

© 2010 First Nations Oweesta Corporation



OWEESTA

DEVELOPING
NATIVE ASSETS

BUILDING
NATIVE
COMMUNITIES

USDA AG OUTLOOK FORUM

February 18th, 2010

BOOSTING RURAL ECONOMIES WITH SMALL BUSINESS
DEVELOPMENT

Bringing Hope To Native American Reservations

Tanya Fiddler, presenter

Investing in Native Opportunity

Introduction to Oweesta

- National, Native Intermediary Community Development Financial Institution (CDFI) located in Rapid City, SD
- Provide training and technical assistance for the development of Native CDFIs
- Lending & Capitalization
- Research, Policy and Advocacy
- www.oweesta.org

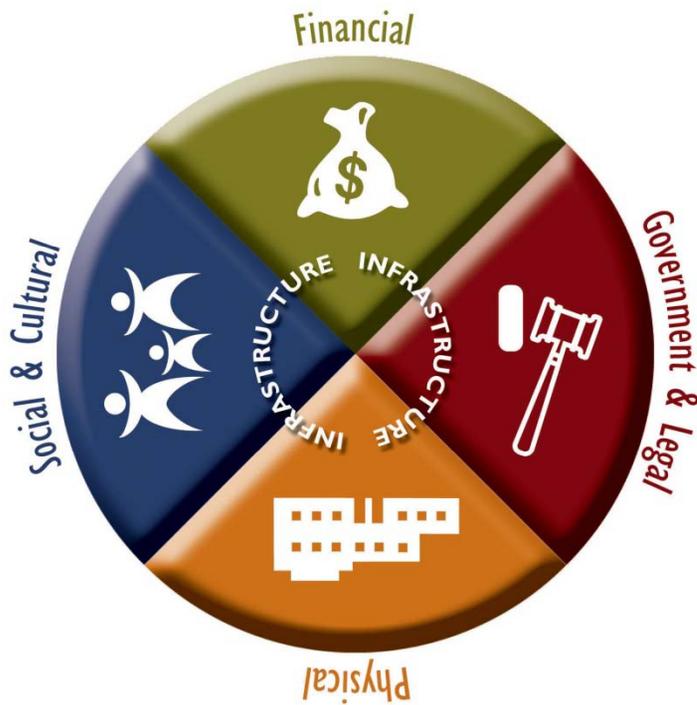
Our Mission

- Our mission is to provide opportunities for Native people to develop 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.

Our Customers and Clients

- Native CDFIs
- Tribes and Tribal Departments / Programs
- Native Non-profits
- Tribal Housing Authorities and Tribally Designated Housing Entities
- Tribal Colleges

