

Sustaining Indian Housing:

An Evaluation of Tribal Economic Development and Its Impact on Housing in Four Case Studies



**NATIONAL AMERICAN
INDIAN HOUSING COUNCIL**

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NAIHC, founded in 1974, is a nonprofit organization that assists tribes and tribal housing entities in reaching their self-determined goals of providing culturally relevant, decent, safe, sanitary, and quality affordable housing for Native people in Indian communities and Alaska Native villages.

NAIHC would like to extend a special thanks to the following tribes and TDHEs, who helped make this study possible:

- Eastern Band of Cherokee Indians and the Qualla Housing Authority
- Miami Nation of Oklahoma and the Miami Nation Housing Authority
- Pueblo of Laguna and the Laguna Housing Development and Management Enterprise
- Walker River Paiute Indian Tribe and the Walker River Housing Authority

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Executive Summary

There is very little new discussion these days when it comes to the topic of economic development in Indian country. Much has been written about the subject over the last several decades. Everything from Indian gaming to tribal manufacturing to industrial hemp growth has been touched upon at some point in time in efforts to analyze and uncover some of the issues and problems associated with tribal economic development. The results of such research are often lengthy, varied in opinion, and open to differing interpretation. There has, however, been no formal record produced on the relationship between tribal economic development and Indian housing. In this study, the National American Indian Housing Council (NAIHC) examines that association.

The relationship between tribal economic development and Indian housing is not one that can be summarized in just a few words. It requires much deeper analysis into the cultural, political, and geographic factors surrounding both industries; the relationship should not merely be taken at face value. The fact of the matter is that there exists in Indian country a unique dynamic between the laws of society and the laws of economy that many non-Natives have a hard time understanding.

Due to their unique sovereign status, tribes often conduct their business, whatever it may be, within distinct boundaries. Some of these boundaries have discernable margins, tangible borders that can be seen and accepted, such as Indian reservations and rancherias. But other times these boundaries are invisible to the naked eye. They cannot be outlined on a map or built around a plot of land. They are rooted in the psyche and defined only by the conscience. And yet, these boundaries, these silent lines of demarcation, are evident in Indian country. They can be seen on the faces and in the eyes

of American Indians everywhere. They can be heard in Native speech and felt in Native presence. And these boundaries must be closely considered if there is ever to be a proper understanding of any Indian relationship. The unique relationship between economic development and housing in Indian country is no different, and must be examined in such a light.

This study is designed to provide a glimpse into the conditions of economic development in Indian country and the impacts that development has had on Indian housing. These findings are based solely on the information provided by the focus groups and case studies cited herein, and are not designed to serve as a national guide to Indian country. While it has always been the sole objective of NAIHC to provide the most up-to-date and culturally relevant information to its constituency, we would like to acknowledge that the issues raised in this report and the information presented are to be construed in a relatively limited context. For NAIHC to have conducted as wide and comprehensive a study as we would have liked would have exhausted resources beyond our reach. Nevertheless, NAIHC hopes the information presented in this study might serve to help both American Indian tribes and non-Indians throughout the country better understand the complex relationship between tribal economic development and Indian housing.

METHODOLOGY

This study was conducted by the NAIHC Research Department in two main parts. Information was obtained first through three focus groups conducted in late 2003, and then by a series of four case study site visits, carried out in early 2004.

The first of the focus groups was held at the Amerind Risk Management 17th Annual Meeting and Expo in Las Vegas, Nevada, on October 30, 2003. The second focus group was conducted at the National Congress of American Indians (NCAI) 60th Annual Session in Albuquerque, New Mexico, on November 19, 2003. The third and final focus group was held at the NAIHC Legal Symposium in Las Vegas, Nevada, on December 12, 2003. Each focus group consisted of a panel of approximately 10 representatives from various tribes.

In order to determine tribal participation in the focus groups, NAIHC sent letters to tribal housing directors, community development planners, and economic directors attending the three conferences. Special emphasis was given to several major geographic regions to ensure participation from across Indian country. The objective of the focus groups was to gather general information on how tribal economic development is affecting Indian housing conditions, with the hope of identifying key characteristics to assist in the assembly of research questions for the upcoming site visits. Topics discussed at each of the focus groups included unemployment, demographics, human resources, housing programs, and community environment.

Upon completion of the focus groups, the Research Department shifted its attention to the tribal case studies and on-site visits. Due to budget and resource limitations, it was decided to conduct the study in four separate geographic regions. NAIHC selected four of the nine NAIHC membership regions to work within: Region VII in the west, Region VIII in the southwest, Region IV in the midwest, and Region I in the east. These regions were chosen by examining the frequency of previous NAIHC

research visits to the areas.¹ From each of these four regions, a tribe was selected to participate in the study. The determining factors for selection were established to ensure diversity of tribal participants, and included geographic location, tribal economic status, size of population, size of tribal land base, and a willingness to participate. The four tribes selected for participation in the case studies, respective to each region, were: the Walker River Band of Paiute Indians, in Nevada; the Laguna Pueblo Indians of New Mexico; the Miami Indian Nation of Oklahoma; and the Eastern Band of Cherokee Indians, in North Carolina.

Each site visit was carried out over a three-day period. During those three days, interviews were conducted with various tribal leaders and administrators, housing officials, economic development representatives, and other community members. Photographs were taken of the areas to serve as a visual aid in the report. Furthermore, video footage was taken at each of the tribal locations for a supplemental video. Using footage obtained during the four site visits, the video has been released along with the report to accompany the study's findings.

KEY RESULTS AND CONCLUSIONS

Geographic Location: One of the most influential factors in defining economic development is, not surprisingly, a tribe's geographic location. The results of this study indicate that a tribe's proximity to a major metropolitan area plays a vital role in the development of that tribal economy. Even though a tribe may be stationed in what is typically referred to as a rural location, the findings of this study show that a tribe's

¹ The regions and/or tribes in the regions that NAIHC had fewer visits to in the past received heavier consideration for this project.

economy tends to prosper more if that tribe is closer to a larger urban setting.

Furthermore, major thoroughfares or interstate highways running through or nearby a tribal area also appeared to be key contributing factors to the success or failure of a tribal economy.

Tribal participants in the study repeatedly spoke about the benefit or detriment of their geographic locations. This study's findings show that a consistent flow of traffic, passing through or near a reservation or other tribal land base, for any number of reasons, can have a dramatic impact on the tribal economy. Conversely, those tribes not located near a major metropolitan area, and those which lack heavily trafficked roads or highways, tend to suffer more from economic stagnation. Our findings seem to indicate that the more people pass through or visit tribal lands, the greater the chances they will spend more time and money there.

This economic stimulus can result in a new source of tribal income. This income impacts the tribe in a number of ways. In this report we examined how that income affects the tribe, and whether or not it has a positive or negative effect on the local housing industries. Findings showed that, depending on the tribe's location and the particular circumstances surrounding their local economy, geography can play a vital role in the success, or lack thereof, of Indian housing.

Governmental Structure: Another key finding was the importance of governmental stability in the success of both tribal economic development and housing. Evidence from the research indicates that those tribes with stable governmental structures and organized, disciplined administrative staff members were more successful not just with maintenance

and oversight of housing issues, but with the implementation of economic ventures as well. Conversely, the tribes whose governmental structures remained in a state of constant disruption tended to suffer from inoperative housing offices and sluggish economies.

Change is, nonetheless, inevitable. The findings of this report display how it may be wise to address this change by establishing separate entities to oversee the duties of the housing authority as well as tribal economic development. This serves to alleviate the confusion created by a changing of the guard. A new administration brings with it new ideas, and these ideas are often beneficial to a tribe. Yet, as evidenced by our findings, too much change in the overall makeup of tribal policies could very well result in administrative dormancy, and a dormant tribal government has a difficult time building houses and developing an economy. As long as tribal government allows for the establishment of a separate economic development board or association, a change in tribal administrations should not disrupt existing services or performance.

Cultural Relevance: Cultural relevance also often plays a significant role in the relationship between economic development and housing in Indian country. What economic ventures a tribe decides to undertake will inevitably impact the way that tribe is viewed, not only by the non-Indian community, but by tribal members themselves.

Those tribes that have elected to pursue gaming as an economic venture must be aware of the negative connotations that tend to be associated with the gaming industry. And, accordingly, they must be willing to endure a certain amount of hostile commentary from both Indians and non-Indians alike with regard to such a venture. However, it

should also be noted that while contemporary gaming halls and casinos may not garner complete national support, some tribes have been able to use the revenues generated from their gaming enterprises to help the tribe in a number of other areas, including housing.

Cultural relevance is a sensitive subject for many Indians when it comes to economic development. Many of the tribal members consulted for this study mentioned the importance of tribal sovereignty and self-sufficiency. Several elders from the different site visits expressed a strong desire for their tribe to become more self-reliant again. The dependence on federal assistance for housing and other administrative tasks, it was suggested, has created a sense of complacency in some tribal members. Too many people have become too dependent on the federal assistance provided them. Some of the tribal members interviewed for this report expressed a desire to initiate economic development that not only conveys the positive attributes of their tribes, but affords them less dependence on federal subsidies for necessities such as housing.

Similarly, other participants in the study expressed a concern in the rising complacency attributed to economic gains. One tribal case study, for instance, exhibited a substantial amount of success in recent years with regard to economic development. As a result, tribal members are now provided with high annual per capita payments. As dependence on these payments grows, so too, we were told, does a more casual attitude with regard to important matters such as housing payments. This is because the housing authority has an agreement with the tribe to requisition per capita funds from tribal members if they are delinquent in their payments. On the one hand, it is good for the housing authority to know that they have a guaranteed manner in which to procure housing payments, but on the other hand, it contributes heavily to a strong reliance on

these per capita payments. Thus, many tribal members we talked with found themselves torn between the economic and financial success of a tribe, and the emerging threat of cultural alterations.

Human Resources: One of the most pertinent associates of both Indian housing and economic development has to do with tribal populations and the availability of human resources. The logical conclusion with regard to tribes is that the larger the tribal population is, the larger the workforce will be to contribute to the needs of the community. And this may be true. However, it must also be noted that the larger the tribal population is, the larger the demand for adequate housing is. More people living on an Indian reservation or within a tribal community means a greater need for homes and, as this study shows, even an active and prosperous local economy cannot solve every problem related to housing.

Repeatedly, the participants interviewed for this study indicated that housing conditions were in dire straits. Overcrowding and outdated living quarters are but two of the many problems that continue to plague Indian country. And even though burgeoning local economies are rapidly producing more and more jobs for tribal members, it is often the case that housing conditions tend to improve at a slower rate.

As indicated by the findings of this study, one of the reasons for this is the fact that while a new job might provide community members with newfound sources of income, it may also disqualify them from access to certain federal housing initiatives. Yet, this new income is generally not enough to allow a tribal family to move out of their existing home. As a result, tribal families are forced to remain in their current difficult

housing conditions, with no available alternatives. Time and time again, tribal members interviewed for this study expressed a desire to see their tribes provide more housing to Indians who do not qualify for the low-income units. Often, this unserved group of tribal members fell into an indeterminate state. They no longer qualified for subsidized housing, but could not afford to purchase new homes. In the four tribes we investigated, a recurring theme was the desire to see the housing needs of this middle group of tribal members addressed.

Other problems related to the availability of human capital had to do with the accessibility of training and education. This study shows that while education and job skills training have not always been readily available on certain Indian lands, an increase in economic development has allowed some tribes to re-invest their new income into education, guidance, and instruction to provide tribal members with the skills to succeed in a developing workforce. Economic development has allowed a few of the tribes we looked at to build newer and better schools and training facilities, while others are using the revenues from successful economic enterprises to invest in technological resources, such as new computer systems and Internet services.

Financial Considerations: Finally, this report reviews the problems surrounding financial circumstances on the Indian lands examined in this study. Issues repeatedly raised by the tribes dealt with their concerns over predatory lending, insufficient credit ratings, and a lack of banks and viable mortgage lenders in Indian country.

Several tribal members mentioned the difficulties in acquiring mortgage loans on Indian lands. Much of this had to do with the fact that financial lending institutions are

scarce throughout Indian country. Most Indian reservations are without even basic credit lenders, much less nationally recognized banks. Part of the problem, again, is geographic location. Many tribes are, as mentioned before, located in rural areas. Many participants suggested that lenders are less likely to loan money to a person or family if the lenders have no way of keeping close tabs on how that money is put to use. Additionally, it appears more costly for a lender to manage loans made to rural residents due to the time and effort necessary in maintaining contact with the borrower.

Furthermore, because many members of the tribes we researched have poor credit ratings, due in part to unfortunate encounters with predatory lending, financial institutions are less inclined to provide them with loans. Much of this stems from the fact that, in the past, year-round employment was not always available to these tribal members. It was not uncommon that a tribal member would have steady work for two or three seasons out of the year, but find themselves unemployed for three or four months at a time. As a result, bills and loans became harder to pay off, and poor credit ratings developed. Even those who have steady jobs, due to recent tribal advancements in economic development, find they are still ineligible for credit because of prior financial missteps. So essentially, even though some tribal economic enterprises have resulted in newer and more stable jobs for tribal members, many Native Americans continue to be haunted by poor financial credit ratings, which have had a negative impact on their ability to qualify for housing loans.

Adding to the overall financially strained link between economic development and Indian housing is the fact that the effectiveness of housing authorities is often rated, by tribes as well as the federal government, by how successfully they manage and

maintain their tenant accounts receivable (TARs). A steady local economy typically provides jobs to a community. Those jobs then provide income. With this income, housing tenants can afford to pay their rent or make their housing payments. A lower TARs rate indicates its members are able to meet housing payment deadlines. A higher TARs rate, conversely, indicates just the opposite. Whether it is because the jobs are not available, or whether it can be attributed to financial mismanagement, a higher TARs rate proves unfavorable for an IHA or a TDHE. It leads both tribal administrations and the federal government to question the housing officials' efficacy. And it also often leads to disharmony within the community. While we were unable to gather the actual TARs rates for each participating tribe in this study, we were able to discern some of the reasons for success behind the lower TARs rates. The fact that higher employment rates led to lower TARs rates in our study is not a novel phenomenon. But it does contribute directly to the relationship between economic development and Indian housing.

Summary

Again, NAIHC does not suggest that the information provided herein will supply the solution to any tribal problems regarding either economic development or housing. This information is designed to help both Indians and non-Indians better understand the complex relationship that exists between the two disciplines. It is the goal of NAIHC to present these materials, however limited in scope, to the tribes and the general public, in order to narrow the information gap that presently exists.

Introduction

The poor economic conditions of many Native communities render it impossible for residents to maintain their homes and pay rent, draining the scarce resources of tribally designated housing entities. Therefore, housing strategies will not work without simultaneous economic development programs to help communities become more self-sufficient. Federal housing subsidies can only go so far...²

Concerns over economic development within Indian country are not new. Since the late 1960s and the dawn of the Indian self-determination era,³ research on tribal economic development has been abundant. Nationwide studies have been conducted, by myriad public and private research groups, in an effort to define and address the critical issues and needs facing Native Americans today with regard to economic development. These results, though plentiful, have been mixed.

While many of the studies conducted have been successful in shedding light on the countless problems facing tribal economies throughout the country, many more have failed to examine all the reasons why these problems exist in the first place, or the cultural impacts they have on tribal communities. Often, there is too much emphasis placed on the topic of Indian gaming, which, while important to many tribal economies, is certainly not the standard form of tribal income on a national level. Furthermore, it has also been mistakenly assumed that a successful tribal program in one part of the country should produce similar results elsewhere, without fully realizing the importance and

² U.S. Commission on Civil Rights, *A Quiet Crisis: Federal Funding and Unmet Needs in Indian Country*, (July 2003), 62.

