



# CDFA // BNY MELLON DEVELOPMENT FINANCE WEBCAST SERIES

**THE BROADCAST WILL  
BEGIN AT 2PM EASTERN**

Submit your questions in  
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## Deploying Capital in Native American Communities



**BNY MELLON**



# Deploying Capital in Native American Communities



## Angela Blatt

Director, Research & Technical Assistance  
Council of Development Finance Agencies  
Columbus, OH



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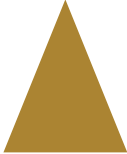
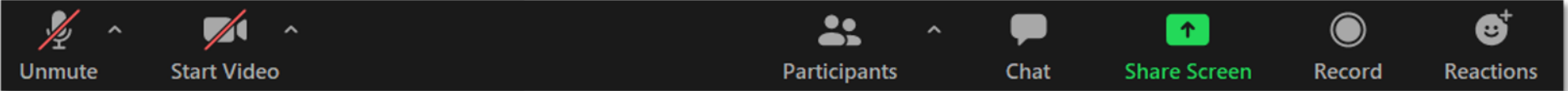
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**Submit your questions by  
using the chat function!**



# Deploying Capital in Native American Communities

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## Tammy Davis

Vice President  
BNY Mellon

## Adam Rose

Director, Strategic Partnerships & Growth  
Travois New Markets, LLC

## Dave Castillo

Chief Executive Officer  
Native Community Capital

## Joel Smith

SVP, Chief Credit Officer  
Native American Bank



# Deploying Capital in Native American Communities



## Tammy Davis

Vice President  
BNY Mellon  
Detroit, MI



# Deploying Capital in Native American Communities



## Dave Castillo

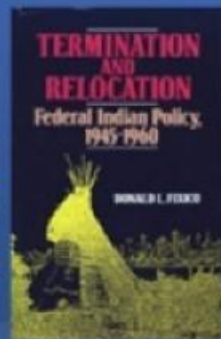
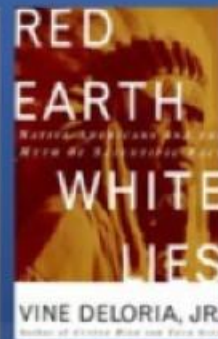
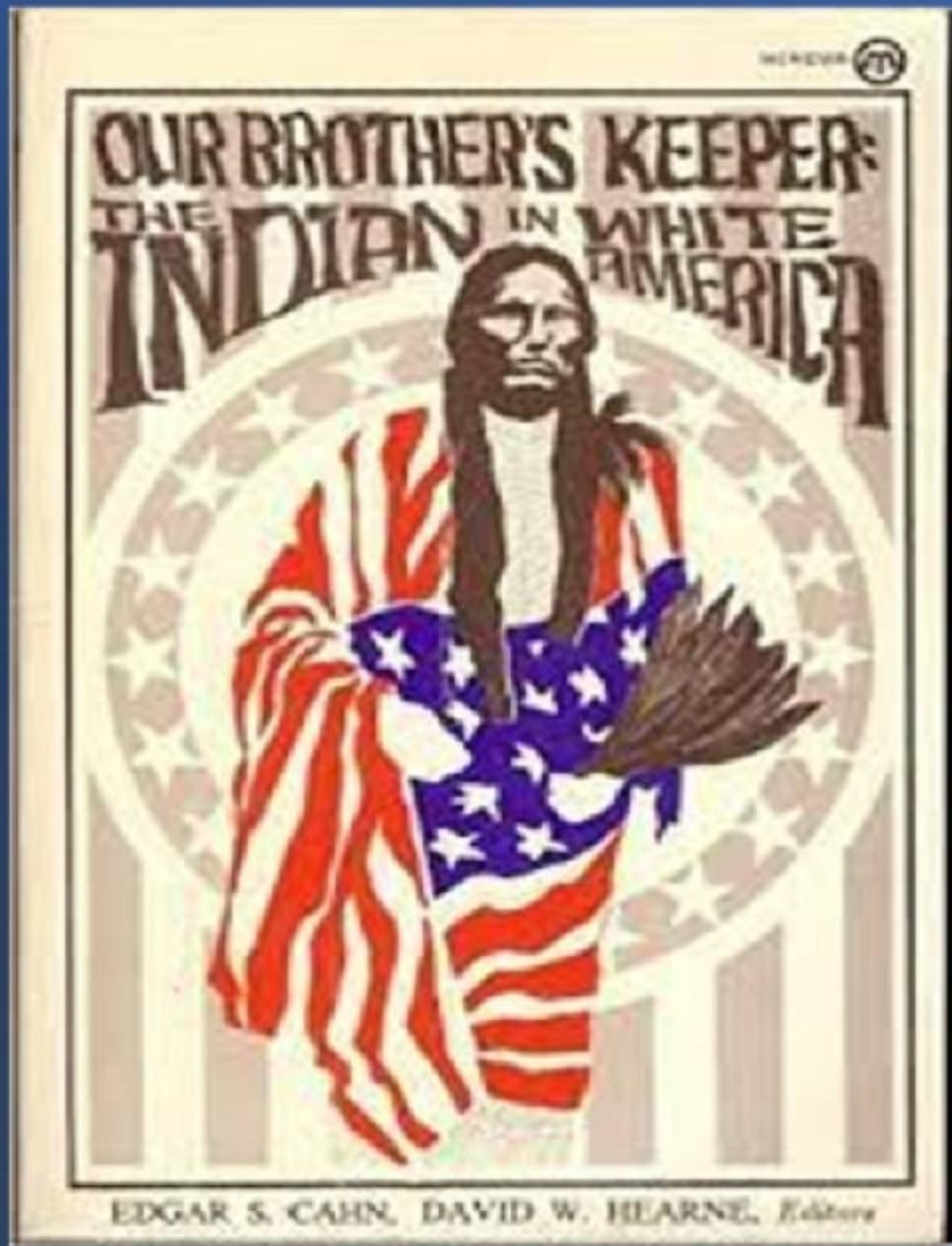
Chief Executive Officer  
Native Community Capital  
Phoenix, AZ



