

**FOND DU LAC BAND OF LAKE SUPERIOR
CHIPPEWA**

**2013-2018 COMMUNITY ECONOMIC
DEVELOPMENT STRATEGY**

Approved by:

THE FOND DU LAC RESERVATION BUSINESS COMMITTEE

Karen R. Diver, Chairwoman

Ferdinand Martineau Jr., Secretary/Treasurer

Wally Dupuis, District I Representative

David Tiessen, Jr, District II Representative

Kevin R. Dupuis, District III Representative

November 13, 2013

Fond du Lac Band of Lake Superior Chippewa

Reservation Business Committee

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RESOLUTION # 1378/13

Resolution to Adopt the Fond du Lac Reservation Community Economic Development Strategy 2013-2018



Chairwoman
Karen R. Diver

Secretary/Treasurer
Ferdinand Martineau, Jr.

Dist. I Representative
Wally Dupuis

Dist. II Representative
David R. Tiessen, Jr.

Dist. III Representative
Kevin R. Dupuis, Sr.

Executive Director,
Tribal Programs
Chuck Walt

Executive Director,
Enterprises
Michael Himango

The Fond du Lac Reservation Business Committee, on behalf of the Fond du Lac Band of Lake Superior Chippewa, enacts the following Resolution:


WHEREAS, the Fond du Lac Reservation is a sovereignty, created by the Treaty of September 30, 1854, 10 Stat. 1109, as the perpetual home of the Fond du Lac Band of Lake Superior Chippewa, which possesses the inherent jurisdiction and authority to exercise regulatory control within the boundaries of the Fond du Lac Reservation; and

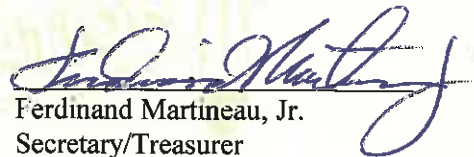
WHEREAS, it is the sovereign obligation of the Fond du Lac Reservation Business Committee, as the Governing Body of the Fond du Lac Band, under the Indian Reorganization Act, 25 U.S.C. section 461 et seq., and in accordance with the Indian Self-Determination Act, 25 U.S.C. section 450 et seq., to assume the responsibilities of Self-Government; and

WHEREAS, the Fond du Lac Reservation Business Committee has developed the Fond du Lac Reservation Community Economic Development Strategy 2013-2018 that will provide a framework to move the Fond du Lac Band of Lake Superior Chippewa in a forward direction; and

WHEREAS, NOW THEREFORE BE IT RESOLVED, that the Fond du Lac Reservation Business Committee hereby adopt the "Fond du Lac Band of Lake Superior Chippewa Community Economic Development Strategy 2013-2018" as a development guide for the Fond du Lac Reservation

We do hereby certify that the foregoing Resolution was duly presented and acted upon by a vote of 3 for, 0 against, 0 silent with a quorum of 4 being present at a SPECIAL Meeting of the Reservation Business Committee held on November 13 2013, on the Fond du Lac Reservation.


Karen R. Diver
Chairwoman


Ferdinand Martineau, Jr.
Secretary/Treasurer

CHAPTER 1

SUMMARY AND INTRODUCTION

The Fond du Lac Band of Lake Superior Chippewa consists of approximately 4,208 enrolled members, approximately 1,800 live within or near the 101,000 acre Reservation located in Carlton and St. Louis Counties in northeastern Minnesota. The Band exercises its governmental authority within the Reservation Boundary and retains its possession of usufructuary rights over a much larger area outside the Reservation.

Established by the LaPointe Treaty of 1854 and governed by subsequent acts of the United States Congress, the Reservation is headed by the Reservation Business Committee (RBC). On behalf of the Reservation, the RBC is responsible for a wide range of tribal activities including economic and business development. The Planning Division provides staff support and day-to-day operations in development and planning to the RBC. The Division provides a variety of services including: economic development, grant writing, economic project development and management (project concept, financing, construction oversight, and the like), long range Reservation planning, research and information, land use planning, transportation planning, and program development.

Fond du Lac has set forth on the path of increased economic self-sufficiency for the Reservation and individual members. This has and will continue to involve the integration of key services and programs to focus limited Tribal resources on those opportunities which will best advance the economic, education and health situation of Reservation members. These actions also mirror Fond du Lac's understanding that it is a vital member of the broader regions community and will continue to operate to the mutual benefit of that community.

The emergence of gaming and entertainment complexes as major revenue producers for Fond du Lac is more than just a short-term economic boost for the Reservation. By resolution the Fond du Lac RBC has expressly directed that net profits from its gaming enterprises be used for initiatives and services in economic development, health and human services, and education. For too many years Fond du Lac citizens have been in a downward spiral of despair; lack of education, unemployment, dysfunctional families, alcoholism, lack of self-esteem and loss of individual and tribal confidence. Gaming revenues represent the economic force which, because they derive from tribal initiative and control, can redirect the old spiral into an upward one of positive change, self-esteem, meaningful employment, income, opportunity and the confidence to grab the opportunity.

The 2013 – 2018 Community Economic Development Strategy outlines goals for the Fond du Lac Reservation are:

- Work with public and private sector groups to strengthen and enhance the Band's capacity and economic development

- Prepare the Band for economic growth by expanding and maintaining critical infrastructure including communications, transportation and public utilities.
- Improve the Band's entrepreneurial environment.
- Ensure an adequate supply of quality, affordable workforce housing in the region.
- Obtain and sustain economic self-sufficiency for the Fond du Lac Band of Lake Superior Chippewa; and,
- Secure, expand and nurture economic and personal self-sufficiency for all individual members of the Fond du Lac Band of Lake Superior Chippewa.

