

NHA reaches settlement with HUD in four-year old case

Written by Staff Reports
Friday, 06 October 2017 09:41



WINDOW ROCK, Ariz. – The Navajo Housing Authority is announcing a settlement reached with the United States Department of Housing & Urban Development over a dispute about housing expenditures dating from 2012.

On April 2013, HUD issued a Letter of Warning citing that NHA did not complete a number of housing activities as outlined in its 2012 Indian Housing Plan. After an administrative hearing, HUD ordered NHA to repay \$96 million for failure to complete 10 of 17 affordable housing projects in 2012.

NHA appealed this decision to the 9th Circuit Court of Appeals whose mediator asked the parties to mediate if possible before continuing court proceedings. With the assistance of the 9th Circuit Court mediator, the NHA and HUD signed a settlement agreement on Sept. 8 for \$26 million.

“As a result of the mutually negotiated settlement, NHA was able to avert a potential loss of \$70 million,” said attorney Craig Kaufman, who presented the case and negotiated on behalf of NHA. “Furthermore, the \$26 million will be returned to the housing funding pool and will be included in NAHASDA’s 2018 formula allocation.”

NHA has kept the public and tribal leaders informed about the case, starting with a 2013 press release on the initial HUD notice. “Over the years, we have also periodically updated the Council’s Resources & Development Committee (RDC) on this issue,” said Interim Chief Executive Officer Roberta Roberts. RDC is the oversight committee for NHA.

“We evaluated all the options and determined it was in the best interest of the Navajo people to settle with HUD and restore balance rather than endure a lengthy and costly litigation process,”

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said Roberts. “The new Board wanted to begin with a clean slate and a renewed relationship with HUD so with this behind us, we are now out of the unknown and we can now begin to move forward.”