RURAL COMMUNITIES EQUITY ACTION GUIDE

Case Study Six

Based on interviews between Mónica Maria Segura-Schwartz, Growth & Justice Policy; Bemidji Mayor Rita Albrecht; and Headwaters Regional Development Commission Executive Director Tim Flathers.

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SUPPORTIVE HOUSING PROGRAMS

Reducing Native American homelessness

Community Equity & Inclusion Focus

This ongoing, multi-partner commitment to **housing equity** helps homeless individuals and families gain social and financial stability by pairing housing options with culturally competent wrap-around services developed through a partnership that addressed culture-specific needs and engagement of impacted community members.

"It was a lot more than just building the building. It was about helping families be successful . . ."

Summary

Bemidji's successful supportive housing project is a strategic, broadly organized, and funded solution to a specific community need. Recognizing high rates of homelessness among many of its tribal residents, diverse stakeholders in the city of Bemidji worked together to build support, funding, plans and physical locations for two supportive housing units. The project is owned and operated by the Beltrami County Housing and Redevelopment Authority (HRA), an affiliate a partner of the Headwaters Regional Development Commission (HRDC) which contracts with HRA to provide administrative support.

Background

Bemidji, population 15,400, is home to a large four-year university, technical college, and Christian college. Timber harvesting is an important industry. There are also jobs in federal and state government agencies, retail, health care, service, tourism, and hospitality. About 20-25% of the population is American Indian. Bemidji's median household income of about $34,000 is low compared to other areas of the state and many families are at the poverty level. There is a gap between the skills of workers seeking employment and skills needed for available jobs. Public transportation is limited.

Finding affordable housing is a challenge for everyone, whether you are a student, individual, or a family. Minority populations face additional barriers. If you do not have rental history, for example, you are not going to be an attractive renter to a landlord in a city with only a 2% rental vacancy rate. High rent and low vacancies correlate to the number of university students in town. It can be difficult for those in poverty to save the money needed for a down payment or to qualify for home a loan, especially when the market for affordable homes is so competitive.

Bemidji has always had a homeless population, and many low-income families live in sub-standard, unsafe housing. On a single day in 2009, 393 people were known to be homeless in the Northwest Region of Minnesota, including 235 children and youth through age 21. And yet, for Indigenous families especially, Bemidji is their homeland. This area's regional housing agencies have historically worked hard to find affordable housing units for individuals in need. The problem, agency staff realized, was that there were not enough units to go around.

Process

In response to this persistent need for affordable housing, housing leaders in Beltrami County initiated a planning process to create a supportive housing project to help vulnerable individuals live with more stability. It was not easy.

Tim Flathers served as the community development planner/director for the Headwaters Regional Development Commission (HRDC) for 30 years prior to becoming its Executive Director in July 2013.

"When I interviewed here," says Flathers, "we didn't really have a housing program at the HRDC but one of the things they asked me was what I would like to do. I said I was interested in housing." The HRA of Bemidji received substantial funding from HUD to support development of public housing. The City declined receipt of the funds and commissioned a housing study that was completed by the HRDC. The study documented a big need for those funds to be invested in public housing. "Ever since, we became the advocates, I guess," says Flathers.

"We used to convene a group of community partners to just talk about housing issues. The Red Lake housing staff participated in these conversations and we did some Public Homeownership 101 events together. We learned to work well together over that period. We had a sincere interest in working towards common goals. We worked together for probably ten years before we started going down the path of doing a real substantial project."

"Several years ago, I was invited to a Tribal round table event that included staff from Red Lake, Leech Lake, and White Earth. I went into the conversation thinking I was there to talk about home ownership. But one of the issues that kept coming up was the need to house homeless families in the region. "It is never a completely linear process as these things unfold."

Lesson learned: The relationship-building process –was key to successfully forming and implementing the actual housing project.

At the Tribal Round Table, Red Lake staff indicated that they could contribute some subsidy dollars to a targeted housing project if State bond funds could be procured. There was potential to work together but legally, the project needed a developer and a property owner to proceed.

WealthWorks Capitals

Wealth Works Framework elements at play (working towards eventual systems change towards an equitable economic ecosystem):

Individual Capital – build community members' skills and physical and mental healthiness, stability

Social Capital – residents, community organizers bonding & bridging

Intellectual Capital – innovation, creativity, imagination

Built Capital – affordable housing, transportation infrastructure

Political Capital – shift in cultural appreciation, increasing voice, access, inclusion in decision-making of traditionally underrepresented community members

Financial Capital – investment in wealth building resources

Cultural Capital – changing dynamics, knowledge of who is known and what heritages are valued, collaboration across races, ethnicities, generations

Flathers explained, "Since we had a great relationship with the HRA Director at Red Lake, I said we could probably bring the developer (Headwaters Housing Development Corporation or HHDC) and the property owner (Beltrami HRA) if both boards would agree. That was the initial idea."

"The HRDC is our umbrella commission created under state statute," he says. "We have a non-profit subsidiary corporation -- a 501C3 -- that is called the Headwaters Housing Development Corporation. The commission itself cannot be a developer because we cannot own property other than our own building, so in 1998 we created the non-profit corporation. That allows us to build and sell single family homes and develop some multifamily projects."

"We also staff several housing authorities. The Beltrami County Housing and Redevelopment Authority (HRA) has been a strong partner. Because they are a public entity, they can be an owner for some projects funded with state bond funds. And because we staff them, it gives us additional tools." In other words, for public housing projects, the HRA can own it, the non-profit can develop it, and the HRDC can staff it under contract to both."