NATIVE  
COMMUNITY  
CAPITAL

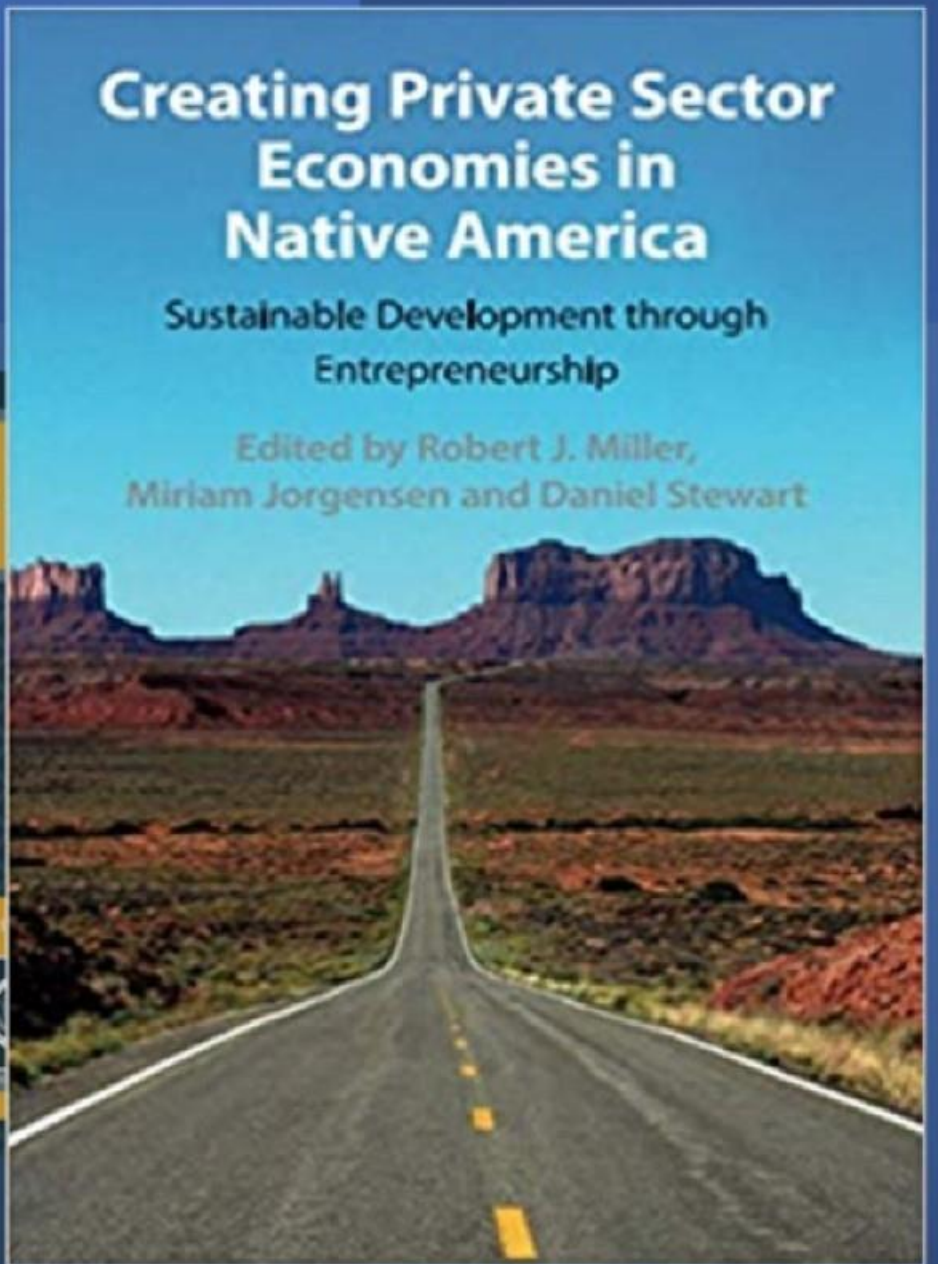






V.S. COMMISSION ON CIVIL RIGHTS

**BROKEN PROMISES:**  
Continuing Federal Funding Shortfall  
for Native Americans

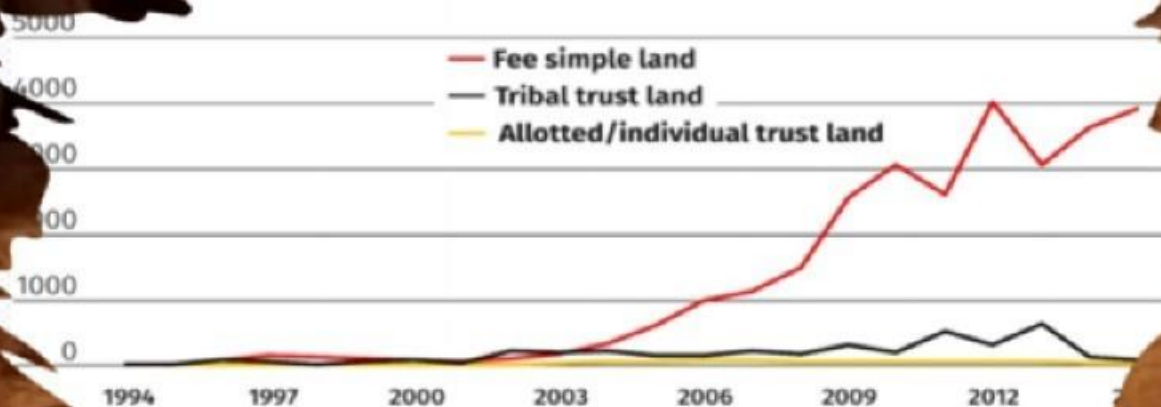




## This Trend Concerns Me

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

and Loans Dominate Since 2005





## U.S. Department of the Interior [Indian Affairs](#)

The American Rescue Plan Act of 2021 (March 11, 2021) is the largest investment of resources into Indian Country and tribal communities in U.S. history. ARPA granted a total of \$31.2 Billion to Indian Country