³ The year 1968 saw the passage of the Indian Civil Rights Act (82 Stat. 77, 25 USCA § 1301 et seq.), and two years later President Richard Nixon issued a formal statement declaring the former U.S. Government policy toward Indian termination and relocation to have been a failure.

validity of the geographic and cultural distinctions that define American Indian tribes. Most importantly, however, for our purposes, it must also be noted that not one of these studies has ever addressed the integral relationship between economic development and tribal housing conditions.⁴

A Recent History

The Indian housing industry is, in some respects, a relatively recent component of the modern tribal governmental structure.⁵ The United States Government first recognized the tribal right to establish Indian Housing Authorities (IHAs) under tribal law in 1961.⁶ In 1965, the Bureau of Indian Affairs (BIA) established the Division of Housing Assistance, designed primarily to help fund IHA staff salaries and provide rehabilitation grants for low-income housing in Indian country. More notably, though, in 1965 the federal government created the Department of Housing and Urban Development (HUD). A few years later, the Housing and Urban Development Act of 1968 gave the first formal reference to HUD's obligation to serve low-income Indian families. The contemporary Indian housing industry was slowly taking shape.

⁴ There was a study conducted a few years ago by Rutgers University, in conjunction with the NAIHC and the First Nations Development Institute, and funded by Fannie Mae. However, the report was never published and results of the study were never released to the public. There is also a report entitled "History's Lessons for HUD and Tribes" (revised January 2004), written by Miriam Jorgensen of the Harvard Project on American Indian Economic Development, which examines the success of IHAs and offers suggestions for tribal governments with regard to institutional development. This study is forthcoming.

⁵ This is not to say, of course, that tribal housing has not been an important facet of Indian life for generations. It most certainly has. This is simply a concise historical explanation of the industry as defined by more recent governmental standards.

⁶ In 1961, the Public Housing Administration (PHA), HUD's predecessor, first recognized tribal governments as local governing bodies that could establish IHAs under tribal law by approving a tribal ordinance. This was an extension of public housing regulations that were initially recognized by the federal government in the Housing Act of 1937.

Skip ahead a few years. In 1996, the passage of the Native American Housing Assistance and Self-Determination Act (NAHASDA)⁷ finally provided American Indian tribes a glimpse at the autonomy they sought with regard to Indian housing issues. At the time, NAHASDA was novel legislation. It allowed the tribes to choose between administering their own tribal housing programs, or assigning the task to other entities such as Tribally Designated Housing Entities (TDHEs).⁸ It also eliminated several separate programs of federal financial assistance and replaced them with a single block grant program. The program, administered by HUD and its regional Area Offices of Native American Programs (Area ONAPs), was designed to provide eligible grantees with access to federal funds to use toward, among other things, improved housing conditions and community development.⁹ The program has been, on many levels, a success.

This self-determination in tribal housing programs is widely regarded as a key component in the establishment of economic development in Indian country. As tribes progress in self-governance and self-determination over their own tribal programs, they move toward creating self-sufficient and sustainable tribal economies. And, in a rather circular fashion, as tribal economies grow, the general premise is that other tribal administrative programs, such as housing, will also eventually be able to shed the fetters of federal dependency and exhibit signs of independent prosperity. In theory, it is an impressive and hopeful objective.

⁷ Pub. L. 104-330, approved October 26, 1996.

⁸ TDHEs are often the tribes' already existing Indian Housing Authorities (IHAs).

⁹ In addition to the NAHASDA block grants, HUD's Indian Community Development Block Grant (ICDBG) Program was also specifically designed to provide funds to low and moderate income American Indian and Alaska Native Communities for use in improving housing, community facilities, and economic development. These block grants are determined by tribal size and need.

Though the premise of tribal self-determination is laudable, the actual benefits of the policy have been, in many cases, slow to take shape. It should be noted that, over the last 30 years, some improvements in both Indian housing and tribal economic development have been made. And tribes are more aware now of the resources available to them than they ever were in the past. But self-sufficiency is far from a reality in most tribal communities, where jobs are scarce, unemployment is high, and housing authorities are still heavily funded by the federal government. Many tribal communities lack the necessary resources to readily address the economic and housing crises, so despite their efforts they continue to trail the rest of the country in progress on both fronts.

While the national level of new home construction in 2003 rose to its highest number in 25 years,¹⁰ that trend has not been replicated on most Indian reservations. According to Indian housing statistics, not enough new homes are being built in Indian country, and it is estimated that well over 200,000 housing units are immediately needed to provide adequate housing in tribal areas.¹¹ Even though the overall rate of single-family home construction continues to grow, it has been shown that the families who need help the most are not the ones receiving it. Most housing problems have a harder impact on families in the bottom fifth of the national income distribution.¹² Unfortunately, this includes many Native Americans, who are often burdened not just with unaffordable housing costs, but also with geographic isolation, joblessness, and even

¹⁰ 1.848 million units according to the U.S. Commerce Department.

¹¹ Youmans, Roberta, "Native American Housing Needs and Proposed Recommendations," background paper presented for consideration to the Millennial Housing Commission (April 2, 2002), 4 [hereinafter Youmans, "Native American Housing Needs"]. This statistic was later republished in the U.S. Commission on Civil Rights' report, *A Quiet Crisis: Federal Funding and the Unmet Needs in Indian Country* (July 2003).

¹² The Joint Center for Housing Studies of Harvard University, "The State of the Nation's Housing" (2003), 4.

abject poverty. In addition, the issues of overcrowding and serious infrastructure deficiencies still continue to plague Indian housing.

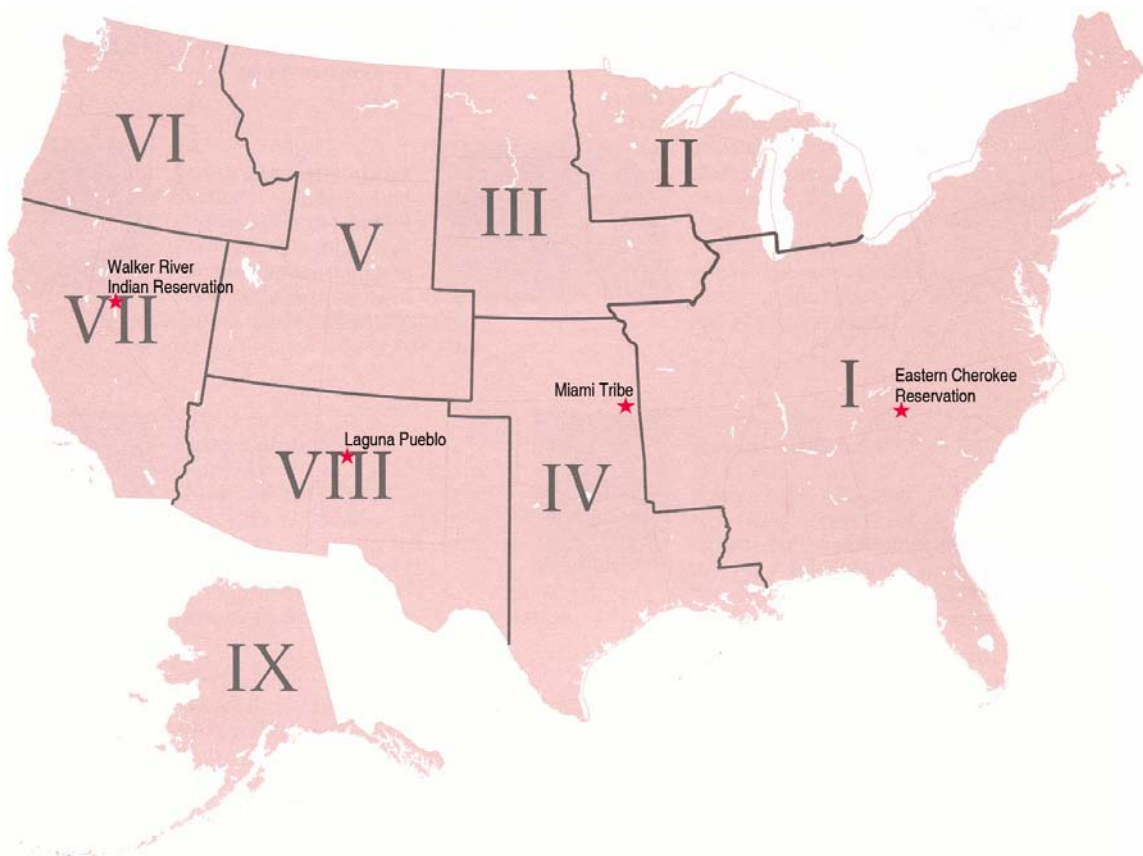
Naturally, not all of these problematic symptoms are rampant in Indian country. Some tribes have been able to implement extremely successful plans for economic development. Likewise, many tribes have also achieved marked success in the development and implementation of housing plans. And while we would like to, we cannot herein provide a simple explanation for why some tribes have realized such success while others continue to languish. Instead, we present four specific tribal case studies that examine the reasons behind their current status, in hope that such information might then prove useful not just for them, but for other tribes and individuals seeking a better understanding of how economic development affects Indian housing.

Methodology

This study was conducted by the NAIHC Research Department in two main parts. Information was obtained first through three focus groups conducted in late 2003, and then by a series of four case study site visits carried out in early 2004.

The first of the focus groups was held at the Amerind Risk Management 17th Annual Meeting and Expo in Las Vegas, Nevada, on October 30, 2003. The second focus group was conducted at the National Congress of American Indians (NCAI) 60th Annual Session in Albuquerque, New Mexico, on November 19, 2003. The third and final focus group was held at the NAIHC Legal Symposium in Las Vegas, Nevada, on December 12, 2003. Each focus group consisted of a panel of approximately 10 representatives from various tribes.

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Map 1: NAIHC Regions

Upon completion of the focus groups, the Research Department shifted its attention to the tribal case studies and on-site visits. Due to budget and resource limitations, it was decided to conduct the study in four separate geographic regions. NAIHC selected four of the nine NAIHC regions to work within: Region VII in the west, Region VIII in the southwest, Region IV in the midwest, and Region I in the east (See *Map 1*). The regions were chosen by determining the frequency of NAIHC research visits to the areas.¹³ From each of these regions, a tribe was selected to participate in the study. The determining factors for selection were established to ensure diversity of tribal participants, and included geographic location, tribal economic status, size of population, size of tribal land base, and a willingness to participate. The four tribes selected for participation in the case studies, respective to each region, were: the Walker River Band of Paiute Indians, in Nevada; the Laguna Pueblo Indians of New Mexico; the Miami Indian Nation of Oklahoma; and the Eastern Band of Cherokee Indians, in North Carolina.

Each site visit was carried out over a three-day period. During those three days, interviews were conducted with various tribal leaders and administrators, housing officials, economic development representatives, and other community members. Photographs were taken of the areas to serve as a visual aid in the report. Furthermore, video footage was taken at each of the tribal locations for a supplemental video. Using footage obtained during the four site visits, the video has been released along with the report to accompany the study's findings.

¹³ The regions and/or tribes in the regions that NAIHC had fewer visits to in the past received heavier consideration for this project.

Focus Groups

Three focus group meetings were conducted by the NAIHC Research Department staff to explore how economic development impacts Indian housing and to further identify key subject areas to assist in developing questions and talking points for selected site visits. These focus groups were held in conjunction with the following national American Indian conferences in 2003: Amerind Risk Management Annual Meeting and Expo, October 2003; National Congress of American Indians Annual Session, November 2003; and the NAIHC Legal Symposium, December 2003.

The following topics were discussed during each of the focus group meetings:

- Economic Development
- Unemployment
- Demographics and Human Resources
- Community Involvement and Cultural Relevance

The following tribes participated in the focus group meetings:

- Confederated Tribes of Siletz Indians, Oregon
- Cheyenne-Arapaho Tribe, Oklahoma
- Walker River Paiute Tribe, Nevada
- Salt River Pima-Maricopa Indian Community, Arizona
- Yakama Nation, Washington
- Chippewa Cree Tribe, Montana
- Covelo Indian Community (Round Valley Reservation), California
- Hualapai Tribe, Arizona
- Laguna Pueblo, New Mexico
- Navajo Nation, New Mexico, Utah, and Arizona

Identified issues and concerns

Economic Development

In identifying current tribal economic development enterprises, participants identified casinos, travel shops, natural resources and tourism as primary sources of tribal

income and revenue. Several participants discussed utilizing more natural resources to create economic development. Many of these participants agreed on the possibilities of tapping into their available natural resources for economic gain.

It was further noted that a number of various small-scale, non-gaming enterprises, such as convenience stores and smoke shops, were attempted and were not successful. Some participants indicated that tribal political interference, lack of business knowledge, cultural conflicts and inadequate transportation were key barriers to the achievement of success. Participants mentioned that, in pursuing economic development, tribes needed to introduce measures that would keep revenue circulating within the tribal communities. Without immediate, local access to a variety of shops and stores, this is difficult to do.

Unemployment

In each focus group, unemployment was identified as a critical factor in developing new homes. Many of the participants stated that unemployment impacts their tenant accounts receivable (TARs) rates as rents adjust according to income. In comparing the relationship of the tribe to the surrounding local, state and regional economies, off-reservation employment affected only those participants who were near cities and bordering towns with opportunities for economic growth.

Comments were made about short-term and seasonal jobs as well as the need for long-term employment opportunities. Several participants stated that many of the job opportunities available within tribal boundaries are typically short-term or seasonal, such as tourism, fire-fighting,¹⁴ and construction. There was an overwhelming demand from tribal participants for year-round employment. Participants also said that most tribal

¹⁴ In much of Indian country, the demand for fire fighters increases in the summer months, when temperatures are high and dry conditions increase the chances for fire.

employment is with tribal government programs, which are funded in part by federal subsidies and thus limited in scope and capacity. Furthermore, it was noted that many tribal administrative positions are often unstable because of political infighting, resulting in constant changes in tribal employment.

Demographics and Human Resources

When discussing the importance of population with regard to economic development, those participants familiar with a stable, tribally run economy stated that many tribal members who once left the reservation for jobs are now returning home for work. They, in turn, are often soon followed by extended family members. The housing officials stated that this classification of tribal members has become increasingly difficult to service, because these new families often exceed the income restriction limits for housing assistance. The focus group participants said that these returning members are key candidates for homeownership opportunities. However, due to a long and arduous title clearance process required by the BIA, tribal members are seldom enthusiastic about pursuing their homeownership opportunities. This has impacted housing operations negatively. Tribal members are forced to find alternative housing and often pursue the mobile home market, thus becoming targets for predatory lenders and a whole host of other potential problems.

In identifying the impacts of family size and age, participants described most of their tribal populations as both very young and very old. Families were often described as primarily consisting of either single parents raising kids or grandparents raising grandchildren. It is important to note that the typical family structure within Native

American communities includes extended family based on cultural values and matrilineal or patrilineal societies. Participants emphasized that a misunderstanding of these unique relationships can contribute to social problems because the tribal value systems that support the family groups are defined differently. This might suggest an impact on Indian housing; as the definition of “family” or “head of household” differs for various housing units, so too do the qualifying factors for housing assistance.

Many participants also identified a need for the development of a set of tribal work ethics to sustain employment for tribal members in new jobs. Concerns were expressed regarding untrained and under-trained individuals entering the tribal workforce. And because the training is not readily accessible on the reservation, this requires outside consultation with non-community, and often non-Indian, entities. So while many tribes might recognize the need to confer with outside experts on the matter, they may also be hesitant to deal with non-Indians.

