

CDFA Tribal Finance Webinar Series

THE BROADCAST WILL BEGIN AT 2PM EASTERN

Submit your questions in advance using the chat box

View previous webinar recordings online at cdfa.net

Empowering Native Entrepreneurs Through Access to Capital

Empowering Native Entrepreneurs Through Access to Capital



Genna Auteri

Director, Programming Council of Development Finance Agencies Columbus, OH

Legal Disclaimer

Council of Development Finance Agencies

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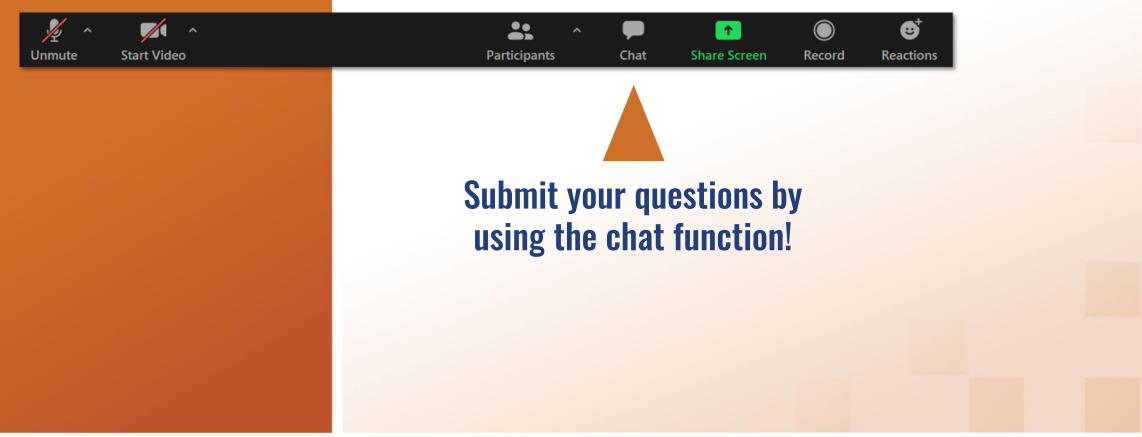
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Questions concerning this publication, report or presentation should be directed to **info@cdfa.net**.

Join the Conversation









4 Core Components

Direct Technical Assistance

One-on-one in-person technical assistance to tribal communities from a dedicated team of development finance experts, supported by CohnReznick.

Tribal Communities Project Marketplace

A virtual networking platform with a dedicated space for tribal communities to connect with potential financing partners, discuss best practices, and collaborate to address economic problems.

Tribal Finance Resource Center

A searchable online tool with information about tribal finance programs, resources, and best practices from communities.

Tribal Financing Webinar Series

A four-part online offering that explores the tools and approaches available to uplift native communities.

Direct Technical Assistance Eligibility



Have a question about eligibility?

Contact us at info@cdfa.net

Eligible Borrowers

Public Bodies Community-based non-profit corporations Federally-recognized Tribes

Eligible Areas

Rural areas with no more than 20,000 residents (according to U.S. Census Data).

Funding Priorities

Small communities with population of 5,500 or less.

Low-income communities (median household below 80% of the state nonmetropolitan median household income).

What is a community facility?

Healthcare facilities
Public facilities
Community support services
Public safety services
Educational services
Utility services
Local food systems

Empowering Native Entrepreneurs Through Access to Capital



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Beth Gruber

Director of Planning & Community Engagement Millie Lacs Corporate Ventures

Jamie Olson

Director of Lending Oweesta Corporation

Kristine Laughter

Director of Kinship Lending Change Labs Inc.

Shannon Ward

Senior Vice President, Chief Lending Officer Native American Bank



Empowering Native Entrepreneurs Through Access to Capital



Shannon Ward

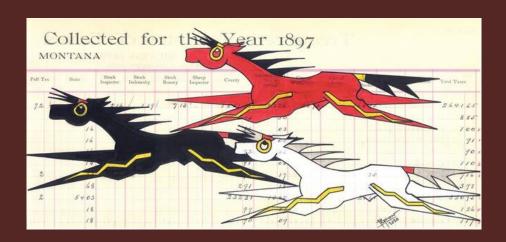
Senior Vice President, Chief Lending Officer Native American Bank







Yá'át'ééh



SHANNON WARD SVP, CHIEF LENDING OFFICER NATIVE AMERICAN BANK, N.A.

Native American Bank, N.A.

Native American Bancorporation Co. Denver, Colorado

At Native American Bank, our primary mission is to assist Native American and Alaskan Native individuals, enterprises, and governments to reach their goals by providing affordable and flexible banking and financial services.





