



Center for Indian Country Development

FEDERAL RESERVE BANK of MINNEAPOLIS

# Why is land data critical to Indian business and home ownership?

Richard M. Todd

Center for Indian Country Development | Federal Reserve Bank of Minneapolis

*Land Data for Promoting Indian Business and Homeownership on Reservations*

Tribal-Interior Budget Council (TIBC) Meeting | July 9, 2018

Mystic Lake Center, Shakopee, MN

The views, opinions, findings, conclusions, or recommendations expressed here are the presenter's and not necessarily those of the Federal Reserve Bank of Minneapolis or the Federal Reserve System.

# Disclaimer

The views, opinions, findings, conclusions, or recommendations expressed here are those of the presenter and not necessarily those of the Federal Reserve Bank of Minneapolis or the Federal Reserve System.

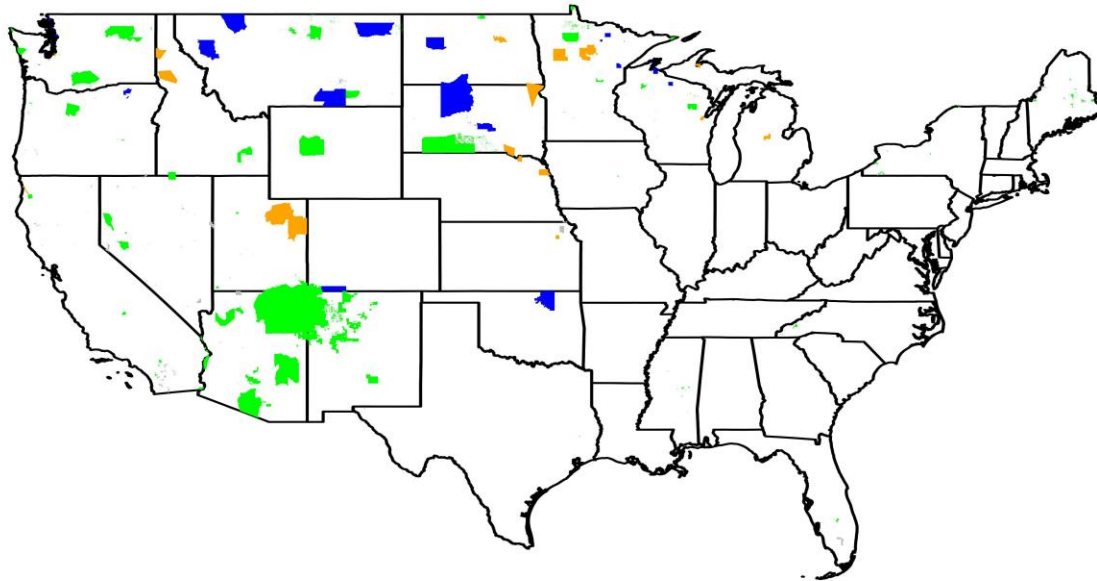
# Overview

- We don't have complete, accurate, easy-to-use records on trust land and trust land transactions
- That's a problem
  - For households and businesses
  - For exercising tribal sovereignty
  - For research
- Some progress recently, but more is needed

# Needed: Accurate, Detailed Trust Land Data

## Current estimates (incomplete, inconsistent)

Federally Recognized Reservations	Acres (million)*	Percentage*
Total Reservation Land	73?	100.0
Total Trust Land	58?	79.5?
Tribal Trust Land	51?	69.9?
Individual Trust Land	7?	9.6?