Participants identified lack of infrastructure as a barrier for tribes pursuing various economic endeavors as well as housing.¹⁵ Participants explained that detailed coordination and comprehensive arrangements needed to take place, actively involving both commercial and housing development in infrastructure planning.

Community Involvement and Cultural Relevance

During these focus group meetings, comments were made about the importance of community involvement in successful housing programming. The need to involve the

¹⁵ For a more comprehensive and in-depth analysis of the infrastructure crisis in Indian country, please review the NAIHC study, “Building the Framework: Housing Infrastructure Development in Indian Country” (2003). This report can be read and downloaded from the NAIHC website, <http://naihc.net/research/index.asp>.

tribal community in needs assessment, planning, and program development was identified several times. It was said that without input, the success of developing a self-sustaining program, meeting community needs, and encouraging economic development would be difficult. Participants stated that community members must be trained to pursue the new employment opportunities resulting from economic development ventures. Two participants from tribes that had successful economic development with casinos stated that only 10 percent of their tribal membership was employed, due to a general lack of skills. They expressed concern that most Native Americans are not often brought up in ways that support conventional entrepreneurship. One participant stated that although tribal nations are beginning to put the necessary resources toward economic development, community members must also develop the attitudes, skill and abilities to support and sustain that development.

Several focus group participants indicated that, in order to have successful economic development, tribes also need to address tribal values while developing investment and entrepreneurial opportunities. In order for their tribal areas to encourage economic development participants stated that, in addition to a more diverse environment, positive political climates need to exist to support the establishment of suitable economies. A few participants stated that their local governments have encouraged economic growth by way of land-leasing. However, they also mentioned that this type of economic development benefited only those community members who owned land and did not necessarily benefit the community as a whole. Others noted that if the tribe could lease land to outside companies, they might be able to generate some revenue.

Focus Group Summary

Although it varies by tribe, Indian housing is an operational component within a tribal structure, defined by environmental, cultural, and tribal governmental factors. Tribes have made progress in rehabilitating substandard housing, as well as creating homeownership opportunities and new housing developments, but not at the rate needed to meet the critical housing demands and population growth within their communities. Tribes, over the past few decades, have been developing housing in a manner opposite to that of mainstream society. In most mainstream societies, housing is constructed according to where economic development has been – or soon will be – established, and indicates economic growth. That development is often driven by private sector capital. In Indian country, tribes have been developing housing where there is little or no existing economy, and the housing industry has been primarily driven by government funding. This has forced many tribal housing entities to struggle to sustain their housing components, while at the same time addressing a long list of other tribal housing predicaments. The result is, all too often, unmet needs for Indian housing.

Having economic development within tribal boundaries is also essential for community development. It provides employment opportunities and creates a workforce. Over time, TARs rates are lowered, which in turn allows rental and housing payments to increase to offset the exhausted Indian housing funds. Higher incomes in housing also helps to reduce the amount that is subsidized by the housing authorities or TDHEs. Fewer subsidies allow for more money to be put toward other housing related activities. It is through economic development that tribes and tribal housing entities will generate

the desired long-term revenue to develop, maintain, and sustain housing in their communities.

Case Studies¹⁶

Walker River Paiute Indian Tribe - Nevada

History and Geographic Location

The Walker River Paiute Indian Reservation is located in Mineral County, Nevada, about 100 miles southeast of Reno, perched high in the Sierra Nevada desert. While the reservation spans well over 300,000 acres of land, the majority of its tribal inhabitants reside in the little town of Schurz. Conveniently situated along two major highways – US 95 and Alt. 95 – Schurz is essentially the midway point for travelers passing from Fallon,

Nevada, in the north, to Hawthorne, Nevada, in the south. The old Southern-Pacific railroad still courses through town, although the line is reserved primarily



The railroad tracks through downtown Schurz.

for military use these days, running supplies between an army ammunitions depot in Hawthorne to the Naval Air Station in Fallon. The actual Walker River, which starts high in the Sierra Nevada mountain range, also cuts through Schurz on its way to Walker Lake, which is located at the southern end of the reservation.

¹⁶ Factual background, geographic and demographic information referenced for each of the case studies herein was provided to NAIHC primarily by the tribes themselves. However, some of the information listed was taken from *Tiller's Guide to Indian Country: Economic Profiles of American Indian Reservations*. This information was verified by the tribes before incorporation into the chapters.

During the allotment and assimilation period from the 1880s to the 1930s, the inhabitants of the Walker River Reservation were, like many Indians across the country, forced into an agricultural way of life. They were given plots of land and encouraged to become farmers and ranchers.¹⁷ And while this approach to U.S. and Indian relations ultimately failed on a national level, some members of the Walker River tribe were in fact able to make the successful transition into agrarian culture, if for no other reason than out of necessity. A few tribal members were able to cultivate productive alfalfa fields, and a handful of families were even able to make a modest living in cattle ranching.

However, as has happened with so many other tribes in the west, Walker River's agriculture industry has run into problems. Even with the river running directly through the reservation, access to water has become a problem in recent years. The region is currently in the midst of an eight-year drought. There is not enough water from the two water towers on the reservation to accommodate both the needs of the homes and the needs of the fields.¹⁸ So the farming and ranching have, in many instances, been put on hold so that people will have water to cook and bathe with. And without a reliable natural water source, the alfalfa fields have all but dried up. Many farmers have had to abandon their fields until the drought subsides. In addition, the deer and rabbits and birds that once inhabited these Paiute lands have all gone off in search of other water sources.

Many tribal members who remember the old days now comment on the changes throughout the reservation. They call attention to the lack of tribal self-sufficiency. As one elder put it, "When I was a child, this reservation was pretty self-sufficient. We had

¹⁷ The General Allotment Act of 1887, also known as the Dawes Act (24 Stat. 388), was passed with hopes of assimilating Native American tribes into mainstream American culture. However, the intended effects were never fully realized, as many tribal lands were simply not suited for the proposed farming and ranching purposes.

¹⁸ It should be noted here that the tribe is also presently engaged in a lengthy legal battle with the surrounding communities over their tribal water rights.

our gardens, our cattle, our horses.”¹⁹ This is no longer the case. First, the Walker River Paiutes were forced into an agrarian way of life. Now, even that lifestyle is no longer readily available. Without access to water, the tribe has been forced to turn to other enterprises for subsistence.

Local Economy

Presently, the local Walker River economy is still in its fledgling stages. The tribe has in the past been the proprietor of several economic endeavors, including a truck stop and restaurant, and a feedlot. While the feedlot proved relatively successful, the truck-stop was a failed venture almost from the start. “We had a truck stop that did not prosper. We tried three times and had to close that [each time].”²⁰ Then, to pay off the debts incurred by the truck stop’s mismanagement, the tribe was forced to sell off most of the feedlot. Today, neither the feedlot nor the truck stop are operational.

The tribe does maintain an active smoke shop and convenience store on the reservation. At the moment it is the only source of economic development the tribe has to offer, and it has been successfully owned and operated by the tribe now for about ten years.



The Four Seasons Smoke Shop is currently one of the only sources of income for the tribe.

¹⁹ Anita Collins, Tribal elder, interview by Grant Ellis, February 11, 2004, Schurz, Nevada [hereinafter Collins interview].

²⁰ Victoria Guzman, Tribal Chairperson, interview by Valerie Seneca, February 10, 2004, Schurz, Nevada [hereinafter Guzman interview].

But while the smoke shop has been somewhat successful for the tribe, it employs only a handful of tribal members and cannot be considered a serious economic advancement.

By far the largest employer on the reservation is the tribe itself. Tribal administration employs a number of tribal members in administrative areas ranging from the environmental and housing departments to the tax office.²¹ However, despite the jobs provided by the tribe itself, tribal administrators estimate that the unemployment rate on the reservation lingers around 80 percent, a startlingly high figure.²² And of the 20 percent who are employed, half are employed by the tribal administration. These numbers illustrate the gravity of the unemployment problem at Walker River. There simply are not enough jobs on the reservation to be had by the tribal members.

The lack of jobs in and around Schurz has forced many tribal members to seek jobs elsewhere. Some of the neighboring towns provide the economic opportunity not available on the Walker River reservation, so many tribal members leave home. And because of their isolated location and the scarcity of reliable transportation, many members who do leave for work rarely move back. This seems to present Walker River with an even bigger problem. When members leave to find work, their money leaves with them. So, even if they are able to find decent jobs in another town, they are not able to spend their hard-earned income in Schurz. The money earned by tribal members is not being put back into the tribal community.²³ It is leaving the reservation altogether – or

²¹ Exact tribal statistics were unavailable.

²² U.S. Census statistics for the year 2000 indicate that the average unemployment rate on American Indian reservations is 13.6 percent, still more than twice the overall national average.

²³ A July 16, 2004 article by law professor Robert J. Miller entitled “Creating Entrepreneurial Reservation Economies” discusses this problem in more depth, and can be found online at the *Indian Country Today* website at <http://www.indiancountry.com/?1089992600>.

never making it to the reservation at all – and being spent in the grocery stores of Fallon or the shopping centers in Reno.

Some of those tribal members who own houses in and around Schurz have abandoned their homes to look for work. These houses are not subleased because no one can afford to rent them. And they are not sold because no one will buy them. So many of them sit empty on the reservation, unattended and falling into disrepair. And because they may not be the responsibility of the housing authority, the tribe has limited ability to effectively address the situation.

Cultural Relevance

Most of the Walker River tribal members interviewed for this study expressed an interest in maintaining a degree of cultural relevance with regard to commercial and community development. This is not an uncommon theme throughout Indian country, and the Walker River Indian reservation is no exception. Still, Walker River is a unique community for a number of reasons. Even though the reservation sits in Nevada, a state that is largely dependent on the gaming industry for survival, the tribe itself does not engage in gaming. As a result, tourists and travelers passing through Schurz on I-95 who might otherwise be inclined to stop and play the slot machines at a truck stop are not likely to pull in just to purchase cigarettes at the local smoke shop. The gaming industry in Nevada is completely state-regulated, so even if the tribe were to enter into the industry, it wouldn't exactly be engaging in "Indian gaming" in the traditional sense. It would be just another small-scale gaming venture in the state of Nevada. This decision not to pursue gaming has been debated, and will be again, by tribal members. Gaming

has proven successful for many tribes throughout the country, but many tribal members at Walker River feel that it would detract from the local culture, add to the tribe's economic woes, and ultimately do more harm than good.

The same arguments have been made for and against mining on the reservation. There is an old abandoned gold mine in the hills outside of Schurz that has become a major point of contention among tribal members. While some view it as a viable source of revenue and jobs, others see mining as a harmful and needless destruction of their ancestral lands. "I understand there are major benefits to mining, but I also feel that it's more strongly my mission to make sure that this land stays as protected as possible as a reservation, because it's here for generations to come."²⁴ The choice not to pursue these potential economic endeavors says a lot about the character of the tribe and speaks to the cultural importance of their way of life.

Nevertheless, while such cultural integrity is certainly noteworthy, it does not always yield success. Many tribal members interviewed for this study expressed concern over a "fear of the unknown" throughout their community with regard to economic development. Whether that fear stems from a sense of pride, distrust of the outside world, a lack of business knowledge, or a combination of factors, is unclear. Regardless of the source, there is evidence of uncertainty in Walker River. One tribal member tried to explain. "I think that a lot of times it's just the fear of the unknown and not wanting to venture out.... We're putting up our own barriers by not venturing out and by not letting these people (potential investors, outside businesses, etc.) come in."²⁵ It is this reluctance

²⁴ Laurie Thom, tribal councilperson and Environmental Department personnel, interview by Grant Ellis, February 10, 2004, Schurz, Nevada.

²⁵ Miranda Quintero, Victims of Crime advocate, interview by Grant Ellis, February 10, 2004, Schurz, Nevada.

to take even the initial steps forward that seems to have stunted economic growth in Walker River at the moment.

Housing

Unfortunately, this general fear applies not only to potential economic enterprises, but to housing issues as well. One tribal member explained that the tribe has always taken a cautious approach when applying for outside housing funds. “Basically, just the grant program is the only thing they’ve really applied for. Most of the fairly common ones. We’ve never really gone out and tried to get anything unusual.”²⁶ As time passes, trends change, and the tribe grows, it will become apparent that new funding sources and housing strategies must be reviewed and approached if the tribe is to emerge from its current state.

Part of this general reluctance was explained by the current housing director. “In order to live in this world, Indian people have to understand them (non-Indians) as well as ourselves. And so we take on a double burden that most people living in this [country] don’t have.”²⁷ In essence, not only do housing officials and tribal administrators have to understand the needs and demands of their own tribal members, they must also learn to understand and negotiate with the outside world. It is an already difficult task, made even harder for the tribal leaders of Walker River by their remoteness and geographic barriers. Being so removed from mainstream American society, the people of Walker River have every right to be somewhat reluctant to do business with non-Indian entities

²⁶ Don Sam, former Housing Director, interview by Grant Ellis, February 11, 2004, Schurz, Nevada.

²⁷ Viola Kennison, Housing Director, interview by Valerie Seneca, February 10, 2004, Schurz, Nevada.

who suddenly show up on their doorstep with a contract in hand. They don't want to be rushed into any more bad decisions.

Fortunately, the tribe is not plagued by one of the major problems facing other tribes around the country: overcrowding. Overcrowding exists at Walker River but is not a major concern. There are roughly 200 housing units on the reservation that are inhabited by approximately 400 people. Additions have been made to some of the smaller units occupied by larger families, but the housing authority has been able to handle the problem fairly well. There are still some problems of housing abandonment and neglect, but the tribe makes a conscious effort to find living quarters for all its members who need a place to live. By adequately addressing these issues, the tribe has been able to accommodate the larger families by making renovations and additions to the smaller homes.

The main problem is the condition of the homes. As seen in *Table 1*, the majority of the houses on the Walker River reservation are older Mutual Help and modular homes. Many were acquired by the tribe over 20 years ago and are in dire need of rehabilitation. Several of these units – some of which are still being used today by the tribe – were constructed in southern California and brought in by the federal government, and were never designed to withstand the harsh climate and landscape of the high Nevada desert. There were 25 new houses built by the housing authority in 2000.²⁸ But since then, tribal housing activities have been confined to the rehabilitation of older units and smaller scale projects. “The homes were in such bad shape.... And we felt that if we didn't invest this NAHASDA money in renovations, the tribal members wouldn't do it themselves because

²⁸ Only two of the 25 houses were built with NAHASDA funds. The rest of the units were built using 1937 U.S. Housing Act funds.

a lot of them don't have the funds."²⁹ It is not as though the housing office isn't busy. They are extremely busy. They just don't have the resources to build new homes.

Table 1. Walker River Paiute Tribe*

Indian Area Profile			
On-reservation total population: 690	Other than Low-income	Low-income	Total
Number of Families	130	162	292
Sub-standard Housing	N/A	33	N/A
Over-crowded Living Conditions	N/A	33	N/A
Current Housing Stock Status			
	Total Number of Units	Number of Units Needing Rehabilitation	Prior to NAHASDA homes built under 1937 Housing Act
Rental	29	20	29
Homeownership	250	156	188 (mutual help)
Existing Unmet Housing Needs			
	Low-income	Other than Low-income	Units needing Rehabilitation
Rental	20	N/A	N/A
Homeownership	N/A	N/A	N/A
Transitional	N/A	N/A	N/A
Homeless	N/A	N/A	N/A
College Housing	40	N/A	N/A

* Statistics provided by the Walker River Housing Authority in accordance with the Walker River Indian Housing Plan for 2003-04. "N/A" indicates statistics not available.

