

NATIVE AMERICAN LENDING STUDY/ ACTION PLAN ROUND TABLE REPORT

Proceedings of Round Table Workshop January 13-14, 2000 Washington, D.C.

Sponsored by
Community Development Financial Institutions Fund
U.S. Department of Treasury



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INTRODUCTION

OVERVIEW

This report summarizes the results of an intensive 1½ day Round Table involving Tribal representatives, Regional Tribal organizations, Alaska Native representatives, Native Hawaiian representatives, Federal agency representatives, and private financial institution representatives. Convened by the Undersecretary of Domestic Finance, Department of the Treasury, the session involved forty high ranking officials in a review of the status and next steps for the CDFI Fund Native American Lending Study/Action Plan. The report presents the viewpoints and visions of the Round Table participants and does not necessarily represent Federal or U.S. Department of the Treasury policy on issues discussed. The meeting was facilitated by Charles W. Johnson of The Johnson Strategy Group, Inc.

The Native American Lending Study/Action Plan was authorized in the CDFI Fund's enabling legislation and required the Fund to investigate and make recommendations to Congress and the President to eliminate barriers to private sector lending and investment on Native American Reservations and other land held in trust by the United States. To assist in completing the study, the Fund will develop an action plan to address key financing issues. This action plan will be developed from the results of thirteen regional workshops that were held from March 24 to December 15, 1999, and this Round Table workshop.

ROUND TABLE OBJECTIVES

1. To provide a forum for key Tribal, public and private policy makers to review and comment on the results of the preliminary findings of the Native American Lending Study/Action Plan.
2. To highlight issues raised during the thirteen regional workshops and allow participants to add their own perspectives on barriers and impacts affecting access to credit and capital.
3. To review selected strategies identified to date and allow participants to fill gaps in strategies and share their own experiences with model approaches, both within and outside the context of the Congressional mandate.
4. To identify partners and alliances both inside and outside the Federal government so that the Study/Action Plan has a shelf life beyond the report prepared in the year 2000.
5. To discuss the future of the Native American Lending Study/Action Plan and how to manage the study and its message for maximum impact and success.
6. To synthesize the results of the meeting into a report that will be integrated into the findings and recommendations obtained from the thirteen regional workshops.

MAJOR ROUND TABLE THEMES

There are a number of underlying principles or themes that have been a constant throughout the Native American Lending Study/Action Plan process. These were raised and discussed during the thirteen regional workshops and are outlined as follows:

1. Maintaining the common thread of participation among all expected stakeholders.
2. Buy-in and ownership at all Tribal, public and private sector levels.
3. Blending of strategies, models and successful approaches.
4. Finding and nurturing process champions to support both short and long term initiatives.
5. Sharing successful approaches and identifying techniques to transfer these to a variety of Native American and private sector settings.
6. Respecting the unique characteristics of regional and Tribal economic profiles.
7. Assure that regional findings and recommendations reflect both national common themes and local differences.
8. Providing timely feedback to participants and avenues for continuing consultation, involvement and strategy/action plan implementation.
9. Providing a continuing forum for sharing knowledge and experience among participants and affected stakeholders.
10. Finalizing the Lending Study/Action Plan and creating a compelling and positive message for change.

REPORT CONTENTS AND SUMMARY OF PROCEEDINGS

The Round Table Working Meeting Agenda, which follows, outlines the sequence of presentations and discussions. For the most part, this report follows that sequence, including the following sections:

- Opening Remarks by Undersecretary Gary Gensler.
- Major Barrier Themes Discussion: a listing of concerns raised after reviewing seven priority barrier themes that emerged from the thirteen regional workshops.
- Financing and Lending Strategy Issues: selected remarks by participants about their “hot buttons” in considering strategies and next steps in the process.

- **Accessing Capital, Equity and Investments:** a graphic that defines a system for capital access, including the steps of: first, defining the sources of capital; second, establishing incentives to attract the capital; third, developing the capacity to manage capital; fourth, outlining what it takes to sustain capital investment.
- **Creating Effective, Mutually Beneficial Partnerships:** a summary of participants' ideas about partnerships in the form of a graphic that depicts ground rules/principles to guide the players (and networks), the steps for effective partnering, and results shared by stakeholders.
- **Creating the Message:** an outline of considerations for the Native American Lending Study/Action Plan message and its format, from the perspectives of the different audiences the message(s) will reach.
- **Implementation Game Plan:** a preliminary draft Native American Lending Study/Action Plan Year 2000 "game plan", including a set of requirements, eight key tasks and schedule, and anticipated results.
- **Success Stories:** selected quotes from Round Table participants that provide a profile of selected success stories.
- **Exhibit A- Participants**
- **Exhibit B- Round Table Workbook Overview**

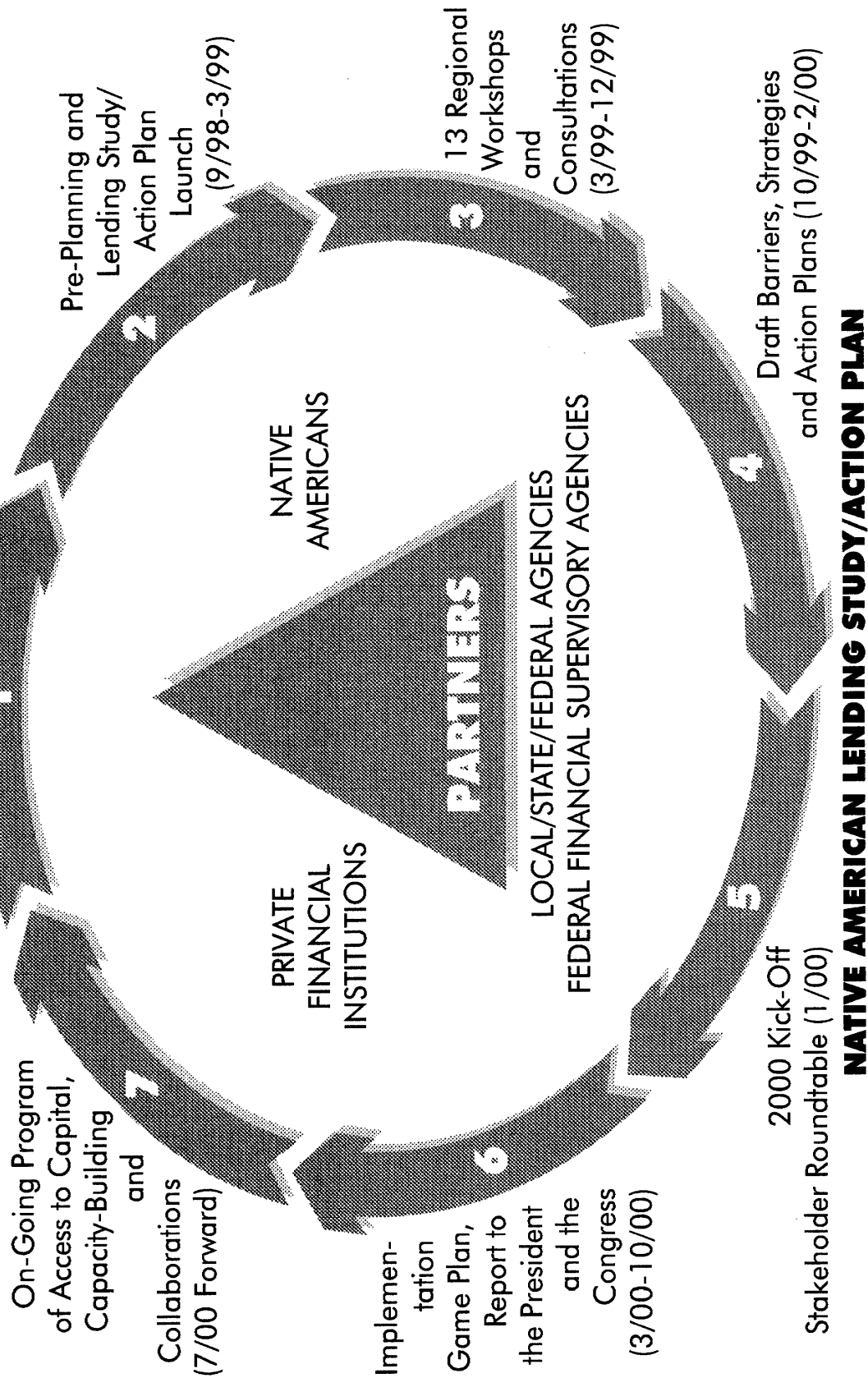
CYCLE OF CHANGE

The graphic on the next page is an elaboration of a chart that was posted on the first day. As noted above, one of the major process themes is creating a compelling and positive message for change. The "Cycle of Change" demonstrates that the CDFI Fund, in addressing the requirements of the Riegle Act of 1994 (Riegle Community Development Regulatory Improvement Act), is moving through seven significant milestones of consultation among its partners, toward an on-going program of change. In this respect, the process fulfills, yet goes beyond, Congressional expectations.

