



## After the Fact | Housing in America: A Foundation in Montana

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### TRANSCRIPT

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**Dan LeDuc, Host, “After the Fact”:** Welcome to “After the Fact.” For the Pew Charitable Trusts, I’m Dan LeDuc.

Rising house prices, historic rent increases, and a lack of starter homes have created a housing crunch in the United States and people are feeling the squeeze. Six years ago, 39% of Americans said the availability of affordable housing in their community was a major problem—and today nearly half of the public believes that.

So, what’s the solution? To find some answers, we looked at Montana. It’s a beautiful place of wide-open spaces that has been attracting lots of new residents. And during the COVID-19 pandemic the pace of newcomers only accelerated. Home prices tripled in some places and policymakers knew they had to do something.

That brings us to a conversation with State Senator Daniel Zolnikov and State Representative Katie Zolnikov. They share the same last name because they’re married, but more importantly, they also share a common vision to improve access to housing for Montana residents.

**Daniel Zolnikov, state senator, Montana (R):** I served in the house for four terms and then I termed out, and Katie decided that she wanted to have a go at it. So actually, I was out, and she replaced me. And then two years later, I ran for an open Senate seat. So, then we got to serve together, but it was quite the experience.

I’ll tell you that her in the house, me in the Senate, if you want to know how your marriage and partnership is going, you should try that because I think it’s the true test.

**Katie Zolnikov, state representative, Montana (R):** Yeah, it’s the ultimate test. I always joke that my first session when Daniel wasn’t in the Senate, he was just jealous of all the fun I was having. And he had to run for the Senate so we could do it together.

**Dan LeDuc:** The family that legislates together stays together, right?



Well, one of the subjects that you guys, I'm sure, talk about is housing in your state. It's a big issue throughout the country and in Montana. So what is the state of housing in Montana? What are the main concerns that you were seeking to address?

**Katie Zolnikov:** Like a lot of places did, we saw our housing increase in cost. After COVID, people were moving out of major urban areas to smaller states.

But what's interesting about Montana is that's not where our problem started. I would say that's where our problem became really unbearable. But between 2010 and 2020, for our growth of population, for every 10 new units of housing that needed to be built to just sustain our population growth, only seven were being built. A lot of people think that it was strictly the pandemic but it really—it's been a problem that's at least 10 years in the making, if not more.

**Daniel Zolnikov:** Montana was a place to go to. Yellowstone was on TV. Everybody was talking about Montana. So, this has been a problem for 40 years but then it shot up around 2020 to 2022.

**Katie Zolnikov:** Those people in particular, they tend to be able to buy houses in cash. They tend to be able to offer over asking price because they're just coming, you know, from much higher cost of living areas, and so what you ran into is that people were running out of housing options.

*(Music transition)*

**Tonya Plummer, steering committee member, Montana Native Homeownership Coalition:** I am a Montana native in every sense of the word. I am an enrolled citizen of Sisseton Wahpeton Oyate. I am Dakota, Assiniboine, and Cree. I was born in Montana and I'm a housing practitioner. I live and breathe Indian housing and love this work.

**Dan LeDuc:** Tonya Plummer directs Native American Housing Programs for Enterprise Community Partners. We had a conversation about how the housing problem is affecting life on the Flathead Reservation in Montana.

**Tonya Plummer:** The concepts of land ownership and homeownership are sometimes complicated to grasp. When you're working with Tribal Nations and Tribal members, the way that we look at land is unique. It's hard to think of cutting some of that or parceling it out into a tiny quarter acre, because our blood flows through it.

**Jody Cahoon Perez, steering committee member, Montana Native Homeownership Coalition:** The Flathead Indian Reservation is positioned between Kalispell and Missoula,



which are two big cities in Montana. And if you were to come and visit our reservation, it wouldn't look very different than any other community.

**Dan LeDuc:** That's Jody Cahoon Perez, executive director of the Salish and Kootenai Housing Authority, an organization that works to provide quality housing that's affordable for Native people on the Flathead Reservation. Jody is a member of the Confederated Salish and Kootenai Tribes. She was born, raised, and still lives on the reservation. She and Tonya serve together on the steering committee of the Montana Native Homeownership Coalition.