Human Resources

Of approximately 700 tribal members who live on the Walker River Reservation, only about 60 of them work for the tribe. Others are forced to drive into the neighboring towns or cities for work. And, as stated earlier, most members are unemployed. There are simply not enough available jobs in the area.

²⁹ Olen McCloud, Housing Authority personnel, interview by Grant Ellis, February 10, 2004, Schurz, Nevada.

But this has not halted progress on the reservation entirely. The tribe recently installed a new technical center in a building next to the smoke shop to be used for computer training courses.³⁰ And while the University of Nevada at Reno (UNR) provides some outreach to the Nevada Indian tribes, Walker River has taken upon itself to provide the necessary technical assistance to its members.

“Walker River has one of the higher education rates for tribes in the state of Nevada. We have historically been that way. We have a lot of educated people that work for the tribe, but a lot more that [leave and] don’t come back. It’s a brain-drain.”³¹ By building the new technical center, the tribe is working to prevent that drain from growing. There is also a new elementary school on the reservation, as well as a summer youth program for tribal students interested in learning more about the various tribal administrative offices. These are small steps, yes, but crucial ones if the tribe is going to expand its economy and keep its young talent from fleeing to the larger communities.

Financial Considerations

As stated earlier – and a point emphasized repeatedly by participants in this study – one of the biggest obstacles to tribal economic development is the tribe’s location. Walker River is roughly 30 miles away from the nearest bank or lending institution. And without a decent credit history, or any credit history for that matter, it is very difficult for tribal members to obtain any sort of loan approvals from any of these institutions. In addition to the fact that the tribe has shown reluctance to pursue some of the federal loans

³⁰ The tribe is fortunate enough to have access to a system of fiber optic cables running directly through the reservation. Originally installed for military purposes on the nearby bases, the cable system has never been fully utilized by the tribe.

³¹ Kennison interview.

available to tribes and TDHEs, either for economic or community development, their geographic isolation only makes matters more difficult.

Interestingly enough, the tribe does operate a tax office in Schurz. They maintain a tax code that is enforced on outside companies that choose to do business within reservation boundaries. At the moment, the tribe generates a small portion of revenues from three major Nevada utility companies that operate in the area. These tax revenues, on top of the sales taxes levied by the smoke shop, provide the tribe with some limited income. There is also a system in place that taxes tribal members themselves. Tribal members pay trash and water tariffs to the tribe, in part to subsidize the new transfer station the tribe recently installed. But the problem with this system of internal tribal taxation is its difficulty to enforce. Tribal members may be punished by the tribe or taken to tribal court for not paying the trash or water bills, but it does not change the fact that they are still unable to pay. And when these utilities are not covered, the tribe suffers financially. Often, the tribal utility department finds itself in the red.

The high levels of unemployment add considerably to the financial dilemma on the reservation. Like many Native communities, Walker River places a heavy emphasis on family. And when family members lose a job or find themselves in a financial predicament, the rest of the family will usually chip in to help out. Whether it is actual monetary assistance or providing a place to stay, such selfless behavior can take its toll on a community. One tribal member described the importance of such a system, but hinted at the underlying problem. “Everybody tries to help each other, [but] it’s just so

hard to get ahead.”³² Tribal members are so busy helping others, it seldom leaves enough time to address their own needs.

Governmental Structure

Whatever the reasons for the aforementioned problems, the tribe has seen tough times. An unstable tribal government has created some tension over the past several years,³³ and disagreements over which direction to take the tribe have fueled the political fires. The topic of economic development still causes some hostility, as grudges over previous investments have not dissipated so easily out here in the Nevada desert.

Yet, despite all the hardships, there is hope. The “fear of the unknown” has not stifled the creative spirit within Walker River. The goals and aspirations of the tribal members remain intact, if not active. Several Walker River members expressed not just a deep concern for the problems facing their reservation today, but a strong and positive outlook for the future of the tribe.

At the moment the tribal council is assessing the situation and addressing some of

There is hope to one day re-open the tribe’s truck stop and restaurant.

³² Collins interview.

³³ In the last 20 years there have been eight tribal chairmen in office.

the problems. A new economic development group was recently created, and steps have been taken to revive the failed truck stop. There is talk of one day installing some sort of marina along the Walker



There is hope to one day re-open the tribe's truck stop and restaurant.

Lake end of the reservation. Other natural resource capabilities are being explored as well. “We have geo-thermal potential, solar, [and] wind.... There is a lot of potential for this reservation and... there are people who want to come out and explore.”³⁴ There has also been talk of erecting a storage unit facility or an industrial park somewhere on the reservation for use by the truckers who pass through en route to other destinations. And there is still a strong desire by some tribal members to see the feedlot resurrected once again. The hope is that this proposed development will do three things: 1) bring new business and employment opportunities to the reservation; 2) encourage tribal members to move back home; and 3) allow the tribe to adequately address the current housing crisis.

Whatever the tribe decides to do, it will require some risk. As one scholar recently noted, “successful tribal development requires a tribe to decide how much risk it is willing to assume in undertaking economic development.”³⁵ To make things work, and

³⁴ Guzman interview.

³⁵ Zaferatos, Nicholas Christos, Ph.D., “Planning for Sustainable Reservation Economic Development: A Case Study of the Swinomish Marina and Mixed-Use Commercial Development,” *American Indian Culture and Research Journal* 27-3 (2003), 31. The article examines how the

to be successful, the tribe may very well have to venture out into that unknown of which so many members are wary. It is not an impossible task, but it will not be easy, and change will not occur overnight. Many members of the tribe have expressed a willingness to take that initial step forward, into the unknown, but the tribe must take that step together, as a community united, for there to be any real hope of success.

Swinomish Indian tribe “employed a strategic approach to assess its inherent strengths and weaknesses as a starting point for determining the most advantageous approach” to economic development. *Id.*

Miami Nation – Oklahoma

History and Geographic Location

The Miami Nation’s tribal statistical area covers approximately 130 acres in the northeast corner of Oklahoma, near the Missouri border. Oklahoma tribal statistical areas (OTSAs), commonly referred to by tribal members as “jurisdiction areas,” differ from federally recognized Indian reservations in many ways. The federal government defines OTSAs as “statistical entities identified and delineated by the U.S. Census Bureau in consultation with federally recognized American Indian tribes in Oklahoma that do not currently have a reservation.”³⁶ Because of this determination, the results of this study conducted in Oklahoma with the Miami Nation are unique with regard to both economic development and housing, and should not be viewed in the same light as those conducted on typical Indian reservations.

The Miami OTSA is surrounded by a number of other tribal statistical areas. Also neatly situated in the northeast corner of the state lie the OTSAs of the Peoria, Modoc, Eastern Shawnee, Ottawa, Seneca-Cayuga, Quapaw and Wyandotte Indian tribes. Originally referred to as the “Small Eight,” these tribes have a unique relationship, distinctly defined by their histories and location, which provides for a locally organized tribal association not available to many tribes.³⁷ While most American Indian tribes are forced to conduct their affairs on isolated reservations, over great distances and at great

³⁶ For a more thorough, yet concise, explanation of the differences between the various American Indian geographic areas as defined by the U.S. Census Bureau, please visit the website, http://www.census.gov/geo/www/cob/na_metadata.html.

³⁷ In fact, the Miami Nation was at one time conjoined with the Peoria tribe. Before that, the tribe’s housing matters fell under the Seneca-Cayuga housing authority “umbrella.” Consequently, the Miami Nation did not have an active housing authority in place when the 1937 Housing Act was made applicable to tribes. As a result, the tribe’s housing department is very new and caters to very few Miami tribal members.

expense to the tribes, the “Small Eight” simply have to drive down the street to find themselves in a neighboring jurisdiction area.

Originally from the Great Lakes region of the country, the Miami were forced down into Ohio by tribal warfare. They were then moved into Kansas and finally Ottawa County, Oklahoma by the federal government during the Indian relocation era. From a total tribal population of about 3,000, only a third of enrolled Miami Nation members now live in or around the town of Miami, Oklahoma, which itself is home to roughly 13,000 people. The rest of the Miami tribal members are dispersed throughout the country, with a small but vocal contingent residing in the Pacific Northwest.

Local Economy

Miami, Oklahoma has been described by locals as an economically deprived area. Until 1986, about 1,500 local residents, including many tribal members, were employed by the large B.F. Goodrich manufacturing plant in town. But when the plant shut down, so did much of the local economy, and it had a devastating effect on the tribe. “You could drive through this town ten years ago, and drive by house to house, and know who had worked at Goodrich and who didn’t, because you would see houses that used to be nice and in good shape....”³⁸ Even now, almost 20 years later, over 30 percent of the Miami Nation’s members remain unemployed.³⁹ Nevertheless, despite the local setbacks, in the last five years the tribe has begun to make strides in economic development.

³⁸ Julie Olds, Tribal Treasurer, interview by Grant Ellis, March 16, 2004, Miami, Oklahoma [hereinafter Olds interview].

³⁹ Exact employment statistics could not be obtained from the tribe.

“Economic development is probably our number one priority right now.... We have a tribal business development corporation. We have a joint venture with the Modoc tribe, a gaming facility called The Stables, which is a Class II gaming facility.”⁴⁰ In



addition to the development corporation and the gaming

The Stables offers visitors Class II gaming along with fine dining.

hall, the tribe is currently engaged in a boat manufacturing plant; an embroidery and screening business called Miami Designs; and a farming and



ranching operation, with an emphasis on the tribe’s pecan tree orchard and Angus cattle industry. So, with the arrival of new tribal businesses, the tribe is now able to employ many more members than ever before. And even though jobs may still be scarce in the town of Miami, some tribal members have been able to find employment in the larger communities of Tulsa,

Miami Designs, a tribally owned and operated enterprise, provides printing and embroidery services to the community.

⁴⁰ Chief Floyd Leonard, interview by Valerie Seneca, March 16, 2004, Miami, Oklahoma [hereinafter Leonard interview]. For an explanation of the Indian Gaming Regulatory Act’s (IGRA) distinction between Class II and Class III gaming, visit the National Indian Gaming Commission website, <http://www.nigc.gov/nigc/about/faq.jsp#3.11>.

Oklahoma, to the west, and Joplin, Missouri, to the east. Several tribal members also own and operate independent farms and ranches outside of Miami.

The tribe's development corporation, the Miami Business Development Authority (MBDA), handles the technological business side of tribal endeavors. Presently, under the direction of the MBDA, the tribe owns and operates Rocket Gaming Systems, a gaming software manufacturer that supplies markets throughout the country. Though still a relatively small operation, the MBDA is able to contribute a generous portion of its businesses' revenues to the tribe each year for use in other areas. Opposite the MBDA is the Miami Tribal Business Enterprise, or MTBE, which handles the smaller, tribally owned businesses, such as The Stables, Miami Designs, and the tribe's gift shop. The MTBE also helps generate income for the tribe.

When asked why the need for tribal economic development was so great, Miami's Second Chief, Tom Gamble, responded positively, "It goes back to the self-determination issue.... We need to become self-sufficient through economic development because I think our reliance on the federal government is going to become less and less over time. What we will be left with is a sovereign nation that depends on its own resources for survival."⁴¹

If economic development is the number one priority of the tribe, then land acquisition is a close second. Because of the unique OTSA designation, the Miami tribe does not have inherent rights to the surrounding land the same way reservation tribes have rights to their trust land. Instead, the Miami Nation does have the ability to purchase lands within their jurisdictional area for tribal use. "Our priority is to make as much [money] as we can with the casino and [other tribal enterprises] and get back as

⁴¹ Tom Gamble, Second Chief, interview by Valerie Seneca, March 16, 2004, Miami, Oklahoma.

much land as we can.”⁴² In the five years since the tribe has actively pursued their economic development, they have successfully acquired several hundred acres of land in and around Miami, Oklahoma. “The tribe, just a few years ago, only had 120 acres. Now we’ve got over 1,000.”⁴³

Housing

The acquisition of land is important for a number of reasons: to instill a sense of true tribal community; to help establish a solid tribal land base; and, perhaps most importantly, to provide the tribe with a place to build homes for tribal members. Presently, because of how things are



The Miami Nation rental apartments.

set up within the OTSA, and because the Miami Nation was at one time ineligible for the public housing status benefits provided by the 1937 Housing Act, the tribe has very limited housing available to its members. For many years, in fact, the Miami Nation relied heavily on the Peoria Tribe housing authority for almost all its housing needs.⁴⁴ As a result, the Miami Nation owns and maintains only one house and one four-plex rental unit. On top of that, the housing department relies solely on HUD funds for operation costs. Still, despite such a dependence on HUD

⁴² Leonard interview.

⁴³ Olds interview.

⁴⁴ See *supra*, note 34.

money, the Miami Housing Authority is hoping that one day the revenues generated from tribal economic ventures might be put to use building new homes and other living quarters for tribal members.

Because of its tribal land status, and its proximity to the other “Small Eight” tribes, the Miami Nation has a unique relationship with the surrounding community. Miami Nation housing services are available not just to Miami members, but all other enrolled members from other tribes within their OTSA service area as well. This allows the tribe to maintain close working relationships with the other tribal housing authorities and TDHEs in the area. *Table 2* outlines the number of enrolled tribal members in the Miami OTSA.

Why would the tribes agree to assist each other so easily? As several tribal members interviewed for this study explained, the objective is to provide all tribal members with housing. When there is no reservation land to work within, the goal of promoting and providing homes for all tribal members requires a different approach. The housing authorities do not exist then to provide housing needs for one tribe’s members alone. They work together to help all Native Americans in the service area find a place to live, regardless of tribal affiliation.⁴⁵ As a result, there are still several Miami tribal members currently being serviced by the Peoria housing authority. The tribes work together in a very unique and helpful manner to ensure housing for as many people as possible.

⁴⁵ Although it should be mentioned that tribal preferences are used when determining status for housing assistance. Enrolled Miami tribal members will receive initial preference, followed by members of the neighboring tribes.

Table 2. Miami Tribe*

Indian Area Profile			
OTSA total population: 51,602**	Other than Low-income	Low-income	Total
Number of Families	1,723	15,518	17, 241
Sub-standard Housing	2,124	13,664	15,788
Over-crowded Living Conditions	90	4,220	4,310
Current Housing Stock Status			
	Total Number of Units	Number of Units Needing Rehabilitation	Prior to NAHASDA homes built under 1937 Housing Act
Rental	4	N/A	N/A
Homeownership	1	12	N/A
Existing Unmet Housing Needs			
	Low-income	Other than Low-income	Total
Rental	16	4	20
Homeownership	175	75	250
Transitional	N/A	N/A	N/A
Homeless	N/A	N/A	N/A
College Housing	N/A	N/A	N/A
Supportive Service	20	N/A	20

* Statistics provided by the Miami Nation Housing Authority in accordance with the Miami Nation Indian Housing Plan for 2003-04. "N/A" indicates statistics not available.

** This number represents not just Miami Nation tribal members, but all tribally enrolled Native Americans from their OTSA who are eligible for housing services from the Miami Housing Authority. Because of the unique tribal land status in Oklahoma, tribal housing departments often serve members of other tribes as long as they meet the standard housing service prerequisites.

At the moment, the tribe is exploring non-traditional resources for use in the creation of new houses. Right now, the Miami Nation is negotiating with a company to produce logs made out of recycled glass and cement. These logs could be manufactured by the tribe and used to build new homes for tribal members. If realized, this new venture would not just provide the tribal community with the resources for new homes, but would also create new jobs for the region as well. In addition to that, the tribe is also looking into manufacturing kit homes, and is currently exploring the federal low-income housing tax credits as well.