Exhibit A provides a list of participants and Exhibit B an outline of the Round Table Workbook that was distributed to participants at the beginning of the Round Table. The Workbook contains Lending Study/Action Plan process highlights, a sample regional workshop report and Round Table guidelines.

CYCLE OF CHANGE

Riegle Act (PL103-325)
Requirements (9/94)



**Community Development Financial Institutions (CDFI) Fund
Native American Lending Study/Action Plan
Round Table Working Meeting
January 13-14, 2000
Washington, D.C.**

Agenda

Day One, January 13

- 7:45a.m. Continental Breakfast
- 8:30 Welcome – *Ellen Lazar, Director, CDFI Fund, Department of the Treasury*
Opening Remarks – *Gary Gensler, Undersecretary of Domestic Finance, Department of the Treasury*
- Introductions
- 8:45 Native American Lending Study/Action Plan Overview and Session Themes
- Lending study/action plan process and results to date – *Rodger Boyd, Program Manager, CDFI Fund*
 - Year 2000 challenges and opportunities – *Maurice Jones, Deputy Director, CDFI Fund*
- 9:30 Review of Major Issues: Priority Barriers and Impacts from Regional Workshops – Round Table Discussion
- Discussion focus on regional/local identification of critical issues that will drive change
- 10:30 Break
- 10:45 Financing/Lending Strategies and Models: Round Table Discussion
- Discussion focus on real world strategies and models for increasing access to capital
 - Participants share experiences with successful approaches
- Noon Lunch (Hosted by CDFI Fund)
- 1:30 Strategies and Models Continued: Round Table Discussion with Focus on Accessing Capital, Equity and Investments
- 3:00 Break
- 3:15 The Stakeholder Triangle – Building Effective Partnerships and Alliances: Round Table Discussion
- Discussion focus on identifying potential strategic alliances and partners to build bridges among stakeholders
- 5:00 Adjourn
- 7:00 Dinner

Day Two, January 14

7:45a.m. Continental Breakfast

8:30 Overview of Day Two Objectives – *Rodger Boyd, Program Manager, CDFI Fund*

8:45 Next Steps for the Lending Study/Action Plan – Round Table Discussion

- Discussion focus on creating a work product that will truly help make a difference for the Native American Community, including:
 - What are the Congressional Requirements?
 - What’s the Message?
 - What’s the Format of the Report?
 - What Recommendations or Initiatives Will Make a Difference?
 - What’s the Game Plan?

10:30 Break

10:45 Continue Round Table Discussion on Next Steps with Focus on Year 2000 Game Plan

11:30 Wrap-up Round Table Discussion

- Open forum on issues and ideas that need to be added to the change agenda

12:30 Closing Remarks and Next Steps – *Maurice Jones, Deputy Director, CDFI Fund*

1:00 Adjourn

OPENING REMARKS BY UNDERSECRETARY GARY GENSLER

This section provides the highlights of Mr. Gensler's opening remarks from the Workshop transcript, as recorded by the session court reporter.

"We live in a time of great economic prosperity. If anyone had sat down a few years ago and projected where we would be today, few would have agreed and many would have thought it crazy to predict our current situation.

One of the issues that we in the Administration look at -- and that is certainly very much on the mind of the President and everybody that works with him -- is how we extend this economic prosperity to all Americans. In particular, how we provide the access to opportunities for all Americans in any walk of life, any community, so that individuals can take on the responsibilities that will improve their lives.

But first you have to have the ability to access the opportunities. A fundamental part of opportunities in our way of life today is the financial opportunities - the access to capital and the access to the financial system, whether it's for home mortgage, whether it's for small business, whether it's for a large business, or whether it's the access of a community at large to the financial system.

We think about this a lot in Treasury, particularly on the domestic side in the CDFI Fund -- how to bring all Americans into the banking system, how to bring access to capital to [all] communities.

One community that is very fundamental to America is the Native American community. The statistics, unfortunately, show that access to capital and the economic viability of Native Americans is not what it is for other Americans. I think that's partly why the President in his New Market's trip chose to go to Pine Ridge Reservation -- the first President in over half a century to do so - which probably is a sad comment -- to highlight some of these issues.

But highlighting issues is only one level of what this Administration can do. That's why it's important to have the thoughtful, rigorous study that's coming out here, and that this group is so much a part of. We can have practical, real-world recommendations, whether those recommendations be for what the government can do differently, what the individuals can do differently, what the financial community can do differently, and what the Tribes themselves can do differently.

And I think through these thirteen workshops, which were so well facilitated, a lot of suggestions have come up. I am told the number is somewhere close to two thousand suggestions.

Now, why have we asked all of you here today? It's not to sift through two thousand suggestions, but I think all of them have been organized around seven main themes, and they're outlined in the book. And to be really creative today, to help synthesize this and to help the CDFI Fund move forward with practical suggestions. Hopefully, you don't take that word "practical" to mean shooting down ideas. We want your creativity today to work with us.

We also need your leadership beyond today. We want you to working with us on completing the study, and with us after any recommendations are put forward. We'd hate for this to be just a book to put on a shelf. It's going to take a lot of work, whether they're legislative recommendations, Tribal recommendations, financial recommendations, to get them moving forward. . . .

I want to thank you all, and certainly I am grateful for the opportunity to meet with and listen to you."

PRELIMINARY MAJOR BARRIER THEMES DISCUSSION

OVERVIEW

After a series of opening presentations and introductions, participants reviewed a list of seven broad barrier themes that emerged from a review of 245 priority barriers identified in the thirteen regional workshops. These seven recurring themes addressed barriers to accessing capital and credit for Native Americans, Alaska Natives and Native Hawaiians.

The quotes that follow are highlights from participant discussions in response to the seven barrier themes.



PRELIMINARY MAJOR BARRIERS (Not in Priority Order)

1. State and Federal Rules, Regulations and Bureaucracy
2. Trust Land Issues and Limits on Collateral
3. Private and Government Lending Institutions Lack Knowledge of Indian Country
4. Tribes' Lack of Financial Education and Knowledge
5. Limited Relationships and Communication Between Lenders and Tribes
6. Lack of Understanding of Tribal Sovereignty and Sovereign Immunity
7. Limited Tribal Government Capacity

REMARKS

“In Alaska, the concept of ownership of land is a new -- totally new concept. It wasn't really until 1971 during the Native Land Claims Act that basically Congress turned back 40 million acres of land back to the indigenous community, [that] was the first step of [creating] the reality of land ownership.

The terminologies in our Native culture, for instance, "dena" means the land, but also it means the people. So there's no differentiation between land and people. They're of one.”
-- Bear Ketzler, Tanana Chiefs Conference, Inc.

“The Hopi have been in that area, we say, well over two thousand years. So it's hard for them to envision parting with that land. And of course, any time you talk about business development on the lands, something that always comes up is the fear of having to put up the land for collateral, and the idea of potentially losing that land.”

--Wayne Taylor Jr., The Hopi Tribe

“What I've been finding is in the past, we've either been ignored or not acknowledged by lenders for many reasons and primarily because of uncertainty of the status of the land. And I guess it goes the other way, that the Tribe has never made an attempt to explore other options that they could secure financing.

Still it continues to this day over a misperception of the status of Tribes. Although there have been great inroads made at the Federal level with respect to a Tribe being able to finance with bonds, and that is great. But we're still having trouble with the local institutions in recognizing that the Tribe, particularly our Tribe that, does have an infrastructure for protection from a consumer that [is] a bad risk.

So just to give you a couple examples of what's happening -- I applied for a loan at my bank I've been banking at for ten, fifteen years, and they told me that the only loan I could get for a

home would be something on wheels. So I guess I'd have to buy a trailer home that depreciates rather than appreciates.”

--Bobby Whitefeather, Red Lake Band of Chippewa Indians

“You're reading my mind, because all seven of the barriers are listed, and the common thread is lack of communication, or lack of a relationship, or lack of a partnership that isn't a shot in the dark kind of partnership.

The programs that already exist, we need to jump over the servicer/originator and have a partnership, a contract, change your language from grant -- and change your language from partnership, and it's always only a one-way [street] and the Indian community doesn't get the other way of that, so contract them to be the on the ground, grass-roots marketers of existing programs that you already have.”

--Robin Puanani Danner, Rural Community Assistance Corporation

“You've just raised an issue of State [and] Federal rules and regulations bureaucracy, which is going to be one of the hottest issues, at least in the mortgage market this year, and going into the next couple of years, which is the extent to which the secondary mortgage market is going to, in fact, move into origination. You are asking the secondary market to move into origination and what I am saying is that I think that you've got good reasons for having made that choice. . .

