



# Beyond Beauty, Reservations Hold Promise of Economic Sustainability

By David W. Bland

*I have spent most of my working life — longer than I like to think, actually — in the fields of affordable housing and economic development. A turning point in my career came in 1993 when I started work at the Federal Reserve Bank of Minneapolis.*

I was asked to create a strategic plan for the Community Affairs Department, which for the first time would focus on examining the credit and capital needs of American Indian tribes and reservations within the Ninth Federal Reserve District, which includes Minnesota, Montana, the Dakotas, and parts of Wisconsin and Michigan.

I leapt into the project with gusto and enthusiasm and some trepidation since I knew nothing of Indian Country. In the first six months, I visited 14 reservations, and I was transfixed by the physical beauty of the tribal lands: the Badlands of South Dakota, the mountains of Montana,

the lakes and forests of Minnesota, Wisconsin, and Michigan. But my enthusiasm for the beauty of the landscape quickly turned to shock.

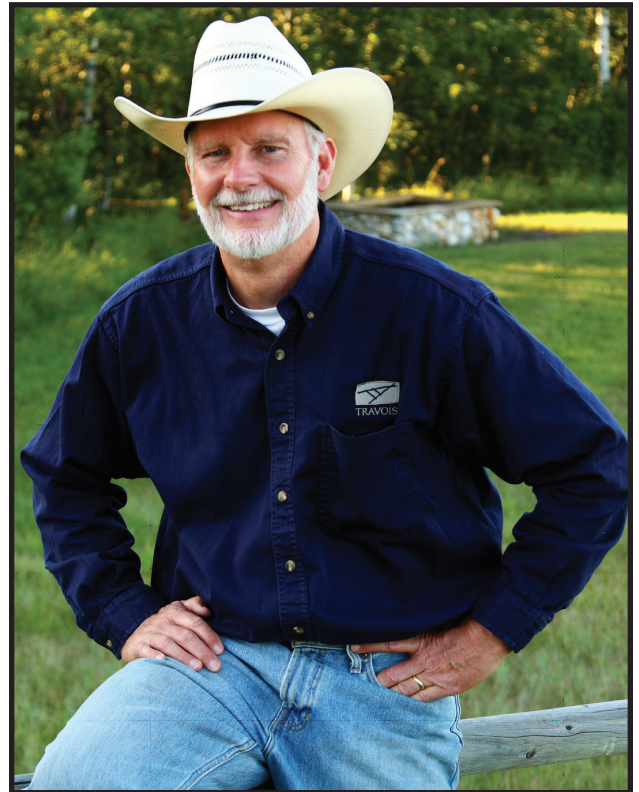
On these monumentally beautiful reservations, I also saw families squeezed into trailer homes without plumbing or heating, something I found especially troubling in the harsh northern climates. I saw hungry children and desperate parents. I met with tribal leaders who acknowledged the need for greater access to capital and banking services but who described a crisis in housing and jobs that made access to checking and savings accounts pale in comparison. These trips changed the course of my career and my life.

In 1995, I decided to leave the Federal Reserve and start a company dedicated to creating housing and economic development on reservations across the country. Nearly 15 years later, I am proud to say that we've

partnered with more than 40 tribes (and two tribal colleges) to build or rehabilitate more than 3,500 homes.

But there is still much more work to be done.

I recognize the importance of tribal colleges and universities. They offer a chance for an education, knowledge of and pride in tribal history and traditions, and a chance for a better future for students and their families. Tribal



*INDIAN COUNTRY ADVOCATE. David W. Bland: These trips changed the course of my career and my life. Photo by Mervin Coleman*

colleges cultivate future tribal council members, tribal college professors, and tribal entrepreneurs. These future leaders will help create sustainable reservation economies.

According to a U.S. Census 2000 Special Report, an estimated 33% of American Indians and Alaska Natives are under the age of 18, compared with 26% of the total population. This growing population will place added stress on tribal college classrooms, student housing, transportation systems, and libraries.

Innovative financing methods are needed, as tribal colleges receive little or no funding from state governments and do not receive all that they need from the federal government, student tuition, and fundraising efforts. Loans can be difficult to attain. Costs for construction are also higher in rural areas, making new construction even more challenging.

Two federal programs can help the tribal colleges and universities to raise such funds for housing and economic development. Tribal college administrators can learn from the success stories of the two tribal colleges and the tribal housing authorities and economic development staff who have used them.

Sitting Bull College (Fort Yates, ND) and United Tribes Technical College (Bismarck, ND) have used the Low Income Housing Tax Credit program to build student housing. United Tribes Technical College built a 24-unit apartment complex, which was completed in 2007. Sitting Bull College built 18 new housing units, which were completed in 2005. More than 40 tribal housing authorities all across the United States have also utilized the program, some on the same reservations as tribal colleges.

That program places specific requirements on its residents and works best for non-traditional students who are married or are single parents; who receive Temporary Assistance to Needy Families; who participate in a program receiving assistance under the Job

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Training Partnership Act, Workforce Investment Act, or other similar federal, state, or local laws; or when the household has at least one child who was under foster care within the previous five years.

The program is restricted to students whose income is no greater than 60% of the area median income. Rent is set at a rate assumed to be affordable for such families. Students can also get involved in the construction, putting into practice the skills they learned in the classroom.

A second federal program, called the New Markets Tax Credit program, is taking root in Indian Country and is on its way to improving infrastructure, getting new businesses off the ground, and creating jobs.

This program is the non-housing companion to the Low Income Housing Tax Credit and is intended to bring private capital to Indian Country projects to fill funding gaps without creating long-term repayment obligations to outside parties.

Early in 2009, the Navajo Tribal Utility Authority utilized a \$6.4 million Qualified Equity Investment through the New Markets Tax Credit Program to construct two electrical substations in Shiprock, NM, bringing power to 400 families who were previously

without it. The investment allowed the authority to double its electricity capacity in the area without raising its rates, which is critical to its mission as a nonprofit.

Tribal colleges can use the program to fund the construction or expansion of non-housing college facilities – classroom buildings, research facilities, or athletic facilities, for example. Tribal colleges can also consider New Market Tax Credits as an option for buildings of mixed use, such as student apartments above classrooms or even commercial space.

By focusing on improved infrastructure, tribal colleges will ensure that they can meet the growing need for higher education and ensure the success of future generations. [TC]

*David W. Bland has worked on the development of affordable housing for more than 30 years. He is chairman of Travois, Inc. ([www.travois.com](http://www.travois.com)). In recognition of his work in Indian Country, he was named a Champion of Affordable Housing by the North Dakota Financing Agency in 2005 and was a finalist for the Volvo for Life Award in 2006 and 2007. He can be contacted by email [info@travois.com](mailto:info@travois.com) or by phone (816) 994-8970.*