The CEDS identifies many projects and programs to help achieve these goals over the short- and long-term time periods. Please see Figure 2 at the end of this document for more detailed information. Those with the greatest priority are:

- Improve and expand the Fond du Lac Transit system.
- Construct trails on the Reservation to improve non-motorized travel, infrastructure and health.
- Develop a high speed internet system on the Reservation for both residential and commercial use.
- Conduct research in renewable and green energy venues for the Reservation.
- Expand services near the Fond du Lac Gas and Grocery to potentially include a restaurant, car wash, slot parlor, oil change, car repair, thrift store and Laundromat.
- Develop a bank, credit union or a CDFI to address specific needs and goals of the Band and its membership.
- Construct a truck stop in the Sawyer District.
- Construct a truck stop, i.e. the Highway 2 Project, in the Brookston District.
- Construct transitional housing facilities on the Reservation.
- Develop infrastructure such as roads, sewer and water lines as ways to improve the quality life for residents, but use as an economic tool.
- Create a business incubator with staff support to assist Band members with business ideas.
- Expansion of the gravel pit business.
- Development of an RV park.
- Development of a local gun club.
- Do research in the development of a Telephone company.
- Establishment of a Tribal Emergency Response team, and emergency management.
- Planning page on the Fond du Lac tribal website.
- Waterline expansion phase II.
- Assisted living expansion to 20 units.
- Develop a framework for business development.
- Construction of 10 duplex units for low income housing.
- Construction of an apartment building.

The Fond du Lac Reservation is a part of the Northeast Minnesota Economic Development District of which the Arrowhead Regional Development Commission is the designated planning organization. The most recent CEDS was completed by ARDC and adopted on June 17, 2010.

These, and the other objectives and projects identified in the CEDS, reflect Fond du Lac Bands understanding of the interwoven nature of economic development with on-going education, enhanced family life, and personal self-development.

CHAPTER II

ORGANIZATION

General

The Fond du Lac Reservation lies in the Northeastern Minnesota adjacent to the City of Cloquet approximately 20 miles southwest of the City of Duluth. The Treaty of 1854 between the United States government and the Lake Superior Bands of Chippewa established the Reservation, comprised of 101,000 acres. Over 1,800 Indians reside within the Reservation and another 1,500 live in the immediate service district, a 30 mile radius around the Reservation.

The Tribe exercises its governmental authority within the Reservation Boundaries and retains possession of usufructuary rights over a much larger area outside of these boundaries. The Tribe's governmental responsibilities are similar to a state. It serves a resident population scattered throughout the Reservation, including several small communities.

The Reservation Business Committee (RBC), the unit of government, was established by a Constitution pursuant to the provision of the Indian Reorganization Act of 1934. The RBC is comprised of five popularly elected officials, three of whom are representatives of the Reservations three Districts, and two who at-large positions. The RBC representatives serve four-year terms with elections being held every two years. The RBC directs the Reservation's administration functions as well as Reservation owned business operations.

The members of the Reservation Business Committee are:

Name	Title	Term/Years	Next Election
Karen R. Diver	Chairwoman	4	2016
Ferdinand Martineau, Jr	Secretary/Treasurer	4	2014
Wally Dupuis	District I Representative	4	2016
David R. Tiessen, Jr	District II Representative	4	2014
Kevin R. Dupuis, Sr.	District III Representative	4	2016

Organization

The basic organizational structure of the Fond du Lac Reservation is shown in Figure 1.

The RBC has ultimate responsibility for all economic development and planning activities on the Reservation. Staff support and day-to-day planning operations in development and planning is provided by the Planning Division. The Division provides a variety of services including: economic development, grant writing, economic project development and management (project concept, financing, construction oversight, and the like), long range Reservation planning, research and information, land use planning, transportation planning, and program development.

To provide the necessary direction affecting the future of the Fond du Lac Reservation, there are a number of methods used to ensure sound community participation in public processes. In order to reach as wide a range of community involvement and gain a broader voice in future plans and activities of the Reservation, various opportunities are provide to Reservation members. These include:

Advisory boards have been developed to provide direct input to the activities of administrative divisions. These boards are comprised of community members who take an active role in shaping the direction of key programs. These boards include: Housing Authority, Senior Advisory, Human Services Advisory, Ojibway School, Conservation and Land Use Committee's.

Periodic needs assessments are conducted by Fond du Lac staff. These include labor force surveys, health and human services surveys, needs assessments, and traditional community feasts.

Public meetings are held on the Reservation to specifically address the purpose of submittal of a Community Development Block Grant application covering such areas as community facilities improvements, land acquisition, and economic development projects.

Regular monthly meetings are held on the third Thursday of the month by the Reservation Business Committee. At these meetings administrative and enterprise division directors inform the public of issues, concerns, new services, etc. Community members are expressly invited to attend and participate in these meetings.

Annual "State of the Band" addresses are held the third Thursday of February as an end of the year review and community members are encouraged to attend.

Fond du Lac produces a monthly newspaper that is available to all Band members. This can keep them informed of current issues, services and projects. Additionally, there is an insert that appears monthly in the Cloquet Pine-Journal.

The Fond du Lac Reservation also has a website at www.fdlrez.com which provides Reservation news, Tribal events, governmental structures, contact information and program information.

In September 2011, the Reservation completed the construction of a radio station, WGZS-89.1 FM located in the Fond du Lac Ojibwe School. This too will be a welcome addition to ways to provide the Band membership with information, news, educational opportunities, Tribal events and entertainment.