"Having HRDC staff ready to step in and knowing that strong relationships with tribes were already in place made the project pitch attractive to both boards. They said, 'yes.'"

"Red Lake really led the partnership, and they were the ones that basically brought Leech Lake along. We developed a great working relationship with them, too, as we went to the project." HRDC's role was to put together different teams to work on the different components.

Stakeholders held several public information meetings to inform neighborhood residents of the nearby potential project. Some residents voiced apprehension, says Flathers. It likely could have been overcome with further discussion but the project was relocated (due to soil conditions) before that happened. Community opposition to the overall project was minor and focused more on changing the characteristics of the site from an open field to a developed property than on serving homeless families.

"It was a lot more than just building the building. It was about helping families be successful and making sure that they had the services that they needed to the extent that they were interested in and partaking in services. So, we had a separate team doing that. The Tribes were partners on both of those teams. They offered a lot of feedback on where the project will be built and material choices, and all of the development type issues that you run into."

"When you are dealing with a complex project, you can't masterplan and just check a bunch of boxes. Things continuously change. You have to accommodate that and respect the differences that different people bring."

Bi-County Community Action Programs, Inc. (Bi-CAP) was a key part of the collaboration by becoming the primary service provider. HRDC also hired a development consultant (Barb Broen, Broen Consulting) to help bundle together the capital. Funding ultimately came from housing infrastructure bonds, sales tax and energy rebates, Red Lake Nation, Leech Lake Nation, the Minnesota Housing Finance Agency, Greater Minnesota Housing Fund, and a grant from the Federal Home Loan Bank sponsored by a local bank. The City of Bemidji contributed as well by extending the street and utilities to the subdivision.

Jane Barrett, Director of the Red Lake Housing Authority provided tremendous leadership to make the project a reality. DW Jones Property Management was a key partner from the beginning and offered many suggestions along the way to help keep the ongoing expenses reasonable.

"The City and County both provide support essential for the success of the project and often don't get the credit they deserve."

Mayor Rita Albrecht was and continues to be a strong supporter. "If you don't have safe secure housing it is hard for kids to go to school every day," she says. "It is hard for people to go to work every day. Housing, education, and all those things are intertwined in creating a successful driving economy. As an elected official, I just tried to be out there in front of HRDC saying, 'this is a good idea, our community needs to do this.' I provided political cover and support whenever I could. I think it is more about being an ambassador and cheerleader for projects."

The tribes had a major say in how to provide culturally appropriate services. The group ended up building the units and sharing control over the leases. City and regional government partnerships with the Red Lake Band of Ojibwe and the Leech Lake Band of Ojibwe—and pairing control over the master leases with tribal funding contributions – helped ensure that the solutions met the actual community need.

Lesson learned: Community has the answers. Culturally appropriate projects and services arise from intentional and total engagement and project-long input from the impacted communities.

The first project was twenty units, explains Flathers. "The Red Lake tribe master leases five [units] and the Leech Lake tribe master leases five. These [units] are only for tribal members. The other ten units could also be rented by tribal members but were not specifically set aside for them." To live there, people must meet the definition of homeless.

Lesson learned: Sharing the work means sharing power and control.
"It was a win-win: they had the subsidies for those five units which help us assure that the unit was going to stay full. And we were able to designate those units permanently for those Tribal members."

Lesson learned: Diverse participation means diverse interests and in turn a more difficult decision-making process. But diversity and inclusion of all stakeholders assures inclusive results.

Results

The first development, Conifer Estates, was funded in 2007 and completed in 2012. Its 20 units (Three transitional and 16 permanent supportive units along with one unit held for a resident caretaker) serve homeless families and individuals struggling with mental health and chemical dependency. Transitional housing has supports (staff) in place to help people understand how to be a renter, how to get a job, how to hold onto a job, and transition eventually to a place of their own. Conifer Estates filled immediately.

The second project, Conifer Villas, will sit just north of the first. One of its new buildings will also include a community meeting room and staff and conference space. Staff will help residents find and coordinate with other supportive services. A new playground will sit between the new complexes. Conifer Villas will offer permanent, subsidized housing.

Lesson learned: collaborative effort = shared responsibility and shared benefits.

Reflections

Flathers stresses that building relationships with tribes is no different than doing so with any other group. "It's about valuing what each of the partners brings to the project. Red Lake wanted to provide the best services possible to homeless tribal members in Bemidji. We were able to bring something to the table in terms of the ownership and developing capacity right in Bemidji where many of the targeted community had the mainstream services available and the employment opportunities. Red Lake could bring some of the subsidy dollars to bear but they didn't have the any units to subsidize located on tribal land." Flathers reflects that none of the stakeholders knew what the project would end up looking like.

Lesson learned: Talk less. Listen more. Remain flexible as understanding of the details and the big picture grow.

"We knew that we had an opportunity to serve homeless families, and that was really the core. You have to be light on your feet."

"We may have benefitted from a rural ethic that requires us to work well together to get things done. We had a large team of people working together for several years before getting the housing built and operational." "When you are dealing with a complex project, you can't masterplan and just check a bunch of boxes. Things continuously change. You have to accommodate that and respect the differences that different people bring."

"Have trust in the fact that having people that come to the table with diverse skills, diverse strengths, different ways of thinking about things. Collectively it's a tremendous amount of wisdom that you wouldn't have if you just did it on your own."