OUR IMPACT

\$350+million

Capital deployed to Native Nations, Native-owned

businesses, and Native individuals.*

260+

Units of affordable housing

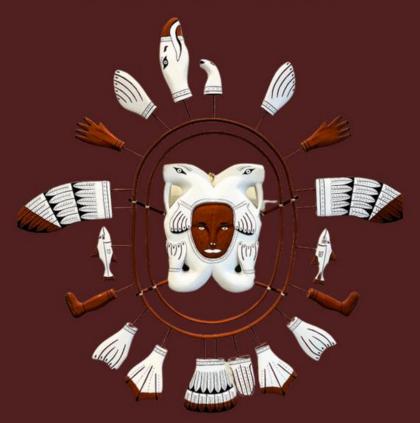
built in low-income communities.

31/35 Shareholders

are Native-owned entities and Tribal governments.

4/35 Shareholders

are non-profit organizations dedicated to community development.



\$170+million

Capital invested in on-Reservation projects.

65% Of every deposit is reinvested back into the community.

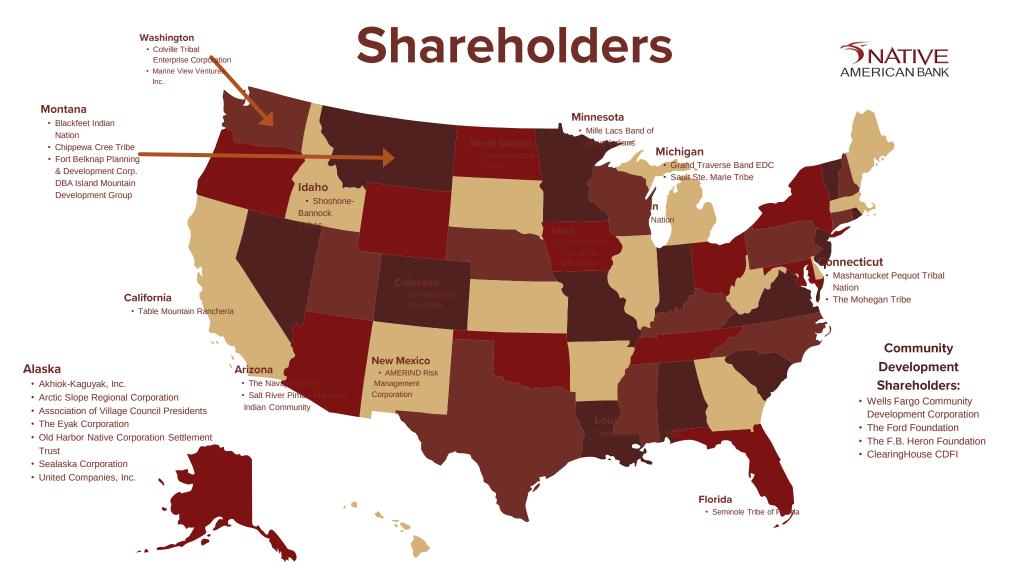
46%
Of our loans
service communities
with a poverty rate of
20% or higher.

4,100+
Jobs in low income

areas have been created or retained as direct result of our mission based lending.

WHERE YOU BANK MATTERS.

Our





Loan Activity by State





When Does It Make Sense To Get A Loan?







WHY DEBT?

FUND GROWTH	IMPROVE CASH FLOW	RETAIN OWNERSHIP
 Working Capital Hire Employees Purchase Equipment Acquire RE or Another Business 	 Leverage Outside Funds Retain Cash Streamline Operations Contract Mobilization 	 Debt Can Be Cheaper Than Equity Easy to Predict Payments Flexible Options with Lender

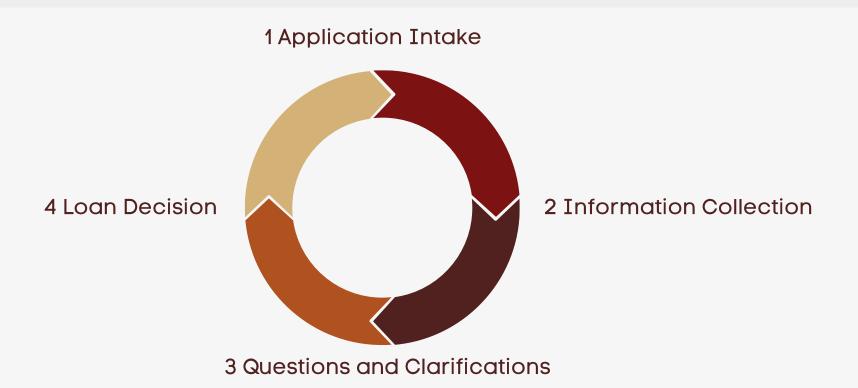


What To Expect When Applying For Business Debt





Loan Application Cycle





1 APPLICATION INTAKE

First step in the loan process. The more prepared you are, the more it will help the entire process be more efficient. This is also a good time to ask questions to your lender.