In April 2012, the Reservation signed an asset purchase agreement with owner of WKLK-AM, WKLK-FM- and WMOZ-AM to purchase all three radio stations. The purchase has been completed and full transfer occurred September 1, 2012.

CEDS Committee:

Combined, these avenues for community input and interaction provide the RBC and its administrative staff with a foundation for determining and pursuing long-range goals. In 2010-11 the Band was in the process of developing a strategic plan. As part of the strategic planning process the CEDS was also to be updated. The current CEDS was set to expire in 2013 and it was determined that results and data collected in the strategic planning process was to be incorporated in the updated CEDS. The planning group is comprised of Executive Director of Programs, Executive Director of Enterprises, Director of Planning, Economic Development Planner, Environmental Program Manager and the Construction Projects Manager. There were a total of six public meetings, tables at the annual Health Fair and Enrollee Day, two articles in the Fond du Lac newspaper.

Public Review:

A 30 day notification was placed on the Fond du Lac Band of Lake Superior Chippewa website on September 25, 2013. Comments were added and minor changes were made to the document and were included as an attachment.

Emergency Management:

The Fond du Lac Reservation through the Resource Management Division is currently working an Emergency Management Plan for Band. This document will work in conjunction with the Tribal Emergency Management Commission. At this time the Band does not have a Emergency Management Plan, but is included the local plans for St. Louis and Carlton Counties. Staff from the Reservation, participate in regional boards, trainings and exercises.

Transportation:

The Fond du Lac Band of Lake Superior has had an established transit system on Reservation for the past 6 years. The ridership has fluctuated over time but it now around 20,000 riders per year. The fleet has eight vehicles comprised of 6 buses and two vans. The services provided is a \$1.00 per trip or \$2.00 per round trip on Reservation, but also provided service to Cloquet, MN and Duluth, MN. Community members and employees use the transit service for work, social activities and general mobility.

Also, the Band has invested over the past two years a substantial amount of time and resources into planning activities, these were in the form of 2012 Transportation Plan for the Bureau of Indian Affairs – Tribal Transportation Program for road planning and project scheduling. Next, is the 2012 Fond du Lac Trails Plan, this plan was written to access trail funding but also for creating a bicycle and pedestrian friendly community. Lastly, there is the Safe Routes to School plan which was done in 2009 for the trail planning to create a safer and healthier program for students to get to school. Fond du Lac has the 2nd plan nationally for Tribes.

Economic Opportunities: The Fond du Lac Band has opportunities in several sectors. These sectors a strong health care system, the overall education system, renewable and green industry potential, tourism, gaming and natural resources. These strengths are the most prominent features of the Band and there is a high ceiling in the future.

How are we doing? The Fond du Lac Reservation has made tremendous strides since 1990. In 1990, the unemployment rate was 33% and very few job opportunities. Presently, the unemployment rate is 15.5% and the Band employs over 2,000 employees and is the largest employers in Carlton County. In, the last CEDS period, of ending in 2013, the Band successfully implemented 9 of the 13 highest priority projects. This resulted in \$132,000,000.00 in projects and approximately 120 new jobs, not including employment created by construction activities.

Past and Present Development Opportunities: The Fond du Lac Tribal Council for the past several years has looked to diversify the Band's economy, while enhancing the gaming aspect as much as possible.

In the past the Band has started several new businesses such as the propane company, a convenience store, golf course, and the acquisition of the WKLK/WMOZ radio station cluster in Cloquet, MN.

In the future the Band is looking at green and renewable business opportunities, broadband, public works, and improvements to the gaming industry.

Cluster Research and Partnerships: The Fond du Lac Reservation is active in working with local agencies and group that are involved in local economic development. For instance the Band has representation on local development boards such Arrowhead Regional Development Commission, the Northspan Group, and the Northland Foundation. Additionally, staff from the Band, meets with staff from Carlton County, City of Cloquet and the State of Minnesota Monthly and quarterly to discuss projects, potential partnerships and to keep one another apprised on what is begin developed.

CHAPTER III

THE RESERVATION AND SURROUNDING AREA

Fond du Lac Reservation

The Fond du Lac Reservation was established by the LaPointe Treaty of 1854 and is one of the six Reservations inhabited by members of the Minnesota Chippewa Tribe. The Reservation lies in northeastern Minnesota adjacent to the city of Cloquet and is approximately 20 miles west of the twin ports of Duluth, Minnesota and Superior, Wisconsin. The St. Louis River borders the Reservation to the north and east and Minnesota Highway 210 lies on the approximate southern border. The Reservation is comprised of 101,000 acres of which 29 percent is Indian owned (included land owned by the Fond du Lac Band, and parcels owned by individual Indians).

Topography of the land ranges from rolling hills along the St. Louis River to nearly level marshlands in the western and southwestern sections. There are 23 lakes that total over 3,000 acres; Perch Lake covering 832 acres is the largest. Many of these lakes are shallow and well suited to the production of wild rice and wildlife. With the virgin pine being harvested at the turn of the century, the remaining forested land consists of second growth trees of less commercial value. The northern areas are composed of sand and gravel while peat reserves with some limited commercial value are in the southwest. A high water table throughout the Reservation complicated the installation, operation, and maintenance of sanitation facilities yet provides easily accessible sources of drinking water and habitat for waterfowl. Wild game had become less abundant due to increased hunting pressure and housing sprawl. Appropriate hunting regulations and land management practices may reverse this trend.

