



# ATNI-EDC UPDATE

January 2018

## ATNI-EDC Board of Directors

### President

Michael Marchand (2018)  
*The Confederated Tribes of the Colville Reservation*

### Vice President

Antone Minthorn (2021)  
*The Confederated Tribes of the Umatilla Reservation*

### Treasurer

Justin Parker (2021)  
*Makah Tribe*

### Secretary

Sharon Goudy (2018)  
*Yakama Nation*

### Members-At-Large

Anthony Johnson (2018)  
*Nez Perce Tribe*

Jack Lenox (2021)  
*Coquille Indian Tribe*

Bill Tovey (2020)  
*The Confederated Tribes of the Umatilla Reservation*

J. Dave Tovey (2018)  
*The Confederated Tribes of the Umatilla Reservation*

Walter Jackson (2021)  
*Quileute Tribe*

## ATNI-Financial Services (FS) Committee

Scott Clements  
Justin Parker  
Sharon Goudy  
Jack Lenox  
Bill Tovey

## FROM THE EXECUTIVE DIRECTOR



With the turn of a new year, I find myself both looking back at the accomplishments of the last year, and looking forward to new activities and opportunities in 2018.

2017 was my first full year serving as the Executive Director of ATNI-EDC. One of the tasks we approached was to streamline the organization to be more attractive to potential funders. We completed an audit of our 2016 books, which puts us up-to-date on our audits. The 2017 audit is expected to be completed by the end of February. We also worked with current funders to ensure our reports are up to date, and that we are operating within compliance. Last year we also embarked upon ATNI-EDC's Comprehensive Economic Development Strategy (CEDS) process. We hosted several workshops, and administered a survey to learn about Tribes' economic development priorities today. The completed CEDS will serve as a roadmap to grow and scale ATNI-EDC to be responsive to the economic development needs and goals of ATNI member tribes.

In 2018, we will make significant steps into completing the ATNI CEDS. We are also in the process of engaging Native CDFI's and lending institutions in a region-wide conversation to ensure that together, we are best serving entrepreneurs from ATNI member tribes with capital to start and grow their businesses, and to identify ways that ATNI-EDC can support these necessary institutions. We are working with RedWind to provide free tribal enterprise workshops this summer. I envision 2018 as the year that we lay a solid organizational foundation, so that in 2019 we are set to provide targeted programming as outlined in the ATNI-EDC CEDS.

I wish to thank the individuals, tribal departments, and organizations that offered their time, resources, and ideas to ATNI-EDC in 2017. We are a lean organization, and the additional help makes us a stronger organization.

I am really looking forward to a dynamic 2018, and learning how ATNI-EDC can better serve ATNI member tribes!

Amber Schulz-Oliver, Executive Director

## ATNI Economic Development Committee Agenda Overview

### Monday, January 22

- ◆ ROI for Tribal Investments
- ◆ U.S. Economic Development Administration
- ◆ Private Sector Development in Reservation Communities
- ◆ PTAC & Government Contracting

### Tuesday, January 23

- ◆ Sub-Committee Updates (Tourism, Philanthropy, Taxation)
- ◆ Telecom Opportunities
- ◆ Energy Update
- ◆ ATNI-EDC CEDS Update

## In This Issue

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# From the ATNI-EDC President



## NW Economic Development (January 2018)

For most of the last century many tribes have been in a fight for survival. Tribes were forced onto reservations. Many NW tribes signed treaties in 1855 ceding vast territories. Traditional tribal economies were often destroyed. Tribes were forced to rely on the government. Children were sent off to boarding schools or adopted out to non-Indians. Many Indians were relocated into urban areas. Many tribes were literally Terminated. Their lands were confiscated for pennies on the dollar. Despite all this, many tribes are now thriving and are now raising their economic sights.

Many Indian economies were based on trade and business and entrepreneurship. For North America, agriculture was important. There were major Native American cities. The NW was unique in that nature provided abundant natural resources. The Columbia River and the Pacific Ocean and other resources provided all the foods and materials needed for Indian societies. Entrepreneurism and self sufficiency were the backbones. Prime fishing spots were usually considered property and provided wealth if one did the work to do the harvests. The prime fisheries were also major trade centers, with artifacts found from the East Coast and Gulf of Mexico. The NW tribes sent trade envoys across the country to far away places. Resources were actively managed. Forests were managed to produce big game and natural foods. Fisheries were managed on a large scale. Contrast this to modern tribal economies. On the Colville Reservation for example, we have about 2,000 employees. But the private sector is still relatively small. This is not uncommon.

The US is changing also. Since the 1940s, the US has been a leader in science and technology. The US has played the role of world leader by spending a lot of effort on world economies. The US rebuilt Europe with the Marshall Plan. In recent years this is changing. The US is now withdrawing from the role of international leader. It wants to build walls. Science is a bad word. Investments into science and technology slide backwards.