3 QUESTIONS AND CLAIRFICATION

After due diligence is completed, an exchange of information between the lender and the borrower begins.

Clarification of questions and/or issues discovered.

2 INFORMATION COLLECTION

During this process the lender is analyzing the documents received, verifying financials, conducting due diligence, assessing credit worthiness, and debt service ability.

4 LOAN DECISION

Once all questions are cleared and the loan request is deemed satisfactory, the loan is approved by credit committee and either ready for guarantee application or loan closing.







Application Requirements

COMMON REQUIREMENTS

- Historical financial statements
- Historical tax returns
- Business formation documents
- Business plan
- Projections-Pro Forma

TRUST LAND SPECIFIC

- Business lease agreement
- Grant funding documentation
- Tribal enrollment infomation

OWNERSHIP INFORMATION

- 20 percent or more ownership
- Personal credit report
- Personal guarantees





Government Guaranty Programs Available To Business Owners







Guaranty Program Benefits



SMALL BUSINESS FOCUS

Created to specifically support small start-up businesses, early in their business life cycle.



LOAN GUARANTEES TO FI'S

Provide a "backstop" to financial institutions when there is a collateral shortfall or deficiency.



VARIOUS ELIGIBLE LOANS

Offer a wide variety of loan products and there can be maximum interest rates charged.



Common Guaranty Programs

GUARANTY OVERVIEW	ILGP (BIA)	USDA (B&I AND CF)	SBA (7A & 504)
Parameters	51% min Native ownershipLocated on/near Rez	Rural area requirementTrust land eligible	No Native requirementFee-simple land only
Loan Types Offered	 Term loans, Revolving Lines of Credit, Permanent Working Capital, Construction, Commercial RE loans 	 Term loans, Commercial RE loans Exclusions: Lines of Credit, Goodwill financing 	 Term loans, Revolving Lines of Credit, Working Capital, Construction, Commercial RE loans
Loan Size	• \$100,000 to \$20 Million+	• \$100,000 to \$30 Million+	• \$100,000 to \$5 Million
Equity Requirement & Fees	20% min. equity1.00% or 2.00% fee	5%-20% min equity1.00%-3.00% fee0.50% Annual fee	10%-20% min equity0.00%-3.75% tiered fee0.55% Annual fee (7a)



Small Business Lending



BORROWER: FROST CUPCAKE SHOP

AMOUNT: \$80,000

STRUCTURE: SBA 7(A) LOAN GUARANTY
FOR START-UP FINANCING FOR AN
ALASKA NATIVE WOMAN-OWNED
BAKERY IN PALMER, AK



BORROWER: BLUEBIRD CABINS

AMOUNT: \$686,000

STRUCTURE: ILGP LOAN GUARANTY FOR ACQUISITION FINANCING OF SHORT TERM RENTAL CABINS IN CHEROKEE, NORTH CAROLINE



Contact Page

Reach out to us for inquiries or questions.

800<u>-368</u>-8894

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EMAIL ADDRESS

www.NativeAmericanBank.com

WEBSITE





Empowering Native Entrepreneurs Through Access to Capital



Jamie Olson

Director of Lending
Oweesta Corporation



CONFESTA CORPORATION



Our Mission



Oweesta Corporation's mission is to provide opportunities for Native people to develop financial assets and create wealth by assisting in the establishment of strong, permanent institutions and programs contributing to economic independence and strengthening sovereignty for all Native communities.







Jamie Olson, Oweesta Director of Lending

Jamie has served in this role since 2020, bringing her 30-year professional career including 25 years in banking and five years as executive officer for a tribal enterprise.

Jamie manages Oweesta's lending activities and related technical assistance to NCDFIs and manages Oweesta's loan portfolio while maintaining strong relationships with Oweesta's lending clients.

Jamie is a Nez Perce descendant from the Nez Perce Indian Reservation headquartered in Lapwai, Idaho. Jamie has a B.S. in Business Administration from Lewis-Clark State College and is a graduate of the Northwest Intermediate Banking School and Pacific Coast Banking School.



Who is Oweesta?

