

NAVAJO HOUSING AUTHORITY

NAVAJO NATION COUNCIL REPORT

Sisnaajini



Jini



25TH NAVAJO NATION COUNCIL
2025 SPRING SESSION



Hooghan – Center of Family Growth, Strength and Beauty
NAVAJO HOUSING AUTHORITY

April 21, 2025

Crystalyne Curley, *Speaker*
25TH NAVAJO NATION COUNCIL
P.O. Box 3390
Window Rock, AZ 86515

RE: NHA quarterly report, significant accomplishments

Dear Speaker Curley,

Yá'át'ééh and thank you for the opportunity to report on the significant accomplishments of Navajo Housing Authority over the past quarter. We continue our mission of providing safe and sanitary housing for Navajo families through the leadership of our oversight at the Resources and Development Committee and our hardworking employees.

We are preparing for submission of the 2026 NHA Indian Housing Plan to the U.S. Department of Housing and Urban Development before our Summer deadline. Additionally, considering recent activities in Washington, D.C., we are preparing for any potential changes to annual funding allocations for tribal housing. We remain steadfast and ready to continue providing services to our families across Navajo land.

Construction continues across the Navajo Nation for public rental units, homeownership units, scattered site housing, and model activities. We are especially proud to announce that our Chinle Housing Management Office will officially be opening its doors to the public on May 1, coinciding with NHA's 62nd Anniversary. We invite you to join us and celebrate this momentous occasion beginning at 10 a.m.

Congratulations to the families in Mariano Lake, N.M. They moved into their newly renovated homes recently and we are anxiously awaiting the next Navajo families to be moving into their homes very soon. We are working on behalf of the Navajo people and remain committed to providing safe and sanitary homes for Navajo families.

We wish the 25th Navajo Nation Council a productive and successful 2025 Spring Session.

Ahéhee',

Marcus Denetdale, *Chairman*
NHA BOARD OF COMMISSIONERS



COVER: Sisnaajini or Blanca Peak is one of the Four Sacred Mountains for the Navajo People and it represents the east, the spring season, and the Navajo tenet of iiná, or life. As is commonly known, the mountains are our leaders.

NHA BOARD OF COMMISSIONERS

Marcus Denetdale, *Chairman*
Business-Construction
Management Representative

Tammy Yazzie, *Vice Chairwoman*
Homebuyer-Tenant Representative

David Sloan, *Vice Chairman*
Licensed Professional
Architect-Engineer Professional

Summary of quarterly activities, operation and maintenance, modernization projects

I. Summary of NHA Quarterly Activities

The NHA is the Tribally designated housing entity (TDHE) for the Navajo Nation and receives an annual Indian Housing Block Grant (IHBG) funds based on a formula funding under the Native American Housing Assistance and Self Determination Act of 1996, as amended, to address the housing needs of the Navajo people. The NHA housing programs consist of the Low-income Public Rental Program and Shi Shighan Homeownership Program to primarily serve low-income families. The NHA is comprised of approximately 325 personnel located in the Central office (Fort Defiance and Window Rock, AZ) and 15 outlying field offices across the Navajo reservation. NHA currently manages over 8,000 rental and homeownership units.

Each year, NHA is required to submit an Indian Housing Plan identifying how the Navajo Nation will use the annual IHBG grant funds allocated by the US Department of Housing and Urban Development. Major NHA activities conducted in FY 2024, 3rd Quarter period under the FY 2024 Indian Housing Plan (IHP) of approved activities are as follows:

Operation and Maintenance (O&M) of 1937 Housing Act Units:

Exterior Public Rental Improvements:

| | |
|--|----------|
| • Steamboat, AZ - (10) Public Rental | Complete |
| • Church Rock, NM - (20) Public Rental | Complete |
| • Sweetwater/Red Mesa, AZ - (26) Public Rental | Complete |
| • Teesto, AZ - (10) Public Rental | Complete |
| • Houck, AZ - (15) Public Rental | Complete |
| • Lake Valley, NM - (6) Public Rental | Complete |
| • Kaibeto, AZ - (16) Public Rental | Planning |
| • Burnside, AZ - (55) Public Rental | Planning |
| • Navajo Mountain, UT - (10) Public Rental | Planning |
| • Shonto, AZ - (10) Public Rental | Planning |
| • Fort Defiance, AZ - (37) Public Rentals | Planning |
| • Kayenta, AZ - (40) Public Rentals | Planning |
| • Rock Springs, NM - (14) Public Rentals | Planning |
| • Sheep Springs, NM - (18) Public Rentals | Planning |