As the US diminishes and China, for example, grows, does that have implications for us? It could. I have talked to the Chinese on a limited scale. They respect longevity of Native American societies. They told me China has been existence for 7,000 years. I told them that we were here prior to the last ice age and my ancestors hunted wooly mammoths. They laughed, but they respected that. They are interested in Native Americans. It may be premature yet, but the potential is there.

Another reason to stay in the forefront of knowledge is the nature of business cycles. As new businesses emerge, they usually go through a growth cycle. At first they are at level zero. But then there will be a period of rapid expansion. Business booms. This may entail major expansion, lots of new businesses created, new jobs, and new millionaires or billionaires created. Then after awhile, the cycle slows up. The curve flattens out. Once the curve flattens out, things get tougher. Then businesses may decline or even disappear. Many of the early horse and buggy era companies switched to making automobiles.

Tribes are often behind the curve. They usually miss the boom period. I meet with my tribal members pretty often. They are just regular people, but they will ask me how come we do not do assembly type manufacturing? I try to be polite, but these businesses left decades ago. These plants moved to places where there is virtual slave labor and or cheap labor. Often the countries also waive all environmental controls to attract the companies.

People resist change. I remember after the Cabazon case was won, and the subsequent Indian Gaming Regulatory Act passed that many prominent Indian leaders were concerned. They were saying things like this will be a disaster. How are we as leaders supposed to go to DC and ask for money and appropriations if we are in fact rich? I did laugh, which was not appreciated at the time.

But it is a different mindset. We also need to create a new generation of entrepreneurs. The answers for this are not clear always. But I suppose if policy and education can destroy entrepreneurship, then I suppose we can use the same tools to reinvigorate it once again and bring us full circle back into business.

A handwritten signature in black ink that reads "Michael Marchand". The signature is written in a cursive, flowing style.

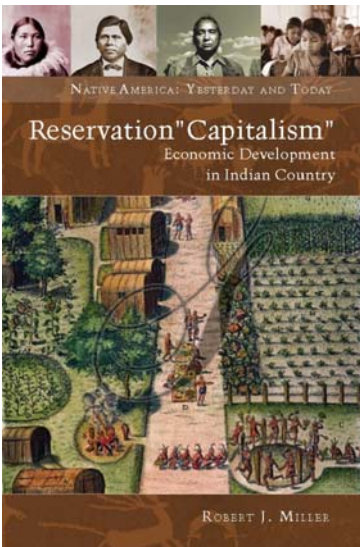
Michael Marchand, Colville Tribes

# Tribal Private Sector Development

**ENTREPRENEURSHIP** is one of the goals that was identified as being high-priority for the ATNI-EDC Comprehensive Economic Development Strategy. It is important to support emerging and established on-reservation businesses, because these organizations will build the private sectors of Indian Economies.

Professor Bob Miller is giving away 200 copies of his book, *Reservation "Capitalism"* during the 2018 ATNI Winter Convention. He will also deliver a presentation at Monday's Economic Development Committee. We intend to form a working group to explore how we can work together to create robust private sectors in reservation communities at the ATNI Midyear Convention in May. The book will serve as a launch point for the discussion.

## Reservation "Capitalism": Economic Development in Indian Country



Native American peoples suffer from health, educational, infrastructure, and social deficiencies of the sort that most Americans who live outside tribal lands are wholly unaware of and would not tolerate. Indians are the poorest people in the United States, and their reservations area appallingly poverty-stricken; not surprisingly, they suffer from the numerous social pathologies that invariably accompany such economic conditions. Historically, most tribal communities were prosperous, composed of healthy, vibrant societies that sustained over hundreds and in some instances perhaps even thousands of years. By creating sustainable economic development on reservations, however, gradual long-term change can be effected, thereby improving the standard of living and sustaining tribal cultures.

Reservation "Capitalism" relates the true history, describes present-day circumstances, and sketches the potential

future of Indian communities and economics. It provides key background information on indigenous economic systems and property-rights regimes in what is now the United States and explains how the vast majority of Native lands and natural resource assets were lost. Robert J. Miller focuses on strategies for establishing public and private economic activities on reservations and for creating economies in which reservation inhabitants can be employed, live, and have access to the necessities of life, circumstances ultimately promoting complete tribal self-sufficiency. *Text from book synopsis of Reservation "Capitalism."*

### About the Author

**Robert J. Miller** is a professor at the Sandra Day O'Connor College of Law at Arizona State University and the faculty director of the Rosette LLP American Indian Economic Development Program. In 2016, he was appointed to the Navajo Nation Council of Economic Advisors. He was elected to memberships in the American Law Institute in 2012 and in the American Philosophical Society in 2014 (which elected only 5,506 members 1743-2014). He graduated from Lewis & Clark Law School and clerked for the U.S. Ninth Circuit Court of Appeals. Bob is a justice on the Grand Ronde Tribe Court of Appeals and for other tribes. He has written dozens of articles, books, editorials, and book chapters on Indian law, and spoken at conferences in over thirty states and in New Zealand, Canada, Australia, England, and India. His third book, *Reservation "Capitalism: Economic Development in Indian Country*, was published in 2012 and came out in paperback in 2013. Bob is a citizen of the Eastern Shawnee Tribe of Oklahoma.