### Deb Haaland Confirmed As 1st Native American Interior Secretary

March 15, 2021

### Announcing OMB's First Ever Tribal Advisor

September 12, 2022



### National Native Coalition to Host Listening Session on Community Reinvestment Act Notice of Proposed Rulemaking



Tribal Collaboration Policy & Legislation

### Tribal Infrastructure Fund



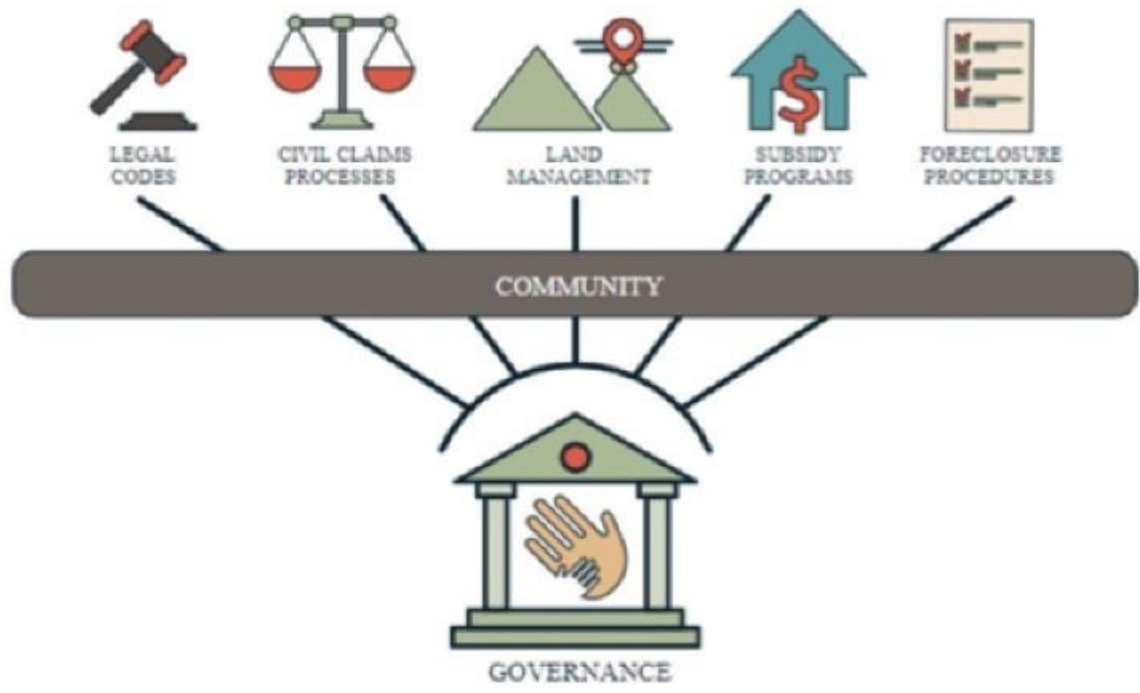
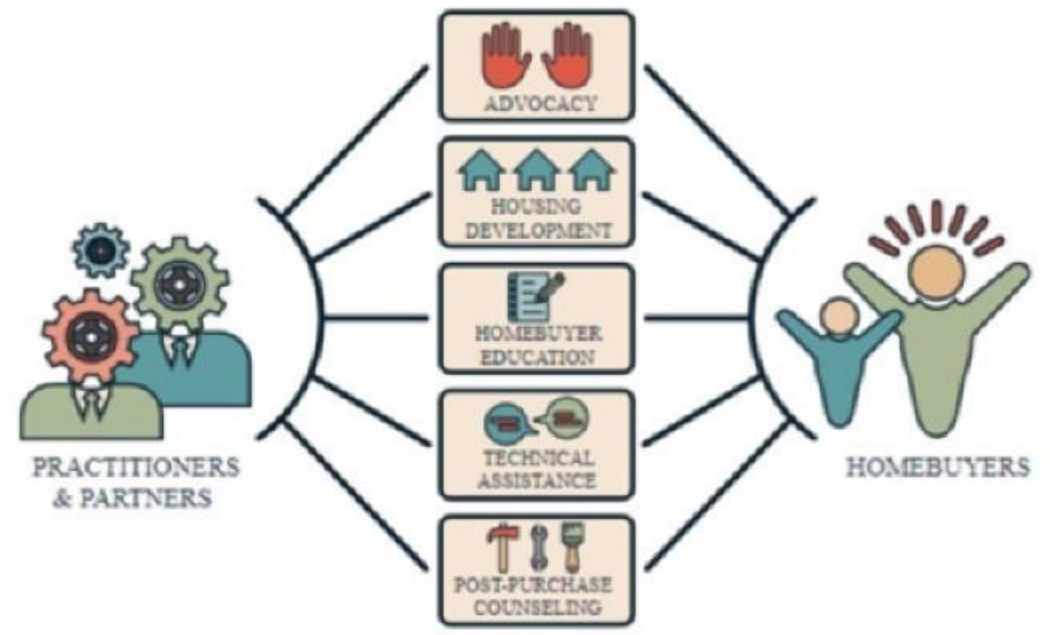
MONTANA.GOV  
OFFICIAL STATE WEBSITE

INDIAN COUNTRY PROGRAMS

INDIAN EQUITY FUND (IEF) SMALL BUSINESS GRANTS



# Enhancing and Implementing *Homeownership Programs* in Native Communities



Developed by  
 Enterprise

With support from  
 Freddie Mac  
We make home possible®

# BUILDING BUSINESS INFRASTRUCTURE



## INDIAN LAW SCHOOLS



**Arizona**  
Arizona State University Sandra day O'Connor College of Law  
University of Arizona James E. Rogers College of Law

**California**  
University of California Law – Los Angeles

**Colorado**  
Lewis & Clark Law School  
University of Colorado at Boulder Colorado Law

**Hawaii**  
University of Hawaii

**Idaho**  
University of Idaho College of Law

**Kansas**  
University of Kansas School of Law

**Minnesota**  
University of Minnesota Law School

**Montana**  
University of Montana School of Law

**New Mexico**  
University of New Mexico School of Law

**New York**  
Syracuse University College of Law

**North Dakota**  
University of North Dakota School of Law

**Michigan**  
Michigan State University College of Law

**Missouri**  
Washington University School of Law – St. Louis

**Oklahoma**  
Oklahoma City University School of Law  
University of Oklahoma College of Law  
University of Tulsa College of Law

