

HOUSING IMPROVEMENT PROGRAM (HIP) FREQUENTLY ASKED QUESTIONS

Answers to most questions can be found in the Housing Improvement Program's Regulations 25 CFR Part 256, this should always be your first resource. The Regulations are intentionally arranged in the form of questions, so that you can easily find an answer to a specific question. Below are answers to additional frequently asked questions that have arisen over the years.

Housing Improvement Program website information:
<https://www.bia.gov/bia/ois/dhs/housing-improvement-program>.

What is HIP? the Housing Improvement Program (HIP) is a home repair, renovation, replacement and new housing grant program administered by the Bureau of Indian Affairs (BIA) and federally-recognized Indian tribes for American Indians and Alaska Native (AI/AN) individuals and families who have no immediate resource for standard housing. While not an entitlement program, HIP was established under The Snyder Act of 1921 as one of several BIA programs authorized by Congress for the benefit of Indian people.

Who is Eligible? To be eligible for HIP assistance, you must be a member of a federally recognized American Indian tribe or be an Alaska Native; live in an approved tribal service area; have an income that does not exceed 150% of the U.S. Department of Health and Human Services (DHHS) Poverty Guidelines; have present housing that is substandard, as defined by the regulations; have no other resource for housing assistance; and have not acquired your present housing through a federally sponsored housing program that includes such housing assistance.

Why is HIP different? HIP is a home improvement and replacement grant program that serves the neediest of the needy: AI/AN who have substandard housing or no housing at all and have no immediate source of housing assistance. HIP is a secondary, safety-net housing program that seeks to eliminate substandard housing and homelessness in Indian communities by helping those who need it most obtain decent, safe and sanitary housing for themselves and their families. It is the BIA's policy that every AI/AN family should have the opportunity for a decent home and suitable living environment.

Who can I contact about other Indian Housing Programs? The U.S. Department of Housing and Urban Development is the primary provider of new housing on Indian reservations and in Indian communities through the Office of Native American Programs, the sponsor of Indian Housing Authorities (IHA's) and Tribally Designated Housing Entities (TDHE's). Other federal housing resources available to AI/AN are the U.S. Department of Agriculture (USDA) Rural Housing Program and the U.S. Department of Veterans Affairs (VA) Direct Home Loan Program.

See website information below:

HUD – Rural Development (Section 184 Indian Home Loan Guarantee Program)

- http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/ih

USDA – Rural Development (Direct 502 Program & 504 Programs)

- www.rurdev.usda.gov/Home.html

VA – Native American Direct Loan Program

- www.benefits.va.gov/homeloans

Native Community Development Financial Institutions

- www.nativecdfi.net

- <http://nativecdfi.net/membership/member-roster/>

Federal Home Loan Bank (Affordable Housing Program) or (Native American Homeownership Initiative)

- www.fhlbanks.com/

How are HIP funds distributed? HIP funds are distributed on the basis of the number of eligible applicants and their estimated cost of program services. Funds are distributed to tribes through Public Law 93-638 contracts or Self-Determination compacts or to BIA offices for the delivery of program services to the most-needy eligible applicants. Persons interested in performing housing repair, renovation or construction should contact the tribal governments or Bureau of Indian Affairs offices, with which they are interested in working, for information on available projects.

What does HIP provide? Interim Improvements: Provides up to \$7,500 in housing repairs for conditions that threaten the health and/or safety of the occupants. Repairs and Renovation: Provides up to \$60,000 in repairs and renovation to improve the condition of a homeowner's dwelling to meet applicable building code standards. Replacement Housing: Provides a modest replacement home if a homeowner's dwelling cannot be brought to applicable building code standards. New Housing: Provides a modest new home if you do not own a home, you may be eligible if you are the owner or leaseholder of land suitable for housing and the lease is for not less than 25 years at the time assistance is received

What is a Tribal Service Area? An approved tribal service area is a geographical area designated by a tribe and approved by the BIA where HIP services can be delivered. To find out if you live in an approved tribal service area, contact your local tribal or BIA Housing Office.

What is the HIP Income Guideline? The HIP Income Guideline is comprised of two charts, one for the Lower 48 states and the other for Alaska. The income figures on the chart establish the points you will receive for the first Need Ranking Factor based on Annual Household Income. Applicants with an annual household income exceeding 150 percent of the federal Poverty Guideline are not eligible for the program.

How can I apply or get more information? To see if you qualify for HIP assistance, obtain an application, or get more information about HIP, see Brochure and other BIA programs, contact your local tribal or BIA Regional Housing Office. Please send your completed application to your local tribal servicing office.

Does it matter where I live in order to apply? Yes, you must live within **your** tribe's servicing area.

If I live within another tribe's servicing area, can I apply? Yes, provided that you have their permission to be included on their Tribal Work Plan.

I live in California and the BIA's Regional Office in Sacramento services California; as a Native American member of the Cherokee Tribe, why can't I apply for HIP? You can, provided you live within your tribe's servicing area. The Cherokee Nation is in Oklahoma, so you would have to be living within their servicing area in Oklahoma. The Regional Offices service those federally recognized tribes that are located within their specific regional boundary (i.e., the Regional Office in Sacramento services all the tribes within the state of California).