Governmental Structure

So why has the Miami Nation witnessed such a positive turnaround in the last five years? There are a considerable number of factors involved here, but much of it is a result of governmental stability. Chief Floyd Leonard has held the top tribal position for over 25 years and maintains strong support from the Miami community. “We’re very blessed with that. He’s just a good guy, and the length of his term and just his overall personality sends a real strong signal to the general council.”⁴⁶ Furthermore, there are elders on the tribe’s business committee who have held office for over ten years. All of this suggests a degree of continuity not experienced by every tribe. This continuity is important when planning, preparing, and enacting long-term economic goals and objectives. Sudden, continuous shifts in tribal power are not usually conducive to economic harmony. This, in turn, can adversely affect the tribe’s housing industry. A disruptive economy does not lend itself to job security. Without job security, tribal members are unable to gauge when and where their next paychecks will come from. All too often this leads to unpaid housing and/or utility payments.

It also helps that the Miami tribal council is composed of all tribal members over the age of 18. This ensures an inclusive representation of the various tribal points of view, and allows for each member to voice their individual concerns and the concerns of their families. The Principle Chief, Second Chief, Treasurer, and two other elected council members then serve as the governing body for the tribal Business Committee. A newly created tribal subdivision called Miami Tribe Sciences and Technologies (MTST) also assists the tribal council and the Business Committee in the development of new

⁴⁶ Olds interview.

economic ideas. Right now, the tribe is as active as ever before in establishing and implementing new objectives.

The Business Committee is primarily entrusted with the job of seeking out new avenues for economic development and tribal prosperity. But the Business Committee doesn't just handle matters of development. The committee also makes important decisions on what to do with the revenues earned by tribal enterprises. For instance, instead of setting up a tribal per capita payment system for members,⁴⁷ the Miami Business Committee decided to place a portion of the newly generated income into scholarship funds for tribal members' college education. Presently, the Miami Nation provides approximately \$80,000 a year in scholarships. In the eyes of the tribal council, education is paramount. This, they hope, will serve the tribe well in future economic endeavors and in its goal of land acquisition.

Cultural Relevance

Preservation of tradition and culture are also extremely important to the Miami Nation, and economic development has allowed the tribe to more actively pursue that preservation. "We have to become involved in the businesses and economics of our area... for us to keep our culture and for us to keep our tribal identities, and [to] not become completely assimilated into the white world."⁴⁸ This is perhaps most notable in the tribe's current Miami language revitalization program. As the tribal elders have grown older, there has been a movement by the tribe to ensure that the ancient language is not lost with them. "We are making a conscientious effort and our tribe is spending

⁴⁷ For an example of a successful per capita payment system, please refer to the section on the Eastern Band of Cherokee Indians, *infra*.

⁴⁸ Leonard interview.

money from economic development to revitalize our language. To me that is important because without language you are missing something.”⁴⁹

Furthermore, in efforts to construct a more united tribal community within their OTSA, the Miami Nation has recently used funds brought in by the MBDA and the MTBE to lay the groundwork for new tribal communities. Plans are currently underway to use both tribal funds and federal subsidies to purchase land and erect an assisted-living complex for tribal elders. “What we want to do is take the project and look at it from the perspective of phases, so that we can first acquire the land, then probably build all the associated needs... and of course the unit itself.”⁵⁰

Even today, the tribe continues to preserve strong ties to the state of Ohio, where it was situated before relocation to Oklahoma. In particular, the tribe maintains a close working relationship with Miami University of Ohio, which was, incidentally, named for the Miami Nation of Indians. In addition to the Miami students from Oklahoma who attend the university each year, the tribe has partnered with the school on a number of projects. Most recently, there was a group of Miami University architecture students who visited the tribe to help establish the plan to build the new tribal elder center. The students took notes and measurements, went back to the university, and later supplied the tribe with entire notebooks filled with sketches and drawings and ideas. What was once just a culturally historical link has grown into an educational and cross-cultural relationship that benefits everyone involved.

⁴⁹ Id.

⁵⁰ Thomas McGeisey, Housing Director, interview by Grant Ellis, March 16, 2004, Miami, Oklahoma. (At the time of this report’s publication, Mr. McGeisey was no longer the Director of the Miami Nation Housing Authority).

Human Resources

With approximately 1,000 tribal members living in or around the city of Miami, there is a considerable tribal workforce waiting to be utilized. Presently, most Miami tribal members work for non-tribal enterprises in Miami, Tulsa, and Joplin, Missouri. But as jobs and services become more available through economic development, tribal members will have more employment options from which to choose. When the new jobs begin to emerge, tribal members who have moved to neighboring communities may be more inclined to return home to Miami. Naturally, these people will need houses. And, as mentioned earlier, the tribe is busily working to acquire the land on which to build these new homes.

Financial Considerations

Because of their unique tribal land status and location in the town of Miami, tribal members have always had some limited access to banks and other lending institutions. But, because they were not borrowing from these institutions for use toward tribal housing in the traditional sense, the tribe itself has always played a very small role in the matter. This will begin to change in the years ahead, however, as the tribe begins to acquire more land and build new houses. The availability of the established banks and lending institutions already in town will ultimately benefit the tribe and its members.

Miami tribal members have much to look forward to. In the last five years the tribe has made great strides toward economic self-sufficiency. And while that economic success plays only a minor role in relation to the tribal housing industry right now, it is

laying the groundwork on which that relationship will grow and, hopefully, prosper in the future.

Laguna Pueblo – New Mexico

History and Geographic Location

Located along Interstate 40, about 45 miles west of Albuquerque, New Mexico, the Laguna Pueblo reservation spans over 500,000 acres of land. The largest of the tribal areas examined by this study, the Pueblo is broken up into six villages: Laguna, Mesita, Paguete, Encinal, Seama, and Paraje. The villages are essentially individual neighborhoods, autonomous in and of themselves, while remaining an integral part of the larger, cohesive Pueblo unit. And because each village is relatively small in actual size, they all now have at least one, if not many, “suburb” areas, which are basically extensions of the original neighborhoods; logical progressions of a growing society.

With roughly 8,000 tribal members, over half of whom currently reside on the reservation, Laguna is the second largest pueblo in the state of New Mexico. Taking its name from the Spanish word for “lake” and a large body of water once found in the area, Pueblo of Laguna was originally an agrarian society. Until the 1950s, the people of Laguna subsisted as best they could off the land by farming and ranching. Then, however, uranium was discovered on the reservation. Almost overnight the Pueblo of Laguna shifted from a farming community to a mining town. At one time the uranium mine on the Laguna reservation was the world’s largest open pit uranium mine, and employed over 800 Laguna Pueblo Indians. But, over the years, extensive mining led to the deterioration of both land and society, and in 1982 the Pueblo shut down its operation. Since then, the Pueblo of Laguna has worked hard to restore its local economy.

Local Economy

Fortunately, signs of relief have begun to show up in Laguna. The Pueblo's convenient location along a major interstate highway, due west of a major U.S. city, has been a significant factor. Such a heavily trafficked area has two important implications: the passage of more travelers and more tourists. Visitors coming from Albuquerque and driving west through the reservation are first greeted by the Laguna Pueblo welcome sign, and shortly thereafter by the first of three Laguna tribal casinos. The Route 66 Casino⁵¹ is the newest and largest of the Laguna gaming enterprises. With over 1,200 slot and video poker machines, a 500-seat bingo parlor, table games, two restaurants, a theater and almost 3,000 square feet of meeting space, the Route 66 Casino is hard to miss. For travelers passing through New Mexico, Laguna provides a convenient stopover, a place to get gas and a bite to eat before heading back out on the road. For tourists seeking to gamble, the Pueblo is often their final destination, a place to unwind and enjoy some gaming while on vacation.

The Route 66 Casino, and its two sister-casinos, the Dancing Eagle Casino, and the Route 66 Casino-Express, are operated by the Laguna Development Corporation (LDC). The LDC, which was founded in 1998, is a wholly owned subsidiary of the Laguna



The tribe now owns and operates a supermarket and ACE Hardware store.

⁵¹ The historic Route 66 highway runs directly through the Laguna reservation.

Pueblo. With over 1,200 employees, most of whom are tribal members, the LDC oversees almost all of the tribe's economic development. Besides the casinos, the LDC manages and operates several restaurants, two travel centers, a supermarket with an ACE Hardware department, an RV park, a convenience store, and a state-of-the-art theater, all of which are located on the reservation.

The recent success of the LDC has been a financial boon to the tribe. Attracting visitors who may have previously passed through the Pueblo without stopping, the tribe is now able to use the casino, restaurants, and travel centers to persuade visitors to stay a while longer and spend more of their money. Perhaps just as importantly, the LDC has also been able to provide the tribe with another valuable commodity: jobs. Prior to the LDC's incorporation, jobs were limited on the reservation. And while tribal unemployment has certainly not been eradicated at Laguna, it is less of a problem now than it has been in some time.

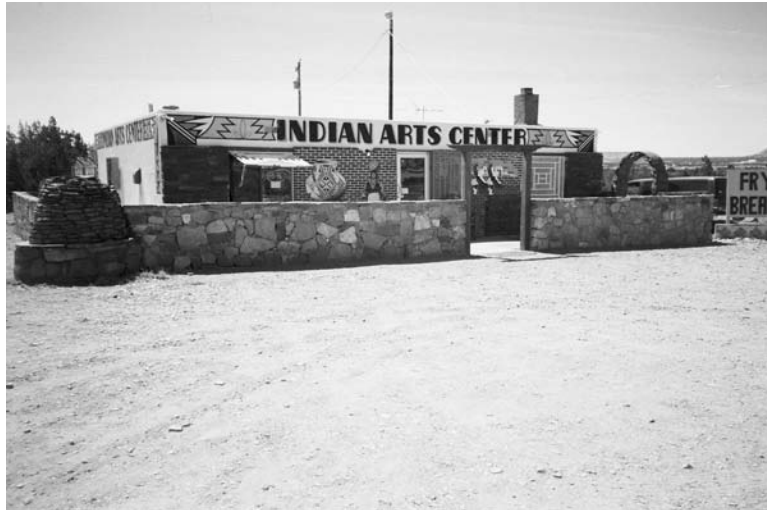
The accomplishments of the LDC have also spawned other tribal achievements. Supported by a growing economy, other fiscal endeavors have begun to take shape. The privately owned and operated Laguna Construction Company (LCC) and Laguna Industries, Inc. (LII) are just two examples of local, Native American-owned and operated companies on the Pueblo that have grown leaps and bounds in the last six years. The LCC now handles most of the construction jobs on the reservation,⁵² as well as many off-reservation jobs, including projects as far away as Albuquerque. LII, a high-tech manufacturing and technical services company that deals mostly with government

⁵² Tribal officials emphasized that the LCC is not exempt from submitting bid proposals to the tribe for construction projects on the Pueblo, along with all other potential suitors, and is thus not assured all tribal building projects.

contracts, now operates out of a 130,000 square foot facility on reservation land, has over 300 employees, and boasts annual revenues of over \$28 million.

Along with the larger Native-owned companies in Laguna, such as the LCC and LII, there are also several smaller individual or family-run businesses in operation on the Pueblo.

Known for its beautiful Pueblo pottery and Native crafts, Laguna is home to a number of small Indian arts and crafts stores, all of



One of the many Native-owned businesses being operated on the Pueblo.

which have been able to benefit from the business brought in by the LDC.

Housing

Unfortunately, not every aspect of Pueblo life has benefited from the tribe's recent economic success. One of the recurring themes raised by the tribal members with whom we spoke for this study was the concern over housing. Housing has been a top tribal concern now for quite some time. Prior to the emergence of the LDC, overcrowding was a major problem in Laguna. With few people in the community actually working, families were forced to live together to avoid homelessness. Often times, up to three and four families could be found occupying the same cramped housing unit. The Laguna Housing Development and Management Enterprise (Laguna Housing)

reports that it was not unusual for their waiting list for homes to exceed 100 applicants at any given time.

With the new jobs provided by the LDC and other entities, more and more tribal members are finding work. Yet, these new jobs are also creating new problems. One of the biggest problems is, not surprisingly, the issue of money. What is surprising, however, is how the money is having such an adverse effect on tribal access to housing. The new jobs provide the members with newfound income. This income must be taken into consideration when tribal members apply for housing assistance. And often, the money they're now making from their new jobs disqualifies them from any sort of housing assistance. Their new income suddenly puts them into a higher tax bracket which almost automatically precludes them from qualifying for tribal housing programs. It's a catch-22. Now that these members actually have jobs, they no longer qualify for many of the federal housing assistance programs offered by the Laguna housing department. But, because they still do not make enough money to purchase a new home of their own without such assistance, they are forced to remain in the cramped living conditions in which they currently reside. Naturally, these cramped quarters can lead to all types of other social problems.⁵³ As a result, for many tribal members economic development is a mixed blessing.

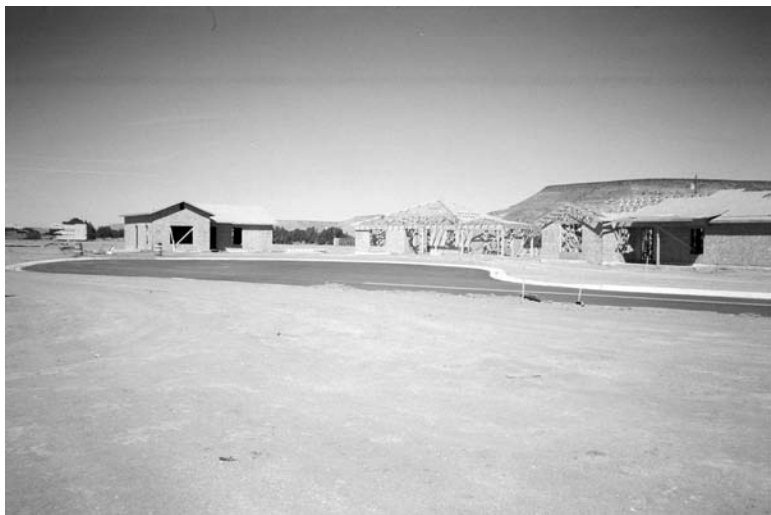
⁵³ For an in-depth analysis of the problems created by overcrowding on Indian reservations, please refer to the NAIHC report, "Too Few Rooms: Residential Crowding in Native American Communities and Alaska Native Villages" (2001), available at the NAIHC website, <http://naihc.net/research/index.asp>.

Still, all is not lost at Laguna. Approximately 1,200 residential housing units on the Pueblo are maintained by the housing department (See *Table 3*). Recently, Laguna Housing



completed a comprehensive special needs report on housing conditions on the Pueblo. The results were somewhat alarming, disclosing the fact that many of the units were in serious disrepair, while others were completely uninhabitable. But the results also

prompted tribal action. The tribe is now in the process of completing a new 60-unit housing development on the Pueblo,⁵⁴ and



The new “Green Acres” development will provide housing for 60 Laguna families.

Laguna Housing has also begun major rehabilitation and restoration work on 39 other existing low-income

rental units. The results of the Laguna special needs report have finally enabled the tribe to pinpoint the actual problems facing tribal housing throughout the Pueblo. This

⁵⁴ The new “Green Acres” development site will consist of 40 single-family rental units and 20 home-ownership units.

attention to detail further allows the housing department to address the specific issues one at a time.

Another sign that the tribe is making progress is the fact that Laguna Housing recently partnered with the tribe's Community Health office to initiate a new "Safe Homes" project. The initiative is designed to increase safety, mobility, and accessibility in Laguna homes. Overcrowding in the tribal villages due to a lack of housing has led to the emergence of other social problems such as family violence and drug and alcohol abuse.⁵⁵ But as new units continue to be built, and more and more tribal members begin to move into new homes, the Safe Homes project will start to play a larger role in community rehabilitation. The serious problems of the past will be addressed more readily and in a timely fashion.