Demo and Rebuild of Vacant Homeownership Units:

| | |
|---------------------------------------|-----------|
| • Bittersprings, Arizona - one unit | In Design |
| • Rough Rock, Arizona – one unit | In Design |
| • Many Farms, Arizona – one unit | In Design |
| • Aneth, Utah – one unit | In Design |
| • Whiterock Point, Utah – one unit | In Design |
| • Smith Lake, New Mexico – five units | In Design |

Operation and Maintenance (O&M) of NAHASDA Units:

Rehabilitation of Vacant Homeownership units:

- Iyanbito, New Mexico – Two units

Soil Stabilization due to erosion:

| | |
|---------------------------------|-----------|
| • Ojo Amarillo, New Mexico | Completed |
| Thirty (30) Public Rental units | |

1937 Housing Act units, new construction, model activity construction projects

Modernization of 1937 Act Units:

Each program year, NHA receives subsidy funding to modernize public rental housing stock under the 1937 Housing Act. The modernization activities consist of the following but not limited to upgrade of mechanical, plumbing, electrical, and structural building systems; ensure units are safe and meets the energy efficient requirements; and NHA identifies units to be accessible for persons with disabilities to meet the Uniform Federal Accessibility Standards (UFAS) and/or the American with Disabilities Guidelines (ADAG), as applicable.

Below are communities that modernization activity is occurring this program year.

- | | |
|---------------------------------------|---------------------------|
| • NM15-047 Crownpoint (50) PR Units | Construction 61% complete |
| • NM15-032 Ojo Amarillo (46) PR Units | Construction 53% complete |
| • NM15-552 Mariano Lake (21) PR Units | Completed 100% |
| • NM15-006 Navajo (100) PR Units | Pre-Planning |
| • NM15-030 Twin Lakes (1) Unit | Procurement |

New Construction Public Rental Projects:

- | | |
|--|------------------------------|
| • Rock Springs, New Mexico (10) Public Rentals | Construction, 100% Complete |
| • Lukachukai, Arizona (20) Public Rentals | Construction, 100% Complete |
| • Tolani Lake, Arizona (24) Public Rentals | Completed, 100% Complete |
| • Window Rock, Arizona (60) Public Rentals | Construction, 40% Complete |
| • Tohajiilee, New Mexico (20) Public Rentals | Funds recaptured per Chapter |
| • Insurance Replacement of (6) Public Rentals | Pre-Planning |

New Construction Homeownership Projects:

NHA offers a Homeownership program which allows Navajo tribal individuals to construct a home on their own Navajo tribal home site lease at following locations:

- | | |
|---|-----------------------------|
| • 13 Scattered Sites (403) | Complete |
| • 24 Scattered Sites (404) | Construction Advertisement |
| • 9 Scattered Sites (405) Construction | 97% complete |
| • 30 Scattered Sites (406) | In Design |
| • 10 Scattered Sites (407) | Pre-Planning |
| • Navajo Nation Veterans (5) Scattered Sites | Complete |
| • Former Bennett Freeze Area (7) Scattered Sites | Construction, 100% Complete |
| • Former Bennett Freeze Area Group 2 (8) Scattered Sites | Construction, 2% Complete |
| • Former Bennett Freeze Area Group 3 (21) Scattered Sites | Planning and Design |
| • Southwest Indian Foundation (26) Scattered Sites | Construction 80% complete |

Model Activities:

- | | |
|--|----------------------------|
| • Crownpoint Youth Complex | Completed |
| • Chinle HMO Office Building | Construction, 99% Complete |
| • Dilcon Maintenance Building | Construction, 10% Complete |
| • Roof Replacement at (8) NHA buildings | Complete |
| • Little Folks Day Care- Retaining Wall Improvements | 10% complete |
| • Fire Alarm System for (11) NHA buildings | Procurement |
| • Parking Lot repaving at Navajo, NM, Fort Defiance, AZ and Window Rock, AZ NHA office compounds | Planning |
| • (8) NHA office building UFAS/ADA retrofit | Planning |

Infrastructure development, rehabilitation and renovation, resident support services

I. Summary of NHA Quarterly Activities [Cont'd]

Transitional and Group Home Improvements:

- Birdsprings Assisted Living Facility (Reno) Feasibility assessment complete, deemed infeasible

Infrastructure Developments:

- Kaibeto, AZ Water/Wastewater Improvements Planning/Design

Rehab Assistance of Existing NAHASDA Public Rental:

- Roof Replacement on 4 units at Many Farms Planning
- Roof Replacement on 20 units at Crownpoint Planning

Rehabilitation/ Renovation Activities:

- Rehab (28) vacant homeownership units 4 HO units completed, 3 HO units in construction
05% complete, 21 HO units in planning
(Various existing development sites)
- Rehab (41) vacant homeownership units Planning
(Various existing development sites)
- Aneth, UT – Latent repair of (23) Units Planning/Procurement
- Shiprock, NM - (Sanostee) assessment of one HO unit settlement Pre-Planning

Rehab Assistance of Existing Homeowners

- NM15-128 Standing Rock – Site Drainage evaluation of 30 Homeowner lots/site Pre-Planning

Resident Support Services:

These services are allocated \$387,888 to serve resident-related support services such as homeownership counseling, self-sufficiency initiatives that include financial literacy training, youth cultural awareness teaching through stories and principles of Dine philosophy, parenting and family budgeting training, job opportunities, public safety awareness and mortgage counseling services to residents.

Crime Prevention and Security Services:

Crime Prevention Activities at 15 housing management office to prevent crime activities within the housing sub-divisions across the Navajo Nation.

- Phase 3 Solar Street Lighting (SSL) Project already has the survey maps, environmental assessments documents, Maximum Feasibility Cost, and budget revision. Based on a cost comparison with Utility Provider and the solar Street Lighting, the funds for the solar street lights was move to Utility provider to light NHA housing sub-Divisions.

Fencing of Public Rental lots at seven housing management office properties to prevent crime activities within the following housing development sites:

- Kayenta, Arizona (90) Public Rental lots Planning/Design
- Navajo, New Mexico (60) Public Rental lots Planning/Design
- Tuba City, Arizona (60) Public Rental lots Planning/Design
- Alamo, New Mexico (2) Public Rental lots Planning/Design

Summary of financial condition of NHA, operating revenue, expenditures, grant revenue

II. Summary of NHA Financial Condition

The NHA operates on its operating revenue and grant receivables through a reimbursement system. For the period ending March 31, 2025 (Fiscal Year 2025 - Second Quarter) NHA's financial position improved from FY2024 due to increasing expenditure and shifting more resources toward housing development in FY2025. The following is based on our Income Statement through March 31, 2025:

Operating Revenue

- Rental and other revenue from operations was \$14,850,516.36. Revenues sources include monthly rental and homeownership payments, late fees, work order fees, proceeds of homeownership sales, miscellaneous revenues, and interest income.

Operating Expenditure

- Through March 31, 2025, total operating expenditures were \$17,604,621.92. These expenditures support NHA's planning, administrative and project administration costs and the operations and maintenance of our Formula Current Assisted Stock (1937 Act) and NAHASDA units at NHA's fifteen (15) local offices.

Net Operating Revenue

- Through March 31, 2025, NHA had a net operating revenue loss of \$2,754,105.56, by subtracting total operating expenditure from total operating revenue. Net loss is primarily due to the high cost of general insurance premiums and high cost of goods and supplies.

Grant Revenue

- Through March 31, 2025, grant revenue as reported in our LOCCS drawdowns from IHBG, CARES Act, ARPA, Resident Opportunity, and Self-Sufficiency (ROSS) and Veteran Affairs Supportive Housing (VASH) was \$56,488,621.90.

Grant Expenditure

- For the period ending March 31, 2025, total project expenditure was \$56,488,621.90, leaving a balance of \$315,675,059.49.



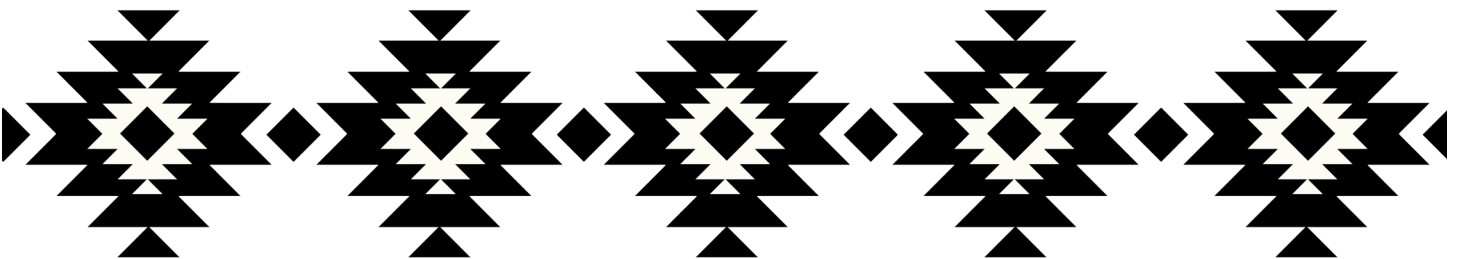
Undisbursed Fund Factor, Indian Housing Block Grant, grant balance, expenditure to date

III. Summary of NHA Financial Condition

FY 2025 Undisbursed Fund Factor (UDFF) – Indian Housing Block Grant (IHBG)

- For the period ending March 31, 2025, \$28,451,006.39 needs to be expended by 9/30/25 for NHA to not be affected by the Congressional three-times language threshold.
- Compared to the 2nd Qtr. FY2024 (or quarter period ending 03/31/2024), the NHA has spent \$34,807,523.03 more in FY2025.

