March 6, 2017

I have been thinking very hard about whether I should talk about the NHA situation. My Dad [Rex T. Kontz] used to say "Richard you need to understand: in Tribal government and politics the people with power can't stand the truth, the truth hurts too much". He also said: "you can't expect people to really trust you if you don't tell the truth". So, with those thoughts in mind, I will say the following.

As pointed out by the press NHA has received over $1.5 billion since 1998 in NAHASDA grants to provide Indian housing on the Navajo Nation. These funds were to manage existing public housing projects, the mutual help housing program and to develop and build more public housing. So, the Arizona Republic Article and the KOB Channel 4 report have created the "wrong impression" that all of the $1.5 billion was for new construction. In another recent article, it was stated one half of each year's grant [$40 Million] goes to managing existing public rental and mutual help programs. What I recall from my participation in reviewing NAHASDA allocations when I worked for the Navajo Nation another $10 million annually goes to the central office of NHA and Construction and Development services. So, $85 minus $40 minus $10 is what is left for "development and construction of new housing". The truth is the total allocation wasn't just for new construction.

When NHA first started receiving large NAHASDA grants, Chester Carl [then Executive Director] was responsible for putting together the system that would be used to properly plan, manage and control the use of those funds. For the most part Chester developed a fairly good system to do this, but where problems arose was when "final-decisions" were made on which new housing projects were funded. That is typically where some of those projects reported by the AZ Republic and KOB were slipped in. They shouldn't have been funded.

In fairness to Aneva Yazzie by the time she took over, NHA was in big trouble. Much of what I have read about her explanation of what she had to deal with is the truth. Her hands were tied when HUD placed a moratorium on new development and construction. She had to deal with the existing backlog, all of the problems with improper procurement on several major projects and projects which had stalled due to poor construction and clearing up numerous audit findings. In a very similar manner, I faced some of the same things when I took over Gallup Housing Authority and it took me 2 years to clean up the mess and get things back on track. My situation is very small in comparison to what she faced, so I tip my hat to her.

Also, when I took over GHA, I had the full support of my board and the local politicians allowed the board and I "to do what we had to do" to fix the problem. From what I know, I don't think Aneva always had that kind of support. Tribal politics can be very nasty [at times] and vindictive [Remember I have over 20 years of experience working in that environment]. When I read the Independent article about Aneva being surprised by the "politics", I had to chuckle. She is a very educated and technically, competent Executive Manager. She may have assumed, and relied on the fact that, rational and logical decision-making is what everyone agreed was needed to solve this massive problem. Unfortunately, elected officials and "career" politicians do not always operate that way.

That is why due to constant political pressures from federal officials, past NHA Commissioners, elected Tribal Presidents, Tribal Councils and local Chapter officials, Chester Carl pushed to fund some unmerited projects and just got things built. Were all the rules followed, were the best most reputable contactors always used, were proper inspections always conducted – not really – there was just too much pressure to get houses built to make "politicians" happy and hopefully get a whole lot of "poor people" housed.

Last, giving one entity [NHA] that much money on an annual basis to spend in a timely manner was just "luscious" when you consider all the federal and tribal requirements for developing and building on federal trust lands. Consider all the red-tape attached to environmental clearances, right-of-way clearances, surveying, engineering and other complicated pre-development activities as well as the massive and very restrictive contract "bidding" requirements there is no way they could have gotten it done in a timely manner.

If NHA needs help expending NAHASDA funds, they could allocate some of those funds to the Gallup Housing Authority since 80% of our clientele are Native American and Gallup would qualify as an "Indian area" under HUD criteria.

Sincerely,

Richard F. Kontz

Gallup, NM

505-236-1122

Email: rmkontz@q.com