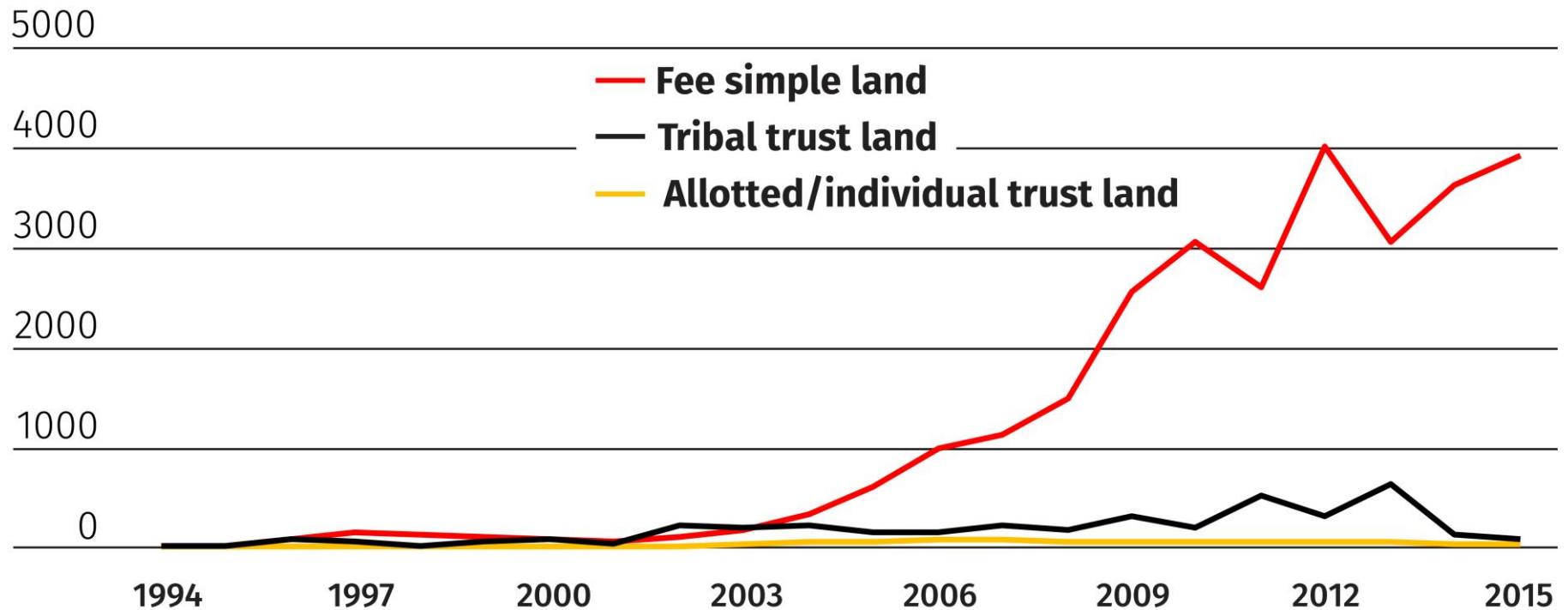


\*Accurate data are not readily available. These estimates based on the following sources: U.S Census for total acres; BIA/Wheeler for total trust land area; Dominic Parker for estimated tribal and individual trust land shares and total trust land by selected reservations.

