MHP’s Rural Capacity Building Program

Beneficiary: Lower Sioux Indian Community

The Lower Sioux Indian Community (LSIC) has a very limited land base (1,743 acres held in federal trust) and a growing population. While housing of all types is needed, planning for the future has been challenging due to limited information on the existing housing stock, housing records that are outdated or incomplete, and the lack of a formal land development plan in place to guide future housing development.

The Tribe has 1,124 enrolled members, 85% of whom live on the reservation and/or within the federally designated 10-mile service area that spans three rural counties in Minnesota (Redwood, Renville, and Brown).

While the surrounding rural areas are experiencing significant decreases in population, the Lower Sioux’s Enrollment Department reports that the Tribe has seen its population rise 70% since 2000. Just over one-third are young people under 18 years, and 10% are 60 years or older. According to the Lower Sioux May 2017 Community Survey, nearly all—86% of the community—state they would like to see their children and grandchildren continue to live on the reservation or in the service area.

Due to multiple complications beginning in the 1990s, the Lower Sioux Housing Authority identified a persistent challenge to completing the homeownership process for Tribal applicants due to incomplete land and title records. This limits not only the capacity for new homeowners today but also the ability of the Tribe to assign land use for future housing development. While new procedures have been adopted by the Tribe to better track transactions, there remains an estimated 75% of families and homeowners (116) with incomplete land and title files.
To address the three challenges of lack of housing, incomplete land use and title records, and the need for additional sustainable Tribal revenue streams, MHP began providing on-site and remote technical assistance to LSIC Housing Authority’s and other department staff in 2019. Multiple activities were accomplished, including:

- Conducting a needs assessment to outline the priority needs of the beneficiary and surrounding community.
- Working together on securing funding for infrastructure, new construction, and rehab (including the creation of an emergency rehab loan program for Tribal members). This involved assisting LSIC in submitting its first application(s) to the Federal Home Loan Bank for construction subsidy for 8 elder units and 2 single-family homes. MHP staff also reviewed and supported LSIC’s application to HUD’s competitive IHBG grant application and continued to participate as part of the development team. Both applications were funded.
- Creating site and housing design standards. The final design documents have been completed by architects and engineers for the housing units.
- Assisting in the creation of a strategy of utilizing the local production of hemp in a closed-loop system to employ local/regional people in the farming of hemp, production of hemp hurd/hemcrete, and the installation of the products into housing units. A feasibility report and business plan were completed with RCB Financial Assistance. When the preliminary feasibility study/report was completed, it was used to apply and secure $1.5 million in State EDA funds through the State of Minnesota.
- Participating as an advisor to the LSIC development team for the 10 houses funded (which included providing templates for tracking expenditure of construction dollars).