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FBI raids Qualla Housing Authority

Written by Holly Kays



A team of 26 FBI agents descended on Cherokee Feb. 2, filling the Qualla Housing Authority building and wheeling entire filing cabinets, as well as papers and hard drives, into a U-Haul parked to the side of the building.

The agents, joined by deputies from the Cherokee Indian Police Department, were there for hours, eventually filling two U-Haul trucks. They pulled the blinds down on the conference room facing the road and directed media and general bystanders to stand on the other side of the street or risk becoming part of the investigation.

News of the FBI raid traveled fast through the Qualla Boundary. On the other side of the Oconaluftee River, Tribal Council was beginning its monthly meeting and announcing the intention of its majority to begin impeachment proceedings against Principal Chief Patrick Lambert. As the day went on, the issues of impeachment and FBI investigations swiftly became intertwined in the discussion that followed.

The raid stemmed from an Oct. 4, 2016 letter that Charlene Owle, then the director of Qualla Housing, received from the U.S. Department of Justice informing her that the FBI was investigating the organization for "possible criminal conduct related to certain loans and loan applications, among other matters." The letter went on to say that any attempt to destroy, hide or falsify documents that might be requested over the course of the investigation could result in further charges.

According to Lambert, that advice was not heeded. An emergency resolution he submitted to Tribal Council last week said there had been at least three reports of documents being shredded at Qualla Housing since Oct. 4.

The Qualla Housing Authority was set up in the 1960s to help low-income tribal members get into safe, sanitary, affordable housing. It administers about \$3.2 million each year from the U.S. Department of Housing and Urban Development and is overseen by a board of six Tribal Council members and one appointee from the principal chief.

Current Tribal Council members on the board are Chairman Bill Taylor, of Wolfetown; Councilmember Alan "B" Ensley, of Yellowhill; Councilmember Adam Wachacha, of Snowbird; Councilmember Albert Rose, of Birdtown; Councilmember Richard French, of Big Cove; and Councilmember Marie Junaluska, of Painttown. Taylor, Ensley and Wachacha have been on the board since 2009; Junaluska and French took their seats more recently, in 2015. Rose joined the board in 2013.

In response to the FBI raid, Lambert brought council a resolution that would dissolve Qualla Housing and its board, merging it with the tribe's Department of Housing and Community Development. Lambert told council that the reorganization made sense and was necessary to enact immediately to minimize the lapse in service to tribal members.

"Right now to my understanding they took all the files, they took all the computers," Lambert told council. "Qualla Housing can't function."

By migrating Qualla Housing responsibilities to the Department of Housing, he said, tribal members would experience only a "short little blip" in service before funds could once more be dispersed.

Councilmember Teresa McCoy, of Big Cove, voiced her support for the resolution.

"Qualla Housing has been here since the early 60s, which makes it almost as old as me," she said. "Things become antiquated and they're no longer useful and they get broken. Qualla Housing has been broke for a long time."

During the two years she served on the board, McCoy said, the organization was a "disaster" that didn't even manage to get anyone into a home. It's time to abolish the board and turn management over to the housing secretary, she said, moving to pass the resolution.

Not all councilmembers agreed.

Wachacha, for instance, concurred that "there needs to be some oversight" but balked at putting Qualla Housing under the housing secretary.

"I'm not trying to put another load on him, but at this point I think I would just trust it being under the attorney general's office right now," Wachacha said.

The statement caused Lambert to question whether there was a personal issue between Wachacha and the housing secretary and to state that the attorney general's office is not set up to deal with housing issues.

Taylor said that because Qualla Housing is set up in an ordinance, it would require more than an emergency resolution to actually disband it. And Councilmember Travis Smith, of Birdtown, said it was too early to do anything drastic.

"I still don't know what went on today," Smith said of the FBI raid. "After listening to this resolution and still having questions about what's going on, it seems like putting the cart before the horse."

Attorney General Danny Davis reminded council that Qualla Housing was currently without any documents or anyone to run it, implying that swift action would be beneficial.

"Clearly something's got to be done," he said.

Council, however, did not wind up voting on the issue. McCoy withdrew her move to pass it with the understanding that council would reconvene to decide the issue sometime soon. "Like tomorrow," McCoy said.

As of press time, council had not met again and no action had been taken on the Qualla Housing resolution. No indictments have yet been issued in the investigation.