The interesting fact about Laguna Housing, however, is that none of their housing development funds come from the proceeds generated by the LDC. The new 60-unit development is entirely funded by federal loans and grants. Part of this is because the tribe incurred some debt when it decided to open its casinos. So while revenues are being generated by all the new economic development, the tribe has not yet been able to disperse the profits throughout the rest of the tribal administrative offices. But the general consensus is that the tribe will one day be able to take some of the money earned from the LDC and its economic enterprises and use it to ease some of the financial dependence the housing department currently has on the federal government. Fiscal autonomy is very important to tribal leaders. "My vision is to some day work our way out of having to depend on government. So that there won't be any restrictions, and we

⁵⁵ Ramona Dillard, Community Health Representative, interview with Grant Ellis, March 20, 2004, Laguna Pueblo, New Mexico.

can develop our own standards, our own qualifications, so that all members of the tribe have equal opportunities.”⁵⁶

Table 3. Pueblo of Laguna*

Indian Area Profile			
On-reservation total population: 4223	Other than Low-income	Low-income	Total
Number of Families	98	801	899
Sub-standard Housing	240	367	607
Over-crowded Living Conditions	74	161	235
Current Housing Stock Status			
	Total Number of Units	Number of Units Needing Rehabilitation	Prior to NAHASDA homes built under 1937 Housing Act
Rental	279	109	39
Homeownership	1237	498	138 (Mutual Help)
Existing Unmet Housing Needs			
	Low-income	Other than Low-income	Units needing Rehabilitation
Rental	N/A	149	168
Homeownership	N/A	668	612
Transitional	N/A	5	N/A
Homeless	N/A	20	N/A

* Statistics provided by the Laguna Housing Development and Management Enterprise in accordance with the Pueblo of Laguna Indian Housing Plan for 2003-04. "N/A" indicates statistics not available.

Governmental Structure

The Laguna tribal government is made up of 21 council members, of whom at least two are from each of the six tribal villages. With the need for housing as great as it is, many tribal members opt to live in nearby Albuquerque, which provides a great number of social services and conveniences not yet available on the reservation. But all tribal council officers are required to live on the reservation. This mandate is in place not

⁵⁶ Lt. Governor, Clarence Marie, interview by Grant Ellis, March 20, 2004, Laguna Pueblo, New Mexico.

just to add to the sense of community on the Pueblo, but also to foster better working relationships. The belief is that if the tribal officers see and interact with the community on a daily basis they will be more in tune with the true needs and demands of the tribe.

Within the Pueblo, each village maintains active self-governance, which allows them to remain individual communities. Each village holds regular meetings to determine what stance to take on important issues facing the tribal council. This way, each of the villages can adequately address their needs without fear of being overlooked by a disenfranchised council. Such interaction also provides for strong administrative communication, an important factor when implementing new tribal strategies.

Cultural Relevance

One simply needs to drive through the villages of Laguna Pueblo to realize the importance of cultural relevance to the tribe. In the main village of Laguna you can see the original adobe structures built and rebuilt by the tribe over hundreds of years. These homes and buildings have outlasted housing units half as old. In fact, some of them are still inhabited by tribal elders who prefer an older, simpler way of life.

When you venture out into the newer housing developments throughout the Pueblo, the similarities are instantly recognizable. The new homes constructed for the “Green Acres” development project are similar in shape and appearance, and many of them are covered with adobe-like stucco material designed, much like the original adobe homes, to keep them cool in summer and warm in the winter. They are also designed to blend with the surrounding desert landscape and are colored with traditional Pueblo shades of light yellow, orange and pink.

Housing officials indicated that tribal members wanted new homes with modern amenities, but did not want to sacrifice the traditional Pueblo housing design. With the exception of a few units, which were designed with slanted instead of flat roofs,⁵⁷ the new homes actually resemble old Pueblo style domiciles. Additionally, they continue the Pueblo tradition of providing its members with safe, affordable, environmentally friendly and energy-efficient homes.

Human Resources

With approximately 4,000 tribal members living on the reservation, the Pueblo of Laguna has a good-sized tribal workforce to perform the new jobs being created by the recent economic development. And to help ensure quality tribal employment, the Pueblo has established a “Partners for Success” program through the Laguna Department of Education. The program, which is available not just to Laguna tribal members but to other Native Americans living on or near the Pueblo as well, offers student support services, vocational training, and employment counseling services.

Student support services seek to help Laguna students, from kindergarten through high school, obtain course tutorials and assistance with college entrance exam fees. The Laguna-Acoma Vocational Rehabilitation program assists individuals with disabilities, and includes career counseling services, job trainings and employment placement assistance. And the employment counseling and training services help people find jobs. They also provide career counseling and, in some cases, financial assistance to persons studying to earn their Graduate Equivalency Diploma (GED).

⁵⁷ The Laguna housing office said this was in accordance with tribal members’ wishes to break up the housing monotony in the new community.

Each of these programs under the “Partners for Success” project are not only helping tribal members find and keep new jobs, but are also providing them with the basic skills to live healthy and productive lives on the reservation. What they have the chance to learn through the “Partners for Success” can then be taken and applied in a similar fashion in their homes.

Financial Considerations

With Albuquerque only 30 minutes away, Laguna tribal members have an easier time today receiving housing or commercial development loans than some of the more isolated pueblo Indians in New Mexico. And with the increase in jobs and tribal employment on the reservation, banks and lending institutions are much more inclined to provide Laguna members with loans now than they were five or ten years ago.

Furthermore, while mortgages have typically been difficult to obtain on Indian reservations, they are easier now than ever before on the Pueblo of Laguna. With help from the New Mexico Mortgage Finance Authority (NMMFA), which has provided over \$15 million in American Indian housing loans in the last ten years, Laguna will receive two Low-Income Housing Tax Credit projects this year. The incoming funds will be used for both new home construction and old home rehabilitation. At the moment, the Pueblo of Laguna is doing pretty well in housing finance. While things could always be better, the tribe is utilizing every possible avenue to ensure that tribal members have access to homes and home loans.

Eastern Band of Cherokee Indians – North Carolina

History and Geographic Location

The Eastern Band of Cherokee Indians' reservation is located in southwestern North Carolina, nestled among the hills and trees of the Great Smoky Mountains. The Qualla Boundary, as the reservation is called by the Eastern Cherokee, is home to six tribal communities⁵⁸ which are spread out over 56,000 square acres in both Swain and Jackson counties. A far cry from the arid southwest, Cherokee, North Carolina, is lush and green. The Oconoluftee River, with origins in the Great Smoky Mountains, traverses through the middle of downtown Cherokee.

Before European intervention, the entire Cherokee Nation was based throughout what is now the southeast United States. However, many Cherokee clans were forcibly relocated to Indian territory in Oklahoma during the 1830s and 1840s. After withstanding years of federal tactics used during the Indian removal period, the Eastern Band of Cherokee Indians was finally acknowledged by Congress in 1848. Yet, it took almost another 20 years for the state of North Carolina to comply, and for the federal government to recognize the rights of the tribe. Tribal lands were officially placed in federal trust in 1924.

But it wasn't until the 1930s, with the creation of the Great Smoky Mountain National Park, that the Eastern Cherokees witnessed the initial boon in their economy. Early economic ventures into the tourism industry laid the groundwork for what would later prove to be the primary source of financial success for the tribe. And while much

⁵⁸ The largest of which is the city of Cherokee, North Carolina, which we refer to herein simply as Cherokee.

has changed in Cherokee since the 1930s, the tribe continues to rely on tourism for its livelihood.

Local Economy

Unlike all the other tribal locations visited for this study, the Eastern Cherokee reservation is still, in some respects, a resort. The city of Cherokee has long been a major stopover for travelers headed north to Tennessee or south to Georgia or Florida, as well as for visitors passing through the Smoky Mountains. In fact, as stated above, for the better part of the 20th Century the Eastern Cherokees' primary source of economic stability came from tourism. But from the 1970s to the early 1990s, Cherokee witnessed a decline in the tourist trade. Larger, faster interstate highways routed crowds around the town, and inexpensive airfare lured many travelers off the roads altogether. Tribal economic activity waned, and tribal members grew increasingly frustrated with the slowing economy. This led tribal officials to band together to determine what could be done, and the results have proven extremely promising.

In 1997, upon entering a partnership with Harrah's Operating Company, the tribe built a fully functional Class III gaming facility⁵⁹ and casino in the city of Cherokee. In 2002, they added a 12-story luxury hotel next door to the casino. And plans are currently underway to erect another hotel tower in 2005. With the casino leading the way, the Eastern Cherokee tourist industry has begun to right itself.

In the years since the casino was built, the town has undergone a facelift of sorts. In complimentary fashion, the reservation has also witnessed an increase in the number of local businesses. New shops and hotels are popping up all over town. Restaurants can be

⁵⁹ See *supra* note 38.

found on just about every major city block near the casino, and more and more fast food and chain restaurant franchises are finding their way into the Qualla Boundary.⁶⁰ And fortunately, the tribe plays a role in almost every aspect of economic activity on the reservation.

During the spring and summer months, the Eastern Cherokee reservation is bustling with activity. Shops and restaurants line most busy streets throughout the reservation, and traffic can be quite heavy in peak tourist season. The tribe itself owns much of the land within the Qualla Boundary,⁶¹ and this land can be leased by outside individuals and companies looking to do business on the reservation. And for the older, more established institutions in town, the tribe offers no-interest loans to businesses to improve the appearance of their stores in the community. It's simply another way for the tribe to make some money from the tourist trade. As long as the businesses are doing well in Cherokee, they will stay in town. And as long as they stay in town, they will need to lease land from the tribe.

In addition to the revenues brought in from the casino and lease agreements, the tribe is currently engaged in a number of other economic enterprises. The tribe owns and operates a bottled water company called Cherokee Bottled Water. The water, which is collected directly from the Oconoluftee River, is filtered and treated on the reservation and shipped off to a contract bottling agency in South Carolina. It is later shipped back to Cherokee for distribution. The tribe currently sells the Cherokee Bottled Water in .5-liter, 1-liter bottles, and five-gallon containers for home and office use. On top of the

⁶⁰ Because the Eastern Cherokee reservation is a "dry" reservation, however, there is no alcohol served at any of the dining establishments or sold at any stores within the Qualla Boundary, including the tribe's casino. Alcohol may be purchased outside the reservation and brought in, but may not be sold on reservation lands.

⁶¹ The rest of the lands inside the Qualla boundary are either owned by the National Park Service or have been sold off by the tribe to state or independent interests.

bottled water business, the tribe also charges outsiders a fee for fishing on the reservation. While tribal members are allowed to fish throughout the Qualla Boundary for free, tourists are charged a fee and restricted to designated areas of the reservation. Because of its close proximity to the National Park, the tribe issues hundreds of fishing licenses each year.

Also, for three days each spring, the reservation plays host to the official Cherokee Survivors Motorcycle Rally and Concert, an enormous gathering of motorcycle enthusiasts and tradesmen. The tribe owns and leases the grounds on which the event is held. The tribe also owns and operates a historical Eastern Cherokee museum and gift shop, as well as an authentic Cherokee Indian arts and crafts store. And at the moment, there is talk of the tribe adding a tourist resort on the reservation to entice even more visitors. Plans are not complete and details were not forthcoming, but rumored amenities for the proposed resort included a golf course, retail shopping center, and spa.

But the big story in Cherokee is still the casino. Currently, the casino employs about 1,700 people. Over 500 of these employees are registered members of the Eastern Cherokee Nation. In fact, some of the local restaurant and shop owners have noticed a decline in tribal member employment at their establishments in



The Eastern Cherokee hotel and casino has provided an economic boost to the tribe.

the years since the casino first opened. “Pre-casino, I would say 90 percent of all our employees were enrolled members or at least married to an enrolled member [of the tribe]. When the casino opened and more jobs were generated, a lot of our key employees went to the casino.... So now I would say only 60 percent of our full-time employees are enrolled members.”⁶² With more job security and greater opportunity for advancement, it’s no wonder so many tribal members have fled older, less stable jobs in retail and fast food to work for the casino.

Housing

The housing industry within the Qualla Boundary can be described as promising. The current Executive Director of the Qualla Housing Authority, Katherine Lambert, has been with the housing department for almost 30 years. “Back when I first started... we had housing, but not at the magnitude today. Over the years, we have grown. We have more housing, more money, more everything.”⁶³ Again, this can be traced back, in large part, to the success of the casino. When the casino was built, it suddenly provided hundreds of new jobs to tribal members whose choices of employment may have previously been limited to the local tourist shops and restaurants around town. The casino brought not only new jobs, but also higher paying positions with job security.

⁶² Chris James, interview by Grant Ellis, April 21, 2004, Cherokee, North Carolina. James is a non-Indian who leases land from the tribe to run several franchise fast-food restaurants on the reservation.

⁶³ Katherine Lambert, Housing Director, interview by Valerie Seneca, April 22, 2004, Cherokee, North Carolina [hereinafter Lambert interview].

Furthermore, with the revenues generated by the casino, the tribal administration is able to provide allowances to other tribal departments, including housing.



Recent financial success has allowed the housing authority to make new additions to their units, such as this porch.

Presently, about one-half percent (.5%) of the funds

allocated from gaming and dispersed throughout other tribal entities goes to a tribal roads and infrastructure fund. One and one-half percent (1.5%) goes into a housing infrastructure fund. Another one-half percent (.5%) is given to the tribal Housing Improvement Program, or HIP, fund; and three quarters of a percent (.75%) of the gaming allocations is placed in the Mutual Help Program fund.⁶⁴

This extra financial assistance has allowed the Qualla Housing department to move away from such a dependence on federal funds. “We receive the NAHASDA block grant, [but] to us this is not enough to be able to supply all of our tribal members with housing.”⁶⁵ The extra funds, generated by the casino and supplied to the housing authority, have enabled the housing department to go above and beyond the typical call of duty. Instead of simply building new homes for tribal members, the extra funds have allowed the housing staff to add perks to the houses. Many of the newer houses being built within the Qualla Boundary now have features such as porches or decks off to the

⁶⁴ These numbers were provided by the tribe and are available in the 2003 Harrah’s Cherokee Casino & Hotel Community Report.

⁶⁵ Lambert interview.

side. Some of the extra funds even allow for more landscaping or other such amenities than in past years.

At the moment, the Qualla Housing Authority is very busy. As displayed in *Table 4*, it oversees 584 Mutual Help homes, 147 rental units,⁶⁶ and 85 down-payment assistance homes financed by the tribe. Through its own Housing Improvement Program (HIP program) the tribe constructs 12-15 new houses each year with its own funds. Not

only is the housing department able to maintain a staff of 18 people, but the tribe also retains its own construction company, Qualla Construction, which builds all the new Qualla housing units. As a result, very little outsourcing is



New roads must be carved into the Great Smoky Mountains to provide access to the new Qualla housing units.

required at all, labor is provided by trained tribal professionals, and all the money exchanged stays within the Qualla Boundary. And to make things even easier, the tribe has taken advantage of a statutory provision passed by Congress which allows them to handle all of their title work for Qualla housing units. This is a luxury not afforded most tribes, who often have trouble securing homeownership titles through the BIA.

Meanwhile, on the Eastern Cherokee Reservation there is actually a BIA employee working with the tribe in their title office.

⁶⁶ Out of roughly 525 total rental units on the reservation.

