

# REFLECTIONS ON TURTLE MOUNTAIN



An Assessment of the Opportunities and Challenges  
Facing Pathways to Prosperity at the Halfway Point

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**CEDAR RIVER GROUP**

*Partners in change. Solutions that last.*

# **REFLECTIONS ON TURTLE MOUNTAIN: An Assessment of the Opportunities and Challenges facing Pathways to Prosperity at the Halfway Point**



In 2005, the Cedar River Group was selected by the Turtle Mountain Band of Chippewa Indians to help assemble the community's ideas for reducing poverty and prepare a proposal to the Northwest Area Foundation. The result of that work was a document entitled "Pathways to Prosperity" that outlined thirteen inter-related strategies to achieve the goal of creating a better life for future generations at Turtle Mountain.

In early 2006, the Foundation approved the proposal, and committed \$10 million over ten years to implement the strategies the community had proposed. With the grant period half over, I was asked to return to Turtle Mountain to provide an assessment of the progress that has been made to date and to work with the staff and Board of the Pathways organization to identify adjustments in the original strategies that might accelerate the pace of poverty reduction in the community. This report provides that assessment. It is organized in four parts:

1. A brief description of the activities I carried out as part of the assessment (Methods).
2. General observations regarding the pathways staff and Board, and the organizing strategy they are currently pursuing (General Assessment).
3. Brief summaries of the progress that has been made on each of the major strategies (Progress within each Pathway), and
4. Recommendations to the Foundation about how it can best support the efforts underway at Turtle Mountain going forward (Suggestions).

## **METHODS**

The findings presented in this report are based upon:

- A review of the original Pathways to Prosperity Plan submitted to the Foundation.

- Review of past evaluation reports provided to me by Tony Genia.
- Direct observation during visits to the Pathways Enterprise Center, Tribal College, Sky Dancer Casino, Housing Authority offices, Tribal Arts Gallery, Indian Health Service Medical Center, and a variety of local businesses in Belcourt, Dunseith and St. John.
- One-on-one interviews with key leaders and a two hour meeting with the Pathways Board of Directors. (The individuals involved in the meetings and interviews are listed in Attachment A).
- Review of documents provided to me during my visit including the adopted Tribal Land Use Plan, a draft proposal for a new energy conservation initiative, a summary of the financial position of the Pathways organization and other materials provided by those I interviewed.

## **GENERAL ASSESSMENT**

### **The Pathways Team**

Although Pathways has suffered significant turnover among its staff during past years, the current team is quite impressive. The Executive Director, Joseph Eltobgi, has been on the job for nearly a year. He has a Master's degree in Business Administration and significant management experience at the Turtle Mountain Community College. He appears to be an able leader who is determined to see Pathways achieve its potential. He is moving to strengthen the Pathways team by moving Lyle Poitra into the Infrastructure Coordinator position, and he is currently recruiting another well regarded and experienced administrator to coordinate the Economic Development Pathway.

Mr. Poitra also has considerable experience in administration at the college. Based upon my review of a draft proposal he is preparing for an energy conservation initiative, he is a gifted grant writer. He is also highly regarded in the community, as shown by the new Tribal Chairman's decision to name him to lead a summit meeting of Tribal Program Directors that occurred during my visit.

Erika Malaterre, Inclusion Pathways Coordinator, rounds out the senior management team. She, too, seems quite capable. She has been leading the tax preparation work Pathways has underway, and is currently planning a new initiative to increase enrollment in 3<sup>rd</sup> party health care coverage.

The Board of Directors is comprised of a cross-section of community leaders. Those Board members who met with me clearly share a strong commitment to the mission of the organization. The Board includes the founder of the largest private enterprise on the reservation, as well as the Chief Financial Officer of the Tribal Government. The Board also includes representatives of those who are living in poverty. The five Board members who met with me seemed proud of Pathways' accomplishments, but also voiced frustration that the pace of change has not been what they hoped when Pathways began.

### **The Team's strategy for change**

The most striking thing about the current staff and Board members is their determination to make Pathways the catalyst for teamwork across the functional silos into which the Tribe has long been organized. The best example of this approach is the Youth Action Team they have recently

assembled, which includes the leaders of virtually every organization on the reservation that touches the lives of children and youth. (Please see Attachment B for a roster of Youth Action Team members). Since its formation a few months ago, the team has met three times, and is working on a unified strategy for youth, which is described later in this report.

The organization of “action teams” is seen as a strategy to overcome the fragmentation of Tribal agencies that has blocked the community’s progress for many years. In taking this approach, Pathways is tackling one of the most important issues facing general purpose governments throughout America: The challenge of adapting bureaucratic structures designed in the 19<sup>th</sup> and 20<sup>th</sup> centuries to perform discreet functions into a new type of organization that is capable of meeting 21<sup>st</sup> century challenges that are far more complex. This requires a new style of teamwork that cuts across the old silos into which most governments are organized. While city, state, and federal agencies are all struggling with this imperative, it could be that Tribal governments feel the need for new methods most acutely:

- They are often burdened by organizational structures inherited from a bureaucracy (the Bureau of Indian Affairs) that seem at odds with their own traditional methods of organizing to achieve essential tasks.
- They have a long history of operating in an environment of material scarcity, which can cause those who have secured leadership positions within one of the Tribal government’s organizational silos to protect their “turf” and resist collaboration.
- Many Tribes have been dependent on federal categorical grants, which often require that new discreet organizational structures to carry out the purposes of each grant, adding to the fragmentation of Tribal government.