. . . the conclusion you have come to, which is absolutely a sensible conclusion, then is not [to]get into the mess, by saying, okay, bank, I know you've got to be in this picture, too, here's my package of loans, let's work together. And now I've got something to offer you.”

--Ellen Seidman, Office of Thrift Supervision

“I spent a lot of time looking at poor rural communities around the country and say, what has made a difference? And one of the things that has made a difference has been 40 years of Federal government and foundation investment in its various kinds of institutions, CDCs, local governments, regional planning, capacity building. . . . what I have not seen going into Indian country is the same kind of long-term, patient investment in building an array of institutions, whether it's local governments, CDCs, community development venture capital funds . . .”

-- Mike Springer, Department of the Treasury

FINANCING AND LENDING STRATEGY ISSUES

OVERVIEW

After the discussion of barrier themes, the focus turned to a quick review of 138 selected strategies in the workbook that matched the seven broad barrier themes. Participants were asked, in a round table discussion, to provide their perspectives on both strategies and ideas that should be incorporated into the report to the President and Congress. This section summarizes strategic issues and “hot button” concerns that should be addressed in packaging findings for the final report and in developing steps for implementation.



STRATEGIC ISSUES AND HOT BUTTONS

1. Need to address specific types of business transactions and how commercial lenders can enter into agreements with Tribal entities; for example, there are many transactions for which collateral is fairly insignificant.
2. How different types of commercial analysis impact or mitigate barriers.
3. How to value assets for home and business lending.
4. Need to keep in mind that there are both individual and corporate lenders in Indian Country.
5. Need to be more broadly focused on economic development and build relationships with financial institutions on broader set of transactions.
6. Lending alone will not do the trick without finding more sources of equity. Have to have equity to obtain debt.
7. Strategies have to include education and how the systems work.
8. Need to have a broader “scale” in strategies for change and mix of solutions.
9. Establishing effective public-private partnerships.
10. Have to recognize language differences – how to bridge the semantic gaps.
11. Access literature on what works – marketing the results - how to get the word out?
12. The methods we use to communicate have to be aligned with the cultures of the communities. This needs to be a part of the strategy “checklist.”
13. Need for Native Hawaiian Community formal recognition; recognizing incident of overthrow of Hawaiian monarchy.
14. Need the same kind of long term array of investment that exists in other areas of American societies (this relates to the scale issue in #8 above).
15. Need a very concise section so someone would understand how banking off the Reservation is done (noting that banking on the Reservation is not the total solution).
16. Study has to be presented back to the communities to keep the momentum.
17. Need to recognize that Tribes lack infrastructure for critical elements for economy, commercial small business development.
18. Discuss the Hopi Credit Association model as a success story of banker-Tribal partnership.

19. Need to recognize fundamental values that govern our own development (e.g., from what to do for the Head Start mother to what kind of governance to survive). Cannot forsake the lands that were repatriated. Need to identify what to do to give our children the courage for the future. Need to understand the dimensions of the development orbit for our Tribal communities.
20. Inability to attract significant private investment. Barriers to lending are not necessarily the barriers to investment. U.S. has “ocean” of private capital; have to find ways to increase flow to Native American communities.
21. Capacity is the biggest challenge – how do we build capacity and leverage what is out there?
22. Global perspective with local solutions. Find the elements that fit (agencies and intermediaries).
23. Make sure report is practical, realistic, doable, has “buy-in” with focus on long term and medium term results.
24. Recognize that we have two closed societies – Tribal society and banking society, not a lot of experimenting going on.
25. Education with lending institutions – constantly in a learning mode re: economic development and infrastructure. In last year have done tax-exempt bond. Learning has to trickle down from Tribal leaders to Tribal members, including members younger than 18 who may have to deal with large sums of money – life long learning on both sides.
26. “Haven’t been studied” since gaming got hot. Make sure we don’t lose sight of :
 - a. What has the new economy done for Tribes and institutions?
 - b. What is the impact of the new economy on individual Tribal members?
27. Impact of mergers and consolidations on rural Alaska, including capacity and capitalization.
28. Banker “value rating” passes down from bankers to realtors.
29. Federal government needs to develop a “Marshall Plan” for Indian Country:
 - Need to address needs and unmet needs (e.g., Harjo report of 10 years ago).
 - Case of Oneida Nation, an ally of the U.S. in the struggle for freedom during the Revolutionary War, having their lands relegated to 32 acres in the 1960s.
30. Need to address rebuilding economies in Indian Country, including government infrastructure.
31. Dealing with the “grant” mentality.

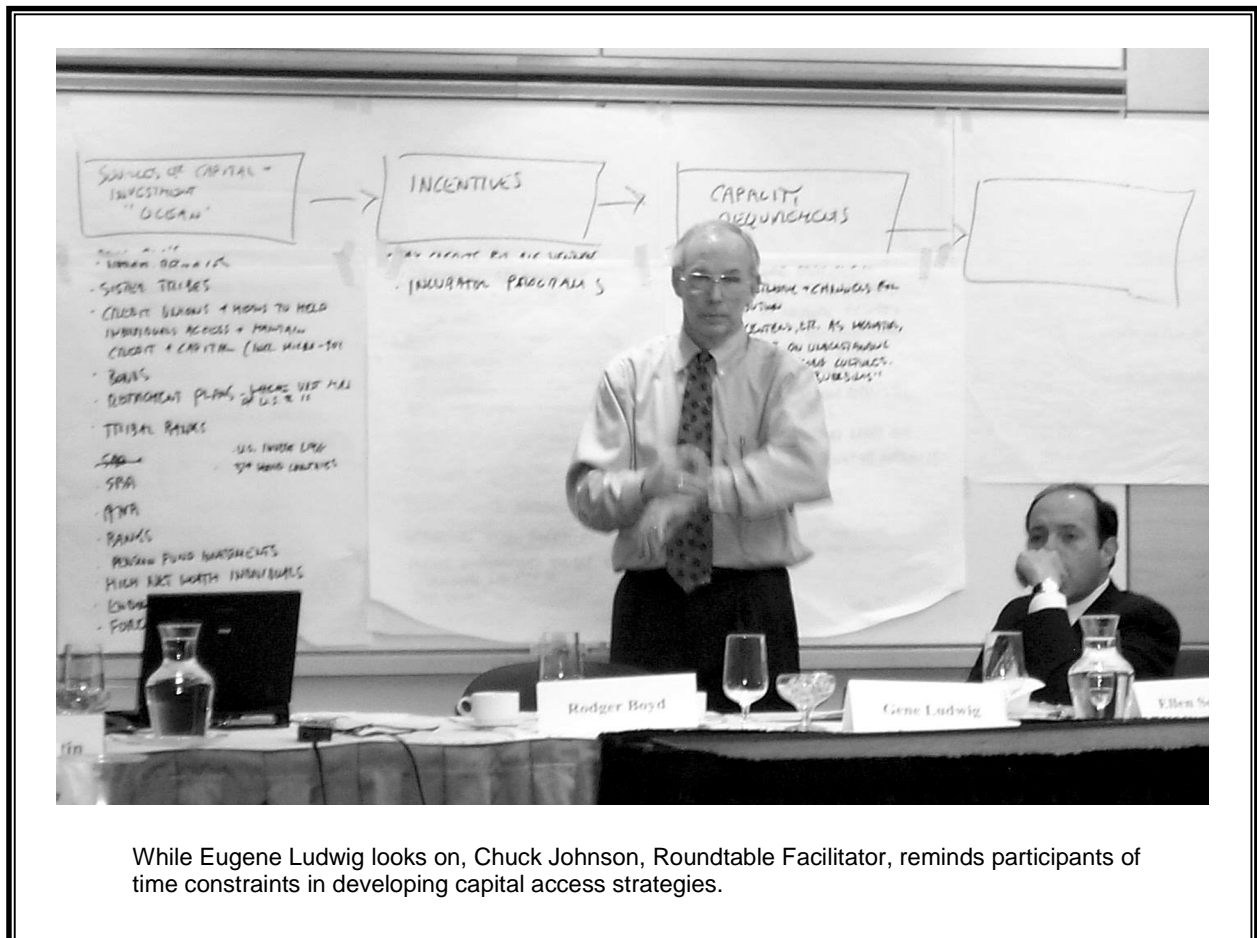
32. Need creative ways to transfer collective/communal thinking to financial institutions.
33. Role of other and overlapping initiatives and how to coordinate studies and integrate strategies (especially given the limited resources).

