).
 - We currently have six departments and a total staff of 75.

INTRODUCTION

- SKHA
 - We currently offer the following programs and services:
 - Emergency Home repair, BIA HIP, DOE Weatherization, Homebuyer Education, ICDBG, IHS 121 water and sewer services, Low income rental housing, Flathead Finance Homeownership, Transitional Living Center, Low Income Housing Tax Credit Housing, Rural Development housing and we own and operate two trailer parks.
 - We have over 600 affordable rental and homeownership units under management.
 - In the 1980's our Board of Commissioners passed a resolution requiring all units built by the SKHA to be built to Super Good Cents program standards.

MISSION VALLEY POWER (MVP)

- Is our local electrical utility supplying electrical power to all of the Flathead Indian Reservation.
 - Is owned and operated by the Confederated Salish and Kootenai Tribes.
 - Currently provides the 2nd lowest cost electrical power in the state of Montana.
 - Administers what was the Super Good Cents program now known as the Energy Star Program.
 - They offer rebates to their customers for many energy conservation and efficiency measures.
 - In 2008 SKHA was given an award from MVP for “Outstanding energy efficiency building practices”.
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SKHA ENERGY EFFICIENCY EFFORTS

- Started in 1980's to build all new units to meet Super Good Cents requirements, approximately 150 units of rental and homeownership.
- In 1998 started to leverage NAHASDA funds with Low Income Housing Tax Credits to build rental housing, built 20 units that are rent-to-own, all SGC.
- Built two elder and handicapped independent living centers with 10 units each, all SGC.
- Rehabilitated 33 low income rental units with Low Income Housing Tax Credits upgraded all units to SGC and we did a demonstration project on four units to retrofit the homes with Ground Source Heat Pumps.
- Built 12 rental units using Low Income Housing Tax Credits and Rural Development 515 funds, all SGC and all have Ground Source Heat Pumps, received a grant from Bonneville Power Company to offset the costs of the GSHP's.

THE NEED TO IMPROVE ENERGY EFFICIENCY...

- First, before we get into energy efficiency the greatest need in Indian Housing is to build staff capacity. There are plenty of resources and NAHASDA requires that we leverage our funds.
- Before NAHASDA Indian Housing Authorities were able to compete for HUD funds to rehab their rental housing stock, now with NAHASDA a part of the funding formula gives you money to rehab your 1937 act rental housing stock but you don't necessarily have to spend the money rehabbing your units. For many tribes this is the first place that funding is reduced or cut.
- Tribes need to leverage funds to rehab their current rental housing stock and they need to upgrade the units to be more energy efficient. There are a lot of old rental housing stock that is not energy efficient and it is not being maintained or replaced but is very much needed.

THE NEED CONTINUED

- NAHASDA requires tribes to set the useful life of the rental units counted in the funding formula. As long as you are rehabbing your units you can extend the useful life of the units, but you can only rehab a unit so many times before it becomes necessary to replace the unit.
- When new units are built using all NAHASDA funds or leveraged with other funds, if there is one dollar of NAHASDA funds in the cost to build new units the units are considered NAHASDA units and all NAHASDA regulations apply to the units, i.e. 30% rule and serving eligible low income tenants.
- NAHASDA does not allow for new units built to be added to the funding formula for funding to help with operations and maintenance costs.
- Many tribes built new units using American Recovery and Reinvestment Act (ARRA) funds and those units were very much needed, but those units are not added to the NAHASDA funding formula therefore those units will not be receiving operation and maintenance funding.

THE NEED CONTINUED

- The ARRA funds that tribes received for housing were all funded through NAHASDA so all NAHASDA regulations apply. Tribes can't charge more than 30% of a tenant's income but they don't get NAHASDA funds to subsidize the operation and maintenance costs of those units.
- Many tribes with high unemployment could have a majority of their units that don't pay any rent due to the 30% rule.
- My point here is that programs that offer subsidies are key to any funding that would be used to build new rental housing stock.

THE OPPORTUNITIES TO IMPROVE ENERGY EFF.

- Tribes and TDHE must leverage their NAHASDA funds to rehab units and make energy efficiency a part of their planning for all rehab projects.
- Some of the leveraging funds that are available and have been used by some tribes and TDHE's:
 - Low Income Housing Tax Credits
 - USDA Rural Development program loans and grants.
 - Federal Home Loan Bank Affordable Housing Program grants and loans.
 - Utility company grant and loan programs to improve energy efficiency, i.e. BPA grants on Ground Source Heat Pumps.

THE OPPORTUNITIES CONTINUED

- Tribes and TDHE's can adopt local codes and standards that require energy efficient products.
 - SKHA changed our building specifications to include all energy efficient products for rehab and for new construction.
 - SKHA is looking into becoming LEED certified. A public low income housing provider in our area recently obtained this certification.
- Utility company incentive programs. Can significantly reduce the cost of energy efficient products.
 - SKHA recent rebates and incentives:
 - \$2 million project for 16 new units, received \$25,700 in rebates.
 - \$1.7 million rehab project of 110 units, received \$35,500 in rebates.

THE CHALLENGE TO IMPROVE ENERGY EFF.

- Again, capacity of staff is a huge issue. Not just with funding and using other resources but training and educating staff of the benefits and advantages of becoming energy efficient.
- Aging housing stock, HUD built over 60,000 units in Indian country before NAHASDA. Those units are in desperate need of major rehabilitation or replacing.
- Many programs available to build housing and leverage NAHASDA funds but very few programs give subsidy to help offset the operation and maintenance costs of low income rental housing.
- Educating the tenants. Many tribal families grew up in houses that was very substandard. So the heat was always way to high and there was always a pot of water on the woodstove or kitchen stove so the humidity was high. In a tight, energy efficient house you can't live that way. It is a huge reeducation issue.

THE CHALLENGE TO IMPROVE ENERGY EFF.

- SKHA has spent much staff time educating new tenants and our elders on how energy efficient houses work. We have had the struggles with tenants plugging the vents and not understanding the central whole house fan and not using it. Then we have indoor air quality issues and mold.
- With our Ground Source Heat Pumps, that form of heating is designed to be set at 70 or 71 degrees year around. Many tenants have tried to adjust the settings and that makes the units not energy efficient any longer. We learned our lesson right away and we have had to lock all access to the system controls.
- We have received and use in our tax credit funded units the compact fluorescent light bulbs. Tenants don't like the light that is given and want to change out the light bulbs even though we provide the light bulbs free of charge.
- Same type of issues with low flow shower heads.

THE CHALLENGE TO IMPROVE ENERGY EFF.

- I could not finish today without mentioning a couple of major issues to providing energy efficient housing, that is available land and infrastructure. Many tribes don't have land and infrastructure available to build new energy efficient housing on, so the rehabilitation or replacement of existing housing is essential.
- I hope that I have given you some perspective on the need, opportunities and challenges of improving the energy efficiency of existing and future tribal housing. If you have any questions please feel free to contact me.

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THANK YOU
FOR YOUR TIME
AND THE OPPORTUNITY
TO SHARE WITH YOU TODAY.