## Thank you, Volunteers & Supporters!!

**THANK YOU** to the individuals, tribal departments, and organizations that offered their time, resources, and ideas to ATNI-EDC in 2017. We are a lean organization, and your support makes us stronger!

- ◆ **Caitlin Doughty** for reaching out to tribes about the CEDS Survey
- ◆ **Colville Tribal Planning Department** for putting the CEDS survey in an online format
- ◆ **Bob Parker & The Community Service Center at University of Oregon** for offering your ideas and feedback to the CEDS process
- ◆ **The CEDS Strategy Committee** for offering your time and expertise to guide the ATNI-EDC CEDS
- ◆ **2017 Energy & Economic Development Summit Volunteers** for making the EEDs operate smoothly, and be a successful event!
- ◆ **ATNI**, for making space in your office, and use of the office infrastructure (phones, printer, wifi, OH MY!)
- ◆ **To our Funders**, most notably the *Economic Development Administration, US Department of Agriculture, Community Development Financial Institutions Fund, and Umpqua Bank Foundation.*





# LOAN CORNER

ATNI-EDC operates a subsidiary organization, ATNI Financial Services, that is a Certified Financial Development Institution (CDFI). Funds are loaned to tribal governments, enterprise, Native American entrepreneurs, and other eligible entities to develop new and/ or expand existing businesses. It is expected that the loaned funds will leverage private investment, create and retain job opportunities for the benefit of low- and moderate-income persons, and result in the development of wealth in Tribal communities.

## ATNI Loan Program FAQ

### *Am I eligible for a loan from ATNI-EDC?*

There are two considerations to be aware of when inquiring about eligibility: geographic location and applicant status. The ATNI RLF Policies and Procedures Manual (April 2015) states the following:

- ◆ The area served by the ATNI Loan Program shall be the geographic area of the ATNI-member Tribes, generally the States of Washington, Oregon, Idaho and parts of Montana, California, Nevada, and Alaska. It's important to note that some of our funding sources only lend to applicants in rural communities.
- ◆ Eligible applicants: Applications may be submitted by:
  - The authorized representatives of any Tribe that is a member of ATNI;
  - Enterprises owned by the Tribes
  - Businesses owned by Native Americans who are members of ATNI member tribes wishing to establish a new operation or expand an existing operation
  - businesses that directly benefit an ATNI-member Tribe or tribal enterprise

Businesses owned and operated by ATNI-tribal members will be given first priority in the loan approval process.

### *How can I use loaned funds?*

ATNI Loan funds shall be provided to eligible applicants for the acquisition of land and buildings; the acquisition of furniture, fixtures, and equipment; site preparation; clearance/ demolition and removal of structures; working capital; and buyouts by purchase of assets or stock.

### *How much can I borrow?*

The amount of funds available for any single business enterprise shall range from a minimum of \$5,000 to a maximum of \$125,000. Loan larger than \$125,000 may be negotiated on a case-by-case basis. The maximum amount available is also dependent on the ATNI-EDC portfolio, and the actual amount that is available to lend.

### *What if I need more than that?*

ATNI-EDC has established partnerships with other Native CDFIs and lending institutions that lend in Indian Country. Partner institutions may participate in loans, leveraging their own capital.

### *Why should I choose ATNI-EDC over other lending institutions?*

ATNI-EDC works with clients that may be deemed 'un-bankable.' Perhaps you have little to no credit history; perhaps your collateral isn't something that a traditional lender wants to consider. We also work hands-on with applicants to build a loan package that works for both the borrower and ATNI-EDC. That being said, ATNI-EDC does not have the most competitive rates on the market. We are a good choice for some applicants, but it's a good idea to shop around.

### *Sounds great! How do I apply?*

Contact Amber Schulz-Oliver for an application by emailing [amber@atniedc.com](mailto:amber@atniedc.com) or calling (503) 249-5770, extension 104.

<b>Capital Available to Loan:</b>	<b>\$110,000</b>
Current Capital Loaned Out:	\$622,181
Total EDC Capital Loaned to Date:	\$2.78 M
Total Capital Leveraged (w Partners):	\$3.25 M



## Jamestown S’Klallam Tribe Economic Development Authority Lessons Learned



*Sequim, WA.* One of the very best lessons I ever learned was how to view failure. I see failure as a natural part of the improvement process. The only true failure is when we don’t learn from our mistakes and continue to fail because we are too slow, or refuse to change. Failing as a result of trying something is a natural part of the learning process, and is what teaches us to be better. Entrepreneurs and businesses know this well.