- Native Led Non-Profit
- Community Development Financial Institution
- National
- Intermediary
- "Oweesta" Mohawk word for money or item of exchange



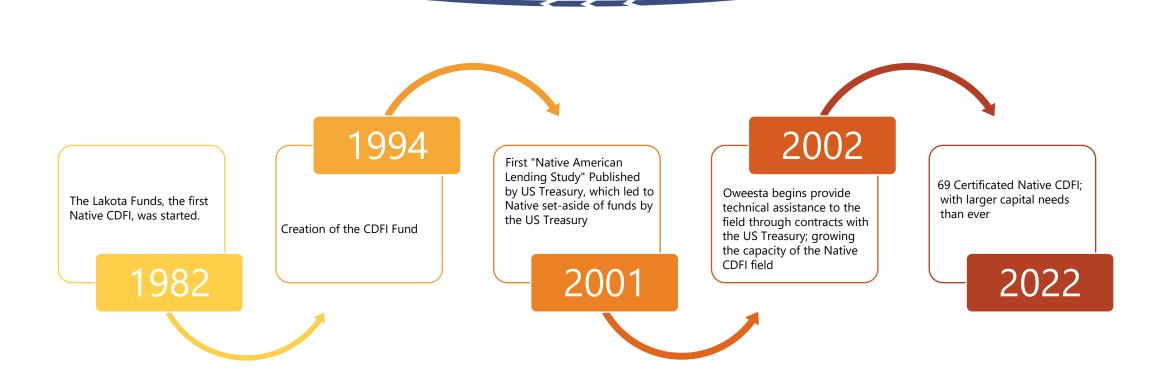


From the Mission of the CDFI Fund

 Community Development Banking and Financial Institutions Act, passed into law in 1994, created the Community Development Financial Institutions Fund (the Fund) to promote economic revitalization and community development in distressed urban, rural and Native American communities across the nation.

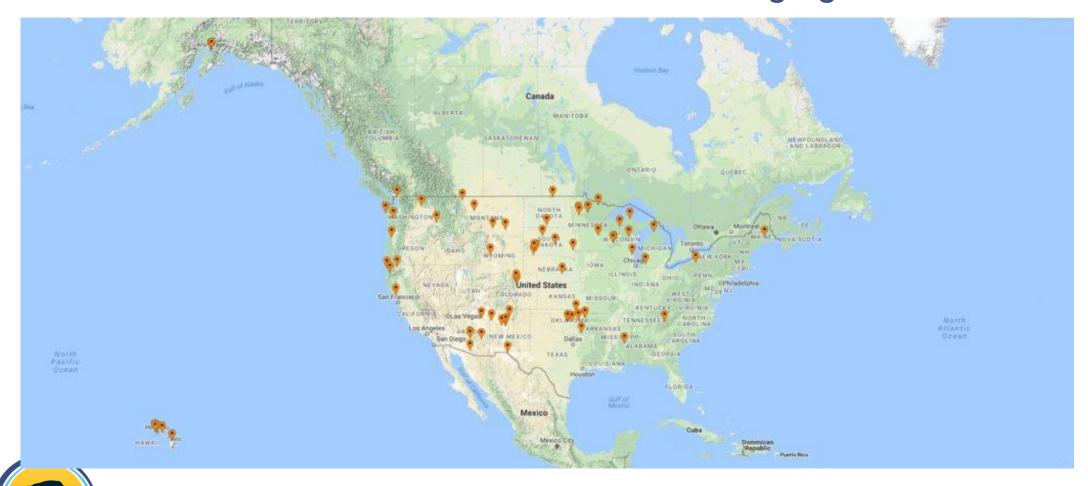


Native CDFI Industry





Native Community Development Financial Institutions 64 Certified NCDFIs and Several Emerging NCDFIs



Oweesta History

First Nations Development Institute began financing program known as Oweesta; 1st loan to the Lakota Funds Chrystel Cornelius, our current CEO, took over leadership; Published "The Capital Access Challenge" documenting capital needs

Started 1st capital pool development

Our existing loan fund has grown to its largest size ever; rolling out our 2nd capital pool & creating new loan products

2001

2015

2020

1982

2012

2016

2022

Became a separate legal entity; become first and only Native CDFI Intermediary

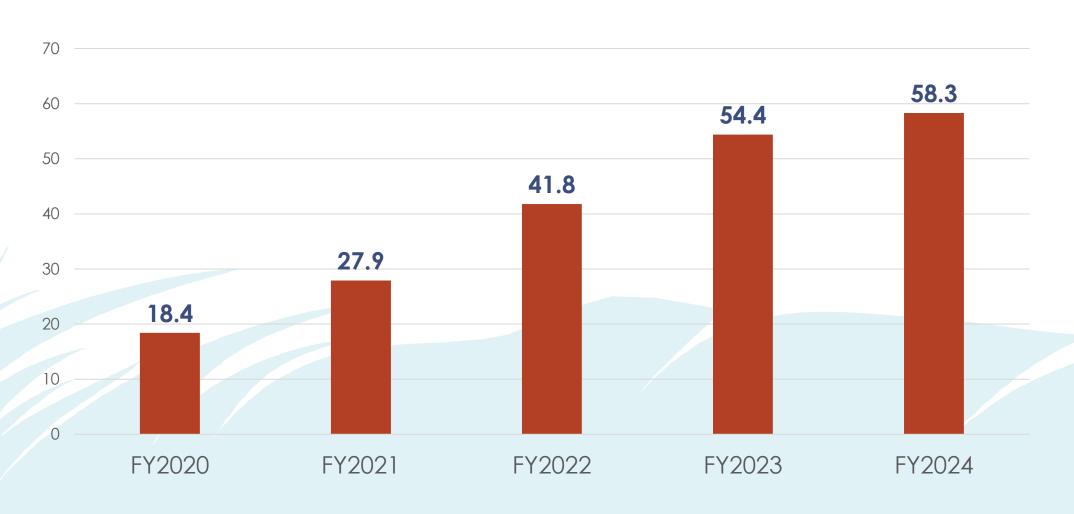
Began a Strategic Planning process where field asked us to take the lead in creating larger capital sources