These challenges are made even more difficult at Turtle Mountain because the Tribe labors under the constraints of a sixty year old constitution created by the BIA that places the entire slate of elected officials on the ballot every two years and makes few provisions to protect the appointed leaders of Tribal agencies and enterprises from being replaced after each election. This political volatility makes it very difficult to establish policies and programs that endure over time, and creates a level of uncertainty that can scare away potential partners who might otherwise be attracted to invest in enterprises at Turtle Mountain.

Leading members of the community have made several attempts to amend the constitution in recent years, most recently in the 2010 election when voters were asked to approve a system of staggered four year terms for the Tribal Council. That measure failed, and in the same election, the voters replaced eight out of nine elected officials, continuing the pattern of volatility: Since Pathways began in 2006, the organization has worked with four different Tribal Chairmen.

Fortunately the newly elected Chairman recognizes the need for much greater collaboration among Tribal agencies, including Pathways. While I was in Belcourt he convened a summit meeting of the leaders of all those organizations (facilitated by pathways staff member Lyle Poitra) with the goal of coordinating grant applications, and forming action teams around eight priorities that closely parallel those of the Pathways organization. (These include health, education, community services, infrastructure, government administration, etc.) This restructuring creates a window of opportunity

for the Pathways team to demonstrate the efficacy of “action teams” as a way to make more headway in meeting the challenges facing the Tribe.

The Pathways team is working hard to reinforce this new spirit of collaboration. The Chief Financial Officer of the Tribe (who is also a Pathways Board member) is restructuring the Tribal budget information systems to reflect the eight new priorities, and Pathways staff members are also working with the faculty at the Tribal College to develop a new course on Tribal governance to introduce students to alternative organizational models in place on other reservations. Taken together, these steps could lay the groundwork for significant changes in the way things work at Turtle Mountain.

*Questions to be asked a year from now:*

- *Are the staff and Board as strong or stronger than in 2011?*
- *Are Action Teams functioning to advance Pathway’s priorities?*
- *Has the Tribe incorporated the Action Team approach?*
- *Has the Tribal Governance curriculum been incorporated into the course offerings at the Tribal College?*

## **PROGRESS WITHIN EACH PATHWAY**

### **Pathway One: Inclusion**

#### **The Youth Strategy (Strategy 1.4)**



The Youth Action Team is the prototype for the experiment in inter-agency collaboration described above. Past evaluations of Pathways have pointed to the dissolution of the original Youth Action Team as one of the most vexing shortcomings of the organization, along with a lack of outreach to those living in poverty outside Belcourt. With the Pathways staff as the catalyst, the newly assembled Youth Action Team has developed a strategy that could address both of those issues:

- A fifteen member Youth Council is being created with equal representation from Belcourt, Dunseith and St. John.
- The Council will be given the power to develop and implement youth projects, as envisioned in the original Pathways plan.
- The organizations represented on the Youth Action Team will collaborate to bring services and internet access to youth centers located in housing projects in each of the major population centers on the Reservation.

- The space for these programs will be provided by the Housing Authority as an in-kind contribution.
- A Youth Wellness Center has been planned in central Belcourt and fundraising for construction is underway.

It is far too early to know if the new strategy will succeed, but the staff seems determined to make it happen, and in reviewing the financial reports, it appears that there are grant resources available to support this work.

*Questions to be asked a year from now:*

- *Are the Youth Action Team and Youth Council in place and active?*
- *What projects were implemented by the Youth Council and what results were achieved?*
- *Have youth centers been created in housing projects (including projects outside Belcourt)?*
- *What services do they provide?*
- *What progress has been made in raising funds for the Youth Wellness Center?*

### **Expanding Access to Key Economic Resources (Strategy 1.3)**

#### **Earned Income Tax Credit**

The original poverty reduction plan called for a major outreach campaign to expand the use of the Earned Income Tax Credit and Child Care Tax Credits. This strategy was seen as a way for Pathways to put money directly into people's pockets and demonstrate the organization's potential to reduce poverty. The Pathways team has implemented this initiative, but my assumption when I arrived at Turtle Mountain was that the campaign was not reaching many of the families who were eligible, because the numbers of families assisted seemed relatively modest compared to the total population on the Reservation. What I learned is that the figures reported by Pathways understate the actual impact that has been achieved.

In 2010, the Pathways staff directly assisted 226 families in filing tax returns to qualify for the credits, bringing more than \$360,000 to families on the Reservation. So far in 2011, Pathways has helped more than 150 families to file returns, suggesting that they will meet or exceed last year's totals by April 15th. Although these totals represent about 10% of the households on the Reservation in the 2000 Census, these numbers do not reflect the full impact of the campaign. According to the Inclusion Pathway coordinator, Erika Malatterre, more than 90% of the families in the community are now aware of the tax credits available to them, and file tax returns to take advantage of them. Legal Services also offers free tax preparation to Reservation communities and the dollars generated through their efforts are not included in the data Pathways reports. Many other families file through commercial tax preparation services in order to secure tax refund anticipation loans. Unfortunately, many of those loans are made at predatory rates. The Pathways staff is currently exploring how to shift its outreach strategy from making Tribal members aware of the tax credits (which has largely been accomplished) to educating them about the hazards of

predatory lending. This campaign could significantly increase the percentage of eligible families who file through Pathways and legal Services, and reduce the amount of money lost to predatory lenders.

### **Health Care Coverage**

A second thrust of the outreach strategy in the original Plan was increasing the number of Tribal members enrolled in Medicare, Medicaid, and other forms of 3<sup>rd</sup> party health care coverage. The Plan did not allocate grant funds to this campaign because it was assumed that the Indian Health Service (IHS) Hospital staff would provide the resources for the enrollment project because it was in their financial interest to do so. That turns out to have been a mistake. The enrollment campaign was stymied by the lack of staff in the registration and billing departments at the hospital and by rapid turnover among hospital administrators. However, the current administrators at the hospital have sparked renewed interest in this initiative, and the Pathways staff and Board are looking for ways to help. One option is to reprogram a modest amount of grant funds to match IHS funds to enable the hospital to gear up for a major push on enrollment. Erika is proposing to focus that work on enrolling pregnant women, who are highly motivated to enroll in coverage and certain to use health care services, thereby generating sorely needed revenue for the hospital.