**Oregon**  
University of Oregon School of Law

**South Dakota**  
University of South Dakota School of Law  
University of Wisconsin Law School

**Washington**  
Gonzaga University School of Law  
Seattle University School of Law  
University of Washington School of Law

## INDIAN BUSINESS SCHOOLS



**Washington**

Gonzaga University School of Business

TRIBAL GOVERNMENTS

U.S. GOVERNMENTS

- Invest Directly in Native CDFI's
- Create a Fund Managed by Native CDFI for Tribal Projects
- Advance use of Integrated Capital Investments (Debt and Equity) to Build Capacity of Native CDFI's

Financial

Tribal Codes & Courts

Subsidized & Guaranteed

BIA Loan Guaranty  
90% Guaranty  
\$120MM; 1% loss rate

Tribal Enterprises & Informal  
Capital Improvement Projects

50MM  
100MM/yr;  
loss rate

Tax Credits & Enhancements

Tribal Enterprises

NMTC \$500MM in activity via  
3 Native CDE's

Native Social Enterprises

Invested in LIHTC / NMTC on / off tribal lands

Depository & Investment Services for Gaming Tribes

Buy Guaranteed Portion of Existing Debt

Invested in Native Initiatives by non-Native intermediaries

NATIVE CDFI's

Contracting

SBA 8a \$6B - \$8B in sales to fed govt.

Private Sector Capital

NATIVE ENTITIES & ALLIES

STATE GOVERNMENTS

...resulting from large lender transactions driven by capital markets.

## Artists Note:

Native and Euro-based civilizations meet with a handshake gesture from which everything blooms like from the center point of a basket. Like a basket, there are layers woven together with symbols of both cultures. Together they may harmonize - we're all part of the same universal system and we can co-exist and help each other.

J. Yazzie





**NATIVE**  
**COMMUNITY**  
**CAPITAL**

Dave Castillo, CEO

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# Deploying Capital in Native American Communities

## Joel Smith

SVP – Chief Credit Officer  
Native American Bank  
Denver, CO





# **Deploying Capital in Native American Communities**

September 13, 2022



**Joel Smith**  
**Chief Credit Officer**  
**Native American Bank**

**September 13, 2022**



Native American Bank is nationally chartered CDFI providing financial services to Indian Country.

Owned by a consortium of 31 Tribes & Tribal Economic Development Corps, ANCs, and 5 social investors/ foundations

Full Service, FDIC- Insured Bank Designated as a Minority Owned Depository Institution (MDI)

Our Creed:

*People Investing in Native Communities*





## **NAB provides capital throughout Indian Country**

Tribal Government & Alaska Native Village

Tribal Enterprise Projects

Tribal Housing Development

Alaska Native Corporations (ANC)

Native Entrepreneurs

On Reservation and Off

(No Direct Gaming/Casino Lending)





## Indian Country Considerations

- Tribal Jurisdiction & Codes
- Taxation
- Sovereign Immunity
- Trust Land and Collateral Valuation
- Tribal Leadership





## Tribal Jurisdiction & Codes

- Indian Tribes are sovereign entities
- Power to Regulate
  - Codes, Foreclosure
  - Zoning
- Power to charter businesses
- Tribal Court





## Tribal Taxation

- Federal Tax Exemption
- Property Tax Exemption
- Other Taxes (Sales, Lodging, Gas)
  - Paid to Tribe (unless compact with state)
- Helps make tribal projects feasible







## Sovereign Immunity

- A Sovereign state is one that can not be sued with out its consent
- Agreements without requisite language waiving immunity may be unenforceable
- LIMITED Waivers available





## Trust Land/Collateral

- Much of Reservation land held in Trust status
- Managed by Bureau of Indian Affairs
- Land use governed by leases or rights of use
- Collateral accomplished via Leasehold Mortgage





## Tools to Strengthen Loans

- Indian Loan Guarantee and Insurance Program (ILGP)
  - US Dept of Interior (aka BIA Guarantee)
- USDA Guarantees
- HUD Title VI Guarantees ( for Tribal Housing)
- SBA Programs
- New Markets Tax Credit Equity
- SSBCI - Soon





## Building Interest

- Tribal loans are **STRONG** credits
- Tribal loans are stable
- Make an Impact
  - CRA Consideration
- Find your partners





## Red Lake Grocery Store Replacement

- Red Lake Band of Chippewa Indians – Northern Minnesota, 12,000 residents
- Tribal EDC is Ogaakaaning Enterprises dba Red Lake, Inc.
- Red Lake Trading Post since 1986
  - 5,000sf grocery space, 5,000sf laundry, fuel center
  - Building in severe need of replacement, expansion
- 27,000sf grocery, dollar store, deli, c-store/ fuel center, bakery, Subway
  - Create 45 Construction Jobs, 27 permanent, retain 30 permanent jobs
- Red Lake Builders Construction Contractor – Multiplies Impact to Tribe