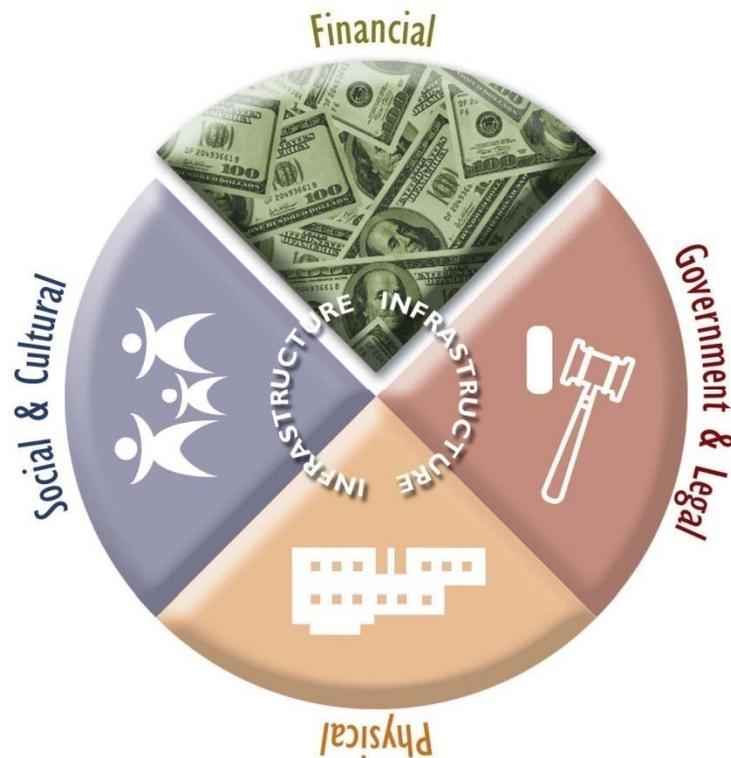
The Four Sectors of Change™



© 2010 First Nations Oweesta Corporation

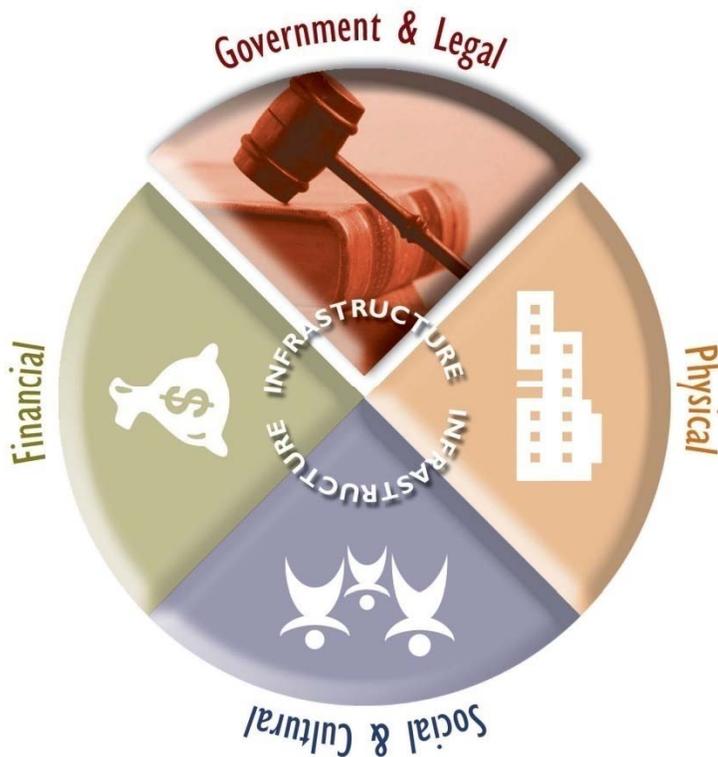


Financial



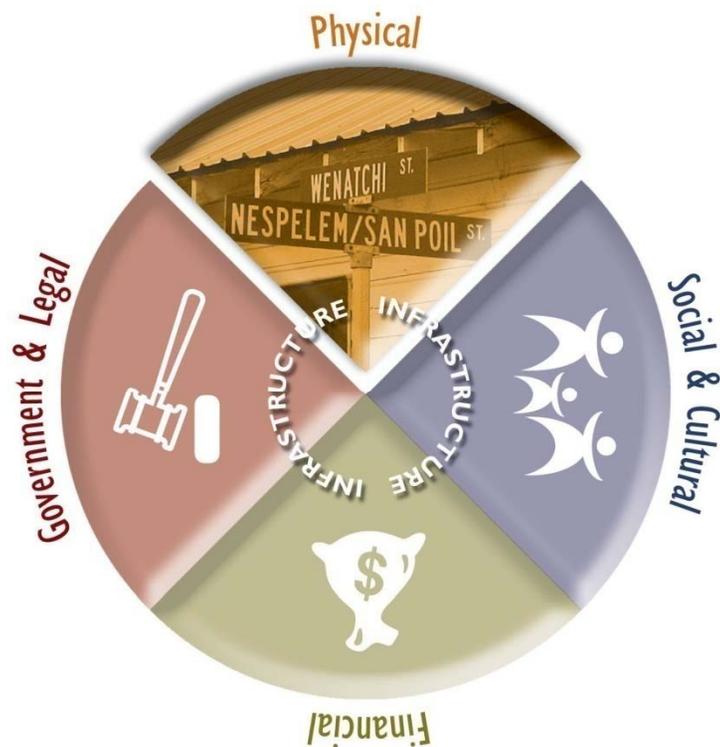
- Limited access to credit and financial services
- Few CDFIs, business incubators, financial education providers, and other non-profits
- Dominance of nearby urban, suburban, or border town economies
- Prominence of predatory lenders