In light of the pivotal role the hospital plays in the Reservation economy, and the favorable impact third party reimbursements could have on staffing levels and the quality of health care, reprogramming some of Pathways funds for that work would be a very good investment.

*Questions to be asked a year from now:*

- *Was Pathways able to maintain or increase the number of families filing for tax credits through Legal Services and the Enterprise Center?*
- *Was Pathways successful in educating Tribal members about predatory lending?*
- *Did Pathways successfully partner with IHS to increase 3<sup>rd</sup> party coverage?*
- *Did the percentage of new mothers who had 3<sup>rd</sup> party coverage increase?*
- *Did the total amount of revenue generated from 3<sup>rd</sup> party coverage increase?*
- *Was that revenue used to improve health care services and create employment within the health care system?*

## Pathway Two: Economic Development

### Revitalizing Tribal Enterprises (Strategy 2.1)



The original plan called for the creation of an Economic Development Action Team and a summit meeting aimed at reinvigorating the existing Tribal Enterprises that comprised a significant proportion of the local economy. To the best of my knowledge, those activities did not take place, and the base of major Tribal enterprises has continued to erode with the closure of Turtle Mountain Manufacturing and Uniband, which had both been significant employers. The failure of those businesses appears to have been caused, at least in part, by the loss of their special status under federal procurement provisions, and by an inability to identify new markets. The few major private enterprises I encountered in 2005 (such as Jollie's Supermarket and LaDot's) also appear to be struggling, partly as a result of the opening of a new Walmart superstore just thirty miles from Belcourt.

On the positive side, the Sky Dancer Casino and Hotel appear to be thriving, and a major expansion is reportedly being planned. The management of the Casino has developed a marketing strategy to bring more Canadians to Sky Dancer and the strategy appears to be working. The leaders at the Casino are also planning to add amenities that will aid Tourism, such as facilities for recreational vehicles.

The Tribal College, the IHS hospital, the school system and Tribal government agencies are the other major employers that remain. It is clear that there is a need to find ways to diversify the economy, and to understand the lessons of the failure of Turtle Mountain Manufacturing and Uniband so future ventures are more sustainable.

*Questions to be asked a year from now:*

- *Is an Economic Development Action Team in place and active, including leaders of the major employment centers?*
- *Has Pathways helped the Action Team develop a coherent plan to protect and expand employment opportunities within those enterprises?*
- *Has the community analyzed the factors that led to the closure of Uniband and Turtle Mountain Manufacturing and addressed those issues?*
- *Has the community improved its capacity to identify new markets?*

### Expanding Access to Capital (Strategy 2.2)

When I worked at Turtle Mountain five years ago, there was no bank on the Reservation. Today there are two, including the new Turtle Mountain State Bank (TMSB) owned by Tribal members, which appears to be gaining ground in terms of the amount of Tribal and private resources it has on



deposit. In spite of these significant advances, the Director of the CDFI stated that many families on the Reservation still do not have savings or checking accounts.

*Questions to be asked a year from now:*

- *Are the banks in good financial health?*
- *Have they increased the number of Tribal members who have savings and/or checking accounts?*
- *Are both banks meeting the requirements of the community Reinvestment Act to lend to community families and enterprises?*

### **Creating New Enterprises---The CDFI (Strategy 2.3)**

In addition to the new banks, Pathways and the Housing Authority have partnered to create the Turtle Mountain Community Development Financial Institution, which is located within Pathways' Enterprise Center. Under the capable leadership of Crystal Cornelius, the CDFI has secured federal certification, provided financial literacy training and credit repair for a significant number of Tribal families, and launched the business lending program that was envisioned in the original Pathways plan. With an initial allocation of \$300,000 in NWAFF funds, the CDFI has made loans to launch six new businesses, providing 27 new jobs. Having achieved federal certification, the CDFI will be eligible for \$500,000 in federal funds to match the second increment of Pathways funding, enabling the organization to make the next set of business loans. The new infusion of funds will give the CDFI the ability to make home repair loans as well.

The CDFI appears to be well on its way to being a real success story and a significant generator of new job opportunities. However there are three adjustments that might be considered that could significantly increase the CDFI's impact:

- The CDFI staff quickly identified the need for financial literacy training and credit repair *as prerequisites* for a successful loan program, yet no grant funding had been set-aside for those purposes. That meant that the staff had to scramble to find other funds to provide those essential services. The Pathways Board might consider reprogramming grant dollars to support the CDFI's ability to provide them.
- The staff has identified ten additional potential borrowers who are Tribal members who seem to have viable plans to establish businesses in Dunseith, St. John, Rolla and Rolette. However under current Pathways policy these prospective borrowers are not eligible because their businesses would not be located within the Reservation boundaries. It appears that the goal of building the economy within the Reservation (and especially in downtown Belcourt) may be at odds with the goal of creating additional employment opportunities for Tribal members as quickly as possible. The CDFI may soon have the ability to meet the needs of businesses that are near but not on the Reservation with the resources it is about to receive from the federal government, but the issue of how best to focus resources is worthy of continuing discussions on the part of the Boards of Pathways and the CDFI.

- The original Plan called for surveys of community members to determine what goods and services they were currently buying off-Reservation that they would buy locally if those services were available. It appears that this data has not been gathered, and would still be useful as a source of market research for would-be entrepreneurs. Perhaps there is an opportunity to team with the Tribal College to conduct this research.