The Reservation climate is characterized by moderate summers and cold winters. Temperature extremes range from -35 to 100 degrees Fahrenheit. The growing season is short with an average minimum sixty-day frost free period. Winter is the longest season with snow cover from mid-November to mid-April. The frost line often exceeds 60 inches.

Fond du Lac Demographics and Labor Force

Fond du Lac is located in Carlton and St. Louis Counties in northeastern Minnesota. Trends within the region tend to affect the Reservation and thus it is important to have some understanding of the broader demographic picture. Table 1 shows the recent population trends for the region.

Table 1: NORTHEASTERN MINNESOTA POPULATION TRENDS

COUNTY	1990	2000	2010
Aitkin	12,425	15,301	16,202
Carlton	29,529	31,671	35,386
Cook	3,868	5,168	5,176
Itasca	40,863	43,992	45,058
Koochiching	16,299	14,355	13,311
Lake	10,415	11,058	10,866
St. Louis	198,213	200,528	200,226

Source: U.S. Census Bureau

After a population spurt primarily fueled by expansion of the taconite industry on the late 1970's, northeastern Minnesota drastically lost population in during the 1980's. However, Carlton County with a more diverse economic base remained essentially stable. In addition, although the City of Duluth lost considerable population in the 1970's and 1980's, the outlying areas of Southern St. Louis County actually gained population at this time. Thus, Fond du Lac Reservation finds itself in one of the few areas of the regional where overall economic and demographic conditions have remained somewhat stable.

The overall region was adversely affected by the recession of 2009, The economy is slowly regaining strength and has been since 2010. The Fond du Lac Reservation did withstand the recession well in comparison to the region. The Band did not experience layoffs and construction did not slow down. The Reservation had multiple projects ready for construction at this time, and continued that development as the recession progressed. Then the American Recovery and Reinvestment Act was passed and the Fond du Lac Reservation further enhance economic development by have several shovel ready projects and were to construct those as well. Overall, the Band performed well in these circumstances even as gaming slowed as a result of the recession.

The 2010 census estimate that 2,012 Native Americans reside in Carlton County with 1,492 living on the Reservation. The majority of the residents lives within the Cloquet area largely due to the fact that the majority of Fond du Lac homes are located there, and has better access to jobs and services. Additionally, this also has the larger tracks of land more suited for housing and governmental development than other areas of the Reservation. The Sawyer Community is the second largest population of Native Americans with the Brookston area being third. A large number of Native Americans, who seek jobs and services from the Reservation, reside in the nearby areas of South St. Louis County and the City of Duluth; the 2010 Census estimate 2,192 Native Americans living in Duluth.

A comparative analysis between the 2003 and 2011 labor force reports is presented in Tables 2 & 3. Prepared by the Reservation the figures provide data about the labor force of the Reservation and service area. Even though the unemployed figure is still very high it is lower since 1991. The figure was 32% in 1991 dropping to 22% in 2003, then further lowering to 15.5% in 2011.

Table 2: FOND DU LAC LABOR FORCE, 2011

	Number	Percent
Indians Residing On Reservation	1492	
Indians Residing In Service Area	3325	
Total Resident Indian Population	4817	
Potential Labor Force*	2317	
Employed Earning Below Poverty Line	279	12.0%
Employed Earning Above Poverty Line	1341	57.9%
TOTAL Employed	1617	69.8%
Unemployed	359	15.5%

Table 3: FOND DU LAC LABOR FORCE, 2003

	Number	Percent
Indians Residing On Reservation	1492	
Indians Residing In Service Area	1887	
Total Resident Indian Population	3379	
Potential Labor Force	2334	
Employed Earning Below Poverty Line	277	11.9%
Employed Earning Above Poverty Line	1533	65.7%
TOTAL Employed	1810	77.5%
Unemployed	524	22.5%

* 16 years of age and older, and less students, physically disabled, etc.

Source: BIA Labor Force Report

The figures in Table 2 strongly indicate that underemployment is as a serious of a problem as unemployment for area Native Americans. Though the numbers have changed in Table 3, the issue of underemployment still exists. Additionally, half of those employed in 1991 were below the poverty rate. As of 2011 the number had dropped from 35% to 12% below the poverty rate. There has been improvement in the overall figures from 1991 to present. The overall population has increased 853 people, and the numbers for unemployed and underemployed has dropped over the past 8 years.

Even though there has been improvement made the unemployment figures are still significantly higher than those for the county and the region. When the Reservation rate was 22.5 percent in 2013, the rates for Carlton and St. Louis Counties were 5.8 and 6.8 respectively. In 2010, the Reservation rate was 15.5 percent and the rates for Carlton and St. Louis Counties were 7.3% and 7.8%.

In 2011 and 2012 the Fond du Lac Band contracted with the University of Minnesota, Duluth – Bureau of Business and Economic Research to conduct an economic impact study of the Band. Attached at the end of the CEDS is a copy of Executive Summary of the economic impact study. In 2011, the Band created almost \$336.9 million in output between the tourism, services and construction operations. The impact to employment both directly and indirectly created over 3,600 jobs in the region.

Fond du Lac Human Services Surveys

Every two years the Fond du Lac Reservation Human Services Division conducts a comprehensive survey to assess the health and human service needs of the community. The most recent assessment was completed in January 2009. Among the highlights were:

The percentage of individuals who filled out the survey who indicated they did not have health insurance increased from 75% in 2007 to 86% in 2009.

The percentage of individuals who smoke cigarettes in the past twelve months has decreased from 56% in 2001 to 60.7% in 2007.

