

Honoring Tribal Sovereignty, from Intent to Allocations

Minnesota Housing
Special Achievement

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Federal and state government interactions with the 11 Tribes that share Minnesota’s geography are constantly evolving. In Minnesota we continuously strive to improve diplomatic relations and deliver better partnerships and outcomes. Minnesota honors Tribal sovereignty and recognizes the role of state government in achieving equity for Native American people. Broken treaties have come to stand for a history of promises made and promises broken. Perhaps the most egregious example of the human toll evident today is this: In Minnesota, Native Americans are 28 times more likely to be homeless than whites. That degree of housing instability is untenable.

Minnesota Housing’s work with the Tribes today comes from a place of humility and respect. Our role today is to right past wrongs. One of the best ways we can do this is to honor Tribal sovereignty and treaties. In practice, we do so through meaningful government-to-government consultation between elected Tribal leadership and state officials.

Our work with the Tribes started decades ago and will continue, as it must. We are now seeing the cumulative successes that can only occur with sustained intention and investment.

We are submitting this application for several reasons:

1. The culmination of decades of consultation with the Tribes is resulting in real wins for the Tribes in the form of direct allocations of housing resources and broader access to state funds.
2. Minnesota Housing recently became the first agency in the state to make Tribal Nations eligible for all its funding streams.
3. Our agency improved its guidelines to facilitate the first rent-to-own transfer of ownership in the state, where Red Lake Nation had the opportunity to transition 16 rental homes to owner-occupied units. Many other Tribes are now poised to make the same conversion.
4. Each of these achievements happened because Minnesota Housing listened to Tribal leaders and created what worked for them, rather than expecting Tribes to bend to our process.

“We know how best to serve our people.”

Minnesota Housing leaders have consulted with Tribal leaders for years, and we’ve heard this message of self-determination in numerous consultations: “We know best how to serve our people.” Agency leadership has taken this to heart. When possible, the agency has set aside direct allocations for Tribes in recognition of their sovereignty.

Today we are seeing those sincere intentions lead to action. Here are three examples of positive developments over the past year:

1. Tribal Nations are now eligible for all Minnesota Housing funding.

One of the successes of the 2023 legislative session was the ability for Minnesota Housing to add Tribal Nations as eligible entities to apply for any of the agency’s funding streams. Many of the funding sources the agency has had in the past have noted that local government entities are eligible but have not

included Tribes. Now whenever local governments are eligible, Tribes must be too. Minnesota Housing is the first agency in the state to have legislative approval to do so.

2. We created a \$10 million Tribal Set-Aside through the Family Homeless Prevention Assistance Program (FHPAP).

As part of the 2023 housing budget, Minnesota Housing received \$50 million in FHPAP funds. These funds provide supportive services and financial assistance, such as rent deposits, rent payments or utility payments, to eligible households that are homeless or at imminent risk of homelessness. Minnesota Housing advocated for \$10 million of the funds to be set aside for Tribal Nations, a provision the legislature accepted that honors Tribal sovereignty. We are currently negotiating contracts to deliver the \$10 million to 10 of the 11 Tribes that have chosen to accept the funds. (One Tribe declined the funding.)

It is worth noting that Minnesota Housing has a longstanding 10% Tribal set-aside for Challenge funds as well, which are designated for multifamily affordable housing development and rehabilitation. This contributes to loans and tax credits thousands of affordable units we've financed since 1988.

3. We successfully supported Red Lake Nation in converting 16 homes from rental to ownership on Tribal land.

Minnesota Housing invested in the development of 16 Eventual Tenant Ownership single-family homes on Red Lake Nation. The Agency worked closely with Red Lake Nation to complete the Eventual Tenant Ownership process. In late 2023, Red Lake Nation sold 16 units to 16 renters for \$1.00. This process transferred ownership to the original tenants of the homes. These are the first homes Minnesota has converted from rental to ownership anywhere in the state. Red Lake has more homes nearly ready to transition to ownership, and the Bois Forte, Leech Lake and White Earth Band of Ojibwe Tribes are preparing to convert homes in their portfolios as well.

The transition from rental to ownership is now possible due to an agency overhaul of our Eventual Tenant Ownership program guide. Earlier versions made it more difficult for Tribes to complete the transfer. Through consultation and close review of our own policies, we revised our own requirements to take ourselves out of the way of progress and remove barriers to the process. We changed our products to meet the needs of the Tribes, rather than asking Tribes to change to meet our program guides. Our revisions have cleared the way for achieving the, in some cases, overdue transfer to the long-term tenants who have anticipated and prepared for ownership in good faith.

4. Close consultation preserved culturally significant site.

Minnesota Housing's environmental review of a proposed new apartment building revealed a culturally significant site of interest to the Fond du Lac Band of Lake Superior Chippewa. We conducted close consultation with the Band to complete an archaeological site survey prior to project construction. The Tribe conducted onsite monitoring, resulting in no known or observed cultural resources of interest to the Band being impacted by construction. While consultation is required for all HUD-funded projects across the country, this development resulted in a deeper level of collaboration than had been conducted with a Minnesota Tribe before.

How we got here: Sustained commitment and active listening

Minnesota Housing hired its first Tribal Liaison in 2002 as part of a statewide effort to embed a liaison in every state agency to improve Tribal-State relations. We continue the role to this day, paving the way for sustained Tribal-State meetings for elected and appointed leadership. Our liaison is a leader in multi-state Tribal connections, such as the Great Lakes Indian Housing Association, and meets regularly with Tribal liaisons across the state as well as with Tribal housing leaders. Our liaison is tapped regularly for advice by staff at other state housing finance agencies that seek to replicate our achievements, an indication of Minnesota's good standing and progress in Tribal-State relations.