*Questions to be asked a year from now:*

- *Are financial literacy training and credit repair services available to all those who could benefit from them?*
- *Has the issue of lending to businesses in towns adjacent to the Reservation been resolved?*
- *Has the proposed research on buying patterns been completed?*
- *How many new loans have been made and how many jobs were created?*
- *What percentage of borrowers are on schedule with loan repayments?*

### **The Artist's Cooperative and Gallery**



In 2005 there was nowhere on the Reservation to purchase the works of art for which the Tribe is famous. Today there is a fine small gallery in Dunseith on the state highway that leads north to the Peace Garden. Pathways can be justifiably proud of its role in establishing the cooperative of artists and craftsmen who display their work at the gallery, and of the high standards reflected in much of the work on display. In fact, many of the large sculptures in the gallery are worthy of being shown in the finest big-city galleries.

However it seems clear that the gallery will not be a sustainable enterprise if it is entirely dependent on visitors who are passing by on the highway, since few of those visitors are likely to purchase the finer (and more costly) items on display there. If the gallery is to achieve its potential, it must find a way to reach a wider audience through the internet and through a systematic effort to establish business relationships with galleries in major cities across the United States.

There have been two unsuccessful attempts to create a website that is sufficiently robust to reach potential purchasers via the internet. Both efforts were underfunded. The Board of the Artist's Co-op now seems willing to budget \$4,000 to create the site. In my view, Pathways should be willing to consider a significantly higher level of investment if needed to create a website that shows these artists to best advantage. It might also be wise to budget funds to enable the gallery's director to travel to Chicago, Minneapolis, and at least a few other major cities to see if the Co-op can establish business relationships with major galleries there to expand the market for the works produced at Turtle Mountain.

*Questions to be asked a year from now:*

- *Has the gallery been successful in launching a quality website?*
- *Has the gallery staff managed to establish business relationships with galleries in urban markets?*
- *Has the volume and value of sales increased?*
- *How many artists are active in the cooperative?*

### **Revitalizing Downtown Belcourt as an Incubator of Opportunity (Strategy 2.4)**

Pathways' efforts to revitalize Downtown Belcourt have focused on a "Keystone Project" to restore the buildings along a short section of what was once Belcourt's main commercial street as an incubator for new businesses. More than \$1 million in grant funds was reserved for this purpose. Although Pathways did succeed in establishing its Enterprise Center in the midst of this area, the rest of the Keystone Project has been stalled for several years by the inability to assemble the property within the target area.

In retrospect, it may have been a tactical error to focus on such a small area for revitalization. The narrow focus signaled property owners within the area that they had the potential to secure a higher price than if the target area had been drawn with wider boundaries. In addition, the focus on such a limited area created unnecessary tensions with leaders of the Tribal College, because they had ownership of key property they did not wish to relinquish.

I observed that the "keystone" area is actually functioning reasonably well. With the Enterprise Center, TMCC's vocational training programs, other community services and a printing plant, it functions as a node for needed services, so it may not be necessary to remake the area in order to achieve the broader goal of reinvigorating Belcourt as the economic hub of the Reservation. During my five year absence, new businesses have been cropping up in Belcourt: Two new restaurants, a coffee shop, a bank, and two new housing projects have all been created in areas adjacent to the Keystone District, suggesting that the strategy in the original plan is actually taking hold, in spite of the lack of the building rehabilitation projects that had been planned.

If the Pathways Board chooses to move away from the tight focus on the Keystone area, there are a number of alternative actions that could be taken to continue rejuvenating Belcourt:

- The Land Use Plan contains some preliminary plans for the redevelopment of Belcourt beyond the Keystone Area (Please see Attachment C). These plans should be developed in much greater detail with community involvement so that there is a clear vision for how the city can achieve its potential over time.
- During my visit, flooding problems along Fish Creek closed the state highway as it passes through the heart of the city, disrupting traffic and businesses and threatening homes at the creek's edges. The new "Belcourt Plan" could address the flooding problems by creating a "village green" in the center of Belcourt that would serve as a natural flood water retention area during periods of high water, and as a park during the rest of the year.

- The Land Use Plan identifies areas for infill housing and mixed use development. The Housing Authority could explore the potential to develop mixed-income projects in those areas to produce housing for a broader spectrum of the population, including staff at the IHS hospital and nearby schools and Tribal offices.
- The shopping center and other nearby businesses have the potential to serve as an anchor for additional business development, but would benefit from renovations, including energy retrofits that could make them more competitive in the struggle with big box stores such as Walmart.

*Questions to be asked a year from now:*

- *Has a community development plan been created for Belcourt?*
- *Did the planning process engage a broad spectrum of stakeholders?*
- *Is the plan being used to drive public and private investment decisions?*
- *What capital improvements have been/are being made as a result of the plan?*

### **Tourism (Strategy 2.5)**



It was encouraging to note that several modest but important steps are being taken to increase tourism as a part of the local economy:

- Belcourt and Dunseith are now listed in state and regional tourism publications;
- The Pathways website contains links that help would-be visitors connect with lodging and special events.

- The Anishinabe Wellness Center operated by the Tribal College has been improved as a site for conferences and retreats.
- Plans are being implemented to develop an RV park and softball complex as envisioned in the original Pathways Plan;
- Plans are underway to expand the Casino and enhance the services available there.

Most importantly, the Land Use Plan contains an explicit strategy for protecting the natural features of the area and developing amenities that will attract tourists to share the unique natural characteristics of the Turtle Mountain area. The Plan proposes:

- Protecting the area on either side of the Scenic Byway (Highway 43) as the green heartland of the Turtle Mountains.
- Extending the Scenic Byway from St. John to Belcourt.
- Creating a network of hiking and bicycle trails that allow people non-motorized access to the region's wildlife areas and recreational sites.