ACCESSING CAPITAL, EQUITY AND INVESTMENTS

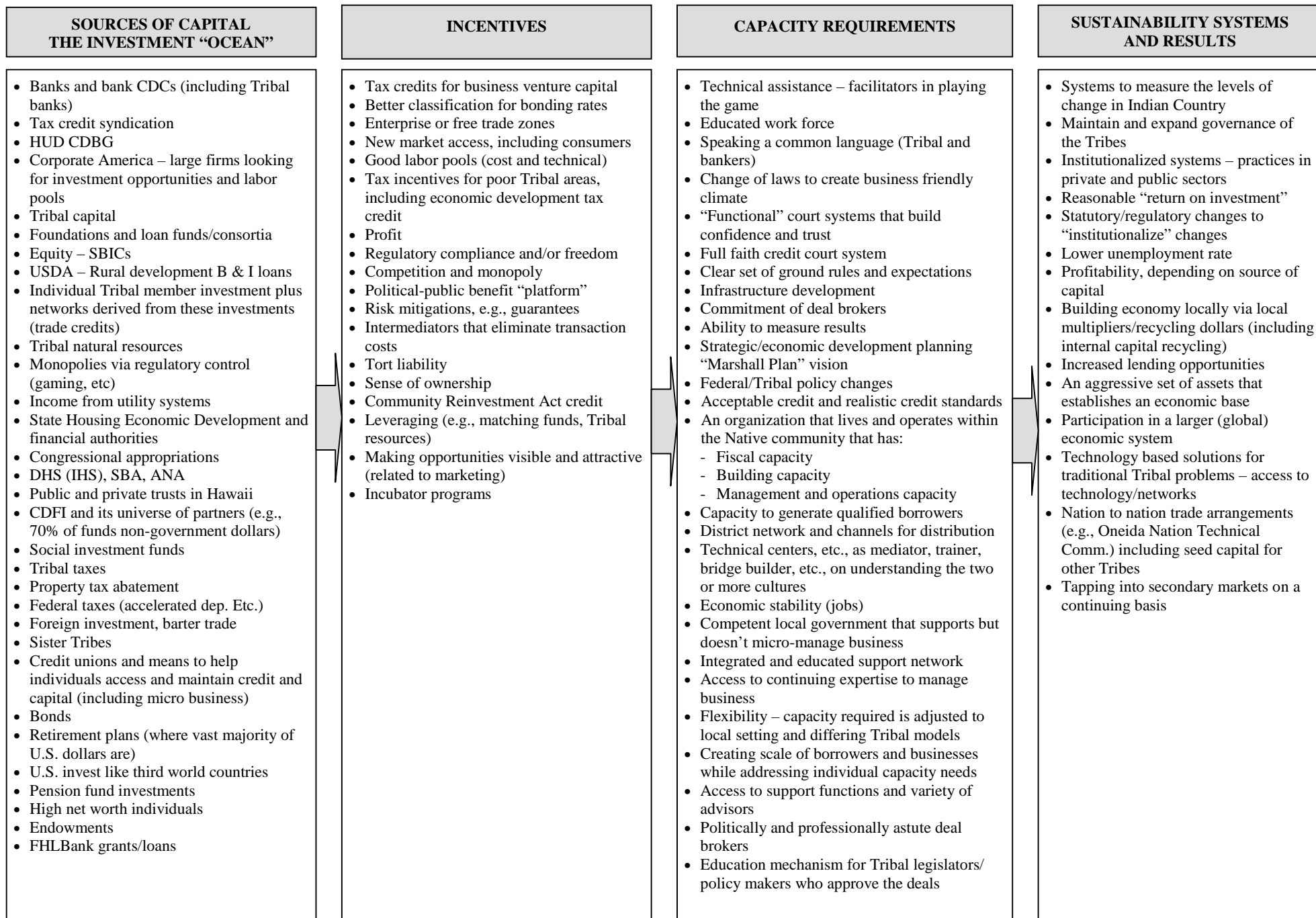
OVERVIEW

Many of the participants believed that the strategies should put more focus on how to access capital so that the CDFI Fund Native American Lending Study is not just lending strategies. With this in mind, the first half of the afternoon on day one was how to access the “ocean of investments” that exist. This section, in the form of the graphic on the next page, summarizes how participants defined the subject as a four step interrelated process, including:

1. Defining the variety of sources of capital that Indian Country could access.
2. Identifying various incentives that could be applied to attract capital.
3. Establishing the variety of technical, administrative and governance capacities needed to build confidence of investors and manage capital.
4. Focusing on the systems and results required to sustain capital investment and economic growth.



ACCESSING CAPITAL, EQUITY AND INVESTMENTS



CREATING EFFECTIVE MUTUALLY BENEFICIAL PARTNERSHIPS

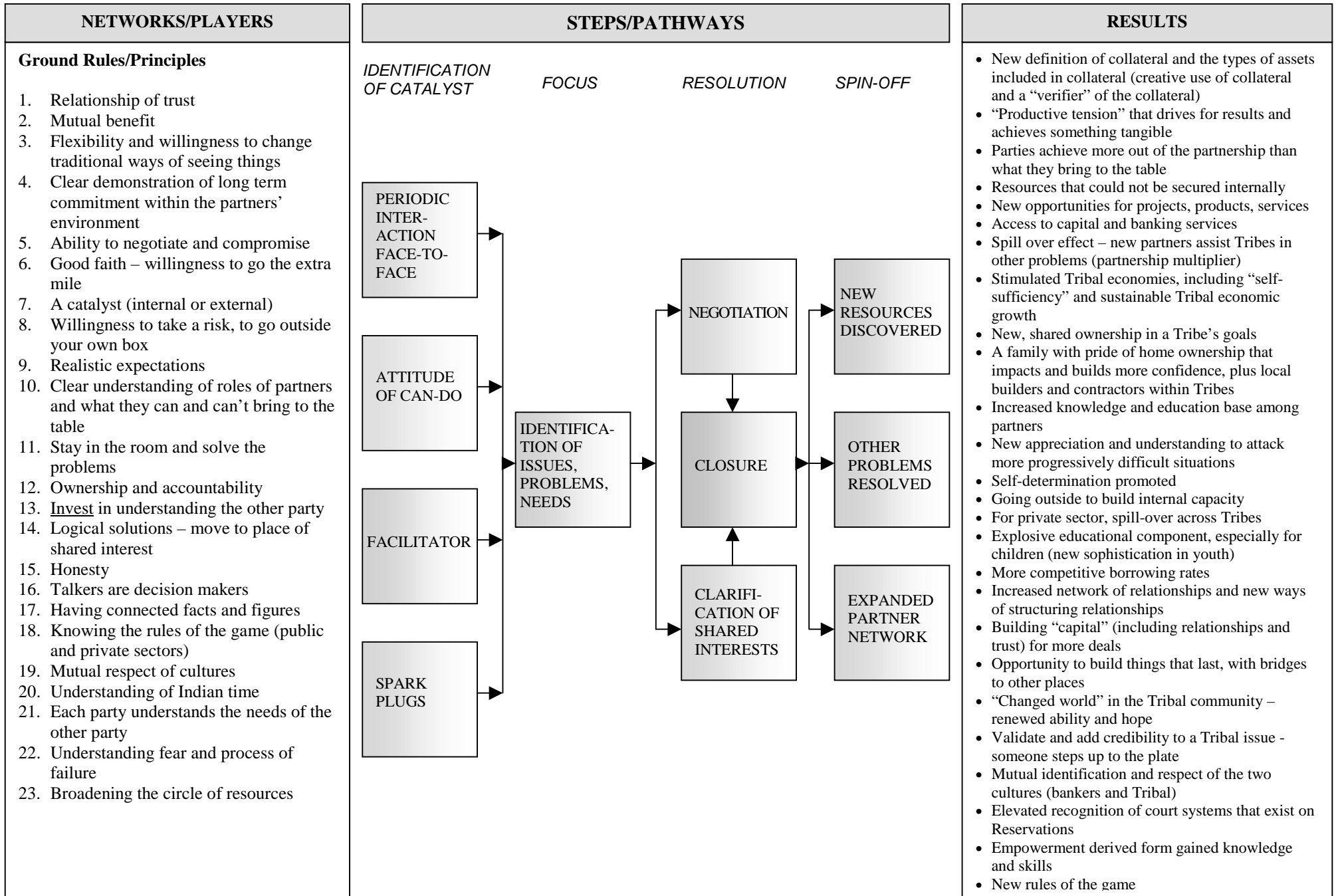
OVERVIEW

The need for effective partnerships and alliances across stakeholders was a major recurring principle during session discussions. This section, in chart form, demonstrates how participants created a partnership bridge including the following elements:

1. The ground rules and principles for effective networks and partnership relationships.
2. The steps or pathways to success in partnering.
3. The results that can be achieved including longer term opportunities for all players.