Approximately, 33% of the respondents reported to have either a high school diploma or GED in 2001, results from the 2005 survey states that 32% had a high school diploma or GED, and the 2009 survey states the respondents had a 26% rate to the same question.

As indicated by the survey results the leading issues on Fond du Lac show that drugs, misuse of prescription drugs, abuse and violence are the most significant.

Other related national statistics regarding health conditions in Indian country.

Injuries and violence are the leading killers of Native American children and youth, accounting for 75% of all deaths among one to 19 year olds.

Native American male's ages 15 to 19 years had the highest number of deaths for six causes of injury: motor vehicle-related, pedestrian-related, firearm-related, homicide, suicide, and drowning.

Heart Disease and Cancer are number one and two causes of death, and over half of the adult population has diabetes.

Average age of mortality is 72.3 years.

Fond du Lac Resource Management

In 2008 the Fond du Lac Reservation Resource Management Division prepared a document titled "Integrated Resource Management Plan". The purpose of the document was to evaluate the Reservation's resources, determine the desires of resident's regarding resource management, and set forth a cohesive plan of action for future management. Management themes were developed with involvement of the Band membership. These themes are fisheries, wild rice, cultural resources, water, forestry and land resources.

Among the major issues identified in the resource assessment were:

- A Tribal Historical Preservation Office (THPO) will be employed to better meet requirements of Section 106. Employees will increase from 1 to 2.

- Improve wild rice harvest by conducting monitoring and restoration projects in the Ceded territories
- Maximize the exercise of tribal sovereignty through the assumption of environmental regulatory authorities under the Clean Water Act: water quality standards, nonpoint source management, permitting under Sections 402 (National Pollutant Discharge Elimination System), and 404 (Wetland Dredge and Fill). These activities are also eligible for federal funding through the US Environmental Protection Agency. Extending the work of the Fond du Lac Office of Water Protection to off-Reservation/Ceded Territories activities (Alternative 3) is not eligible for the same federal program funding, nor do the Band's delegated authorities extend to off-Reservation lands.
- Improve and increase fish population assessments both on the Reservation and within both the 1854 and 1837 Ceded Territories, with the goal of adding harvest opportunities.
- An alternative was not developed for land resources. The resource is currently under the direction of the Land Use Committee and the Planning Division, which operates under a separate Land Use Plan.
- Ecological Silviculture will be used to guide forest management decisions. A limited harvest zone will be established within a ¼ mile of the wild rice lakes and ¼ mile of the St. Louis River.
- Increased staffing with additional skilled positions will allow the Program to address more of the needs and opportunities for wildlife in the two Ceded Territories and on the Reservation. This is needed due to the size of Fond du Lac's land area with wildlife interests – 8,000,000 acres – and increasing pressures and changes on wildlife resources.
- Add toxics monitoring and additional stations to better monitor air quality for members' health.
- Enhance work space to improve efficiency and morale of staff. Enforcement in Ceded Territories would also be expanded. An Administrative Assistant would be hired to track officers' activities and budgets.
- Establish a recreation program with emphasis on motorized and non-motorized trails.
- Establish regulations for motorized trail use.
- Expedite Fond du Lac's Strategic Energy Plan and capital development project.

- Develop a new waste facility on or off-Reservation and implement curbside pickup for Fond du Lac households. The new facility will help with increased utilization of waste for energy and recycling

Fond du Lac Economy, Development and Vision

Understanding Fond du Lac Bands general economic situation requires a brief review of the economy of northeastern Minnesota. Historically reliant on iron mining and forest industries, the region as a whole has undergone serious economic restructuring since the mid 1980's.

The challenges to economic development:

- Overall high unemployment;
- Single industry dependence;
- Limited availability of development capital;
- Lack of local development capacity;
- Business/industry dislocations;
- Lack of advanced telecommunication, in particular broadband development;
- Lack of housing;
- Lack of technological skills in the workforce;
- Changing regional demographics and;
- Low per capita income.

Opportunities for economic development:

- Strong health care system;
- A strengthening to the overall education system;
- Renewable and green industry potential;
- Tourism and gaming;
- Natural resources;

Many of these regional factors affect Fond du Lac. Carlton County, which half of the Reservation lays, has a more resilient manufacturing economic base than the rest of the region. This base is comprised of Sappi Paper Company, USG Interior and Diamond Brands matchstick plant. The combination of these and other economic drivers have created a relatively stable situation in the area. This is reflected by the county's population that has shown stability since 1970 and increases from the 1990's to the present. Additions to Sappi/Potlatch, Fond du Lac Tribal & Community College, Black Bear Golf Course, Walmart and other enterprises, since 1990 will assist future economic activity.

In nearby Duluth, that city has responded to the restructuring of the regional economy by heavily investing in tourism, medical industry and education. Once considered a steel, manufacturing and port city, Duluth has emerged as a major destination spot for Midwest

tourists. Since the 1990's the City has given the downtown a facelift, invested \$9 million in the waterfront area, \$17 million in a convention center, built the Lake Superior Aquarium and several tourist attractions such as the William A. Irvin and Scenic Railroad. Additionally, Duluth has worked with local hospitals to become a regional health care center with Essentia Health and St. Luke's Hospitals forming the core. Also, expansion at the University of Minnesota, Duluth, Lake Superior College, and the Duluth Business University combined with the College of St. Scholastica has made Duluth a regional higher education center as well.