One failure we experienced at the Jamestown Economic Development Authority (EDA) was the purchase of a wireless internet company. The idea seemed perfect at the time. Rural Washington needs broadband, and wireless companies building microwave infrastructure are hard to find. It seemed like this would be a win-win for economic development, especially since the business could be paired with one of our existing companies. What we learned was that- although there was an acute need for broadband, the cost of infrastructure was largely unaffordable to our target customer, and the sales cycle was a long one. As a result, our perfect purchase turned into expensive overhead that didn’t generate enough revenue to cover expenses, and it weighed down our other businesses. The choice was obvious but, hard. We shut down the business.

The sting of failure hurts. It hurts letting employees go, it hurts losing face in the community, and it hurts disappointing one’s customers. However, within the context of learning, failure can reignite passion in a way that promises you won’t make the same mistake twice. That, I believe is the recipe for success. As we embark on our next initiative at the EDA, we are seeking to speed up our failure cycles in a way that allows us to see what works and what doesn’t without overextending ourselves. While jumping into the deep end of the pool guarantees you’ll get wet, it doesn’t guarantee you won’t drown. Next time we will test the waters first.

*Kyle E. Johnson is Executive Director of Jamestown S’Klallam Tribe Economic Development Authority*

### ATNI-EDC AND REDWIND OFFER TRIBAL ENTERPRISE WORKSHOP

ATNI-EDC will host a three-day Native American Tribal Enterprise Workshop presented by RedWind through support from the U.S. Small Business Administration on (SBA) Office of Native American Affairs (ONAA). Tribal business leaders operating under a tribe will be invited to take the workshop **at no cost**. This new training will offer solutions to meet the needs and challenges of Native American leaders wanting to start and grow their tribal enterprises. It will provide operational and leadership strategies to generate growth, build capacity, and ensure sustainability of Native American businesses. Topics will be tailored to participant needs, and may include:

- ◆ Clearly **defining the interactions and decision** making between tribal government and business enterprises.
- ◆ Building awareness and understanding of the **strategic advantages** that stem from the uniqueness of the tribal enterprise and the native community.
- ◆ Finding and **assessing business growth opportunities**.
- ◆ Clarifying the planning activities that will take your tribal enterprise to the **next level of success**.
- ◆ Aligning the business organizational structure, processes, and decision-making to **achieve the mission and strategy** of the tribal business enterprise.
- ◆ Innovating and developing new capabilities to **stay ahead of competitors**.

#### Save the Date!

Spokane, WA

◆ **June 4-6, 2018**

◆ **Venue TBD**

Southern OR/ Northern CA

◆ **July 9-11, 2018**

◆ **Venue & Location TBD**

Two workshops in the ATNI region are scheduled: for Spokane, WA June 4-6, 2018, and another that will tentatively take place in Southern Oregon or Northern California July 9-11. Contact Amber at [amber@atniedc.com](mailto:amber@atniedc.com) for updates.

The workshops are two of ten that RedWind will provide nationwide in 2018. The Tribal Enterprise Workshop is **FREE**. All class materials and refreshments will also be provided at no cost. More information can be found by visiting: <http://www.tribalenterprise.org/>

*Tribal Enterprise Workshops are provided to Native communities across the country through support from the United States Small Business Administration (SBA) Office of Native American Affairs (ONAA). ONAA contracted with RedWind to provide workshops through contract number: SBAHQ-17-F-0149.*



Affiliated Tribes of Northwest Indians  
Economic Development Corporation  
6636 NE Sandy Boulevard  
Portland, OR 97213

## SAVE THE DATES

**Native Entrepreneur Lending Convention** Spring 2018  
Portland, OR

*The Native Entrepreneur Lending Convention is an opportunity for lending institutions that serve Native American entrepreneurs in the ATNI region an opportunity to gather and explore how to best serve our target market, and types of assistance needed to make us stronger.*

**Free Tribal Enterprise Workshops**

June 4-6, 2018  
July 9-11, 2018  
Spokane, WA  
TBD

*This new training will offer solutions to meet the needs and challenges of Native American leaders wanting to start and grow their tribal enterprises. It will provide operational and leadership strategies to generate growth, build capacity, and ensure sustainability of Native American businesses.*

## WE'RE SEEKING STORIES!

- ◆ *Do you have a successful project that you would like to highlight?*
- ◆ *Have you gained an insight from an economic development initiative?*
- ◆ *We want to hear about it!*

Contact Amber for more information!  
amber@atniedc.com  
(971) 678-9721