# Fast, Simple Records Processing Matters!

## Number of HUD 184 Loans by Type of Land (1995-2015)

### Fee Land Loans Dominate Since 2005



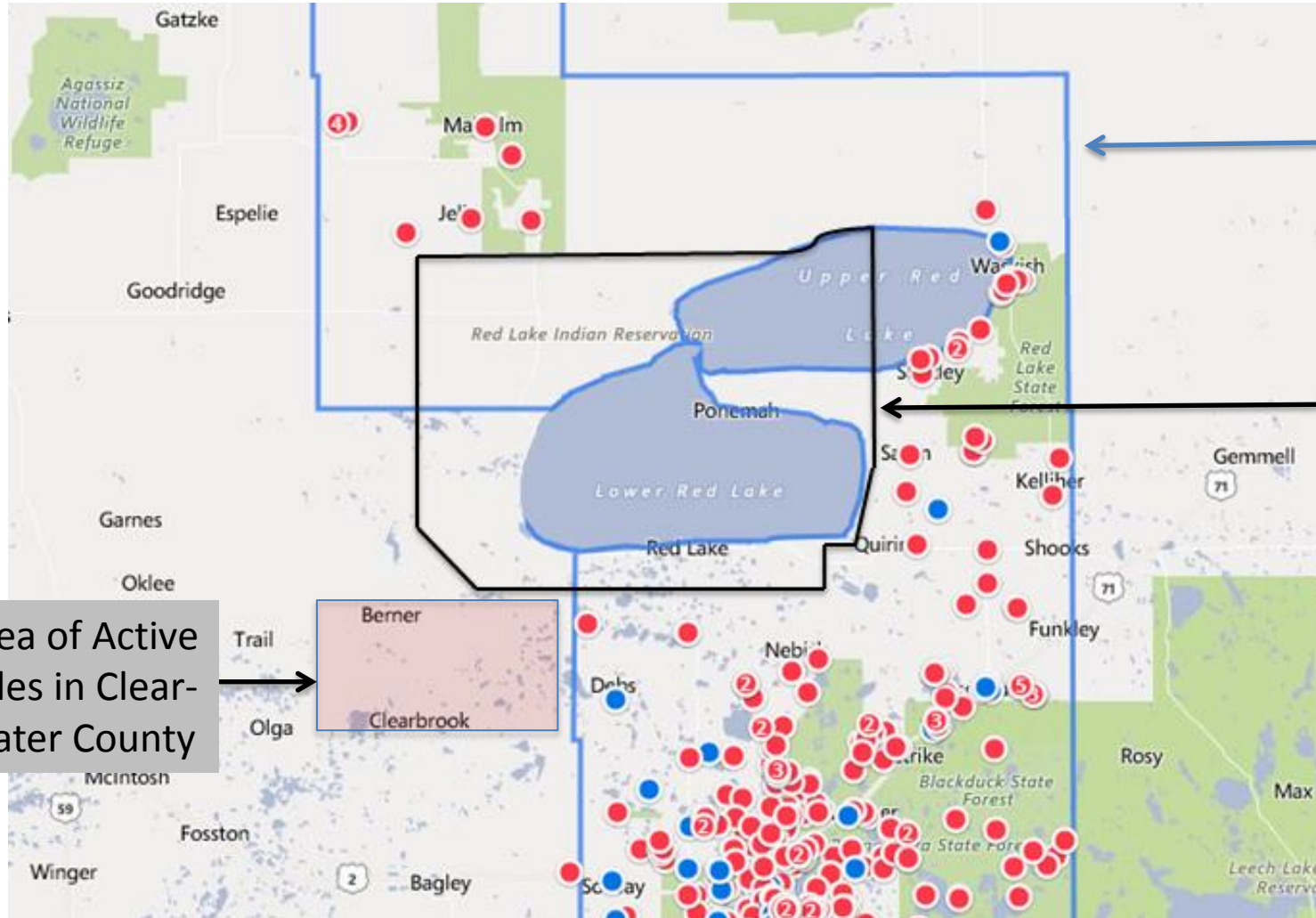
Source: CICD staff calculations based on data provided by the U.S. Department of Housing and Urban Development

# Clear Land Title and Status Records Are Essential to Households and Businesses

- Homeownership and home lending
  - Financing of new and existing homes
  - Appraisals
  - Strong market for reselling existing homes
- Financing of reservation ag and business
- Valuing all rights and encumbrances
  - Water rights, grazing rights
  - Subsurface rights
  - Rights of way, easements

# Limited Data on Comparable Sales for Appraisals

Zillow “For Sale” (red) and “Potential Sale” (blue) for Beltrami County, MN



Blue=County Boundary

Black=Red Lake Res. Boundary

Area of Active Sales in Clearwater County

# Good Records Support Tribal Sovereignty

- Tribal jurisdiction is broadest on trust land
- Good records promote accountability
- Critical for planning and land development
  - Land use planning and zoning
  - Infrastructure development
- Should trust land records be public?
  - Facilitate appraisals, loans, homeownership, resales
  - Promote accuracy and good governance
  - Help ensure important factors (e.g., grants of rights of way) are not forgotten and neglected