Government & Legal



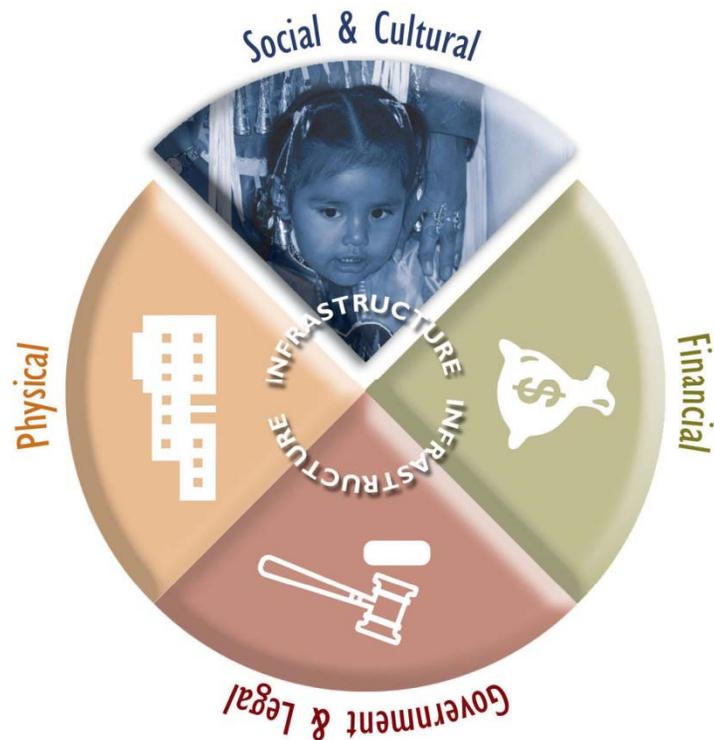
- Tribal governments have not empowered private enterprise
- Insufficient legal systems
 - ▣ Commercial codes, court systems, commerce departments
- Complex Federal and State relationships
- Trust status of land

Physical



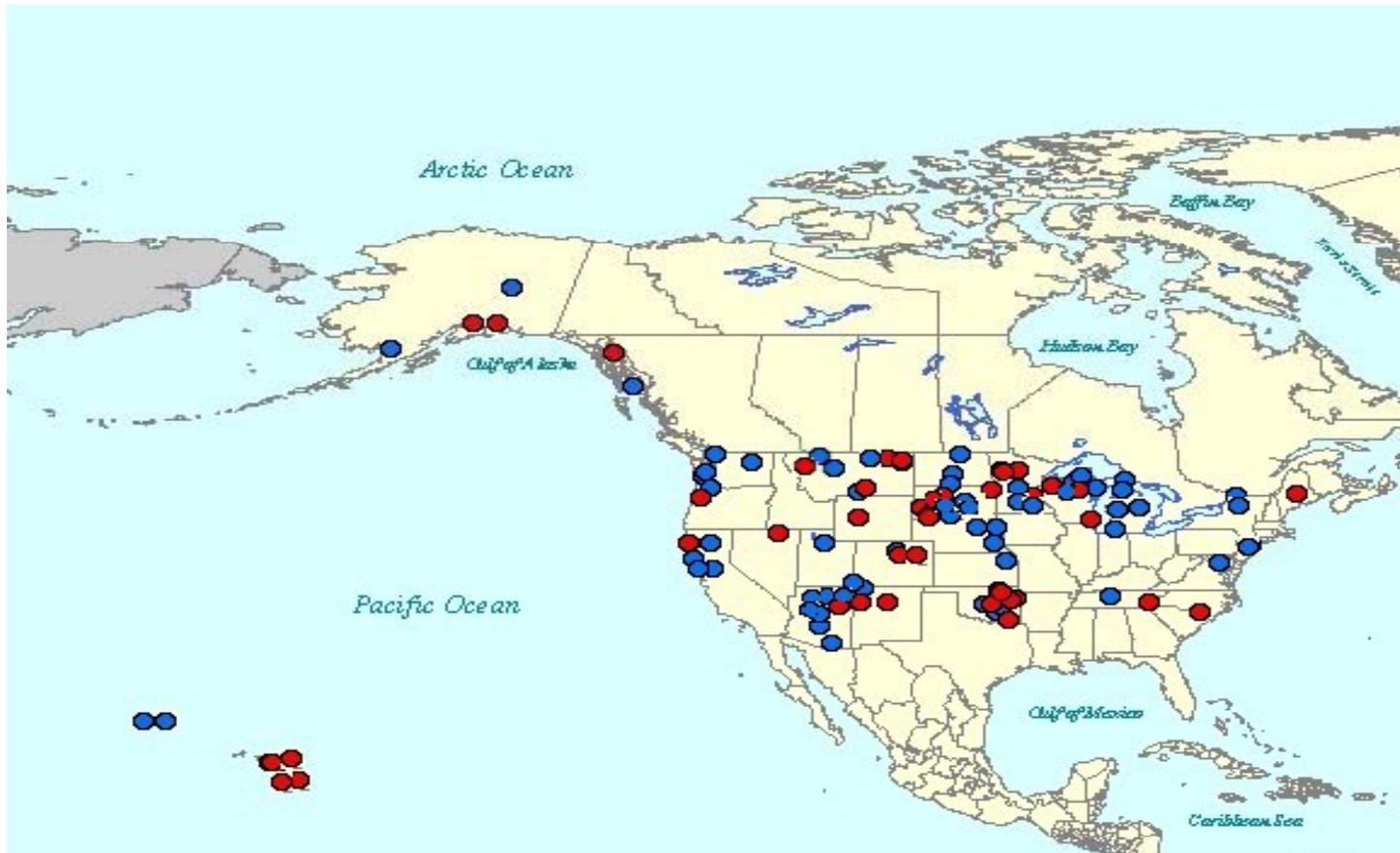
- Lack of housing stock and commercial space for private enterprise
- Poor telecommunications, sewer, water, electric, and transportation systems
- Difficult to obtain permits for construction, leasing, and land acquisition
- Remote, low-population density communities
- Difficult to use land as collateral