Separated from First Nations Development Institute



Oweesta Loans Receivable Balance

(In millions)



NCDFI Mission Driven Lending - Cumulative Community Impact as of December 2023

BUSINESS

\$422,362,452

Total loans disbursed

2,666

Total loans disbursed

2,896
Native business

18,725
Jobs created & retained

672 women owned businesses

126
Veteran owned businesses

HOUSING

\$140,195,82

Total loans disbursed

1,186
Total loans disbursed

693
Native homes

249 Homes built

345
First-time homebuyers

168
Female head of household

CONSUMER

\$96,422,617

Total loans disbursed

19,301
Total loans disbursed

13,963
Native Individuals

\$37,451,500 Auto loans

\$18,444,779
Credit builder & debt consolidation loans

\$2,610,096 Emergency loans **AGRICULTURE**

\$50,571,490

Total Loans disbursed

871Total loans disbursed

1,440
Native agriculturists

956 Native ranchers

306 Native Farmers

150
Native fishers & harvesters



Native CDFI's – Business Lending Services

Akiptan, SD

Local Bank (formerly Bank of Cherokee), OK

Bay Bank, WI

Black Hills Community Loan Fund, SD

Indian Land Capital Company

Chi Ishobak, Inc., MI

Citizens Potawatomi CDC, OK

Cook Inlet Lending Center, AK

Council for Native Hawaiian Advancement, HI

First American Capital Corporation, WI

First Nations Community Financial, WI

Native American Development Center, ND

Four Bands Community Fund, SD

Four Directions CDC, Maine

Hawaiian Community Lending, HI

Hopi Credit Association, AZ

Pakini Loan Fund, HI

Lakota Funds, SD

Pacific NW Lending, WA

NACDC Financial Services, MT

Nakoda Aaniiih Credit Agency, MT

Native American Bank, CO

Taala Fund, WA

Leech Lake Financial Services, MN

NDN Fund, Inc, SD

Woodland Financial, WI

Nimiipuu Community Fund, ID

Chehalis Tribal Loan Fund, WA

Wisconsin Native Loan Fund, WI

Seneca Nation Indians EDC, NY

Spruce Root, Inc., AK

The Peoples Partners, MT

White Earth Investment, MN

Wind River Development Fund, WY

Hawaii Lending & Investments, HI

Native360 Loan Fund, NE



Northwest Native Development Fund, WA

ENTREPREUNER SUCCESS STORIES

Cook Inlet Lending Center, Anchorage Alaska

• Closed a \$10,000 line of credit for a veteran-owned coffee roasting company in Anchor Point Alaska. CILC already had an existing relationship with this borrower because we funded a \$50,000 loan in 2022 which financed their coffee roasting machine and supported the initial launch of the business. Following their successful launch last year, the businesses needed a line of credit to purchase inventory.

Northwest Native Development Fund (NNDF), Coulee Dam, WA

NNDF refinanced a rather large commercial fishing boat loan. In March of 2023, the loan client passed away very
unexpectedly. The client's son, who has been operating the boat under his father's direction for several years,
worked tirelessly to get affairs to purchase the boat from his fathers' estate. In December 2023, we were able to
close. Seeing this young man overcome such a devastating loss and work toward continuing his father's legacy was
so inspiring.



·Seneca Nations of Indians Economic Development Council, Salamanca, NY

• A year ago, our client had an idea to start a multi-sport simulator business. Obtaining financing with SNIEDC, he put up a new facility with a professional multi-sport simulator system. He opened his business primarily to golfers wanting to play the sport year-round. The business also provides a sports outlet for youth, as it offers several sports such as baseball, hockey, football, basketball and soccer. The facility hosts "league" play year-round.

White Earth Investment Initiative, Ogema, MN

• Tribal member was able to purchase investment farmland that will provide income generation in retirement, generational wealth and provide medicinal plants for community use.