CREATING EFFECTIVE, MUTUALLY BENEFICIAL PARTNERSHIPS



CREATING THE MESSAGE

OVERVIEW

During the morning of the second day, participants discussed what the next steps should be in the Native American Lending Study/Action Plan Process. This began with an identification of the message or messages that will be delivered, whether through the report to the President and Congress, or through other formal or informal means. This section outlines ideas on the message and its format in terms of four types of audiences:

1. President and Congress
2. Tribes and Native American Communities
3. The Private Sector
4. Federal and Other Public Agencies



Participants reviewing materials on next steps. (left to right) Angelisa Harris, Steve Fitzgerald, Phil Scott, Chairman Brian Wallace, Eric Sexton, Sol Kaho'Ohalahala, Valerie Mundt, Karen Garner-Wing, Roberta Youmans

WHAT'S THE MESSAGE?

AUDIENCE	MESSAGE/FORMAT
President and Congress	<ul style="list-style-type: none"> • An apolitical message. • Regulatory vs. statutory changes. • Same message at same time. • No wedge processes, recommendations that enlist bipartisan support. • Recognize different concerns expressed by different participants in the process.
Tribes and Native American Communities	<ul style="list-style-type: none"> • Product or tool that can help Tribes realize their potential. • Emphasize the involvement with Treasury as a unique opportunity. • Cite differences in levels of progress. • Focus on education of banking community about Tribal setting (e.g., lending in Indian Country). • Be wary of forcing one process on all Tribes. • Sensitive to variations in Tribal profiles. • Message of beauty and uniqueness of Indian country. • Tribes always in the teaching mode. • Focus on breaking down communication and education barriers. • Attack stereotypes. • Focus on actions to be taken and who will do what – what changes will occur. • Key on positive results. • Build on relationships established in workshops. • Address Section 81 of 25 CFR. • Relate findings/recommendations to Tribal nation building. • Emphasize that the new wealth is not just gaming and that Tribal economic base is not just gaming. • Establish a sense of ownership in the process by Tribal leaders – key to sustaining the effort. • Note that audience is a moving target. • Keep Tribal co-sponsors in the process and consider the role of NCAI. • Recognize that Tribes spend 90% of resources playing defense and 10% of time creating agenda.

AUDIENCE	MESSAGE/FORMAT
Tribes and Native American Communities (continued)	<ul style="list-style-type: none"> • Tribes can advance the recommendations of the report through working with Congressional Members and staff. • May have different message based on elections. • Fashion report in sections on regulatory and statutory changes. • Use draft report to change what you can in regulatory arena – start these changes now to stimulate what has started. • Focus on fostering relationships with corporate America. • Connect with meetings already scheduled this year. • Show a pathway and keep on it to assure buy-in. • If it’s demonstrated as good for Indian Country and cites changes underway, Tribes will lobby both sides of the table. • Establish a “fighting chance” for good policies. • Include changes on behavior of private market – deliver message to the private sector. • Look at Treasury to act as mediator – concerted effort to incorporate Native America in guidelines (portfolio and community involvement). • Cite regulatory changes that impact private sector behavior (e.g., Office of Thrift Supervision (OTS) evaluation of institutions that have Tribal lands in their service area). • Examiners comment on Reservation situation. • Tailor report to complement what the Office of Thrift Supervision is doing. • Include presentation of opportunities within untapped Native American markets. • Recognize current conditions of Native Hawaiians (e.g., homeless, decreasingly poor health, increased prison rates) - This is even more reason to focus on alternatives and opportunities. • Hawaiian Homelands program created by Congress – Need financing, big list of eligible Hawaiians but lack of financing. • CDFI Fund presents opportunity to pursue and create financing for Native Hawaiian housing. • Pursuing Native Hawaiian bank (from fighting to teaming). • Expand Congressional part of report to include Native Hawaiians (not specifically cited in P.L. 103-325). • Go back to Native communities to share the process. • Need to follow-up and explain the results and steps in the process.

AUDIENCE	MESSAGE/FORMAT
Tribes and Native American Communities (continued)	<ul style="list-style-type: none"> • Hawaiian people need to know everything involved (from A to Z). • In Alaska, as part of the American dream, they need greater access to banking services, i.e., a credit card, a phone card, an ATM machine, a bank branch, etc. • Not looking for hand-outs. • Encourage in-depth due diligence process. • Mentoring system a must in the process, including citation of successes. • Treasury could serve continuing mentoring role in the process. • Report should be a measurable benchmark of where we are, where we should be. • From bankers perspective, “show me the opportunity.” • From a grant writer’s view, “show me the victim.” • From the Tribe’s perspective, “show me what I can do, the path(s) I can take.” • From the Federal agency point of view, “show me how to apply existing recommendations more effectively.” • To transcend Administrations, report should show why it is good policy to continue these initiatives. • Section that highlights differences between on and off Reservation lending (e.g., if you want to . . . , you have to . . .). • Show specific contrasting realities (e.g., how long for a Title Status Report).
Private Sector	<ul style="list-style-type: none"> • Consistent information to examiners or banks on Tribal culture, government and market opportunities. • Whatever “streamlines” the process. • Message about tremendous opportunities in Indian Country (message to Community Reinvestment Act [CRA] regulators). • Message should not be specifically addressed to or about lenders. • Statutory gap on Hawaiian Homelands guarantees. • Want deliverables, as much as possible: <ul style="list-style-type: none"> - Process map - Exploring options - Recommendations – regulatory/legislative but these are a “slow burn” • Show weight of participation. • Recognize that the report sets the stage for change. • Verifies what people know. • Don’t get trapped in same old formulas and delivery systems. • Include attachments, including kinds of information that will jump start the

AUDIENCE	MESSAGE/FORMAT
Private Sector (continued)	<p>process (e.g., collateral, technology, etc.).</p> <ul style="list-style-type: none"> • Message – consistent application of policies and procedures (e.g., loan guarantee program). • Don't leave out the non-profit intermediaries; encourage their role in Indian Country, they help bring lenders in. • Be sure to keep broad focus on capital sources (e.g., lines blurring, consolidation, electronic commerce). • Access: <ul style="list-style-type: none"> - Economic development access center - HUD will create Home Mortgage Resource Center - Inter-agency information access center • Engage corporate investors.
Federal/Public Agencies	<ul style="list-style-type: none"> • Legislative changes: <ul style="list-style-type: none"> - BIA approval for contracts, e.g., 25 CFR, 81 requirement's implication that Tribes cannot protect themselves - BIA underwriting mortgage loans on trust lands, allotted lands Agency and Central - Tribal ability to opt out of Section 81 • Include what could go on regardless of political environment, including broader educational initiatives. • Recommendation – a central resource center, especially cross community, about various initiatives (e.g., Federal Reserve workshop initiatives, curriculum developed with First Nations on financial literacy). • Report should show that financial literacy for tribes is not just brochures, videos and booklets. • Include in Office of Comptroller of the Currency (OCC) and other financial regulator examiners training. • How to be more creative in collateral options. • Part 24 investment regulations changes – cite this and its implications. • Recruitment, training for Native American bank examiners. • Message that CDFI Fund and Treasury has to commit itself as long term partner. Be the example of a sustainable partner. • Recognize problem of “one size fits all” within Federal programs. • Action plan within CDFI Fund, including weighted scoring for Native American organizations and financial institutions. • Find ways of taking pieces of Federal funding and discretionary dollars to

AUDIENCE	MESSAGE/FORMAT
Federal/Public Agencies (continued)	<p>match private sector investment.</p> <ul style="list-style-type: none"> • Native American component of CDFI Fund – CDFI/Treasury as key role in financing links, including philanthropic entities. • Treasury a place for Indian Country to go. • Some institutionalized mechanism to provide a focal point and an articulation of Federal policy. • U.S. really be committed to indigenous people – ultimate is Cabinet level position.

IMPLEMENTATION GAME PLAN

OVERVIEW

The final portion of the session addressed what to do next. This included a preliminary list of game plan requirements and eight major tasks that need development. The facilitator fleshed out this discussion by developing a rough Year 2000 schedule and set of expected results. These are incorporated in the game plan graphic which follows.



WHAT'S THE GAME PLAN?