The Fond du Lac Reservation is also diversifying the local economy. The Fond du Lac Black Bear Casino & Hotel and the Fond du Lac Casino have been very successful for the Band and additional businesses have been developed. In 2004, the Reservation opened the Fond du Lac Propane Company and the Fond du Lac Gas & Grocery. In 2007 the Reservation started a Band owned logging company named Fond du Lac Timber and Logging. Also, in 2001 the Band added a golf course at the location of the Black Bear Casino as an additional alternative to tourists in the area. Most recently, the Band started a non-commercial educational radio WGZS 89.1 FM in 2011 and in 2012 the Band purchased the WKLK radio cluster in Cloquet as ways to improve diversification. The Reservation continues to operate a construction firm. Between Tribal enterprises and administration the Band employs over 2,000 employees half of which are Native American.

Fond du Lac Infrastructure and Services

Reservation children attend school in the Cloquet, Carlton, and Brookston School Districts as well as the Fond du Lac Ojibwe School. In 2001, the Fond du Lac Reservation opened a new Fond du Lac Ojibwe K-12 School. Presently, the school has an enrollment of 400 students, up from 150 students prior to the new schools opening. There are home-school coordinators in each school and the drop out rate has been reduced from 91% in 1971 to 25% in 1983 to 17% in 2006. University and vocational training is available in several facilities in the region including the Fond du Lac Tribal and Community College. The Fond du Lac Tribal and Community College was the first facility in the United States owned by the Tribe and is a full member of the state college system.

The Fond du Lac Ojibwe School was opened to students in January of 2001. The previous school was undersized and had several outmoded buildings. In 1999, the Fond du Lac Reservation received funding from the Bureau of Indian Affairs to construct a new school in the amount of \$12,000,000.00. Construction on the school began in late 1999 and was completed in 2001.

The Fond du Lac Tribal and Community College has been providing services since 1987. In 1992, a college campus located in Cloquet, MN, adjacent to the Fond du Lac Reservation, was constructed and has since seen steady growth evidenced though several expansions. The college provides classrooms, support services, administration and housing for students.

In general the Reservation has limited public utility systems. Along Big Lake Road, on a corridor extending from the border with the City of Cloquet to the Tribal Center, the Reservation built sewer and water lines in 1997 to service the Tribal Center, Fond du Lac Gas and Grocery, Min-No-Aya-Win Clinic, the Housing Authority and a small number of individual homes. Also, in 1993 sewer and water lines were built from the City of Carlton to service the Black Bear Casino and Hotel. Separate community water systems serve over 60 units of low income housing. All other homes, public buildings, and businesses are served by individual wells and on-site sewage treatment systems. There are two independent living properties for the elderly residents. The oldest facility located in the Cloquet District, has 15 units and is connected to city sewer and water, and the newest unit built in 1996 has 20 units and has an individual well and septic. The Reservation recently completed a 24 unit supportive housing facility, 10 unit assisted living and a 10 unit veteran's supportive housing facility. In addition to the already mentioned low income and elderly group housing units, there are an additional 445 units of HUD housing.

The Reservation itself does not own or provide garbage service. Although, through the Resource Management Division the Reservation provides recycling services and a household hazardous waste program to Band members. The facility located on-site with the division provides these services to Band members at no charge.

Also, the Reservation does not have its own fire protection service. These services are currently provided, under agreements, by other local units of government. Presently, the Reservation is doing an assessment to provide data to see if the Band should provide these services themselves.

In the past fourteen years the Reservation has developed land management infrastructure such as a land use plan, zoning ordinance, air & water quality standards, solid waste ordinance, wetland conservation plan, integrated resource management plan, transportation plan, and other similar controls.

Until 1997 the Reservation did not assume law enforcement within its boundaries. In 1997 the Reservation created a police force and since then the force has grown from two officers to fourteen. The law enforcement now provides service 24 hours per days, seven days a week. Also, the Reservation has cross-deputization agreements with the City of Cloquet, Carlton County and St. Louis County to improve law enforcement services to the Reservation.

Fond du Lac operates its own health and social service delivery system that can meet many of the needs of Indian people residing in the service area. All Indian people in the service area are eligible for this care. In-patient services must be paid for by patients and/or insurance companies. Limited contact health care is available to Fond du Lac enrollees and other Indians living on the Fond du Lac Reservation. Services provided by the Reservation include: ambulatory care, ancillary care, dental, audio-logy, community

health services, mental health services, social services, alcoholism services and community health.

The Reservation is strategically located with regard to highways. Interstate 35 passes the eastern border while Minnesota Highway 210 and US Highway 2 transect the Reservation to the south and north respectively. Within this system is a network of County and local roads, most of which are paved, providing access to all sections of the Reservation.

This road network gives easy access to and from the Reservation by residents and visitors. It is one reason that the Reservation is stressing tourist related economic development enterprises. The system also permits good access to the educational facilities, Tribal administration, health care, and other necessities to local residents.

B. EVALUATION

Fond du Lac has entered a phase at which its continued development can be continued and expanded upon through the use of traditional values and the opportunities granted by its own hard work. Historically statistics has shown that Native Americans suffered from lack of education, unemployment, dysfunctional families, alcoholism, lack of tribal identity and self-esteem. Although these trends have improved in that past 25 years, and emerging trend of using traditions to assist in the utilization of local resources and initiatives in education, human services, resource management and economic development to provide the tools to direct the future.

Economic development at Fond du Lac requires: financial strength through casino operations and other development efforts, education provided through the Ojibway School and the tribal and community college, and viable families which are helped by services provided by human services. All these components must be interwoven to create a community that is capable and confident of being able to support their livelihoods.