NHA expenditures reported above are for period through FY2025 Second Quarter. For the remainder of FY2025, NHA is positioned to liquidate its contract obligation along with sustaining its operating expenditure during the upcoming construction season. Because of our construction project execution NHA is positioned to exceed the Congressional threshold by \$20 million by September 30, 2025.



The NHA Financial Services Branch continues to work with staff across the company to keep department budgets on track.

Public rental, home ownership unit vacancies

IV. Number of housing units and vacancies

2nd Quarter Vacancy Listing

| Maint. Dept. | | January 2025 | February 2025 | March 2025 |
|--------------|-----------------|--------------|---------------|------------|
| Chinle | Vacant PR Units | 20 | 21 | 20 |
| | Vacant HO Units | 11 | 11 | 11 |
| | | | | |
| Crownpoint | Vacant PR Units | 15 | 17 | 18 |
| | Vacant HO Units | 18 | 18 | 18 |
| | | | | |
| Dilcon | Vacant PR Units | 21 | 21 | 20 |
| | Vacant HO Units | 15 | 15 | 15 |
| | | | | |
| Ft. Defiance | Vacant PR Units | 5 | 5 | 5 |
| | Vacant HO Units | 1 | 1 | 1 |
| | | | | |
| Ganado | Vacant PR Units | 25 | 24 | 22 |
| | Vacant HO Units | 6 | 6 | 6 |
| | | | | |
| Kayenta | Vacant PR Units | 82 | 81 | 82 |
| | Vacant HO Units | 4 | 4 | 4 |
| | | | | |
| Navajo | Vacant PR Units | 20 | 20 | 21 |
| | Vacant HO Units | 5 | 5 | 5 |
| | | | | |
| Ojo Amarillo | Vacant PR Units | 40 | 32 | 40 |
| | Vacant HO Units | 8 | 8 | 8 |
| | | | | |
| Pinehill | Vacant PR Units | 15 | 17 | 19 |
| | Vacant HO Units | 1 | 1 | 1 |
| | | | | |
| Pinon | Vacant PR Units | 31 | 28 | 29 |
| | Vacant HO Units | 6 | 6 | 6 |
| | | | | |
| Shiprock | Vacant PR Units | 49 | 50 | 52 |
| | Vacant HO Units | 7 | 7 | 7 |
| | | | | |
| Thoreau | Vacant PR Units | 25 | 25 | 24 |
| | Vacant HO Units | 20 | 20 | 20 |
| | | | | |
| Tohajilee | Vacant PR Units | 6 | 6 | 6 |
| | Vacant HO Units | 3 | 3 | 3 |
| | | | | |
| Tohatchi | Vacant PR Units | 20 | 21 | 24 |
| | Vacant HO Units | 26 | 26 | 26 |
| | | | | |
| Tuba City | Vacant PR Units | 22 | 21 | 20 |
| | Vacant HO Units | 2 | 2 | 2 |

V. Significant problems and accomplishments

1. NHA was subject to various audits and reviews by HUD, Single Audits and other special audits such that findings, recommendations captured in respective Corrective Action Plans were established to address and close. The following reflects the accomplishments to-date with respect to clearing the findings:

| | | Findings | No. of Findings Resolved | No. of Findings in the Process of Resolution | Status |
|---|-------------------------------------|-----------|--------------------------|--|--|
| 1 | HUD FY 2019 Final Monitoring Report | 6 | 5 | 1 | 83% (5/6) of the CAP is implemented |
| 2 | HUD FY 2021 Final Monitoring Report | 5 | 3 | 2 | 60% (3/5) of the CAP is implemented. |
| 3 | FY 2021 Amended Single Audit | 6 | 6 | 0 | 100% of the CAP is implemented as of March 2025. |
| 4 | FY 2022 Single Audit | 9 | 7 | 2 | 78% (7/9) of CAP is implemented. |
| 5 | FY 2023 Single Audit | 7 | 4 | 3 | 57% (4/7) of the CAP is implemented. |
| | Total | 33 | 25 | 8 | Overall: 76% (25/33) of NHA's CAPs have been implemented. |