To test the vision contained in the Land Use Plan, I drove in the late winter afternoon from Belcourt to St. John. Turning west along the Scenic Byway, I spotted more than fifty deer in a clearing between my car and the woods, and a few moments later, an even larger number of deer in a field above a small lake surrounded by birch trees. In the fading light, I saw large animals off in the distance. Were they buffalo? The car startled a bunch of pheasants and sent them flying past my windshield.

It is quite reasonable to believe that this wonderful landscape, if unspoiled, could attract visitors to swim and canoe in the lakes and hike through the fields and forests, trading in their hiking boots in winter for snow shoes or cross-country skis. It is not hard to imagine tourists renting bicycles to travel among the towns, and small hotels or Bed and Breakfast establishments to accommodate them, along with small businesses to rent them equipment and provide the services they need to enjoy their visit. Pathways should definitely continue to press ahead with its efforts to encourage eco-tourism and cultural tourism.

*Questions to be asked a year from now:*

- *Have the protections proposed in the Land Use Plan been put in place to preserve the green heartland along the Scenic Byway?*
- *Has the community launched an effort to extend scenic byway designation from St. John to Belcourt?*
- *Have new hiking and biking trails been created?*
- *Have projects proposed in the tourism plan been completed?*

## Pathway Three: Improving the Community's Infrastructure

### The Land Use Plan (Strategy 3.1)



Pathways' success in developing a comprehensive land use plan and securing its adoption by the Tribal government stands as one of the organization's most important achievements to date. The plan is a very thoughtful expression of the community's values, placing a high priority on conservation of the natural resources on the Reservation and the Tribal Trust lands nearby. If it is faithfully implemented, the plan will focus future growth in Belcourt, Dunseith and (to a lesser extent) St. John, to take advantage of existing infrastructure and build stronger and less auto-dependent communities while protecting the quality of the lakes, forests and farmlands that surround them.

Even though the plan has yet to be translated into the language of law through zoning codes and formal regulations, the values expressed in the Plan already seem to be having an effect. For example, the new housing projects developed by the Housing Authority are being created within the three major population centers rather than in remote areas, as earlier projects were. This trend is consistent with the Pathways vision of creating new housing closer to jobs and services, reducing the isolation of those who are struggling to overcome poverty, and building a base of support for local businesses.

While the Pathways staff and Board may once have thought their work on this strategy had ended with the adoption of the Plan, they now realize how important it will be to ensure that the plan is fully implemented. Some members want to get on with the task of developing codes and regulations that can be enforced by law, while others suggest that the values in the Plan will be put to the test as proposals are made for specific development projects, and that the immediate need is to educate more members of the Tribe about the importance of the Plan and its underlying values. If Pathways is successful in building a durable base of support for the Land Use Plan, it has the potential to shape the community's future development in very positive ways.

*Questions to be asked a year from now:*

- *What actions have been taken to increase the number of Tribal members who understand and support the Land Use Plan?*
- *Is the plan being used by Tribal agencies and private parties to drive decisions about where and how development occurs?*

### Affordable Housing (Strategy 3.2)

When the Pathways Plan was created in 2005, there was not one vacant habitable unit of housing on the Reservation, and no new public housing units had been created in thirty years. The need for

housing was ranked as the second greatest challenge by community members, exceeded only by the need to create jobs.

The Pathways Plan included an offer of technical assistance from Enterprise Community Partners to help the Housing Authority develop the capacity to use low-income housing tax credits as a source of funding to develop new public housing units. Although the partnership with Enterprise never materialized, a member of the Housing Authority staff, Jolene Decoteau, took on the task of mastering the complex process of creating tax credit projects. As a result, the Housing Authority has successfully launched four tax credit projects, producing 105 new units, a 16% increase in the supply of public housing. The Authority has two additional tax credit projects in the pipeline, which will create 14 unit complexes in both Belcourt and St. John. These tax credit projects have brought an estimated \$15.7 million in private capital to the Reservation that would not have been available if the Pathways Plan had not pointed out the potential of the tax credit program, and Jolene had not taken it upon herself to master the process. In our interview, Jolene mentioned that most other tribes do not have staff who are dedicated to tax credit projects. If that is the case, there may be an opportunity for NAAF to share Turtle Mountain's success with other reservations.

In addition to the tax credit projects, Pathways has also helped the Housing Authority develop a 20-unit supported housing project for homeless individuals that will open in the spring. (According to a statewide survey, 16% of North Dakota's homeless population has ties to the Turtle Mountain Reservation.)

While these new housing projects are major achievements, the rate of production is still not keeping pace with the need. There is still no vacant habitable housing at Turtle Mountain, and many families continue to live in overcrowded and/or substandard units, adding to the many other challenges facing the community. Staff members at Pathways and the Housing Authority stated that the need for housing on the Reservation is so severe that families are paying to have surplus FEMA trailers shipped to Turtle Mountain from New Orleans, in spite of the significant environmental health problems that have been associated with such units!

The good news is that the Housing Authority *now has the capacity to use the tax credit program to create new housing*, and it has a strong relationship with an equity investor (Raymond James) who has indicated a willingness to back future projects at Turtle Mountain. Pathways has retained most of the grant funds that were originally dedicated to the housing strategy, giving the Pathways Board the ability to make additional investments that could accelerate housing production – and the job creation that flows from that production.