Table 4. Eastern Band of Cherokee Indians*

Indian Area Profile			
On-reservation total population: 8092	Other than Low-income	Low-income	Total
Number of Families	1348	1464	2812
Sub-standard Housing	80	80	80
Over-crowded Living Conditions	197	197	197
Current Housing Stock Status			
	Total Number of Units	Number of Units Needing Rehabilitation	Prior to NAHASDA homes built under 1937 Housing Act
Rental	525	168	141
Homeownership	2812	612	584 (Mutual Help)
Existing Unmet Housing Needs			
	Low-income	Other than Low-income	Units needing Rehabilitation
Rental	N/A	149	N/A
Homeownership	N/A	668	N/A
Transitional	N/A	5	N/A
Homeless	N/A	20	N/A

* Statistics provided by the Qualla Housing Authority in accordance with the Eastern Band of Cherokee Indian Housing Plan for 2003-04. "N/A" indicates statistics not available.

Governmental Structure

Much of the success in the community can be linked to the Eastern Cherokee government. The tribe itself employs roughly 900 people outside of the casino, most of whom are registered members. It offers competitive market wages on par with the various industries of the region, and aims to keep its employees happy. Though the current Principal Chief, Michell Hicks, has been in office for only one year, he was fortunate enough to inherit a stable tribal governmental structure.

The Eastern Cherokee government, much like the Federal Government, is broken up into three branches: the Executive, which consists of the Chief and Vice-Chief, each elected to four-year terms; the Legislative, which is made up of a 12-member tribal

council; and the Judicial, which consists of the Eastern Cherokee tribal court system. The tribal court system handles all housing disputes within the Qualla Boundary.

Human Resources

Employment in Cherokee used to be almost entirely seasonal. Tourist season was great for jobs, but when winter rolled around the jobs disappeared. This forced many tribal members to seek a living elsewhere, where employment was more stable. Now, thanks to the casino and the business it has attracted, most tribal members are able to hold jobs year-round. This has led to the return of many members to the reservation and, therefore, a demand for more housing. And though the housing department has reported large waiting lists for tribal housing units, they are in a better position now to handle the growing population, thanks again in large part to the casino revenues.

With approximately 7,000 members – of an enrolled tribal membership exceeding 13,000 – living on the Eastern Cherokee reservation, finding jobs and housing for everyone is quite a task. And while the casino has definitely helped open up the job market within the Qualla Boundary, housing is somewhat harder to come by. “Today we still have a housing list of about 700 people for homeownership and rental, and this stems from the fact that the [younger] generations are growing up and needing housing. It also stems from the fact that the older generations are living longer as well as the fact that the younger tribal members are choosing to stay on the reservation. Without the looming threat of unemployment clouding their vision, tribal members are staying home, or returning after going off to school, to plan their futures on their native lands. Now all they need is a place to live. “I think with economic development, in the future we will be

able to help these people who are not able to get houses [now].”⁶⁷ It is a lofty goal, but one towards which the Qualla Housing Authority has already begun working.

Financial Considerations

The tribe’s recently reorganized Financial Division, which oversees almost all matters of economic development, human resources, and finance, has been in place since the late 1990s, and is presently working on an overall tribal economic plan to help establish a long-term set of goals and objectives for the entire tribe.

As with most tribal areas, mortgage loans and other lending services are still scarce in Cherokee but are becoming more and more available with the tribe’s persistence. At the moment, there are 62 active Qualla housing loans in place, as well as six Section 184 guaranteed federal loans in effect. There is a credit union located in Cherokee, and more lending institutions are expected to establish residence within the Qualla Boundary in the next few years.

In addition to the revenue disbursement to tribal administrative offices, the tribe also provides each member with per capita payments, supplied primarily from casino-generated money. In fact, 50 percent of the distributed tribal gaming allocations flow directly into the tribal member per capita fund. These per capita payments, which are distributed twice a year, can be used by the housing department to cover any outstanding housing payments not made by a particular tribal member. In essence, the housing department engages in a type of legal wage-garnishment, except that it’s a portion of the per capita payments that are taken, instead of paychecks. It is authorized by the tribal council and signed off on by the members to ensure that housing payments are met. It’s a

⁶⁷ Lambert interview.

very workable system that keeps the housing authority happy and in business, and keeps the tribal members in their homes. Everyone wins.

Cultural Relevance

The Eastern Cherokees are not the richest tribe in America, but many members would be happy to tell you that they are wealthy in other, more important ways. Successfully combining a realistic approach to contemporary business economics with their traditional Native lifestyles, the Eastern Cherokee have been able to conform to non-Native standards while maintaining their time-honored Cherokee customs at the same time. “Economic development has had a positive effect on our people. We do not want to be where we were twenty or thirty years ago.”⁶⁸

In the heart of town sits the Museum of the Cherokee Indian. Open year-round, the museum provides a chronological timeline of the tribe’s existence. A museum film informs visitors of the major historical periods in the tribe’s lifeline, and other museum exhibits emphasize the importance of tribal culture and language. That said, it should not be construed that the tribe is dwelling too much on the past. On the contrary. Even the museum guides explain the importance of looking ahead to the future. “It’s good to know the history, but we can’t stop there. We have to look forward, on down fifty years from now or even further, because we’ve got to look forward for our children and their children.”⁶⁹

⁶⁸ Lambert interview.

⁶⁹ Jerry Wolf, Tribal Elder, interview by Grant Ellis, April 21, 2004, Cherokee, North Carolina.

It's no coincidence that outside the entrance to the tribe's casino stands a bronze statue of Selu, the Cherokee mother of corn. According to tribal legend, Selu provided sustenance for the Eastern Band of Cherokees. It is fitting that her memorial resides outside the casino, now the largest source of revenue



Selu, the Cherokee mother of corn, now stands outside the tribe's casino.

generation for the tribe. Once an enduring symbol of ancient Eastern Cherokee culture, Selu now also stands as the guardian and protector of a bright and promising future.

Summary and Observations

Geographic Considerations

One of the most influential factors in defining economic development is, not surprisingly, tribal geographic location. A tribe's proximity to a major metropolitan area plays a vital role in the development of that tribal economy. Even though a tribe may be stationed in what is typically referred to as a rural location, this study shows that a tribe's economy tends to prosper more if that tribe is closer to a larger urban setting.⁷⁰

Furthermore, major thoroughfares or interstate highways running through or nearby a tribal area are also key contributing factors to the success or failure of a tribal economy.⁷¹

Tribal participants in the study repeatedly spoke about the benefit or detriment of their geographic locations. This study's findings show that a consistent flow of traffic, passing through or nearby a reservation or other tribal land base, for any number of reasons, can have a dramatic impact on the tribal economy. Conversely, those tribes not located near a major metropolitan area, and those that lack heavily trafficked roads or highways, tend to suffer more from economic stagnation.⁷² The more people that pass through or visit tribal lands, the greater the chances are that those people spend more time and, possibly, more money there.

Relocation is not an option for most American Indian tribes. Whether it be due to financial disability or the simple desire to remain on their native homelands, many Native

⁷⁰ This was demonstrated by the success of recent economic endeavors on the Pueblo of Laguna.

⁷¹ This was evidenced by the recent surge in tribal business in and around Miami, Oklahoma and Laguna Pueblo in New Mexico.

⁷² The key exception to the rule in this study was, of course, the Eastern Band of Cherokee Indians' reservation. While not located on a major thoroughfare it is, however, seated adjacent to the country's most-visited National Park. This unique locale then gave the impression that Cherokee, North Carolina was actually part of a larger, more heavily trafficked system.

Americans are not able to – or may not want to – relocate to larger towns or cities where jobs are more abundant and housing is already established. Many of the tribal members we spoke with during this study stressed the importance of developing new economies to address that particular issue. And while they acknowledged the difficulties involved with community and economic development in Indian country, most of the study’s participants felt that economic development in some way or another was essential to help address many of the other needs of the tribe, including housing. Findings from this study showed that, depending on the tribe’s location and the particular circumstances surrounding their local economy, geography can play a vital role in the success, or lack thereof, of Indian housing.

Governmental Structure

It is imperative to emphasize the importance of government stability. A stable tribal government instills confidence and security in tribal members, and no tribal government should ever forget that the tribal members it represents are also the workforce responsible for the tribal economy. “Tribal members are less likely to put their energy and skills into the tribal future if they’re uncertain what role politics will play in their jobs.”⁷³ If the government is stable, and specific goals and objectives for economic development are established and adhered to, the tribal workforce is much more inclined to support those leaders responsible for success.

⁷³ Cornell, Stephen and Joseph P. Kalt, “Sovereignty and Nation-Building: The Development Challenges in Indian Country Today” (1998), 13.

And not only does a stable government often mean a healthier developing economy, but it suggests improved IHA/TDHE performance as well.⁷⁴ With government stabilized and objectives in place, tribal housing can prosper. As evidenced by the case studies in this report, not only can housing departments reap the financial benefits of economic development, but they can also profit from the administrative support a stable tribal government is willing to provide them. Constant governmental turnover and change of ideas and plans can often result in tribal departmental strife. Stability benefits all tribal branches.

Change is, nonetheless, inevitable. So, if change appears constant in tribal government, it is wise to establish separate entities to oversee the duties of the housing authority as well as tribal economic development.⁷⁵ This would serve to alleviate the confusion created by a changing of the guard. A new administration brings with it new ideas, and these ideas are often beneficial to a tribe. Yet, too much change in the overall makeup of tribal policy could very well result in administrative dormancy, and a dormant tribal government has a difficult time either building houses or developing an economy. As long as tribal government allows for the establishment of a separate economic development board or association, a change in tribal administrations should not disrupt existing services or performance.

It is important for tribal governments to be certain of the objectives they set, whether those objectives are long-term or short-term. However, this also means that sometimes risks must be taken. As displayed by the Walker River Paiute Tribe, an

⁷⁴ Jorgensen, Miriam, "History's Lesson for HUD and Tribes" (revised 2004), 30.

⁷⁵ Examples of economic development corporations that have been established by the tribes, but are managed as a separate entity, include the Laguna Development Corporation, the Miami Business Development Authority, and the Financial Division of the Eastern Band of Cherokee Indians.

unwillingness or uncertainty to explore new ideas or endeavors can lead to tribal economic stagnancy. With all the the funding sources presently available, federal and otherwise, tribes can delve into any number of potentially untapped resources. “There is no need for an Indian nation today, be it the poorest tribe only now embarking on a path for sustainable economic development, or the most prosperous Indian nation, to be... excluded from the financial services that are readily available to other, non-Indian entities.”⁷⁶

Cultural Relevance

Good tribal government is often a reflection of how effectively the cultural side of a society functions. And while values and traditional customs vary from tribe to tribe, they are all uniquely important to the implementation of tribal enterprise, whether it be economic development or housing.

In a 1992 essay on tribal economic development, Harvard scholars Stephen Cornell and Joseph Kalt wrote that “tribal constitutions often have been written and, if not imposed, at least promoted by outsiders.” This makes it much harder for many tribal communities to come to terms with what a certain few may be doing. This sentiment was clearly expressed during our site visits to both the Walker River and Laguna Pueblo reservations.

Unfortunately, this also spills over into the tribal housing industry. In smaller, tight-knit Indian communities, where neighbors are not just friends, but often family, it is difficult to impose the historically non-Indian practices of rent collection or, if the

⁷⁶ Testimony of Eric Henson, Research Fellow at the Harvard Project on American Indian Economic Development, before the U.S. Senate Commission on Indian Affairs’ Hearing on S. 519, the Native American Capital Formation and Economic Development Act (April 30, 2003).

situation deteriorates, eviction. Not only are these concepts traditionally foreign to many of these communities, they are also a distinct social burden. Eviction, in particular, can create real problems in Indian country. Not only does it pit neighbor against neighbor – the act of one tribal member forcing the removal of another from their home – it also adds to the serious problem of overcrowding. If an Indian family is forced to vacate their home due to rent delinquency or some similar occurrence, they very rarely have anywhere to turn for shelter besides the home of another family member. And many Indians are quite reluctant, if not loathe, to turn away family in such a time of need. Hence, the stray family members are taken in and given a place to stay, and the homes become overcrowded.

Our case studies on the subject matter uncovered much evidence to suggest that a lucrative tribal economy can and often should successfully combine tribal customs and traditions into the economic development plan. Capitalizing on local tribal culture, in a savvy yet dignified manner, allows the tribe to come together as a community to support the endeavor. This may or may not occur if the enterprise has no basis in tribal society or tradition. In Walker River, where a truck stop repeatedly failed, the community appeared at odds over the inclusion of tribal values. But in Cherokee, North Carolina, tribal society was noticeably well-defined by the economic ventures of the Eastern Cherokee tribe.

It became evident in our studies that profitable economic development could successfully merge outside economic influence with the unique tribal customs of the four tribes that we visited. This in turn allowed the successful tribes to turn their

achievements inward, and to focus on the other pressing matters affecting their members. Most of these matters, in some way or another, impacted tribal housing conditions.

Human Resources

Much economic development is trial and error, but the enterprises that are successful can serve as springboards to future endeavors. As in the case of Walker River, a failed enterprise – the truck stop – led to a period of economic and social depression on the reservation. But the tribe was able to learn from the mistakes made during that time and has benefited from that particular attempt. Knowledge gained from the unsuccessful truck stop has been applied to ensure the success of the tribal smoke shop. The Pueblo of Laguna went through a somewhat different learning experience. When the Laguna Tribe first entered the gaming industry, they accrued much more financial debt than they initially imagined. But the tribe was also able to learn from the experience, and steps were taken after that to ensure much smoother transactions for subsequent economic ventures, including the tribe’s two newest gaming halls.

It is important to recognize that training and education can also help lead to successful economic enterprise. In fact, “to ensure a good return on investment,” tribes must be able to provide access to proper training and educational resources needed for specific employment.⁷⁷ On-the-job training can be extremely helpful, but can take you only so far. Those tribes which are able to provide their members with the means for adequate skills development are more inclined to witness more production of, and a

⁷⁷ Jorgensen, Miriam and Jonathan B. Taylor, “What Determines Indian Economic Success? Evidence from Tribal and Individual Indian Enterprises,” (June 2000), 12.

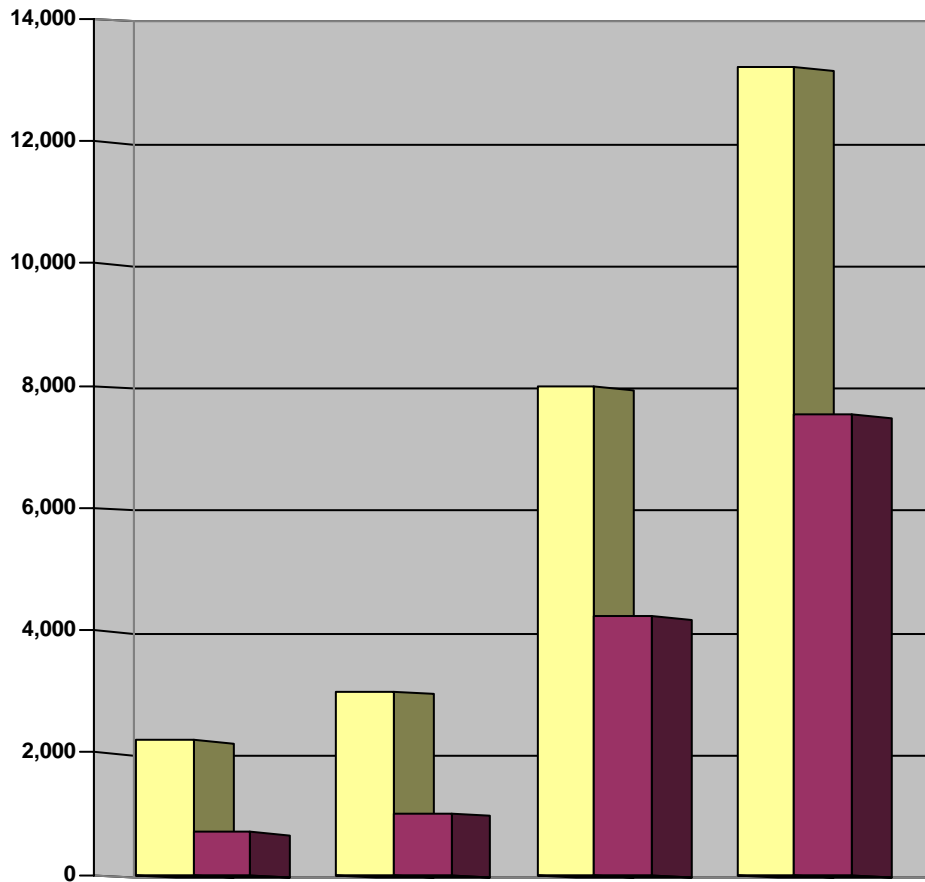
higher quality in, their goods and services.⁷⁸ One of the largest obstacles facing tribes today is the inability to access technical assistance. “A general lack of education and experience about business is a significant challenge to prospective entrepreneurs.”⁷⁹ Not surprisingly, though, this same dilemma affects the housing industry as well. Without access to adequate housing and homeownership resources, tribal housing officials cannot achieve their full potential.