**Jody Cahoon Perez:** There are pockets of Tribally owned units that are Housing Authority units. And within those, there are homeownership units that look just like our rentals. When you go into one of the homesites, like where I was raised, there are kids playing basketball, there are kids running around.

There's so much laughter here. We joke, we tease each other, we fill each other up. We're there for each other. We are all relatives, and we are literally related to almost everyone on the reservation. And we're very connected with each other.

**Dan LeDuc:** Tonya, can you tell us about the work you do?

**Tonya Plummer:** I have the blessing of working with Tribes across the country on housing and community development projects. Tribal Nations are a political distinction, and as the West was won or lost, depending on how you look at that, Tribal Nations relationship to the land, their economies, and their housing situations were really changed and shifted, often for the worse.

We have our Tribal Nations that live within the boundaries of the reservation land that they were given. That land is protected in treaties that they hold with the federal government. And those treaties come with a promise: a promise for education, a promise for health care, a promise to hold those lands in trust.

It's a good thing, but it's also a complicated thing because it makes the collateralization of that land and the equity that it could hold quite complicated. It creates some inherent barriers to how we can move forward with traditional development for general economic development, especially for housing development.

And what we care about with the Montana Native Homeownership Coalition: access to homeownership. Owning a home is one of the number one wealth-building tools that the population holds generally. And it's somewhat inaccessible to Tribal members within the boundaries of the reservation. We're committed to changing that.



**Dan LeDuc:** Jody, you're working on some of those same issues. What's your perspective on what's happening?

**Jody Cahoon Perez:** Our mission at the Salish and Kootenai Housing Authority is to address all housing needs for everyone on the reservation. And I feel like we're tasked with addressing all of that. We have very limited inventory, like our permanent supportive housing project is 14 units. That's all. So, there's a big waiting list.

Our transitional living center is 19 units. So, there's a big waiting list for that. Our low rent inventory is just over 500 and it takes two to three years to get to the top of the waiting list on that. And then if you are financially stable and you want to be a homeowner, you could purchase fee property. So, our reservation was opened up for homesteading in the early 1900s.

**Dan LeDuc:** Homesteading came about because the federal government was trying to assimilate Tribes. The government broke up Tribal land, allotting land to individual members but also to non-native homesteaders. From 1887 to 1934, Native land ownership across the United States dropped from 138 million acres to 48 million acres. Today, there are different kinds of land status like land trust and fee land, which makes owning or purchasing property on Tribal lands complicated.

**Jody Cahoon Perez:** There are about 1,300 homesites, which are land that the Tribe owns in trust, and they have established them into homesites. And so, you can lease that property from the Tribe and build your home on that. But they're all full. And then there's the allotted trust property, and that is probably more accessible than the homesite leases. Those are your options, and everything is limited.

And when COVID hit, our fee property, it increased, it inflated. So, what was barely affordable before COVID is not attainable now. And like with the house that I had, my first house I had purchased was for \$185,000. And its value now is probably \$600,000.

**Patrick Yawakie, co-founder and co-CEO, Red Medicine, LLC:** In the state, being the largest minority, every session is like a new chance to educate, re-educate, our legislators on our Tribal community in the state.

**Dan LeDuc:** That's Patrick Yawakie. He's an enrolled member of the Zuni Pueblo Tribe, also Turtle Mountain Anishinaabe, and White Bear Dakota Cree. He is the co-founder and co-CEO of Red Medicine LLC and works with policymakers on behalf of Tribal Nations on a range of issues, including housing.



**Patrick Yawakie:** In Tribal communities, we have multi families living in one home, so you can have a family of four living in with a family of five. And in that household, there's nine people living in it, when there's only maybe three or four bedrooms and that, that is common in Tribal communities.

And then, I think, when we live off the reservation, we're leaving a lot of the home family structures and those types of resources that we have, and we're stuck with having to find resources for our families that don't necessarily fit. You could have a family of four living in a one-bedroom house, and that's a reality for many Native Americans who are finding work in urban areas. A lot of the issues that pertain to housing, it plays a hugest role in our Tribal communities.

Also a large population of Native people who are going to college, entering the workforce, live in Billings, and are productive members of society need affordable, accessible housing. And making sure that those individuals, when they're stepping off the reservation, have the resources that they need to be successful. We need to restructure our zoning so that it can play a better role in housing people.