Minnesota Housing has sent hundreds of staff members to Tribal-State Relations Trainings that have been delivered four to six times a year since 2013 to great acclaim. In the several day trainings, staff learn about 500 years of Tribal history, including key treaties signed throughout the centuries. They learn about the jurisdiction of Tribal law, the outcome of key court cases, the passage of federal acts and the ongoing relationship with the State of Minnesota. Every training includes a language and cultural component.

One of the goals of the training is to teach state employees that the 11 federally recognized Tribes are sovereign nations. Their executives are at the same governmental standing as the president of the U.S. The intention is to rout out paternalism on the part of state employees. Tribal leaders have shared that they will only work with state employees who have taken the training.

Results include thousands of affordable homes for Tribal members.

Since 1988, Minnesota Housing has provided more than 180 deferred loans and tax credit allocations for multifamily housing developments developed by Tribally designated housing entities and Tribal corporate entities, or are intended to serve Tribal or Indigenous communities. The financing represents assistance for 75 projects and over 2,200 rental units. These investments are made possible in part by, but not limited to, the 10% set-aside in the Challenge funds for multifamily selections made each year.

In the single-family area, Minnesota Housing has invested in the creation and rehab of a projected 245 single-family homes over the past 10 years. This is made possible by the Impact Fund Tribal Funding and Indian Set-Aside made between 2012-2022.

Tribal-State consultation in Minnesota is a model that works.

The recent achievements in the past year – setting aside funding allocations for Tribes, making Tribes eligible for all state housing programs, completing 16 successful rent-to-own transfers, and collaborating on the preservation of culturally significant sites – were all made possible by building upon decades of consultation and relationship-building. Minnesota Housing's Tribal-State relations are at a high point in trust and collaboration. Our Tribal liaison, and the staff across our agency who manage the programs and review and select the developments, are all available to discuss the evolution of our work with the Tribes in Minnesota with other HFAs. We are also eager to learn best practices from other states to continue the evolution of our Tribal-State relations.

Visual Aids

Grand Opening Celebration of Red Willow Townhomes, August 2023



Minnesota Housing staff celebrate the grand opening of Red Willow Townhomes with Mille Lacs Band of Ojibwe Chief Executive Melanie Benjamin and Lt. Gov. Peggy Flanagan in Onamia, Minnesota. The project is one of the first modular home campuses built with Minnesota Housing investments. Red Willow provides culturally specific workforce housing for the Tribe.

Included in the photo are several key partners pivotal the Minnesota Housing's Tribal-State Relations:

- **Chief Executive Melanie Benjamin, Mille Lacs Band of Ojibwe.** Chief Executive Benjamin also serves as a board member of Minnesota Housing. (Pictured in center, red jacket).
- **Lieutenant Governor Peggy Flanagan, State of Minnesota.** Lt. Governor Flanagan is the second-highest-ranked Indigenous elected official in the U.S. government, after Secretary of the Interior Deb Haaland. (Pictured farthest right, first row).
- **Deputy Commissioner Rachel Robinson, State of Minnesota.** Deputy Commissioner Robinson leads Minnesota Housing's Tribal-State Relations along with Commissioner Jennifer Ho. (Pictured far left, back row).
- **Tribal Liaison Corey Strong, Minnesota Housing.** Corey Strong has served as Minnesota Housing's Tribal Liaison since 2020, replacing Rick Smith, who had served in the position since 2002. (Pictured farthest left, back row).

Celebrating Innovation with Lower Sioux Indian Community, September 2023



Tribal Liaison Corey Strong (left) and Minnesota Housing Commissioner Ho (middle) tour a new sustainable project at the Lower Sioux Indian Community. These new homes are built using sustainably sourced hemp plants to create a new construction product called hempcrete, used in wall insulation.

- **Tribal Liaison Corey Strong, Minnesota Housing.** Corey Strong has served as Minnesota Housing’s Tribal Liaison since 2020, replacing Rick Smith, who had served in the position since 2002. (Pictured on the left)
- **Commissioner Jennifer Leimaile Ho, Minnesota Housing.** Commissioner Ho has served as commissioner since 2019 upon appointment by Governor Tim Walz. She has been steadfast in her commitment to the agency’s growth in cultural competence in the area of government-to-government relations.

Celebration of Transfer of 16 Homes to Homeownership, October 2023



October 19, 2023 marked the day when 16 long-term renters officially gained ownership of their homes for the cost of \$1 each through the Eventual Tenant Ownership program. Red Lake Reservation Housing Authority Executive Director, Jane Barrett (pictured at left) presided over the proceedings.

Minnesota Housing had several key representatives present, including Tribal Liaison Corey Strong, Commissioner Jennifer Ho and Irene Kao, Senior Counsel at Minnesota Housing.

Red Lake Reservation Housing Authority has received agency investment for 15 phases of new single-family housing construction.

- **Executive Director Jane Barrett, Red Lake Reservation Housing Authority.** Executive Director Barrett has led the housing authority through 15 phases of housing development on Red Lake Nation and led the first successful effort to convert 16 homes to homeownership.
- **Commissioner Jennifer Leimaile Ho, Minnesota Housing.** Commissioner Ho has served as commissioner since 2019 upon appointment by Governor Tim Walz. She has been steadfast in her commitment to the agency's growth in cultural competence in the area of government-to-government relations.
- **Senior Counsel Irene Kao, Minnesota Housing.** Senior Counsel Kao provided legal oversight for the agency on the transfer of ownership to the 16 long-term residents.
- **Tribal Liaison Corey Strong, Minnesota Housing.** Corey Strong has served as Minnesota Housing's Tribal Liaison since 2020, replacing Rick Smith, who had served in the position since 2002. (Pictured on the left)