The challenge now is twofold: 1) To ramp up the new production capacity that has been created to a level that equals the need; and, 2) to diversify the types of housing created to meet the needs of a broader spectrum of the community, including first time home buyers. Meeting these challenges will require a very creative strategy that is beyond the scope of this report, but I can't help but offer a few ideas that the leaders of the Pathways Board and the Housing Authority may wish to consider:

- Pathways' budget contains funding to create a "green building pilot project." That project is intended to allow the community to contract with an architect with expertise in green building to create a prototype that is protective of the environment, consistent with the

culture, and affordable for working families. Now would be an excellent time to contract for those services since many first-rate design firms are looking for work.

- As part of the pilot project, it may be worth investigating the potential to use modular building techniques to lower costs and keep construction going during the winter months. Could a portion of the Turtle Mountain Manufacturing Plant be repurposed for this?
- Some urban housing authorities have moved away from the traditional model of large public housing projects and the economic segregation they require to create new mixed income communities where low-income families and individuals live among middle class renters and first time homeowners. Would there be advantages to moving in that direction at Turtle Mountain?

*Questions to be asked a year from now:*

- *How many new housing units have been created for Tribal members?*
- *Has the new housing been created within the population centers as envisioned in the Land Use Plan?*
- *Have the Housing Authority, Pathways, and other stakeholders succeeded in creating the “green building pilot project”?*
- *Do the types of housing created reflect the full spectrum of need in the community?*
- *How many jobs were created by the housing projects?*

### **Creating a Tribal Power Utility (Strategy 3.3)**



When the original Pathways plan was being created, there was strong interest in the concept of establishing a Tribal utility to capture the power of the wind and reduce the impact of utility costs on Tribal members and especially those in poverty. Although that interest still exists, there is a growing recognition that the creation of a Tribal Utility is a complex task that will require a long-term commitment and a great deal of technical, legal and political expertise, and that those in poverty are expecting Pathways to produce real improvements in their living conditions in a much shorter timeframe.

This realization has inspired Pathways to create a new strategy based on energy *conservation* rather than *production*. The concept, as outlined in Lyle Poitra’s draft proposal, is to develop the capacity to retrofit homes on the Reservation to conserve energy by creating teams of workers with the skills to weatherize homes along with financing tools to enable homeowners to pay for the improvements. One strategy we discussed that is being used in Seattle is the creation of an “energy services corporation” (ESCO) with the capacity to provide energy retrofits without asking for immediate payment by the building owner. The McKinstry Company in Seattle has been a pioneer in developing the ESCO model, which works as follows:



- The ESCO provides an energy conservation audit free of charge to estimate the savings that can be achieved through various methods (such as added insulation, caulking, window replacement, etc.).
- The ESCO then enters into a contract with the building owner to make the repairs and guarantees the projected level of savings.
- The ESCO completes the repairs.
- The property owner continues to pay the ESCO the same amount they had previously paid for utility bills.
- The ESCO pays the utility the new (lower) cost of energy, retaining the balance until the costs of the retrofit have been fully recovered.
- Once the project costs have been paid, the homeowner reaps all the monthly savings.

The advantage of this approach is that it relieves the building owner of the necessity of having the up-front capital to pay for the improvements. A disadvantage is that low-income homeowners would not see an immediate financial benefit (although their homes will be warmer and healthier for the same utility payment). Once the ESCO costs are paid, however, on-going utility costs are reduced, often by 30% or more.

The weatherization pilot project the staff has proposed is a critical first step in creating the capacity to realize the benefits of conservation. It will organize a workforce, establish supply chains and give Pathways the opportunity to document the level of savings that can be achieved. Once the pilot project is completed, Pathways could take several approaches to bring the strategy to scale: It could use foundation dollars that had been dedicated to the Tribal Utility Strategy to create an energy conservation revolving fund; it could seek a program-related investment (PRI) to capitalize such a fund; or it could work with the CDFI to make home improvement loans available to homeowners to pay for retrofits.

Whatever approach is selected, the staff's proposal to move toward conservation retrofits is very, very promising. It has the potential to quickly create jobs, provide real financial savings for homeowners, and keep dollars on the Reservation.

As Pathways succeeds in retrofitting the homes of Tribal members, the organization might consider expanding the strategy to include commercial buildings and Tribal facilities. Perhaps it would be possible to secure an agreement with the Tribal government that the dollars saved through retrofitting Tribal facilities such as the Casino would be used to continue the programs Pathways has created after foundation funding ends!

*Questions to be asked a year from now:*

- *Did Pathways successfully launch its energy conservation initiative?*

- *How many homes were upgraded?*
- *How much energy (and other natural resources) was saved and what was the value of those savings?*
- *How many jobs were created?*
- *What plans are being made to expand the initiative?*

### **Transit (new strategy)**



Although it was mentioned only briefly in the original Plan, the need for public transportation was mentioned again and again during my interviews as a critical factor affecting those living in poverty at Turtle Mountain. The lack of transit means that Tribal members are entirely dependent on trucks and automobiles to travel to jobs and shopping, to attend the college, go to church services or government meetings, obtain health or social services, or even to pick up the mail. The necessity to own a car and put fuel in the tank strains household budgets and often leaves the young and the elderly stranded. Transportation was cited as a cause of absenteeism at the schools and colleges as well as work sites.

The Land Use Plan and the Housing authority's decisions to build new housing within the population centers represents a good first step toward reducing the over-reliance on automobiles, but alternative modes of transportation are needed to enable people to move between the major population and employment centers and the Tribal College.

During my visit, there were reports that the Tribal Transportation Department is planning to launch some type of transit service, but I was unable to confirm those reports. With the price of gasoline rising rapidly, it seems an excellent time to explore how Pathways might be able to encourage the development of transit services for the community. One option that has been employed in other communities is the joint use of school buses to make the most of the available supply of vehicles and drivers.