**Dan LeDuc:** We're back with Daniel and Katie Zolnikov and they'll tell us more about zoning in a moment.

**Daniel Zolnikov:** Bozeman is pretty bad for their housing options. And a lot of people who want to move to Montana have wanted to move to Bozeman. So, you're talking about an average house in Montana in 2020 would be like \$250,000. And they went up to \$700,000 for a normal house in Montana, which, our average salary \$60,000, that doesn't work.

**Katie Zolnikov:** So, when you look at Bozeman and Missoula then you look at their zoning, most of their cities are single-family zoned. You basically run into this problem where, if you want to develop something, you can either develop large houses, that the average Montanan can't afford, or you can build a lot of high-rise apartments.

The problem that comes with that is to the person that's trying to save money for a house, they can't afford the \$600,000 house. But they also can't really afford to save much for down payment if they're living in an expensive apartment. So, there's just—there's very few options.

**Daniel Zolnikov:** A lot of folks were living in campers on the side of the road. And that's in Montana where our temperatures go from -40 to 100 degrees. Like that's a big range we live in.



When my family moved here, they were building their home. It was four kids and my parents. And we lived in a camper for four for two years and it got down to -40 degrees where there's literal walls of ice outside of your camper. It was not supposed to be permanent, and it wasn't, but it was for quite a bit of time with four young kids. So, I also got to see that experience growing up. That's not ideal, especially in a bad winter.

**Katie Zolnikov:** We're very rural, so we have a lot of space to go to. But it is so much cheaper to develop where you already have infrastructure.

**Dan LeDuc:** It seems like a lot of folks in Montana recognize this is a problem that needs to be solved.

**Katie Zolnikov:** Where we live in Billings, it's not that bad. There's a lot of multifamily zoning, like spread throughout our city, which is great. But Billings has historically had lower housing prices than other cities in Montana.

**Daniel Zolnikov:** We live in a normal neighborhood. It's older. We have a duplex across the street. We have like rentals on the other side. The world is fine. Our neighbors are great. It's awesome. This isn't a detriment. This is a benefit. It's been fascinating to see the, the NIMBYs come out. There's definitely an elitist mentality.

**Katie Zolnikov:** So, you have these people, and their only solution is, "Well, I want you to subsidize this, but I want you to subsidize this over there." Because heaven forbid, I have to live next to somebody who is not in the exact same socioeconomic class as me. And that is really disappointing, honestly.

**Dan LeDuc:** You've described the problem pretty well, but in Montana you and other public officials have begun addressing it and been getting a lot of attention for what you've been doing. What was that about and how did it work? And what did it lead to?

**Katie Zolnikov:** The problem is single-family zoning. So, the solution is less single-family zoning. When you think of a traditional starter home, that are more affordable, and it's how you kind of get your foot in the door of owning a home.

And that has been systematically over time just being zoned out of being developed. These options that used to exist for people are just becoming fewer and fewer. It's like, you know, this is a systematic problem. How can we address it on a much deeper level?

**Dan LeDuc:** We've heard a lot about zoning laws this season. They govern how property can and can't be used in certain areas. But history has shown that zoning laws have been used to keep neighborhoods and communities racially and economically divided. Last year, Dan



Zolnikov sponsored legislation to require Montana cities to allow multiunit housing in commercial zones. Other legislation, now law in Montana, would allow duplex housing on any city home lot.

**Daniel Zolnikov:** We passed legislation to allow people to basically maximize their property rights and utilize that space how they see fit. We allowed for ADUs, accessory dwelling units, or mother-in-law units, you can convert your garage into a smaller extra home.

And a great example is we have an aging population. They want to age in place. Some of them though, they just physically are not able to live in their home, but it's very expensive to go to retirement home. And as we know, it's better to be near or around family. So, if you convert your garage into an ADU, and your parents move in, they have a spot, and now a house is freed up on the market. That could be a three or four bedroom that they don't need anymore.

Another bill allowed mixed use and multifamily housing and commercial areas. And there is a development going on with 210 units. And they saved 10 percent of them by choice for lower income. Some people have said, "Oh, you're just going to make developers rich." First off, we're a free market economy.