Social & Cultural



- Lack of financial management skills
- Cultural beliefs that prioritize community over individuals
- Inexperienced workforce
- No culture of formal entrepreneurship
 - ▣ Few role models or chambers of commerce
- Active informal, underground economy

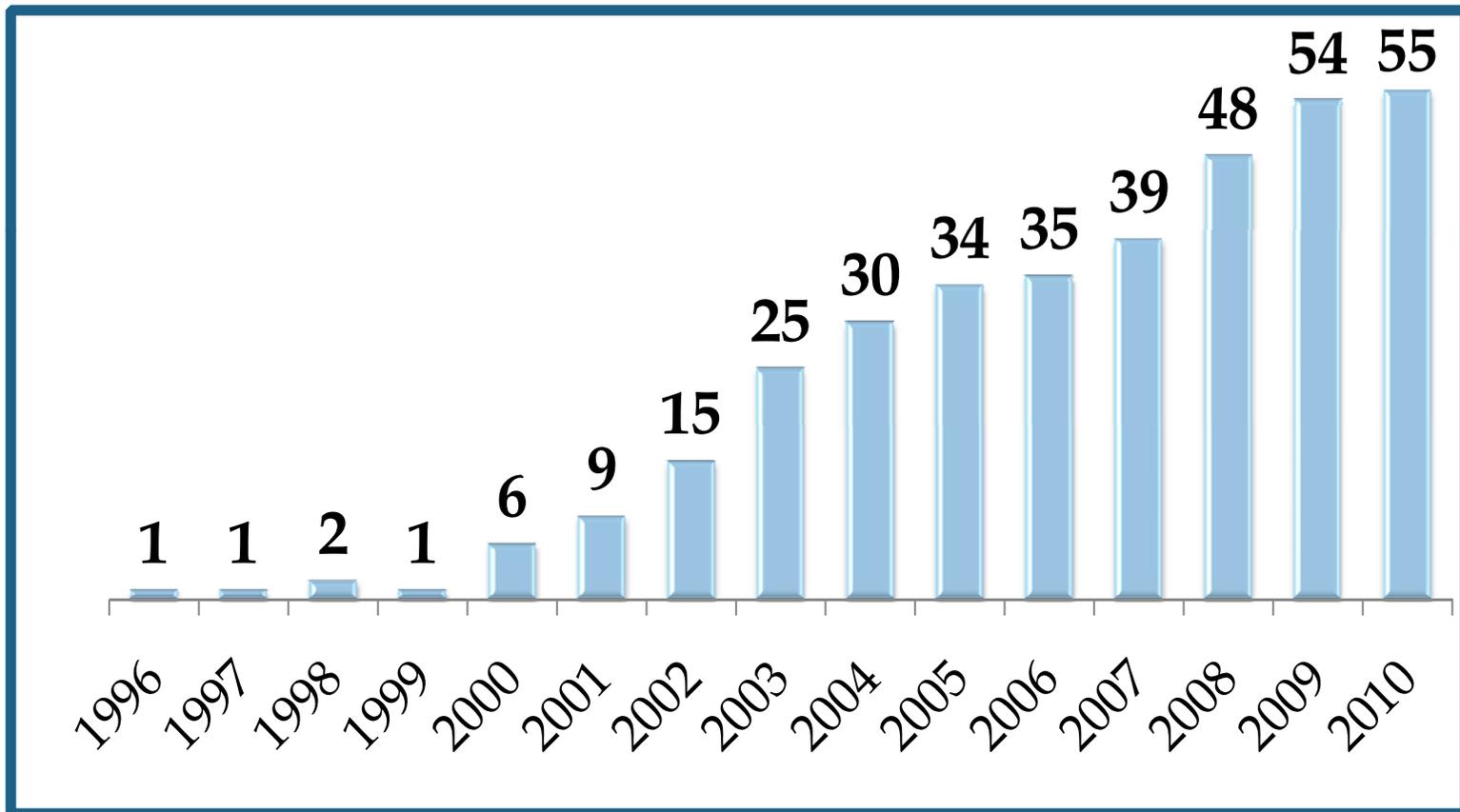
Existing and Emerging NCDFIs



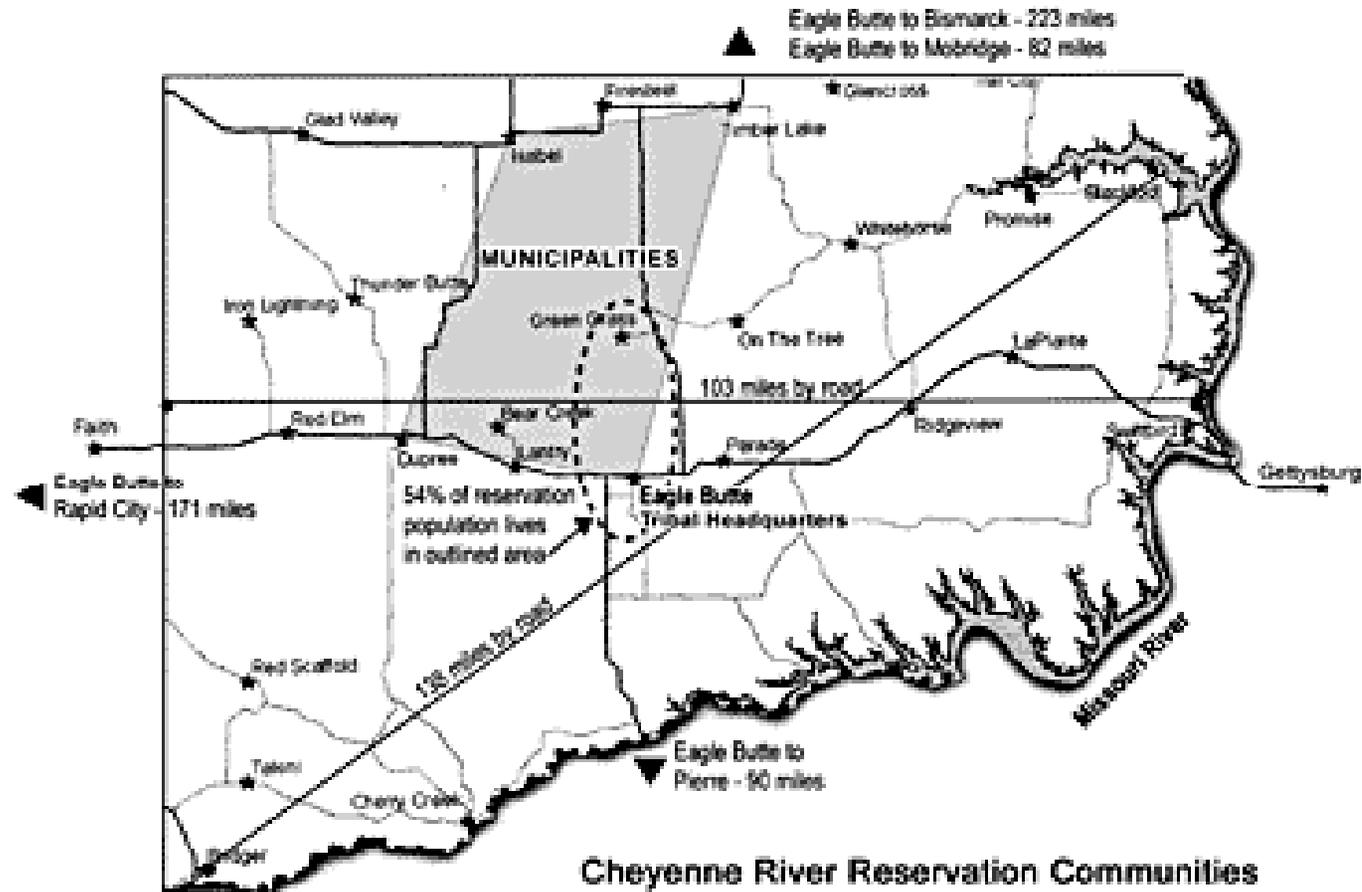
© 2010 First Nations Oweesta Corporation