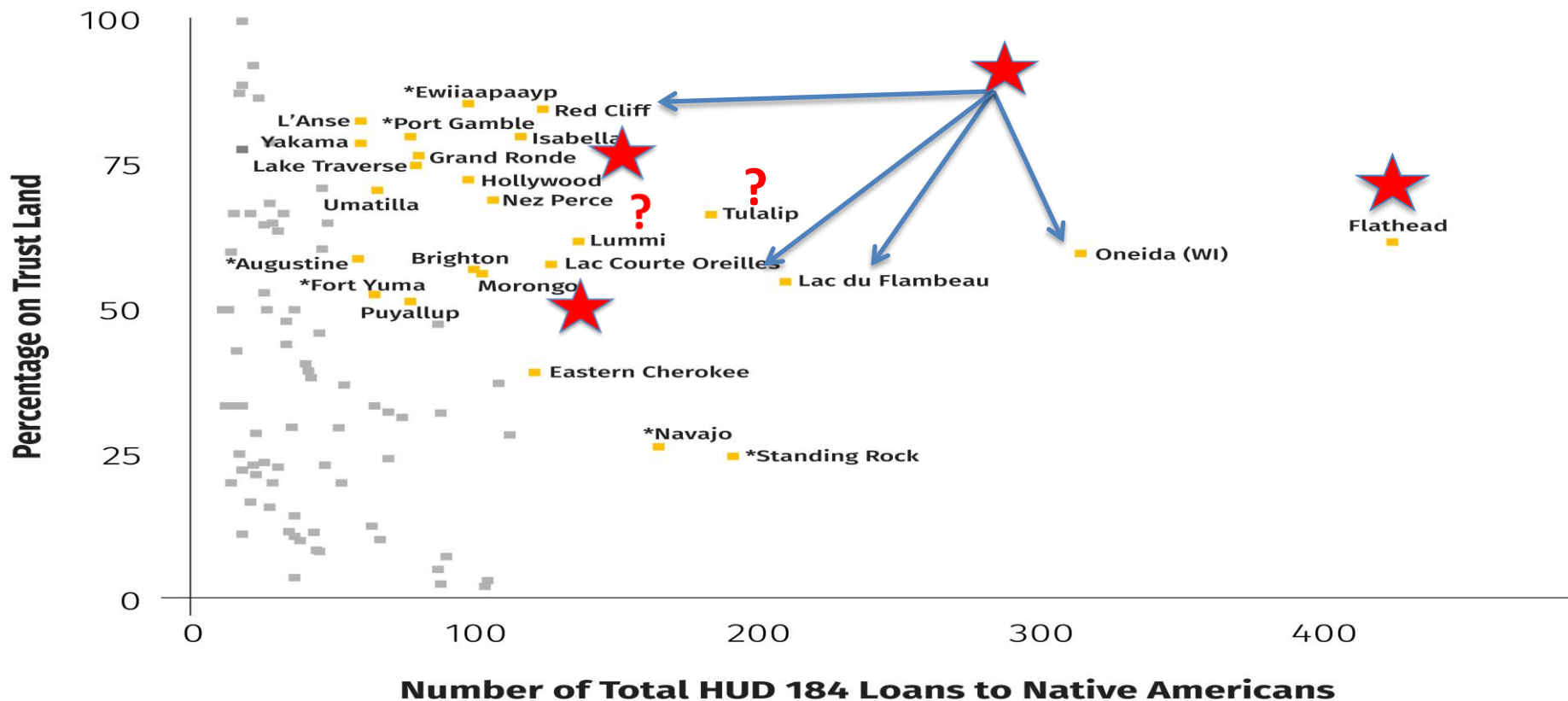


# Good Records Help Deepen Our Understanding

- Of the effects of trust land
  - On the efficient use of land
  - On residential patterns and financing
  - On business investment and financing
- Of the effects of other policies and factors that may interact with trust land
  - E.g., effect of P.L. 280 on reservation business activity

# Making Success the Norm

## Making HUD 184 Loans Work on Trust Land



Note: Represents clusters of zipcodes to cover reservations. In some cases multiple reservations are grouped into a single cluster due to zipcode overlapping multiple reservations.

\*Augustine, Cabazon, Torres-Marinez, and Twenty-Nine Palms; \*Fort Yuma and Cocopah; \*Port Gamble and Port Madison; \*Ewiaapaayp and Viejas, Navajo, Acoma, Hopi, Isleta Pueblo, Jicarilla Apache, Laguna Pueblo, Southern Ute, Ute Mountain, and Zuni; \*Standing Rock and Cheyenne River.



Omits Osage (610 loans, 34% trust land).

Source: CICD staff calculations based on data provided by the U.S. Department of Housing and Urban Development

# More Progress Needed

- New data available, but need more
  - On fractionation
    - Land Buyback Program
    - Russ and Stratmann
  - On trust land
    - Wheeler—Most comprehensive from BIA since 1985?
    - Can BIA adopt consistent, accurate provision of this information?
- Biggest need: Accurate land and title records and prompt processing of transactions
  - Some tribes have shown it's possible
  - BIA and tribes need to make it quick, routine, and reliable throughout Indian Country

# Reference

## Center for Indian Country Development

[www.minneapolisfed.org/indiancountry](http://www.minneapolisfed.org/indiancountry)

### CICD Reservation Profiles (with new HMDA data section)

[www.minneapolisfed.org/indiancountry/resources/reservation-profiles](http://www.minneapolisfed.org/indiancountry/resources/reservation-profiles)

**Patrice H. Kunesh**, Assistant Vice President  
Director of the Center for Indian Country Development  
Patrice.Kunesh@mpls.frb.org | 612-204-5815

**Richard M. Todd**, Advisor to the Center for Indian Country Development  
dick.todd@mpls.frb.org | 612-204-5864