Second, you need to make a profit so you can continue doing this. I don't understand how people making money is a bad thing. All this allows is more competition, which should push the prices down and give more options. This is only good for everybody.

**Dan LeDuc:** You describe opposition and frankly, when it comes to most political issues, there's going to be multiple sides and arguments. But in housing, it does seem that the solutions frequently come from opposite ends of the political spectrum, have you seen odd political bedfellows coming together in Montana to get things done?

**Katie Zolnikov:** Oh yeah, one of my favorite things to tell people in the context of our housing bills is that they were hated by both sides of the aisle because I think that actually paints a better picture than "it's a bipartisan issue." But, there was definitely a coming together of people from all over the political spectrum, sometimes it's not for the same reasons, but we can all agree on the policy.

**Patrick Yawakie:** Those zoning issues played part this election cycle in saying that we need to restructure our zoning so that it can play a better role in housing people.

**Dan LeDuc:** We're back with Patrick Yawakie.

**Patrick Yawakie:** And also trying to push for more multifamily housing.



A lot of the conversation in these debates had to pertain to, you know, having a successful family, raising children, and having space for your children to develop.

Native families, what we need is that structure, that—that safety of saying our children have the same opportunity as the next child. That’s what we’re striving for in our communities: We have the same resources as the next family.

**Dan LeDuc:** With a lot of determination, Jody Cahoon Perez was able to achieve her dream of homeownership on the reservation, despite many of the challenges facing Tribal communities. She shared a bit of her journey with us.

**Jody Cahoon Perez:** I grew up in my younger years in a home that my dad had built. With seven brothers and sisters, and we were in the country, we lived off the land, and that was my normal.

I met my husband at college at the Tribal college here. And we lived in student housing for a long time. And I had a dream to be a homeowner. With finances, it didn’t seem possible. Money management was not really taught in my house. In my younger years, we didn’t have money to manage.

I eventually had the courage to come to our housing authority’s first-time homebuyer education class. After the class, they called me, and they said they would match my savings 4 to 1 as a grant. And I jumped on that opportunity.

We started looking for a house, there was one that was decent. It would fit our family, it was right next to the schools, and it was a block away from my mother-in-law. We had about \$15 to spare when we closed, but we attained that goal, that dream to be a homeowner.

**Dan LeDuc:** You mentioned also in our conversation that the value of your home has gone up a great deal—that’s good when you’re the owner, but you are also a mother of four children, I believe you said. Are they going to be able to share your dream of homeownership?

**Jody Cahoon Perez:** I hope so. My oldest is in college and she’s pretty determined. She’s a lot like me. And so, my hope is that she returns home. There is the American Indian Probate Reform Act that would allow my children to hold the land in trust for two generations. They would be able to hold that land in their name and then they could will it to their children.



**Dan LeDuc:** While challenges remain on the reservation, there are solutions at work. Like the law that Jody just mentioned that would hold her land in trust for two generations. Here's Tonya Plummer about how she's moving things forward for her community.

**Tonya Plummer:** I want the takeaway to be that it is very much possible. We talk a lot about, as Plains Indians, being the buffalo and so walking into a storm, walking into hard things, not being afraid and not backing down.

We need folks to be the buffalo with us in this area. We need lenders to be the buffalo. We are going to need the help of some legislation to remove some of those roadblocks and barriers. The story is less that it's hard and more that there's an open market here of missed opportunity that a bold lender could step into and make some things happen.

I think what works is to help foster generational stability and a way for us to remain connected to that land for perpetuity and continue to pass on ceremony, language. And it's beautiful to see this resilience, this digging into who we are and who we can be for future generations.

**Dan LeDuc:** Thanks for listening. If you want to learn more about housing and Pew's work, or learn more about our guests this season, visit [pewtrusts.org/afterthefact](https://pewtrusts.org/afterthefact).

Let us know what you thought about this season by writing us at [podcasts@pewtrusts.org](mailto:podcasts@pewtrusts.org). And please take a moment and **subscribe** on your favorite streaming platform. That way you'll be sure to receive the latest episodes of "After the Fact."

We'll be back with more episodes soon. For The Pew Charitable Trusts, I'm Dan LeDuc, and this is "After the Fact."