Furthermore, one of the most pertinent associates of both Indian housing and economic development has to do with tribal populations and the availability of human resources. The logical conclusion with regard to tribes is that the larger the tribal population is, the larger the workforce will be to contribute to the needs of the community (See *Table 5*). And this may be true. However, it must also be noted that the larger the tribal population, the larger the demand for adequate housing. More people living within a tribal community or on an Indian reservation means a greater need for homes, and, as this study shows, even an active and prosperous local economy cannot solve every problem related to housing.

⁷⁸ *Id.*

⁷⁹ Native Assets Research Center, First Nations Development Institute, “The Native American Entrepreneurship Report” (March 2002), 4.

Table 5.



	Walker River*	Miami*	Laguna	E Cherokee
▨ Tribal Enrollment	2,200	3,000	7,976	13,205
▨ Reservation or OTSA Population	690	1,000	4,223	7,521

This chart displays, from left to right, the total tribal enrollment, as well as the total reservation or OTSA population for each case study tribe. It does not distinguish between employed and unemployed tribal members, nor does it take into account the number of tribal members over the age of 17, who could contribute to the available tribal workforce. Numbers were provided by the tribes.

* Approximations

Also, as new jobs are created by economic development, a tribe may witness a growth spurt. Essentially, tribal members are recognizing the fact that newer and better jobs are becoming available on their native lands, and they are choosing to move back

home to work. This is excellent news for many tribes, as they welcome their members back to the reservation. At least two of the four tribes outlined in this study witnessed slight increases in their populations as a result of their new, emerging economies.⁸⁰ However, this notable change in tribal demographics must be taken into account with regard to housing. The downside to this news is that not enough new homes exist for these returning members. While it may not be easy to provide jobs for every tribal member, it is often just as difficult to make sure every tribal member has a roof over their head.

Repeatedly, the participants interviewed for this study indicated that housing conditions were in dire straits. Overcrowding and outdated living quarters are but two of the many problems that continue to plague Indian country. And even though burgeoning local economies are rapidly producing more and more jobs for tribal members, it is often the case that housing conditions tend to improve at a slower rate.

One of the reasons for this is the fact that while a new job might provide a community member with a newfound source of income, it may also disqualify that member from access to certain federal housing initiatives. Yet, this new income is generally not enough to allow the tribal member to move into upgraded housing. As a result, tribal members are forced to remain in their current housing conditions, with no available alternatives. Time and time again, tribal members interviewed for this study expressed a desire to see their tribe provide more housing to Indians who do not qualify for the low-income units. Often, this unserved group of tribal members falls into an

⁸⁰ Walker River did not have enough of an economic standing to attract tribal members who have moved away, and it was still too early in the initial stages of the Miami Nation's new economy to note any real changes in regional tribal population. However, both Laguna and Eastern Cherokee indicated a subtle, though significant, increase in tribal populations due to the availability of new jobs.

indeterminate state. They no longer qualify for subsidized housing, but cannot afford to purchase new homes. Among the four tribes we investigated, a recurring sentiment was the desire to see the housing needs of this middle group of tribal members addressed. If obtaining a job suddenly places a person at a higher income level, which then precludes that person from qualifying for an affordable housing program or service provided by the tribe, there appears to be a problem with the system.

Furthermore, there is no guarantee that even with steady jobs tribal members will be able to adequately address the major issues facing their new lives. Yes, new jobs provide more income, but with that extra money may come greater responsibility for the new homeowners; responsibility many tribal members who have lived their whole lives in impoverished conditions know little about. So, even if a tribal family is elevated out of the low-income housing tax bracket and is able to purchase a new home on their own, the basic facts of the transaction may be misleading. There are a lot of new demands on a person when it comes to homeownership, and there may not be anyone available on the reservation or Indian area to tell them about this added pressure. According to recent studies on Native homeownership, “homebuyer counseling programs and trained personnel are not readily available in tribal communities.”⁸¹ This must change.⁸²

Nevertheless, new and better jobs are definitely more beneficial than detrimental. It has been shown that “Indian families that have consistent gainful employment are exploring homeownership opportunities because they can afford a better quality home or

⁸¹ Native American Financial Literacy Coalition, “Financial Education in Native Communities: A Briefing Paper” (2003), 21.

⁸² In an effort to address this particular problem, NAIHC has partnered with the National Congress of American Indians (NCAI) and the Neighborhood Reinvestment Corporation (NRC) to present “Pathways Home” to tribes. The “Pathways” program is designed to provide tribes and TDHEs with the homebuyer education tools they need through training and technical assistance. For more information, please visit the NAIHC website at <http://naihc.net>.

they have exceeded eligibility requirements for any assistance.”⁸³ These results are consistent with the findings of this study as well. And while such news proves hopeful for those tribal communities with a steady or steadily growing economy, there is still much work to be done with regard to Indian housing in those communities that lack economic activity.

Financial Considerations

Tenant Accounts Receivable (TARs) are a major financial consideration. When TARs are low it means that tenants are meeting their payment obligations on time. New economic development most definitely plays an important role in this. As jobs are made available, TARs should remain low, which is beneficial to both tenants and housing authorities. However, without the availability of these jobs, accounts often go unpaid, and TARs are more likely to remain high. This direct impact of economic development on Indian housing cannot be ignored.

With that in mind, however, we must also consider the case of the Eastern Cherokees, whose new tribal economic development from their casino has fostered financial growth within the tribal coffers. So now, even when a tribal member does default on a housing payment, the money is simply paid to the housing department by the tribe out of the per capita payment that that tribal member is due from income generated by the casino. As a result, TARs remain low, the Qualla Housing department stays happy, and the tribal member gets to keep his/her house. It is a very favorable system indeed.

⁸³ “One-Stop Mortgage Center Initiative in Indian Country: A Report to the President,” a report issued by HUD and the Department of the Treasury, (October 2003), 8.

The lack of banks and other lending institutions throughout Indian country also severely hampers a tribe's ability to seek financing. And if tribal members do not have adequate jobs or full-time employment, it becomes even more difficult for them to find an institution willing to take a chance on them. Often, remote geographic location and issues such as predatory lending discourage mortgage financing in Indian country even further.

Concerns over the lack of financial institutions in Indian country have been approached time and time again by tribal leaders around the country. Fortunately, some tribes have been able to address the problem through federal programs. Some government-sponsored programs such as the Section 184 Indian Home Loan Guarantee Program⁸⁴ are designed to provide tribes and tribal members with access to home ownership, property rehabilitation, and new home construction opportunities. Furthermore, the emergence of Native community development financial institutions (CDFIs) around the country has presented tribes and tribal members with yet another viable lending option. CDFIs offer up a broad range of financial advances for areas such as small business investment, commercial development, housing rehabilitation, and homeownership.⁸⁵ While not covered by this particular study, CDFIs are simply another tool becoming more and more available in Indian country to address the issues surrounding financial lending for use in tribal economic and community development.

⁸⁴ To review the contents of the Section 184 loan program, visit the HUD website, <http://www.hud.gov/offices/pih/ih/homeownership/184/index.cfm>.

⁸⁵ For a more complete look at CDFIs, see Sarah Dewees' report, "Investing in Communities: Community Development Financial Institutions in Native Communities," put out by the First Nations Oweesta Corporation and First Nations Development Institute, April 2004. The study provides a glimpse into the role that CDFIs are beginning to play in tribal communities.

Conclusion

In a 1969 compendium of papers addressing the issue of economic development for Native communities, Congress noted that “despite greatly increased levels of Federal assistance, the vast majority of native Americans continue to live in extreme poverty and deprivation.”⁸⁶ Economic experts from around the country offered advice on how to analyze Indian country, increase economic development and growth, and improve conditions on the reservations.⁸⁷ And yet, despite the research and effort put into these papers, no steps were taken to actively promote an agenda of tribal self-determination with regard to both economic development and housing until almost 30 years later.⁸⁸

Then, in 1995, it was written that, “economic development has moved to the top of most tribal policy agendas, and tribal governments have moved to the center of the development effort.”⁸⁹ Of course they did; they had to. It was imperative that the tribes take a more proactive role in their own progression. The development was necessary, but the solution to a generation of problems was not going to magically appear on the tribes’ doorstep. One year later, NAHASDA was passed. Since 1996, however, things have not changed all that much. Yes, many tribes are better off than they were ten years ago, and certainly much better off than they were in 1969, but many of them continue to place a heavy emphasis on outside assistance. At this point in time federal aid is still very

⁸⁶ William Proxmire, Chairman, Subcommittee on Economy in Government, in a letter to Wright Patman, Chairman, Joint Economic Committee, announcing the production of the compendium of study papers, entitled “Toward Economic Development for Native American Communities,” December 17, 1969.

⁸⁷ *Id.*

⁸⁸ With the passage of NAHASDA in 1996.

⁸⁹ Cornell, Stephen & Marta Cecilia Gil-Swedberg, “Sociohistorical Factors in Institutional Efficacy: Economic Development in Three American Indian Cases,” from *Economic Development & Cultural Change*, Vol. 43 (January 1995), 242.

important to most tribes. As a result, both the economic and the housing crises in Indian country are far from over.

While NAHASDA paved the way for new advancements in the industry, it is far from perfect. There are still many problems that have to be addressed on a much broader scale. Overcrowding is still rampant throughout Indian country, employment rates remain low, and more homes must be built to accommodate the rapidly growing American Indian population in this country. Additionally, federal aid is still an integral part of tribal funding, despite the desire of many tribes to break free of federal financial dependence. Continued, long-term subsidization has not proven successful, nor is it what most tribes want. But there is hope.

A handful of members of Congress have taken notice of the link between tribal economies and Indian housing conditions, and have begun to take steps to address these important issues. In 2001, Colorado Senator Ben Nighthorse Campbell introduced the Native American Housing Assistance and Self-Determination Reauthorization Act (P.L. 107-292), which was designed to increase funding for NAHASDA programs and broaden the availability of loans for tribal community development projects.⁹⁰ “The specific focus of NAHASDA has been housing, but the provisions allowing for... economic development need to be extended and utilized.”⁹¹ In 2003, Senator Tim Johnson of South Dakota introduced the Native American Housing Enhancement Act (NAHEA), a five-pronged bill, co-sponsored by Senator Michael Enzi of Wyoming, designed to foster

⁹⁰ Campbell, Senator Ben Nighthorse, “Tribes Poised for Housing, Economic Growth,” from *Rural Voices: The Magazine of the Housing Assistance Council*, Vol. 9, No. 1 (Spring 2004), 3.

⁹¹ *Id* at 2.

housing development in Indian Country.⁹² In April 2004, the first U.S. Congressional housing hearing ever to take place on an Indian reservation was held by members of Congress and numerous Indian housing officials in Tuba City, Arizona, on the Navajo reservation. And in June 2004, the House of Representatives passed the Homeownership Opportunities for Native Americans Act (H.R. 4471), which was sponsored by Arizona representative Rick Renzi, and would amend NAHASDA to require federal repayment guarantees for tribal housing activities in hopes of attracting private investors to Indian country.⁹³ In addition to these Indian housing measures, several other bills have also been introduced in recent years to help stimulate capital development and economic growth in Indian country in an effort to create more opportunities for financial independence and tribal self-sufficiency.⁹⁴

Just as important as the efforts on Capitol Hill, though, is the hard work currently being conducted by the tribes themselves. On the whole, tribes are taking more risks than ever before. By amending their laws and regulations and adapting their means of dispute resolution to entice potential outside investors, many tribes have opened the doors to a whole new world of tribal business.⁹⁵ According to recent studies, the number of Native

⁹² At the time of this report's publication, a House companion bill to NAHEA, H.R. 797, co-sponsored by Congressmen Rick Renzi of Arizona and Jim Matheson of Utah, had just passed on the House Floor.

⁹³ Specifically, the amendment would guarantee repayment of 95 percent of the unpaid principal and interest due on the notes or other tribal housing obligations. At the time of this study's publication, H.R. 4471 was before the Senate and awaiting a vote.

⁹⁴ Such notable legislation includes the Native American Business Development, Trade Promotion, and Tourism Act of 2000 (S. 2719); the Indian Tribal Economic Development and Contract Encouragement Act of 2000 (S. 613); and the Native American Capital Formation and Economic Development Act of 2003 (S. 519).

⁹⁵ It is important to note here, however, that tribes should not necessarily have to forfeit their tribal sovereignty or abandon tradition and custom to achieve these new objectives.

American-owned businesses rose 84 percent from 1997 to 2000.⁹⁶ These new businesses bring with them jobs and opportunities not previously available to most tribal members.

As more new jobs are made available in Indian country, many tribal members who moved off the reservation to find jobs years ago now find themselves able to return home to work. But while the new jobs are now there for these returning tribal members, too often the homes are not. There are currently just not enough homes in Indian country to accommodate all the people. NAHASDA and other government loan assistance programs help, but federal grants alone are not the ultimate solution. “Since it was authorized in 1996, funding for NAHASDA programs has hovered at approximately \$650 million annually.”⁹⁷ This is a significant amount of money, but the problem is that the figure does not adequately reflect the rapid growth rates in Native communities. Even tribes such as the Laguna Pueblo, who have relatively successful economies, are faced with persistent housing problems. So, for the time being, tribes are doing the best they can to accommodate all their members.

The key seems to be for the tribes to take a proactive approach. Many tribes are looking into new and inventive measures for economic development. Housing authorities are exploring new ways to deal with the recurring problems in the industry. And tribal HAs and TDHEs are tapping into new resources to find the solutions to these problems. The fortunate communities, such as the Eastern Band of Cherokee Indians, have been able to parlay their economic success into advanced services for tribal housing recipients. It hasn’t been easy, and it’s not a definite solution, but it is a start, and it is helping. There are no overnight solutions, no quick-fix remedies to alleviate decades of strife.

⁹⁶ Minority Business Development Agency, U.S. Department of Commerce, “State of Minority Business Report” (2001).

⁹⁷ Youmans, “Native American Housing Needs,” at 4.

And, as seen in the four examples displayed in this report, not all remedies work in every case. But with patience, hard work, and continued perseverance, tribes throughout Indian country should be able to one day address their economic and housing needs.

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