· Woodland Financial Partners, Keshena, Wisconsin

• An owner/operator received \$200,000 in financing to start a logging business located on the Menominee reservation. Financing included the purchase of a forwarder, a work truck, and working tools.



Training & Technical Assistance

Oweesta offers culturally appropriate training programs to help Native organizations establish and sustain financial education. Oweesta assists certified and emerging Native CDFIs with individualized training and technical assistance with systematic multi-faceted program delivery. Our goal is to help create and sustain healthy and thriving Native CDFI operations.





Lending & Capitalization

As a Native CDFI intermediary, Oweesta is supported by both debt and equity investments to our capitalization base allowing us to offer diverse financial products and development services to Native communities across the nation. Oweesta understands the crucial need for investment capital in Native CDFIs and is dedicated to creating appropriate loan products enabling reinvestment of capital back into Native communities.



Research & Policy Advocacy

As a leader in the Native CDFI industry, Oweesta strives to inform potential investors, federal agencies, and the general public on the current industry climate. By speaking out on relevant issues, we are able to effect change at state and federal levels to further not only our efforts, but the efforts of our clients to create healthy, thriving local economies. We encourage Native communities to join us in our advocacy work. It is within unity that we will find strength in our collective voice.



Thank You!

www.oweesta.org

jamie@oweesta.org



Empowering Native Entrepreneurs Through Access to Capital



Kristine Laughter

Director of Kinship Lending Change Labs Inc.



We provide creative workspace, tools, resources, & knowledge for Native entrepreneurs.

Fostering the creation and growth of Native-owned small businesses.



Change Labs Team





Jessica Stago



Heather Fleming



Marsha Greyeyes



Holly Patterson



Kristine Laughter



Swarvoski Little



Racquel Black

"How do I start a business?"



Cowork at the Tuba City E-ship Hub!

Provides desk space, WiFi, color printing, button making, monthly trainings, community events, and more to entrepreneurs in the community

visit nativestartup.org/coworking →



Business coaching

Our coaching team is available on Tuesdays from 10am - 4pm for appointments.

visit nativestartup.org/events →

Kinship Lending

We offer loans up to \$5,000 coupled with essential financial training and business coaching.

visit nativestartup.org/ kinshiplending →





Fall 2024 KINSHIP Cohort

Twin Warriors Designs

- Incubator Alumni
- Member of Kinship Lending
 - Recently awarded contract with GCC





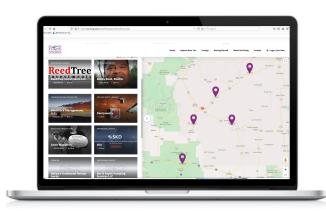
YouTube channel

More than 50+ videos covering social media strategy, DIY marketing, and how-to-build a simple website.

Visit youtube.com/@ChangeLabs →







RezRising

We've gathered more than 600 Native businesses across the Southwest in a single space.

visit rezrising.org \rightarrow

Ahéhee!!

Kristine Laughter

Kristine@nativestartup.org

www.nativestartup.org





Empowering Native Entrepreneurs Through Access to Capital



Beth Gruber

Director of Planning & Community Engagement Millie Lacs Corporate Ventures





WHO IS GRUBES?











ABOUT THE MILLE LACS BAND

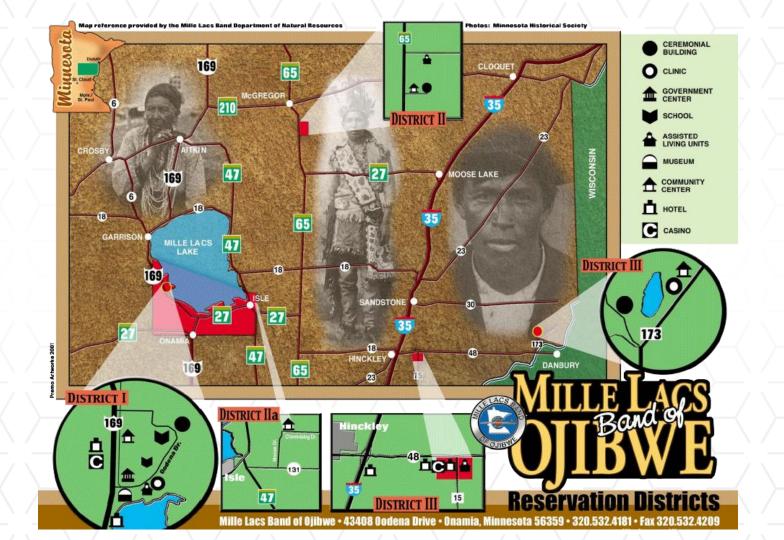
- Located in East Central Minnesota
- About 4,990 registered tribal members
- Responsible for providing services to meet the needs of its people
- In 1981, the Band adopted a separation of powers form of government



Legislative

Judicial

Executive





MISSION



To improve the quality of life of Mille Lacs Band members and the communities where we do business.