Other ideas that could be explored are:

- Establishing scheduled bus service from Dunseith to St. John with stops at Sky Dancer, Shell Valley, Belcourt and the Tribal College, with "park and ride" lots at each location;
- Organizing a transportation cooperative (modeled on Zipcar) that enables members to reserve and use cars for a fee when they are needed, thus avoiding the cost of purchasing and maintaining a vehicle for individual use;

- Creating a “Working Wheels” program to make surplus vehicles donated by Tribal agencies available for purchase on favorable terms by working folks who need a vehicle. (This program could operate in conjunction with the CDFI’s financial literacy and loan programs);
- Expanding and improving pedestrian and bicycle pathways within the population centers and between Belcourt and the college.
- Creating a “bikeworks” enterprise to sell, repair, and rent bicycles to residents and visitors.

*Questions to be asked a year from now:*

- *Did the Pathways staff and Board develop a partnership with the Tribal Transportation Department and other stakeholders to address the challenge?*
- *Did the partners succeed in creating a transit plan?*
- *Are transit services now available to population centers, employment sites, schools and the College?*
- *Are other alternative forms of transportation (vehicle cooperatives, bicycle and pedestrian facilities, etc.) being created?*

## **SUGGESTIONS FOR THE FOUNDATION**

Based upon what I observed, the Foundation has several important roles to play at this juncture:

1. Continue to provide support and encouragement.

Those I interviewed voiced appreciation for the support Tony Genia and others at NWAFF have provided to Pathways. They regard the Foundation as a true partner and feel the Foundation has been willing to be flexible when Pathways has asked to be. The Pathways team will benefit from having the good advice that Tony and Martin can provide during the next six months as they adjust their strategies.

2. Continue to provide the Pathways organization with “cover” to protect its programs from undue political interference.

There seemed to be hopeful signs that the newly elected Chairman and Tribal Council members are committed to a more collaborative approach with Pathways, but past experience suggests that “Tribal politics” will remain a challenge. Pathways benefits by having a contract with NWAFF that affords certain protections from those pressures.

3. Encourage the staff and Board to strengthen the partnerships and make the investments needed to bring their successful projects to scale and re-engineer the strategies that aren’t working (as they propose to do with the energy conservation initiative).

As I mentioned in the cover letter, there are several promising initiatives underway that need to be brought to scale (such as the housing initiative and the CDFI), and other very good ideas that need to be implemented (such as the youth action agenda, the health coverage campaign, and the energy conservation initiative). Each of these will require adjustments in the work plans and budgets. To their credit, the staff and Board have been good stewards of the grant funds, and appear to have substantial balances available in several budget categories that could be redeployed to achieve the objectives described in this report. At this stage, I believe NWAFF staff could be very helpful as a sounding board to help the team review potential reprogramming options, address the trade-offs, and move forward with confidence.

4. Look for opportunities to bring the leaders of Pathways into contact with those who have created best practices or have technical skills they may need to achieve their goals.

Isolation seems to me to be one of the greatest challenges facing rural America in general, and Reservations in particular. For example, while it is remarkable that a bright and energetic person at the Housing Authority mastered the science of low-income housing tax credits on her own, valuable time could have been saved if she had had access to experts in that field who could have helped. It is also painful to see the art gallery staff struggling to find the help they need to create a website that is worthy of the works they have on display. NWAFF has exposure to experts of many kinds, and the power to convene workshops, conferences or site visits to make their knowledge available to communities like Turtle Mountain.

5. Explore the concept of creating a “visiting scholar” program at Tribal Colleges (and rural community colleges) as a way of bringing expertise to the community to help with specific challenges, while building the community’s own capacity through the classes they would offer. A number of needs have been identified at Turtle Mountain that could be met by visiting scholars with expertise in such fields as:

- Market research
- Website development/on-line marketing
- Town planning
- Architecture
- Green building
- Residential and commercial energy retrofits
- Modular construction
- Zoning code development
- Transit planning

The program I imagine would bring an expert in one of these fields to the college for an academic quarter. The expert would develop a course that engages the students in learning by experience as they work together to complete a specific project for the community. For example, an expert in market research could lead the students in planning, conducting, analyzing and presenting the results of the purchasing survey described on Page 8. When the project has been completed, the community would have a valuable product, the students

would have the skills to conduct other market research and the ability to call on the scholar as a mentor via the internet, after he or she completed their time at the college.

6. Consider conducting this kind of assessment on an annual basis to supplement the Foundation's formal evaluation process.

The “questions to be asked a year from now” are intended to provide a form of “soft metrics” that I believe will be more helpful than the “hard metrics” that were required by NAAF in the original grant proposal. They are designed to provide a measure of accountability, while recognizing that the Pathways’ strategies must constantly be adapted to changing conditions. I am hoping they will be useful to the staff and Board, and provide the Foundation with another lens through which to view the Pathways organization and its contributions to the community it serves. Like any metrics, those questions will only serve that purpose if they are actually used over time to mark progress and help the organization meet new challenges and opportunities.