GAME PLAN REQUIREMENTS	TASKS/PLANS	2000 SCHEDULE												GAME PLAN RESULTS	
		J	F	M	A	M	J	J	A	S	O	N	D		
<ul style="list-style-type: none"> • Deliver a powerful message to Congress and the President • Follow-up via direct involvement • Treasury as continuing sponsor of the process/dialog/forums (including knowledge base of what's happening) • Expand CDFI Fund website to include status of Lending Study/Action Plan • Continue presence of Indian role models at the table • Coordinate Lending Study strategies with related initiatives of National Indian Organizations • Provide via technology a "searchable" library of what's going on, including best practices, regional Tribal/partnership developments. Create something akin to the "Business Advisor" <ul style="list-style-type: none"> - Look into helping.org (website) - Computer availability to Native Americans - "First Source" (Federal Reserve Bank) • CDFI Fund commit to ongoing "program" • Quantify targets and commit publicly to them, plus engage the stakeholders in the definition 	1. Complete Report to the President and Congress				—————▲										7. An access to credit and financing "Marshall Plan" for Indian Country with a focus on building sustainable economies and leveraging public and private resources
	2. Continue Stakeholder Involvement	—————												2. Second round of regional consultations focused on implementation of strategies and action plans; continued stakeholder forums on new developments/ success stories	
	3. Develop Technology Access Programs							—————							3. Expanded CDFI Fund website and technology service center with internet package of best websites for access to capital, credit and technical assistance
	4. Tribal Consultations with Federal Policy-Makers										—————				4. Positive, proactive change presentations from Tribes and Tribal private and public partners
	5. Network with Affected Organizations						—————							5. Series of collaborations with National Indian Organizations, Federal financial agencies and technology groups resulting in shared knowledge base	
	6. Provide Local/Regional Strategy Support					—————							6. Targeted local/regional strategies and action plans, with follow-up support coordinated by regional co-sponsors and CDFI Fund		
	7. Secure CDFI Fund/Treasury Programmatic Commitment/Institutionalization							—————							7. CDFI Fund implementation support program, budget and staffing
	8. Initiate Specific Capacity Building and Reforms										—————				8. Identification of cross-cutting capacity building and regulatory/policy reforms; definition of benchmarks and game plans to manage systematic change

SUCCESS STORIES

OVERVIEW

During the course of the session, participants were encouraged to share success stories to demonstrate how Native American communities have partnered with and leveraged public and private sources of capital. This section profiles seven different stories and settings through verbatim narratives from the Court Reporter transcript.



Eric Sexton and Sarah Crowley-Geisler (to the left) present the success story of the Hopi Credit Association. To the right are Mike Springer and Sol Kaho'Ohalahala. Charts on the wall summarize participants strategy concerns.

SUCCESS STORIES

1. Building a Retail Operation on Trust Lands – Robin Puanani Danner, Rural Development Specialist II/Housing, Rural Community Assistance Corporation.
2. Using the Internet for Inter-Tribal Trade – Keller George, President, United South and Eastern Tribes, Inc.
3. Bank Partnering with a Tribal Community Development Corporation – James S. Wagele, Senior Vice President, Bank of America.

4. Tribe Partnering with a Local Municipality on Sewage Treatment – James T. Martin, Executive Director, United Southeastern & Eastern Tribes.
5. Hopi Credit Association Leveraging a Private Bank and CDFI Fund – Eric Sexton, Vice President, Community First National Bank; Sarah Crowley-Geisler, Program Financial Analyst, CDFI Fund; and Wayne Taylor Jr., Chairman, The Hopi Tribe.
6. Developing Relationships with Financing and Lending Institutions – Helen Paul, Treasurer, Grand Traverse Band of Ottawa and Chippewa Indians Tribal Council.
7. Using the Community Reinvestment Act to Expand Branch Banking and ATMs on the Navajo Reservation – Eugene Ludwig, Managing General Partner Promontory Financial Group, Bankers Trust Company.

Building a Retail Operation on Trust Lands

As told by Robin Puanani Danner

Rural Development Specialist II/Housing, Rural Community Assistance Corporation

An example of a rural partnership between a Native enterprise and an outside retail corporation for commercial development on Native land.

“The goal for an Alaskan Native entity and a rural retail grocery chain operator was to construct a 35,000 square foot store in a rural community in Alaska. The Native entity held the land and the expertise to construct the store, but the retailer held the expertise in retail design, retail operation and financing. A deal was structured that took advantage of each area of expertise. The Native entity leased its land to the retailer on a short-term 24-month lease with an option for a 40-year term. The Native entity was given the opportunity to either purchase the newly constructed store at the end of the 24-month period and to lease the entire property back to the retailer. If the Native entity rejected the purchase option, then the 40-year land lease to the retailer would kick in. This arrangement encouraged the retailer to invest the capital to construct the grocery store, since they were assured either a 40-year land lease or a long-term lease back on the store and land.

During the 24-month development stage, the retailer put up the capital for construction and hired the same Native entity as the contractor to build the store. At the end of construction, the Native entity was able to obtain its own financing to purchase the store from the retailer because it had a 100% complete grocery store and a long-term lease with the retailer for debt service. It was a solid deal for the bank, the retailer and the Native entity, who was able to maximize the use of the land and maintain ownership.

The interesting part about the deal is in the details of the lease back. The lease rate was set with a two-tier level. The first being a base rent for basically the debt service on the loan. The second being a percentage of net profits from store operations and an incentive for hiring shareholders of the Native entity.

If the retailer was successful in employing a certain percentage of Native shareholders (Tribal members), then the percentage of profits portion of the rent would be reduced on a sliding scale. If the retailer was not successful in Native hire, then the percentage of profits portion of the rent would be set at the maximum end of the scale. The result was that everyone understood going in that the hiring of shareholders from the Native entity was a priority and an expectation. The deal made that sentiment clear and provided incentives to the retailer. Likewise, it positioned the Native entity to receive a higher lease rate if the retailer failed. There would be no need to beat on the desk of the retailer or to feel “morally” cheated. The importance of Native hire would not be treated as a hollow promise, but rather a part of the business transaction. Finally, the lease also required the retailer to establish a community advisory board to receive the input of community residents and members of the Native entity’s board.

The deal as it was structured worked very well and is a model being duplicated in even smaller and more rural locations where the development strength of the retailer is really needed. The farther you go geographically into a rural area, which is 9 out of 10 times a Native area, the more difficult it is to attract good financing sources. So the retailer brings in his strengths with the banker and his networks with any firms in the developing portion of it, goes in and develops

the store, providing an economic opportunity to Native entities in their own communities. These deals also enable Native land to be developed and to remain in Native hands. A second deal based on the first model has recently been completed in another Alaskan village.”

Using the Internet for Inter-Tribal Trade

As told by Keller George
President, United South and Eastern Tribes, Inc.

“Economic development using the Internet is what we've been trying to do. My Tribe has been one of the first Tribes to get into the Internet. We do home pages for Tribal organizations and governmental organizations. That's one of the businesses we've entered into.

We were authorized in June and have established what we're calling a nation-to-nation trade among the USET Tribes or any of the other Tribes within the United States that want to participate.

By that I'm saying we're putting into the Internet goods and services that are available from the different Tribes all over. So if I'm looking for parts to an outdated machine, and I'm having trouble finding it, and I ask these things, I check the Internet. Then I know someone there has a machine shop that can manufacture or produce any part that I might need as long as I have the specifications. All of these types of things. If I'm looking for a -- cash machine for my casino, I look on the Internet and I know the Biloxi Tribe of Louisiana has that kind of business.

What we're trying to do to help other Tribes is to send a certain portion of what we spend on that back to USET to help other Tribes for seed money to get into economic development. So it's an ongoing process.

We think that we are going on the right path because we look at this: When you look at all the programs over the years that were supposed to be developed to benefit Indian people, what's happening is, you get that fish and eat it for dinner, but they're not teaching you how to fish. If they teach you how to fish, you can feed yourself for a lifetime. And that's the type of programs and things we need to have.

I don't have all the answers, but within our 23 Tribes, we've looked at that and have now started very seriously -- we got the authorization in June; we've got the computers and the system set up and the network set up. Now the next step is to get the information there.”

Bank Partnering with a Tribal Community Development Corporation

As told by James S. Wagele
Senior Vice President, Bank of America

“I talked about this once before in public but I had a partner with me, so hopefully I can do justice to it. This is a relationship with a fellow by the name of Leonard Teller who is executive Director of Navajo Town Site community development corporation (CDC) on Navajo Nation in the town of Navajo, New Mexico. I guess the theme of this story is the importance of developing a relationship, and where that relationship of trust over time can lead you to actually, then, a business relationship and partnership and the opportunity to do things broader than a single venture.

Leonard and I developed a personal relationship in seeing one another initially, way far away from Navajo Nation, on different boards and at conferences. And we one day started talking, and when we'd get together from time to time we'd talk, and reached a point where I'd be running ideas past Leonard and Leonard would be running ideas past me. It sort of stayed at that level until one day Leonard called me and said, ‘I need help.’ So I said, ‘Okay. What do you need?’

He needed a grant to move forward on a housing project which had a number of phases to it. There was a multi-unit piece to it, a single family market rate home ownership piece, a mobile home piece, and some additional pieces. But they couldn't move forward because there was a sewage lagoon that could no longer be used. It really had been unusable for some period of time. So there was a requirement they had to build a new sewage unit and the money to buy the sewage unit had been there. But when the mill closed, that was the single source of employment in the town. Several years earlier, the money that had been set aside was lost.

So I said, ‘Okay, let me see what I can do.’ I was able to get him a grant, and the project was able to move forward.