A' ho

*Native People Investing in Native Communities*



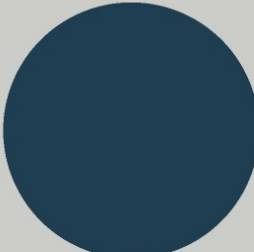
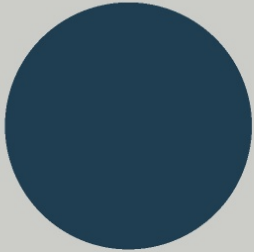
# Deploying Capital in Native American Communities



## Adam Rose

Director of Strategic Partnerships & Growth  
Travois New Markets, LLC  
Kansas City, MO

# Increasing Access to Two Important Tools





A large, solid dark blue circle is centered on the page. Inside the circle, the text "Increasing Access to Capital for Tribes Through..." is written in white, bold, sans-serif font.

**Increasing Access to  
Capital for Tribes Through...**

Increasing Access to  
Capital for Tribes Through...

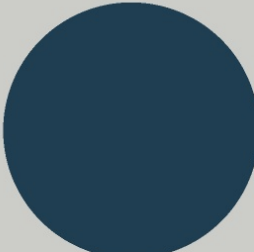
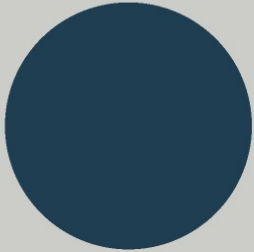
## Low Income Housing Tax Credits

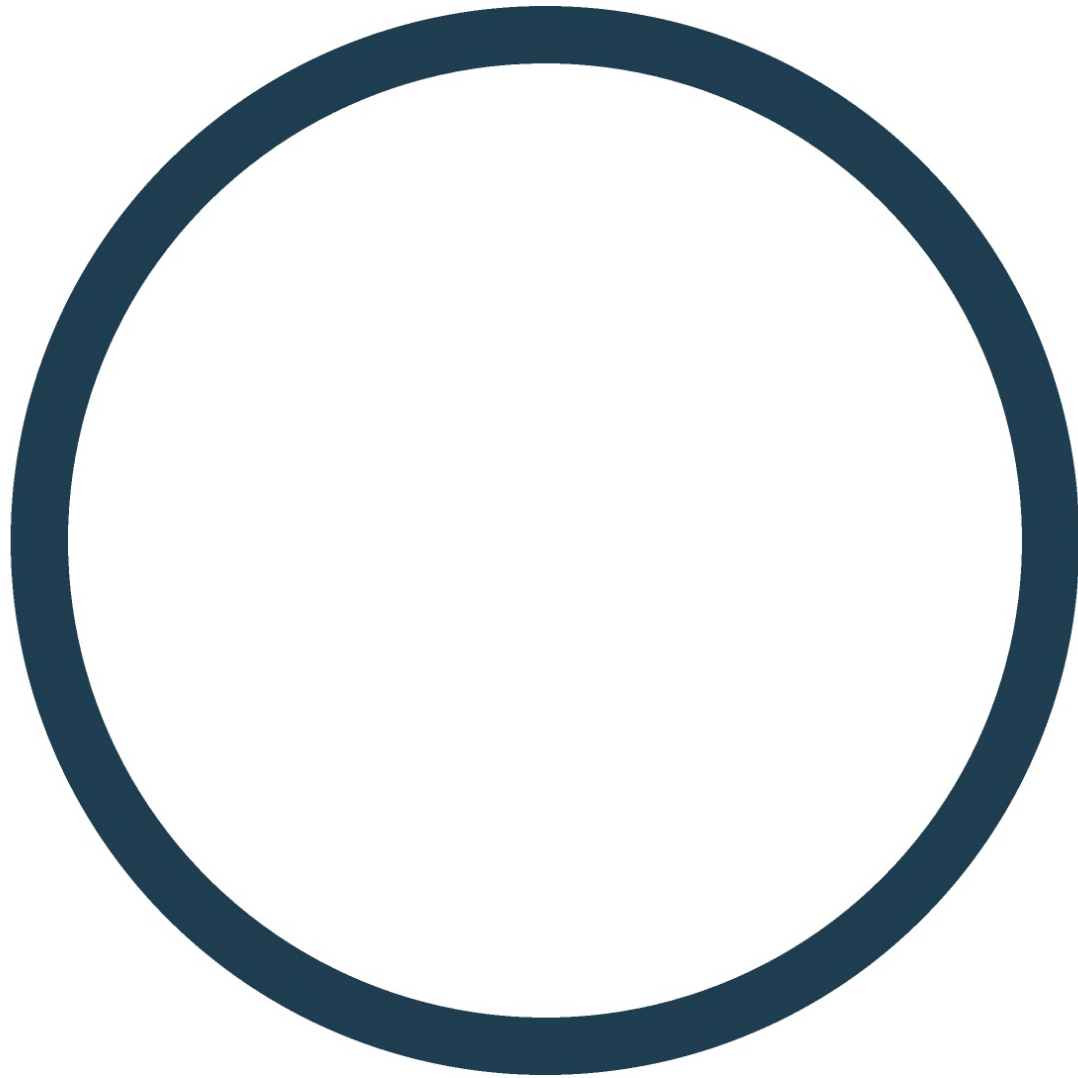
Increasing Access to  
Capital for Tribes Through...