The historic pattern of life on the Reservation is being reversed through tribal actions that must continue in the future. Educational opportunities have been strengthened from pre-school through the college years. This allows people to develop skills to enter the job market. Quality of living has been improved, and will continue to be improved in attempts to eliminate the negative encumbrances on individual and families. Economic activities set to work in conjunction with the diversifying local economy are providing employment opportunities and investment capital essential to a more secure future or the tribe and Band membership.

The statistics and the Reservations past history state that the Band must make coordinated progress on all three fronts if any one of them is to succeed. The result must be an even more successful community fully capable of increased participation in the regional economy, educational system and community development.

Educational efforts have and should continue to be focused on the full range of activities. This includes continual review and upgrade of school facilities and programs. This also includes providing non-school programs to reinforce the educational gains made at school. Sustaining and expanding services at the Fond du Lac Community College must also continue. All of this means that administration must find new ways to integrate traditional teachings and values into modern culture in order to sustain historic ways and to enrich current ones.

Human services must continue to focus on strengthening families as functional units. They must also sustain the health and well-being of individuals so that they are fully capable of being involved members of the community. As new educational and employment initiatives provide people with renewed self-confidence and economic support, human services have to work with these people to successfully counter the negative factors of the past.

Finally, economic development activities must be directed towards those efforts which provide local employment in enterprises and infrastructure development that fit within diversified local economy. The casino's fit in this mold as well provide the fiscal resources for future endeavors. Those new endeavors must not only seek to expand the current successes but also to reach out into such areas as tourism services, forest products, environmental services, renewable energy, internet services, and retail.

CHAPTER IV GOALS

This section presents the basic economic development goals for the Fond du Lac Band of Lake Superior Chippewa. These goal statements are based upon the evaluation of current and projected needs and opportunities and reflect the philosophy of the Reservation Business Committee and the Fond du Lac community.

Fond du Lac has set forth on the path of increased economic self-sufficiency for the Reservation and individual members. This has and will continue to involve the integration of key services and programs to focus limited Tribal resources on those opportunities which will best advance the economic, education and health situation of Reservation members. These actions also mirror Fond du Lac's understanding that it is a vital member of the broader regions community and that it has and will continue to operate to the mutual benefit of that community.

The emergence of gaming and entertainment complexes as major revenue producers for Fond du Lac is more than just a short-term economic boost for the Reservation. By resolution the Fond du Lac RBC has expressly directed that net profits from its gaming enterprises be used for initiatives and services in economic development, health and human services, and education. For too many years Fond du Lac citizens have been in a downward spiral of despair; lack of education, unemployment, dysfunctional families, alcoholism, lacking self-esteem and loss of individual and tribal confidence. Gaming revenues represent the economic force which, because they derive from tribal initiative

and control, can redirect the old spiral into an upward one of positive change, self-esteem, meaningful employment, income, opportunity and the confidence to grab the opportunity.

The 2013-18 Community Economic Development Strategy outlines goals for the Fond du Lac Reservation are:

- Work with public and private sector groups to strengthen and enhance the Band's capacity and economic development
- Prepare the Band for economic growth by expanding and maintaining critical infrastructure including communications, transportation and public utilities.
- Improve the Band's entrepreneurial environment.
- Ensure an adequate supply of quality, affordable workforce housing in the region.
- Obtain and sustain economic self-sufficiency for the Fond du Lac Band of Lake Superior Chippewa; and,
- Secure, expand and nurture economic and personal self-sufficiency for all individual members of the Fond du Lac Band of Lake Superior Chippewa.

CHAPTER V OBJECTIVES

The Fond du Lac Community Economic Development Strategy (CEDS) will be broken out into program component areas.

CEDS Objectives

1. Economic Development

- Improve and expand the Fond du Lac Transit system.
- Construct trails on the Reservation to improve non-motorized travel, infrastructure and health.
- Develop infrastructure such as roads, sewer and water lines as ways to improve the quality life for residents, but use as an economic tool.
- Create a business incubator with staff support to assist Band members with business ideas.
- Expansion of the gravel pit business.
- Establishment of a Tribal Emergency Response team, and emergency management.
- Planning page on the Fond du Lac Tribal website.
- Waterline expansion phase II.
- Develop a framework for business development.
- Construction of 10 duplex units for low income housing.

2. Education

- Provide meaningful programs to assist children to become knowledgeable and productive members of tribal society.
- Provide adult education programs to offer basic skills required for on-going employment.
- Continued work of accreditation of the Fond du Lac Tribal College.
- Provide support to K-12 and college facilities for purposes of expansion and use.
- Provide supportive services to the ongoing development of the Fond du Lac Tribal College.

3. Health and Human Services

- Support home health services to provide better services to residents.
- Provide further health education and care for specific concerns such as diabetes and mental health.
- To further develop services to school age children including services provided in school.
- Continued upgrade of facilities and services for providing key in-patient care.

4. Community

- Provide day care services to permit tribal members to seek meaningful employment while offering reliable and rewarding support for their children.
- Provide appropriate governmental services to protect the health, welfare, and property of the Reservation.
- Provide employment opportunities to the Band membership through economic development projects and programs.

CHAPTER VI CEDS DEVELOPMENT STRATEGIES

Program and Project Selection Criteria

It is necessary to concentrate financial and human resources on the most important programs require the application of criteria to select those programs or projects. The following statements will guide Fond du Lac Reservation Business Committee decisions regarding program initiation, maintenance or redirection during the period of this Community Economic Development Strategy.

Currently identified or proposed future programs and projects will be evaluated by the degree to which they satisfy the following criteria as may be appropriate to the project.