To make the long story not quite so long, that eventually ended up in a situation where Navajo Town Site CDC was coming to us with the entire project with these different pieces, and giving us an opportunity to become involved where we mutually agreed it would make sense.

So we then started talking about different options. Now, so far we're interested in actually every piece, but where we started so far is we're doing a major piece of the low income housing tax credit investment for the multi-unit piece.

They're not yet along to the other stages, nor are we ready for them to be, but hopefully we will be.

So the point here is that with trust and personal relationships, you can have a partnership. It can lead not only to a single transaction, but to multiple phases, and there are some other things beyond that particular transaction that we talked about . . .

It takes me back to my point this morning about communication, knowledge and understanding. The more both sides have that, the more you reach a level of trust. That's really where the partnerships need to go between Indian country organizations and outside organizations.”

Tribe Partnering with a Local Municipality on Sewage Treatment

As told by James T. Martin

Executive Director, United South and Eastern Tribes, Inc.

“ . . . Prior to being Executive Director of USET I was the Tribal Administrator of my Tribe for ten years, in south Alabama.

We are a newly restored Tribe, and we started through the assistance of HUD developing houses on the Reservation for a lot of people coming back home to the Reservation. And with HUD and Indian Health Service, we started developing our water and sewer system.

But as far as developing relationships and partnerships, and how we should do that, no Tribe is an island to their own. We got to the point where we needed to develop the sewage treatment plant for our Tribe, because we had had a number of houses coming, and we had to have a plan and it was going to cost us multi-millions of dollars for which the Tribe didn't have enough resources itself to match the other funds that we were getting from Indian Health Service and HUD.

So we approached the local township of Atmore. By happenstance, the former mayor of Atmore was the President of the Association of Small Town Mayors, and therefore, wielded a great deal of political influence in the state. She was an individual who was progressive, and had gotten a grant from the state, and from HUD public money to build a multi-million dollar sewage treatment plant.

And I'm not sure if you know about pumping poop, but if you don't have enough poop, it doesn't work right.

And they had found themselves in that situation. That they had over-built their structure and it actually was causing them problems, and they were about to be closed down by EPA because it was not working efficiently, to be able to treat the sewage.

So therefore they approached us and we got a long-term agreement with them to treat our sewage. So rather than having to put in our own treatment plant, we simply put in our station and pumped our sewage into the local municipality. It was a win-win situation, we were able to build and treat our sewage for an economical price and with the monies we could get, and it also helped make their plant more efficient. And it was a value in having a partnership to meet a common problem that exists with both entities.”

Hopi Credit Association Leveraging a Private Bank and CDFI Fund

As told by

Eric Sexton, Vice President, Community First National Bank,
Sarah Crowley-Geisler, Financial and Program Analyst, CDFI Fund and
Wayne Taylor Jr., Chairman, The Hopi Tribe

Eric Sexton: “This is a story about the Hopi Credit Association. The Hopi Credit Association was formed in 1952 by a group of Hopi ranchers who did not have access to capital. Banks were just not active at all at Hopi in those days. So they got together and formed this membership association, and pooled some funds that they had, and said, let's set up this association to function very similar to a credit union, so it is unregulated. They set up their own board of directors, they set up their own policies and procedures, and their own lending policies. As they grew in membership size, they were able to grow, using Public Law 93-638, a contract for the BIA loan program at Hopi. It was a very small program, but it was sufficient to get started.

Then I believe they went to the Tribe for a half a million dollar low interest loan, so that they could continue this relending program.

Then they came to a bank, and it was actually written up in the controller's little booklet on providing Native American -- or banking services to Native Americans. Bank One at the time was having difficulty in this market doing business loans and housing loans because there's some very unique characteristics that exist up at Hopi. So Hopi Credit came to Bank One and said, look, would you lend us a loan, and then we'll take the responsibility of relending that money on your behalf to Hopi people.

Well, it was a great deal for us, and we started working on it right away. But it took us 18 months to understand -- for the bank to understand the Hopi process, in such simple things as the loan agreement. When we sent our loan agreement that was prepared by our attorneys, the board of directors, who are Hopi, had no clue what the terms meant. The words that we used made no sense to these farmers and ranchers.

So they called me up and said, ‘Look, Eric, you're going to have to rewrite it in English so we can understand what you're saying.’

So then we did another pass and sent it out and again, I got a phone call that said, we still don't understand it. This is your last chance to write it in a way that we can understand, or we will send it back to you in Hopi and you can figure it out.

So that's why it took so long. It took 18 months, but we did get the agreement, and it was half unsecured and half secured with the loans that were being made with those funds.

Then I think they came to CDFI, because they just kept using this money. And they put in an application to CDFI Fund and it took, what? Two years?”

Sarah Crowley-Geisler: “Took about 18 months by the time we closed.”

Eric Sexton: “And there were a lot of things like working out the strategic plan. One of the requirements was obviously to leverage the money that CDFI had coming, and they then came back to the bank and said, bank, would you do an investment in our organization in order to

match the CDFI. And it was just one thing after another. They went back to the Tribe, they got another commitment from the Tribe for a low interest loan.

And then the end of the story is, in December, we just got approval for \$250,000 equity equivalent investment into this organization, that's continuing to lend to Hopi people, in their own cultural way and under their own cultural traditions.”

Sarah Crowley-Geisler: “Can I add to that a little bit? I was the analyst who was honored to go out to the Hopi Reservation to do the site visit. In the course of considering an application, the CDFI Fund does site visits in the second phase of due diligence. That was one of my earliest site visits for the Fund, and to this day it has been the best days I've ever had on the job.

It was overwhelming to see what was happening in a way that was culturally sensitive. And it was very clear to me that the board and staff had the capacity and understanding to manage the assets. And they had demonstrated successfully that they could manage debt and capital; that they had Tribal support, too.

While I was there, they took me around to meet some of their borrowers. The range of products that Hopi Credit offers is everything from small business lending to some home improvement lending, consumer credit and educational loans. They really offered a comprehensive service -- comprehensive services that were responsive to the needs of their membership.

I think they would like to be able to do larger scale. They're still small, but the Executive Director or the Chairman just called me and said, I think, that in 1999 they lent out a million dollars. That's a big volume. They came to us for just a half a million dollar grant, which was matched by a half a million dollar grant from the Tribe -- from the Tribal Council.

And when I was there, they brought me to meet with the Tribal Council who was in session that day. The Tribal Council members broke from session and we talked a little bit, and they explained the importance of the Credit Association in their views.

It was stunning to hear Tribal Council members, borrowers, and other folks that I was introduced to, talk about the responsibility folks felt to both the community at large, but also the very clear sense of understanding they had of what it meant to be in a lending position, or in a debt position. They had very strong credit ethic and repayment ethic.

And actually, the Hopi Credit Association's experience was people would pay their loans off much more quickly than the time allotted because they knew the recycling effect in the community was greater if they could pay it back sooner.

So that was a very good thing for me personally. I think it was an important investment for the CDFI Fund, and I think it's a good model for Indian country. I hope that the Fund can do more of that, and on a larger scale. . . .”

Wayne Taylor Jr.: “The credit association of maybe about \$1.5 million dollars, we basically had those monies in investment, and that was part of what our earning power was. But we lent it at the very low interest rate to the credit association, because we knew it would benefit the larger community in other ways, and that's a form of investment.”

Developing Relationships with Financing and Lending Institutions

As told by Helen Paul

Treasurer, Grand Traverse Band of Ottawa and Chippewa Indians Tribal Council

“Building trust with financial institutions takes time and commitment to individuals to keep that going, and building that partnership and relationship with the banking institution now, takes also time and commitment for Tribal Council members.

I know when our Tribe first started paying out per capita payments, we have accounts that go into trust accounts for our minors, with a banking institution. We also have a land claim accounts for our minors that go into a banking institution. Also for incarcerated Tribal members, we also keep a trust account for those individuals.

So we have to keep a real good, close relationship with these banking institutions that take care of these trust accounts for our Tribal members.

For per capita amounts that are paid to our Tribal members, we started getting requests for how our members could use their per capita for lending purposes through institutions throughout the area. We had our legal counsel put together an agreement form that they could sign with a lending institution that they could use their per capita as a -- as collateral for small loans that they needed.

And that seems to be working out fine.

At first they were kind of reluctant to do it, when we told Tribal members that they could go to a banking institution and use their per capita as collateral. But a lot of the banking institutions in the area had no idea what per capita was, or where it was even coming from. So that whole thing had to be worked out between our legal counsel and the banking institutions in the area.

But it's getting better. The information that flows back and forth now with our banking institutions is a lot better. The communication seems to be a little bit better.