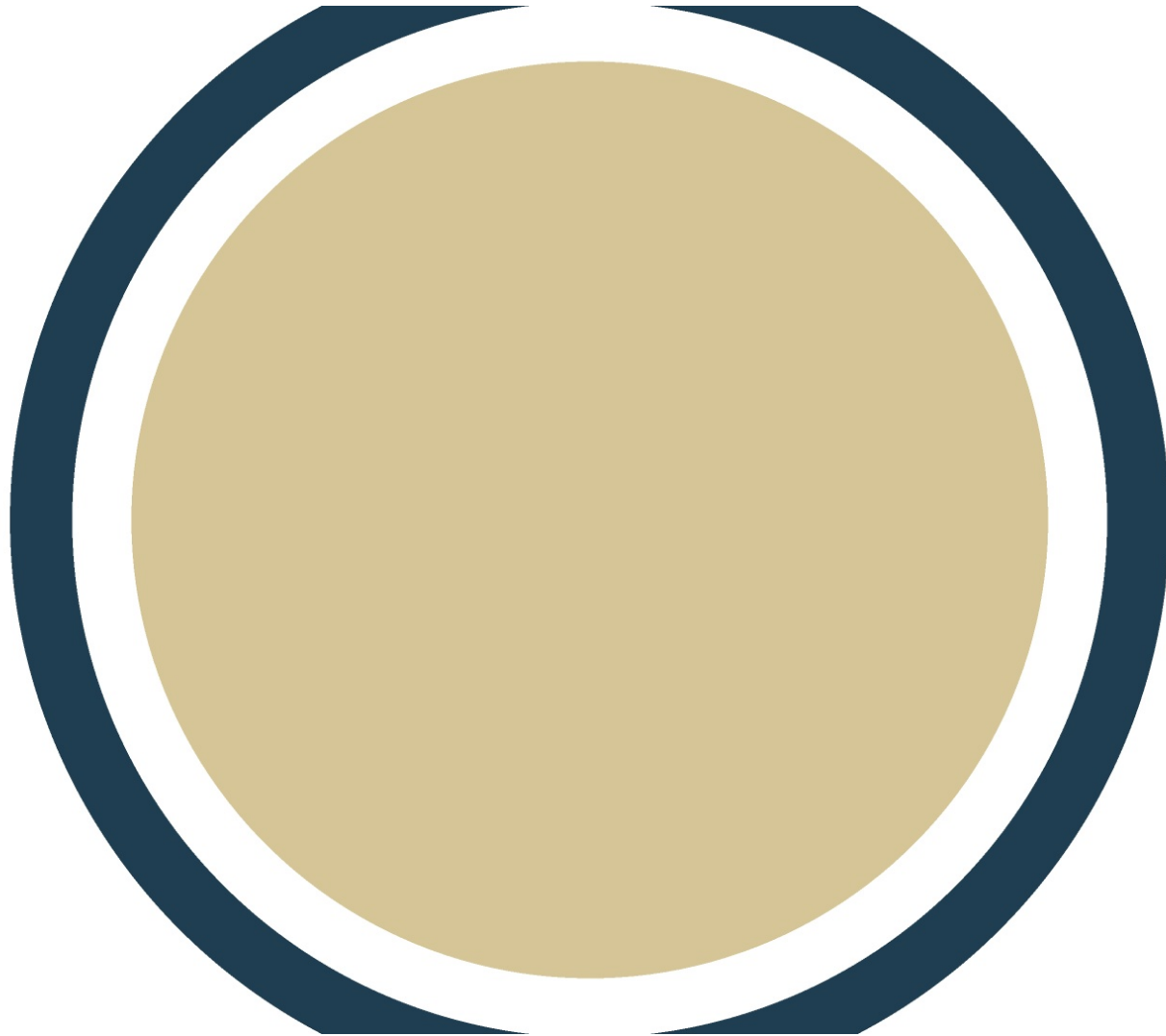
**Low Income Housing Tax Credits**


**New Markets Tax Credits**

# Increasing Access to Two Important Tools









**Why is access to  
these tools  
important?**

## Travois Tribal LIHTC Projects Since 1995



<b>HOUSING</b>	
Total Projects:	214
Total Homes:	6124
Total Costs:	\$1,259,511,113
Total Investor Equity:	\$893,677,037
<b>ECONOMIC DEVELOPMENT</b>	
Total Projects:	38
Total Costs:	\$557,522,878
Total Investor Equity:	\$118,856,538
<b>TOTAL NATIVE ORGANIZATIONS</b>	
<b>109</b>	



## Travois Tribal LIHTC Projects Since 1995

### HOUSING

Total Projects:	214
Total Homes:	6124
Total Costs:	\$1,259,511,113
Total Investor Equity:	\$893,677,037

### ECONOMIC DEVELOPMENT

Total Projects:	38
Total Costs:	\$557,522,878
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### TOTAL NATIVE ORGANIZATIONS

109

Investment in Indigenous Communities: Does NOT have to be repaid

**\$893**  
MILLION

Amount of investor equity raised for **214 Low Income Housing Tax Credit** projects in 22 states

**6,124**  
homes built or rehabilitated

 = 500 homes



**AHP**

AFFORDABLE HOUSING PROGRAM (AHP) GRANTS RAISED FOR PROJECTS:

**\$34,220,472**

**CMF**

CAPITAL MAGNET FUND (CMF) GRANTS RAISED FOR PROJECTS:

**\$6,287,660**



SOKAOGON HOMES 2:  
DESIGNED BY TRAVOIS DESIGN