2. The NHA Self-Monitoring Department performs audits, self-monitoring reviews of grant activities, ensuring compliance with applicable Federal/Tribal/Internal requirements and monitoring performance goals under the applicable Navajo Nation Indian Housing Plan. These reviews are performed of NHA departments, programs and subrecipients awarded federal funds by the NHA For the fiscal year 2025, there are a total of 22 audit/monitoring reviews scheduled to be performed for the following entities:

1. Alamo Navajo School Board – 5th Corrective Action Plan review
2. Chiniligi Alchini Idahoolaa, Incorporated – 5th Corrective Action Plan review
3. Dine Bii Association – 3rd Corrective Action Plan review
4. Coyote Canyon Rehabilitation Center Incorporated – 2nd Corrective Action Plan review
5. Leupp Schools Incorporated – 3rd Corrective Action Plan review
6. Navajo Land Nursing Home, Inc. – 2nd Corrective Action Plan review
7. Navajo Land Nursing Home, Inc. – 3rd Corrective Action Plan review
8. St. Michaels Association for Special Education – Corrective Action Plan review
9. Labor Compliance Policy - Corrective Action Plan review
10. Equity Reserve Fund Policy – 2nd Corrective Action Plan review
11. NHA Board of Commissioners and Chief Executive Officer – 3rd Corrective Action Plan review
12. Procurement Department – 2nd Corrective Action Plan review
13. Purchase Card Policy – 2nd Corrective Action Plan review
14. Whistleblower Policy – 2nd Corrective Action Plan review
15. Dilcon Housing Management Office – Monitoring
16. Kayenta Housing Management Office - Monitoring
17. Pinehill Housing Management Office - Monitoring
18. Pinehill Housing Management Office – Corrective Action Plan review
19. Shiprock Housing Management Office – Monitoring
20. Tuba City Housing Management Office - Monitoring
21. Tuba City Housing Management Office - Corrective Action Plan review
22. Tuba City Housing Management - Attestation

Three (3) reports have been issued and eight (8) are in the process of being completed. The findings identified from the reviews are being monitored per respective Corrective Action Plans.

Plans for the future: Increasing productivity through enterprise resource planning system

VI. Plans for the future

NHA is working toward execution of the enterprise resource planning system to help streamline processes that will improve Finance, Material Management, Quality Management, Plant Maintenance, Project Systems, Human Resources, Procurement, Warehouse, and Audits.

The ERP software will enable NHA to manage the activities from start to finish, from accounting to human resources, customer or document management, and other processes that can be managed with a single tool.

Additionally, NHA can use business insights and analytics to increase employee collaboration, reach key objectives more easily across multiple departments, and save time and money in the long run.

ERP systems are flexible tools that group different types of functions into one platform that often extends across primary business areas, such as:

- Human Resource Management,
- Stock and Inventory Management,
- Customer Relations,
- Accounting and Financial Management,
- E-commerce,
- Supply and Distribution, etc.

ERP software solutions help respond to many business needs and practices through independent modules. These modules can include:

1. Increase productivity
2. Easier management
3. Standardized processes
4. Reduce operating costs
5. Business needs
6. Data security & reliability
7. Better decision-making
8. Higher return on investment
9. Integrated knowledge
10. Centered data
11. Visibility
12. Mobility
13. Cloud accessibility
14. Cooperation among departments
- Improved customer service

The future of NHA is steeped in the use of technology to increase productivity company-wide. We continue to follow our trajectory toward excellence.

Homeownership, public rental units, model activity construction in progress across Navajo



NM-15-047 in Crownpoint, a project for 50 public rental duplex units, is now moving to installation of curb, gutter, and driveways for the housing units.



NM15-043 is on schedule for the Sept. 2025 completion date as the Arviso construction crew is now installing driveways, curb, and gutter work.



The Captial Vue Apartment Complex in Window Rock is making steady progress and is on schedule for the February 2026 completion date.



Progress at the 46 public rental units at Ojo Amarillo, N.M. continues on track as crews are now tackling roofing and installation of windows.



The Chinle Housing Management Office parking lot has finally been laid in preparation for the May 1 grand opening in conjunction with NHA's 62nd anniversary.

Join us for lunch and refreshments

WHO

Residents, guest speakers, NHA executives, tribal leaders, chapter officials, community members

WHAT

NHA is officially opening the doors to our new building for the general public as we celebrate the spacious Chinle HMO

WHERE

CHINLE HOUSING MANAGEMENT OFFICE

May 1, 2025 - 10 a.m. to 3 p.m.
Chinle, Arizona

After years of anticipation, we are opening the doors to our new facility

**Celebrate NHA's 62nd anniversary and the grand opening
of the new Chinle Housing Management Office**