And also with some of the investment firms that we are working with, they're willing to work with us, and they're willing to come to our Tribal Council and teach them about investments. And the language of some of our Tribal Council members have a difficult, difficult time. With the changes in Tribal government, it seems we're always in that teaching mode. So we asked some of these investors to come in and teach the Tribal members the language they use, and it certainly makes the Tribal Council knowledgeable about what's going on with our investments, because it's a very important part of our financial picture.

Also, the Tribal Council is seriously talking about looking for a money manager to also help with those financial needs. But I think keeping that communication going with the financial institutions that we work with, you know, is very important. And when NAHASDA (Native American Housing Assistance Self Determination Act) came out, I think all the Tribes that had to work with that. There were so many glitches, we didn't know how much money was going to come and when it was going to come. Therefore our housing agency had a very difficult time keeping money in their accounts.

So what the Tribe had to do was negotiate with one of the lending institutions to set up a line of credit for a housing authority. And that was also something new that the Tribe had never done

before because the housing entity itself was separate from the Tribe at the time. And when they were running into money problems, well, they came to the Tribal Council and asked if we would, as a Tribe, sign for a line of credit for them to keep in operation. So that was one of the new things that we had tried.

But we're finding it a little bit easier to work with our lending agencies now that we've built up that trust and that partnership and the relationship. They know where we're at as far as our finances because they keep most of our money in their bank. And what we have to keep on top of is the investment part of what they're doing with our money. And sometimes that can be very difficult to keep on top of that. There has to be so many people watching that bottom line for us all the time.

And getting someone to let us know when red flags go up. The difficult thing with some investments, is they won't let us know when red flags go up, so therefore we have to keep an eye on those investments and what they're doing with our money.”

Using the Community Reinvestment Act to Expand Branch Banking and ATMs on the Navajo Reservation

As told by Eugene Ludwig
Promontory Financial Group

“This is a carrot and stick story that ultimately takes us from confrontation to partnership.

The Navajo Nation was aware of the Community Investment Act, which is an important part of the community development financial world. For those of you who are a little less familiar with it, the CRA is a statute that requires all insured depository institutions (commercial banks and thrifts) to extend credit to their entire communities. That is, the law, in essence, prohibits a bank from singling out one portion of the area surrounding its physical location in which to do business. It also prohibits the banks and thrifts from extending credit only to one class of borrowers, say only to the super rich. Quite to the contrary, the law expressly encourages lending to low and moderate income Americans, small businesses and farms.

For many years, the CRA as well as the Federal government’s fair lending laws had not been adequately enforced. When I became Comptroller of the Currency, I decided this had to change. As luck would have it, just as I was assuming office as Comptroller of the Currency, Citibank was in the process of selling its branch network in Arizona to Norwest. Complaints arose that Citibank had failed to fulfill its CRA obligations in the geographic areas surrounding its Arizona branches, including importantly the Navajo Nation. The then Navajo Nation President, Peterson Zah, and Navajo development officers, Rodger Boyd and James Berg, did an excellent job educating me as to the plight of Navajo citizens when it came to banking services. At that time there were only two bank branches and as I remember it, only two ATM machines anywhere on the Navajo Nation. Some Navajo citizens had to travel over 100 miles simply to deposit a pay check.

I knew that this had to change. My office, the Office of the Comptroller of the currency, decided to put a roadblock in front of the Norwest transaction. To remove the roadblock and complete their acquisition, Norwest was required to build four additional branches and two additional ATM machines on the Navajo Nation’s land. Norwest agreed. Thereafter, I visited the Navajo Nation myself and talked with Norwest senior officials and Navajo Nation officials (including President Zah, and Mssrs. Boyd and Berg) about what was the best way for Norwest to fulfill its promise. We looked at locations for the branches together. We worked to see that the new branches trained and employed Navajo citizens to run them. To their credit, Norwest proceeded in complete good faith. They worked to see to it that the branches and ATM machines were well fitted out so that they could succeed and make money.

In the end, what had started out as confrontation ended in a working partnership among the Navajo Nation, Norwest and the Comptroller’s office. This partnership led to a meeting at Chenley among the Tribal government, bankers from the region and officials from the Comptroller’s Office. This was the first general meeting ever of the Tribal government and the neighboring financial community. The meeting served to remind all the banks in the area of both their CRA obligations and the wealth of opportunities that existed working with the Navajo Nation.

Today, happily there are many more branches and ATMs on the Navajo Nation, and the Navajo Nation is generally better served by the neighboring financial community than in the past. Moreover, the CRA remains a strong tool that the Navajo Nation and others can use to ensure that it is being properly served by regional banks.”

APPENDIX A

PARTICIPANTS OF THE CDFI FUND NATIVE AMERICAN LENDING STUDY ROUND TABLE MEETING

**Washington, DC
January 13-14, 2000**

Tribal Representatives:

1. Helen Paul, Treasurer, Grand Traverse Band of Ottawa and Chippewa Indians Tribal Council
2. Bobby Whitefeather, Chairman, Red Lake Band of Chippewa Indians
3. Brian Wallace, Chairman, Washoe Tribe of Nevada and California
4. Phil Scott, CFO, Division of Economic Development, Navajo Nation
5. Wayne Taylor Jr., Chairman, The Hopi Tribe

Regional Tribal Organizations:

1. Keller George, President, United South and Eastern Tribes, Inc.
2. James T. Martin, Executive Director, United Southeastern & Eastern Tribes
3. Dave Tovey, Executive Director Affiliated Tribes of Northwest Indians, Economic Development Corporation

Alaskan Native Representatives:

1. Bear Ketzler, Director of Planning and Development, Tanana Chiefs Conference, Inc.
2. Valerie Mundt, Tribal Developer, Tanana Chiefs Conference, Inc.

Native Hawaiian Representatives:

1. Sol P. Kaho'ohalahala, Hawaii State Representative
2. Robin Puanani Danner, Rural Development Specialist II/Housing, Rural Community Assistance Corporation

Federal Representatives:

1. Gary Gensler, Under Secretary, Domestic Finance, Department of The Treasury
2. Ellen Lazar, Director, CDFI Fund
3. Maurice A. Jones, Deputy Director, CDFI Fund
4. Rodger Boyd, Program Manager, Native American Lending Study, CDFI Fund
5. James Berg, Financial & Program Analyst, Native American Lending Study, CDFI Fund

6. Sarah Crowley-Geisler, Financial and Program Analyst, CDFI Fund
7. Helen Szabya, External Affairs Officer, CDFI Fund
8. Mike Springer, Department of the Treasury
9. Ellen Seidman, Director, Office of Thrift Supervision
10. Caryn Stein, Office of Thrift Supervision
11. Jeanne Engel, Deputy Comptroller of Community Affairs, Comptroller of Currency
12. Karen Garner-Wing, Office of Native American Programs, HUD
13. Greg Diercks, Assistant Administrator for Financial Program Operations, SBA
14. Sandra Braunstein, Assistant Director, Community Affairs, Federal Reserve Board
15. Angelisa Harris, Special Assistant, Federal Deposit Insurance Corporation
16. Bedelia Calhoun, Community Affairs Specialist, Federal Reserve Board
17. Roberta Youmans, External Liaison, Federal Housing Finance Board
18. Terri Johnson, Community Affairs Manager, Federal Reserve Board
19. Bruce Purdy, Financial Analyst, Small Business Administration
20. Bill Reeves, Manager, Community Development /Lending, Office of the Comptroller of the Currency

Financial Institution Representatives:

1. Eugene Ludwig, Managing General Partner, Promontory Financial Group
3. Eric Sexton, Vice President, Community First National Bank
4. James S. Wagele, Senior Vice President, Bank of America
5. Steve Fitzgerald, Senior Vice President, Bank of America

Meeting Facilitator

1. Charles W. Johnson, The Johnson Strategy Group, Inc.

APPENDIX B

ROUNDTABLE WORKBOOK OVERVIEW

Each participant was provided with a three ring binder that contained the following materials:

1. Introduction – outline of meeting purposes, major themes, agenda and preliminary list of participants
2. Overview of the Community Development Financial Institutions Fund
3. Section 117 of Public Law 103-325, The Riegle Community Development and Regulatory Improvement Act of 1994
4. The CDFI Fund Native American Lending Study/Action Plan Process chart
5. Presentation of the Native American Lending Study/Action Plan Process – a 15 page briefing guide that was presented to participants on day one of the meeting
6. The Northwest Region Workshop Report – this 47 page document is an example of one of the 13 regional workshop reports that summarized the results of sessions co-sponsored by regional inter-Tribal organizations, where barriers, strategies and action plans were defined by multi-stakeholder teams
7. Barriers and Strategies Highlights – a listing of 7 recurring broad barrier themes from the 13 regional workshops, along with selected strategies, per barrier theme
8. Guidelines for the discussion of building effective partnerships and alliances
9. Guidelines for the discussion on next steps in the process
10. Voices and Visions From the Regional Workshops – selected quotes from regional workshops that represent viewpoints of participants