MLCV PORTFOLIO TODAY







































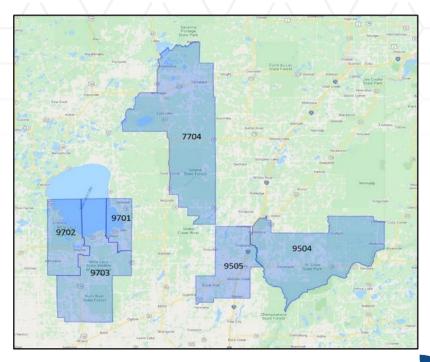






HOW MLCV IS SHAPING THE TRIBAL ECONOMY FOR THE FUTURE?

- PEOPLE & PROFIT
- PLACE
 - 1. Engage & unite stakeholders
 - Focus on what's strong, not what's wrong (identify vision).
 - Leverage resources towards innovative ideas (connect & mobilize).
 - Celebrate success (increase momentum).
 - 2. Improve workforce participation
 - Workforce Housing.
 - Childcare.
 - Transportation.
 - 3. Redevelop & revitalize MLCV real estate





PLACE

"Redevelop & revitalize MLCV real estate"



ENTREPRENEURIAL ECOSYSTEM

NATION-OWNED & CITIZEN-OWNED

Nation-Owned Enterprises

Mines
Forestry
Wildlife Recreation
Fishery
Land Enterprises
Factories
Casino
Resort
Bank
Industrial Park
Utilities
Transportation
Shopping Mall



Citizen-Owned Enterprises

Outfitting **Guide Service Bed and Breakfast** Ranching/Farming **Building Contractors Arts/Crafts Cooperative Grocery Hardware** Clothing **Auto Repair Car Dealer Computer Services** Office Supply Restaurants **Transportation** Lawyers/Accountants **Dentists/Doctors/Vets**







TRIBAL ECONOMY BUSINESS INCUBATOR





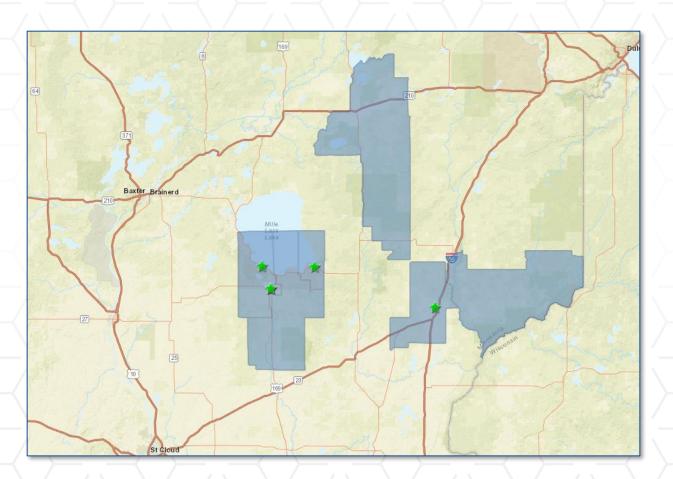
SIX COHORTS GRADUATED

- Commercial and Residential Painting
- Digital Media that links traditional Ojibwe ways with contemporary technology
- Business that provides space & coordinates supervised parental visits for families separated by courts
- Yoga & meditation business
- Campground w/ traditional Ojibweinspired rental units
- Rosetta Stone Language Program
- Creating and publishing Ojibwe language books, specifically curriculum for schools
- Apple Orchard with Agri-tainment
- Indigenous wholesale tea business
- Ojibwe beadwork and crafting supply store
- Ojibwe-inspired coffee and bake shop with a makerspace
- Cosmetic Clinic, including Botox filler injections & Elder services
- Home Inspection





THE INCUBATORS





THE INCUBATORS

Isle



Site Attributes

- Vacant 7-acre Site
- Hwy 27 access/visibility
- Near lodging, recreation, commercial

Unique Opportunities

- Goods-producing ventures oriented toward tourist economy
- Showroom/retail
- Wholesalers serving area employers

Onamia



Site Attributes

- Existing building
- Main Street location
- Near housing, commercial, recreation, employment

Unique Opportunities

- Professional service entrepreneurs
- Commercial/retail ventures (local HHs, traffic, visitors)
- Business ventures serving area employers

Kathio



Site Attributes

- Hwy 169 visibility/access
- Mille Lacs Lake views
- Proximity to Grand Casino, lodging, recreation

Unique Opportunities

- Mixed-use... rental housing with commercial
- Ventures targeting Hwy 169 traffic, visitors, area employees
- Car wash