**Attachment A**  
**Roster of Interviewees and Board Meeting Participants**

Joseph Eltobgi, Executive Director, Pathways to Prosperity  
Lyle Poitra, Infrastructure Pathway Coordinator  
Erika Malaterre, Inclusion Pathway Coordinator  
Crystal Cornelius, Director, CDFI  
Jolene DeCoteau, Director of Tax Credit Projects, Turtle Mountain Housing Authority  
Todd Gable, Director of Property Management, Turtle Mountain Housing Authority  
Joseph Marion, Director, Artist's Cooperative Gallery  
Rita DeCoteau, staff, Artist's Cooperative Gallery  
Richard McCloud, Assistant Director, Sky Dancer Casino

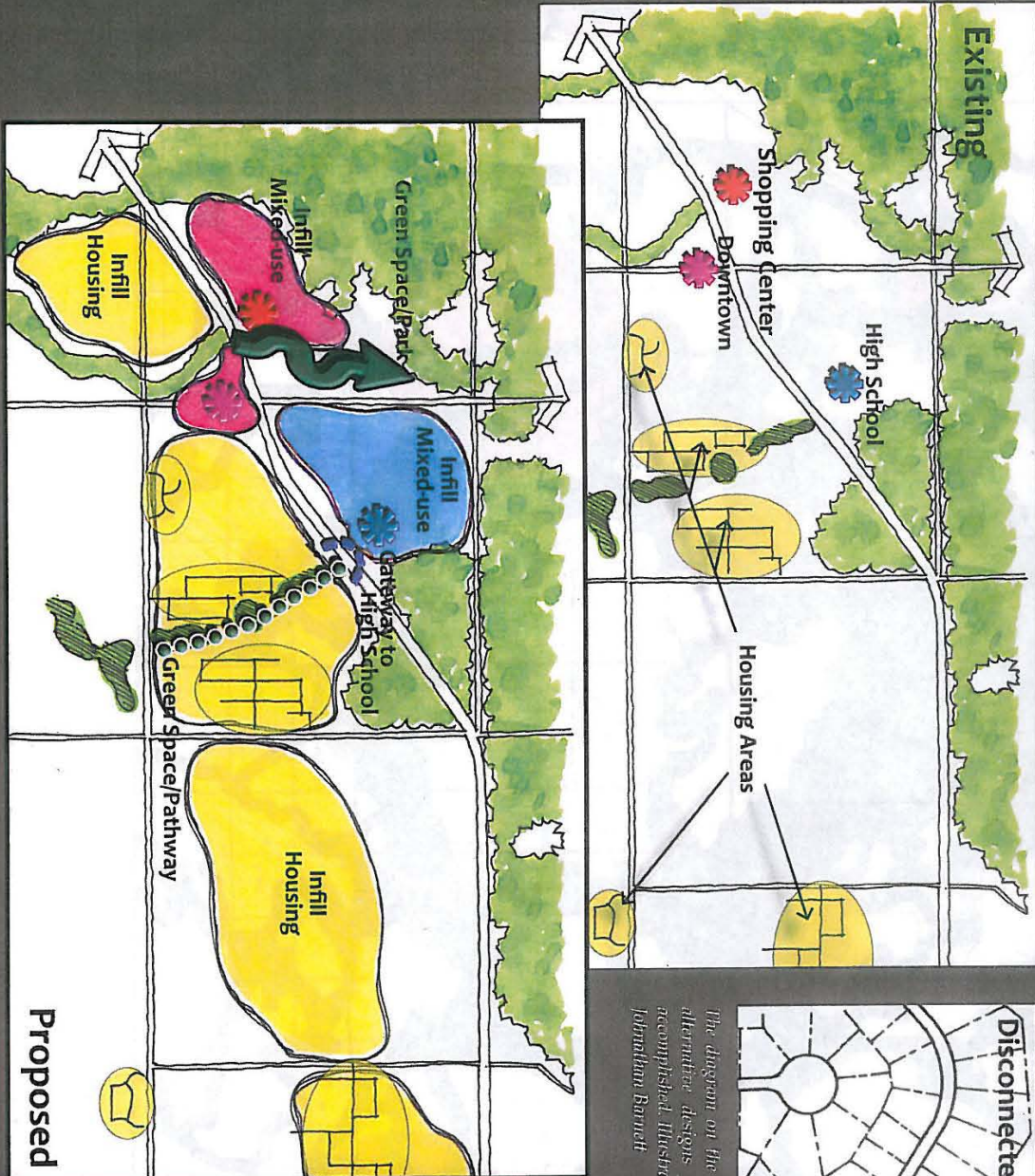
Board Members who attended the February 16<sup>th</sup> meeting were:

Phyllis Jollie, Chair  
Marlin Belgarde, Elder Representative  
Levi Baker, Poverty Representative  
Darrell Charette, Cultural Representative  
Denise Keplin, Social Services Representative

**Attachment B**  
**Youth Action Team Members**

Jan Birkland	TMCWFS-Coordinator
Patty Allery	Tribal Youth Alcohol/Drug Prevention
Rodney Trotter	Rolette Co. Sheriff
Brian Crissler	Sgt. BIA Police
Terry Jerome	5 <sup>th</sup> Generation
Todd Gable	TM Housing
Carol Gourneau	IHS Social Worker
Peter Davis	Youth Build Director
Sharon Parisien	TMHA Development Coordinator
Denise Marcellais	Community Volunteer
Conrad Parisien	5 <sup>th</sup> Generation
Claudette McCloud	Suicide Prevention
Elaine Nadeau	Personnel Director
Bonnie Delorme	Personnel Dept
Eric Poitra	Youth Representative
Josef Marion	TM Tribal Artists
Paul Dauphinais	Belcourt Schools Psychologist
Roma F. Marcellais	Belcourt School District #7 Superintendent
Eva Peltier	
Shelly Peltier	IHS Psychologist
Ina Olson	Tribal Child Welfare
Logan J. Davis	TM Public Affairs officer
Merle St. Claire	TM Tribal Chairman
Lyle Poitra	Youth Wellness Center
Joe Eltobgi	Pathways to Prosperity Executive Director

# Illustrating: Belcourt Redevelopment



The diagram on the right illustrates ways in which alternative designs for street connectivity can be accomplished. Illustrations from *Redesigning Cities* by Johnathan Barnett.