I have applied for the past six (6) years and every year I am eligible but I never get funding; why I'm at the top of my Tribe's work plan? Your tribe's Work Plan is combined every year with all the other tribes within your Region. Your application is not only competing with other applicants within your Tribe, but the Region, as well. How much funding your Region receives, will also play a part in how

many applications will get funded. Every year the number of eligible applicants, the number of tribes participating, and the amount your Region receives is different.

I submitted my application in March and it is now November; how come I haven't heard anything yet? HIP funding is only received one (1) time each year, and your Tribes Work Plan is usually due to their BIA's Regional Office at the end of December. So, if you submitted your application in March, if found eligible, your application would be on the upcoming Work Plan submittal (9 months away) in December. In addition, they would not know who, if any, of their applicants would get funded until approximately May/June (another 5 to 6 months).

What can I do, if anything, to get more points? Unfortunately, unless you have a life change event (marriage, birth, someone in your household becomes disabled, etc.) that will change your points up (+) or down (-) these points are something that cannot be controlled. The Down Payment Assistance factor (Category D) is the only factor that **IS** within your control. If you have the means, and are interested in applying for a loan to achieve homeownership, upon credit approval, your application will **receive an additional 25 points**, towards HIP down payment assistance.

I own an allotment of land along with other members of my family, can I apply? Yes, but your application would not be able to be funded until you can get the other members of your family to sign over a portion of the land (where the house would be built) in your name only.

What happens if my spouse dies and my in-laws no longer wants me living on his/her land in my Category C home? This has no easy answer, which is why we strongly recommend getting the family member(s) to sign over that specific portion of their land to you, solely in your name. Instances where it is a sublease between family members you may want to obtain legal advice beforehand, otherwise your family may ultimately end up incurring the cost to remove the house, transport it, and replace it somewhere else.

My parent(s) received their house through HIP and have passed away, who owns the house? The answer to this question is, **it depends**; and you will likely be asked many questions before attaining your answer. You should first contact your tribal servicing housing office, BIA Agency, or Regional Housing Officer. It's a good idea to have the answers to some of the following questions: What was the name(s) of the actual HIP recipient? Date received HIP assistance? Did they have a Will in place? Did they name a Successor on the Grant Agreement? Have you contacted the Tribal Court & Probate?

What happens if I pass away while living in my Category C home? Like the question above, **it depends**. If you have a Will it will go to the person named in your Will. If you named a Successor on your Grant Agreement, it should go to the person you named. Otherwise, the decision will end up with Tribal Court & Probate.

What happens if I pass away while my Category C home is under construction and I have not signed any agreements yet? In most cases, the award will stay with the family and construction will continue as planned; however, it is ultimately the Tribes decision. Many factors will come into play, who owns the land you or tribe, was your spouse/partner/significant other also listed on your application, etc.

What happens if I am going to receive HIP assistance for a new home or renovation and I pass away and have not signed any agreements yet? Same as previous question, in most cases, the award will stay with the family and construction will continue as planned; especially in the case of the renovation.

What happens (same questions as above) if I am terminally ill admitted to hospital then nursing

home? Again, same as above, in most cases, the award will stay with the family and construction will continue as planned; especially in the case of the renovation.

Will the successor I listed really receive the house? Yes, they should but there is no law governing the Grant Agreement, which is why we strongly recommended you have a Last Will and Testament.

Who do I contact if I need repairs to my home? You, as the homeowner are responsible for all maintenance and repairs and up keep of your home and property.

Do I need basic homeowners' insurance? Yes, it **is highly recommended.**

Who is responsible for my water and sewer issues? Call Indian Health Services (IHS) first; however, if they say no then you as the homeowner are responsible for all maintenance and repairs.

Can my Category C home be built on fee land? Yes, it can, but it **is NOT recommended.** You could become responsible for the payment of yearly Property Taxes.

How long is my warranty? One (1) year is industry standard for construction related defects only; some items like your roof could be 20-30 years, and your appliances are all different. You should have been supplied with the warranty information during your walk-through and final inspection. **General Maintenance and Repairs are the homeowner's responsibility.**

Can I choose my own style or type of house I want? A HIP homes are MODEST. The Tribal servicing housing office typically has construction plans that they reuse, to save on architectural and civil engineering fees. You **may** be given the choice between a preselection of interior, exterior paint colors, floor vinyl, countertop, or even cabinet color **but this decision is ultimately the up to the Tribal servicing housing office.** The tribal servicing housing office are provided a specific amount of funds to complete your project, therefore the decision lies with them.

What happens if I just abandon my house? There is not just one answer; i.e., is your 20-year Grant period up, is the house on allotted land, or leased land? The Tribe and Tribal servicing housing office should have Policies in place that could address abandoned HIP homes so that they do not stand unused and fall into disrepair.

I am renting a house that needs repairs, can I apply for HIP? No, you must own the home that you are applying to be repaired. Why would you want to get funding that benefit's someone else and then YOU would never be eligible again?

I am renting a house, but I want to own my own home can I apply for HIP? Yes, you can apply for Category D Down Payment Assistance towards your own homeownership.