CEDS Goals and Objectives

Does the project meet CEDS goals?

Does the project meet one or more CEDS objectives?

Funding

Is the required Reservation Business Committee funding for the project consistent with short and long financial projections for the Reservation?

Are non-Reservation Business Committee sources of funding available and applied to this project? Greater weight will be given to those projects with non-RBC funding)

Is the project, or can it become, financially self-sufficient in a reasonable time period?

Area of Impact

What is the area directly or indirectly impacted by the project? (Projects will be given more weight the larger area the impact)

Long-term Impact

Will community infrastructure (social, administrative or physical) be expanded or upgraded to sustain future use and development?

Will the Reservation's natural environment and resources be enhanced or impacted regarding traditional hunting, fishing, and gathering activities?

Will the bulk of the direct impact of the program or project be measurably felt for a period of greater than five years?

Employment

Does the project create or retain jobs?

Are the jobs created or retained seasonal or year round?

Do the jobs pay greater than minimum wage?

Self-sufficiency

Does the project provide education, training, or the opportunity to take advantage of such activities?

Does the project encourage, foster or support direct action by an individual or group of individuals to gain economic self sufficiency?

Family

Does the project serve to rebuild, strengthen or sustain functioning families?

Will the project result in enhancing the ability of individuals to more fully participate in community life in a socially acceptable manner?

Will the project encourage greater understanding of and participation in traditional Ojibwe cultural activities?

Strategy Committee

The CEDS committee will be responsible for the development, updates, changes and implementation of the CEDS document. The committee group is comprised of Executive Director of Programs, Executive Director of Enterprises, Director of Planning, Economic Development Planner, Environmental Program Manager and the Construction Projects Manager. This group includes representatives from the Band's enterprises, administration, economic development, environmental, community members, former small business owners and five of the six are members of the Tribe.

2013 CEDS Committee

<i>Name</i>	<i>Organization</i>	<i>Capacity</i>
Chuck Walt	Fond du Lac Reservation	Executive Director Programs
Mike Himango	Fond du Lac Reservation	Executive Director Enterprises
Jason Hollinday	Fond du Lac Reservation	Planning Director
Amy Wicklund	Fond du Lac Reservation	Economic Development Planner
Mike Murray	Fond du Lac Reservation	Construction Projects Manager
Wayne Dupuis	Fond du Lac Reservation	Environmental Program Manger

Governing Board

The governing board of the Fond du Lac Reservation is the Reservation Business Committee (RBC). The RBC is the executive branch of the Reservation and makes all the final decisions of the Band. The RBC is comprised of five elected officials: chairperson, secretary/treasurer, district one representative, district two representative, and the district three representative. All five of the positions are elected for a four year term and are staggered. The chairperson and

secretary/treasurer positions are openly elected where the entire eligible Band membership votes and the three district representative are voted only by those who registered in that district. Decisions are voted on and must have majority for a decision to be passed or denied.

2013 Governing Board

<i>Name</i>	<i>Position</i>
Karen R. Diver	Chairwoman
Ferdinand Martineau, Jr.	Secretary/Treasurer
Wally Dupuis	District I Representative
David R. Tiessen, Jr.	District II Representative
Kevin R. Dupuis, Sr.	District III Representative

Planning Process

The Fond du Lac Band of Lake Superior Chippewa is required to submit a new CEDS every five years to the Economic Development Administration (EDA), although updates are occasionally required by the EDA. The Minnesota Chippewa Tribe (MCT) provides a calendar of when the annual and bi-annual reports are due. The reports are based on progress made on the CEDS.

Changes to the CEDS will be made by the CEDS Committee and these changes are then brought to the Reservation Business Committee for approval through a resolution. The EDA and MCT will be given copies of the CEDS, CEDS updates and reports.

Project	Description	Job Created	Lead Agency	Investment
Trail Construction	Develop non-motorized trails for community connectivity, health and sustainability.	8-10 for construction. 2-3 for maintenance.	Fond du Lac Band	\$100,000 per mile
High Speed Internet	This part of Carlton and St. Louis Counties are NOT served by high speed broadband internet. This would bring fiber to the home.	5 positions for support.	Fond du Lac Band	\$8,000,000
Renewable Energy	Research and potential development of pellet plants and furnaces.	Research phase	Fond du Lac Band	Up to \$30,000,000 depending on research findings
Truck Stop	Construct or acquire a truck stop on Highway 2 and/or Highway 210.	12-15 positions	Fond du Lac Band	\$10,000,000
Transitional Housing/Shelter Facility	Provide 10 units of transitional/shelter housing for a population segment that is not being served.	3 positions	Fond du Lac Band	\$2,100,000
Infrastructure Development	Development and construction of roads, sewer and water lines.	20 positions	Fond du Lac Band	\$1,100,000 annually
RV Park	Construct an additional amenity to the Black Bear Casino complex.	8-10 positions	Fond du Lac Band	\$3,000,000
Utility Development	Develop a Fond du Lac utility for water, sewer, and future projects such as green power and broadband.	1 position	Fond du Lac Band	\$150,000
Tribal Emergency Response Team	Emergency management segment that needs to be developed.	2 positions	Fond du Lac Band	\$100,000
Water Line Expansion Phase II	Provide additional services and fire protection to the existing development corridor	15 positions	Fond du Lac Band	\$900,000
Assisted Living Expansion	Provide an additional 10 units of space for assisted living, including memory care.	5 positions	Fond du Lac Band	\$1,500,000
Low Income Duplexes	Develop 10 duplexes for low income people.	2 positions	Fond du Lac Band	\$2,500,000