Hinckley



Site Attributes

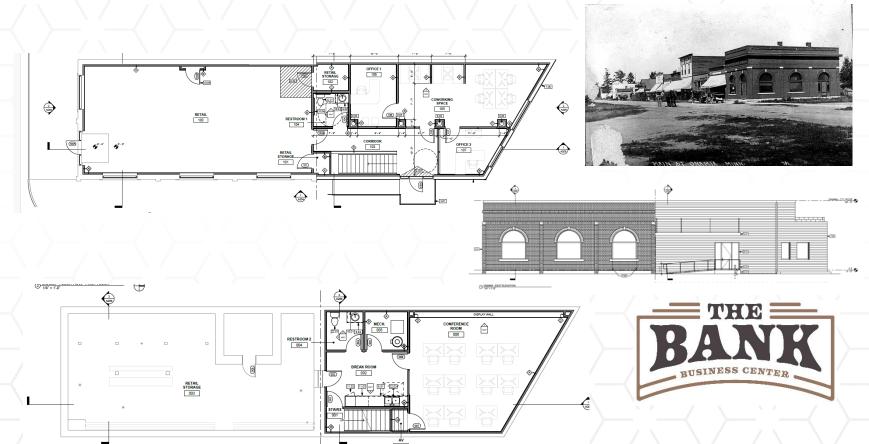
- 19,000 SF of space
- I-35 access/visibility
- Near Grand Casino, recreation, housing, retail

Unique Opportunities

- Arts-related activities
- Commercial start-ups offering specialty goods and services
- Ventures offering professional services



THE BANK BUSINESS CENTER





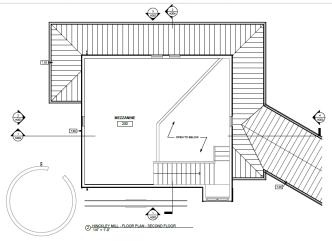
THE MILL BUSINESS CENTER

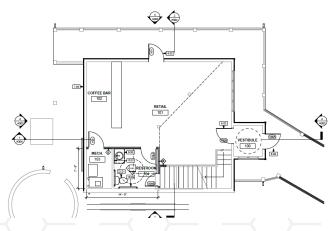






THE MILL BUSINESS CENTER















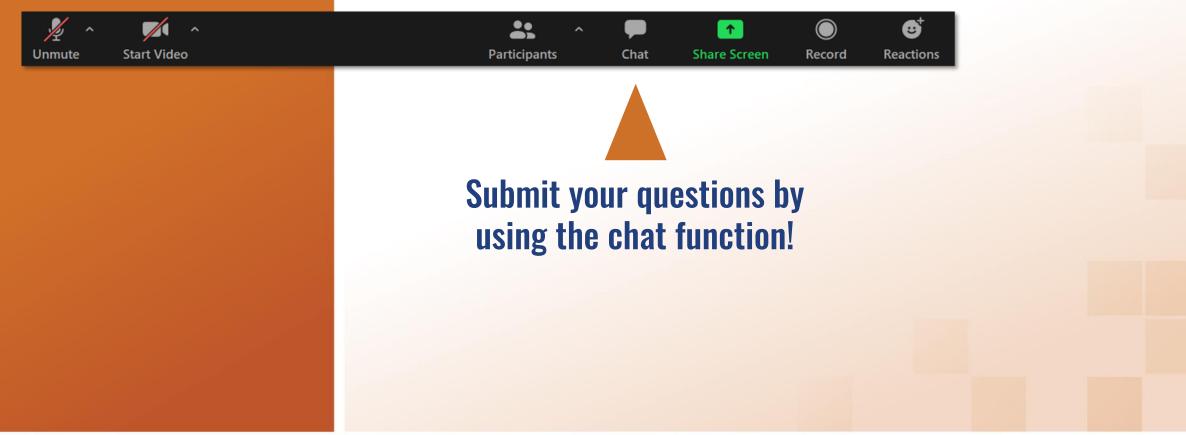






Audience Questions









CDFA TRAINING INSTITUTE

We offer over 22 courses in development finance designed for all skill levels. Learn more and register today at www.cdfa.net

CDFA Food Systems Finance Webinar Series: Financing Food Systems with Revolving Loan Funds

April 30, 2024 / 2:00 PM – 3:30 PM Eastern

Intro Revolving Loan Fund WebCourse

May 13 -14, 2024 / 12:00 PM - 5:00 PM Eastern

Advanced Revolving Loan Fund WebCourse

May 15 - 16, 2024 / 12:00 PM - 5:00 PM Eastern

CDFA // BNY Mellon Development Finance Webcast Series: Al & Bonds

May 21, 2024 / 2:00 PM - 3:00 PM Eastern

Contact Us



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Council of Development Finance Agencies

Director, Programming 614-705-1303 gauteri@cdfa.net