Growth of NCDFI Industry



Cheyenne River Sioux Reservation



Cheyenne River Sioux Reservation

- ❑ Located in North Central South Dakota
- ❑ Dewey and Ziebach Counties
- ❑ 80% of the population is Native American, less than 1% of the businesses are Native-owned
- ❑ Home to 4 of the 7 Bands of the Lakota Nation

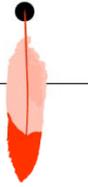




Four Bands Community Fund

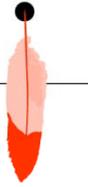
- ❑ Incorporated in 2000, made first loan in 2002
- ❑ Provide training, technical assistance, micro and small business loans
- ❑ Financial literacy and Credit building loans
- ❑ Special focus on Youth
- ❑ Research and Advocacy





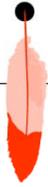
Track Record

- Over 250 graduates from CREATE business training class
- 1600 customers have received training and TA
- 75 Native-owned businesses
- 30 Storefronts across the reservation
- \$1.5 Million in loans
- \$212 K in match savings accounts for asset building
- Created/retained over 150 jobs



Other Accomplishments

- Providing a framework for an Entrepreneurship Development System
- Critical Research for Rural Economic Development Strategies
 - “Business Opportunities in the Cheyenne River Reservation Market”
 - “Rural Retail Thresholds Analysis”, “Skills Mismatch Index”,
- Workforce development
- Post-loan TA and Workshops



Partnerships/Programs for Success

- USDA Rural Development Programs
 - Small Business Innovation Research
 - Rural Business Enterprise Grants
 - Rural Business Opportunities Grants
- SD Universities
- Cheyenne River Sioux Tribe
- Municipalities
- US Treasury CDFI Fund
- Local Business community



D&D Plumbing & Heating



Gerald Davidson, Owner
2007 Small Business of the Year



D&D Plumbing & Heating



Construction
Completed in
2006

Octaflex Environmental Solutions

- Markets:
Agribusiness/ Aviation, Dept
of Defense and Disaster
Recovery
- SBIR recipient
- Located in Timber Lake
- 25 employees, expanding 20
new positions
- Serial Entrepreneurs
 - Limit Lodge
 - Lakota Archery



Barbara, Richard & Marie Gross
2008 Small Business of the Year

Opportunities in the Future

- Increase Indian Country access to other RD programs (Community Facilities, Research, IRP, etc)
- NCDFIs provide technical assistance to businesses for REAP Section 9007
- NCDFIs as approved lenders for guarantee programs
- Green Business, Sustainable Food Systems
- Continue to transform Native communities through entrepreneurship development

A Final Thought

“Certainly you can teach a person to fish and that’s better than just handing out fish. But what about giving them a pole, some bait, and access to that bountiful pond? THAT can mean feeding generations”