# Pascua Yaqui Homes #7















# Barriers Faced

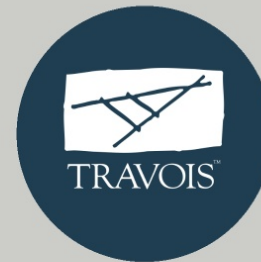
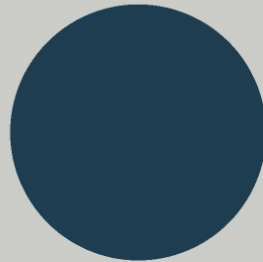
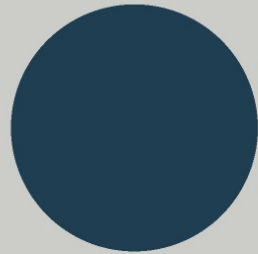
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# Opportunities

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# Increasing Access to Two Important Tools



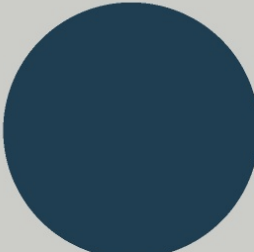
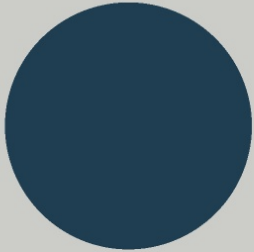
**Adam Rose**

**c) 816-506-4459**

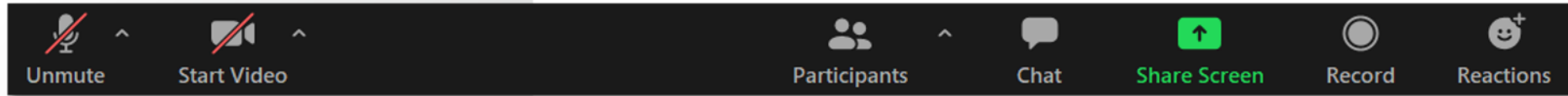
**arose@travois.com**



# Increasing Access to Two Important Tools



# Audience Questions



**Submit your questions by  
using the chat function!**



# Upcoming Events at CDFA

## CDFA TRAINING INSTITUTE

We offer 17 courses in development finance designed for all skill levels. Learn more and register today at [www.cdfa.net](http://www.cdfa.net)

### CDFA Ohio Financing Roundtable (in-person!)

Wednesday, September 14 // 9:00 AM – 4:30 PM Eastern  
Columbus, OH

### Intro Tax Credit WebCourse

September 19-20 // Daily: 12:00 – 5:00 PM Eastern

### CDFA Infrastructure Finance Learning Series: Reviewing the Guidance

Tuesday, October 4, 2022 // 1:00 PM - 4:00 PM Eastern

### CDFA National Development Finance Summit (in-person!)

November 2-4, 2022  
Denver, CO

# Contact Us



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