

Regional Challenges and Opportunities

Issues Related to Funding and Financing

CHALLENGES

- Tribes often lack access to capital, collateral and outside investment for enterprises and for tribal member businesses
- The lack of land ownership, clear plans for land usage, complexity in the title process, and conflicts between clans, villages, and official tribal governance over land
- The perception of red tape and bureaucracy in working with tribes on behalf of non-tribal institutions - a lack of education and understanding for both sides financial institutions and for tribes in how to access outside financing.
- Tribes often possess a cultural aversity to debt financing; the fear of failure of being part of a negative legacy

OPPORTUNITIES

- Create a resource list of preferred lenders or lending agencies that have experience in working with tribes and that are truly willing to lend
- Develop a better process to use land as collateral
- Develop land use plans with defined processes to make it available for business use; clearly lay out utilization and implementation objectives
- Encourage financial decision makers to “get into the trenches” and work with tribes
- Educate Indian Country stakeholders so that they truly understand the challenges tribes confront; embrace culture from a grassroots perspective and develop a shared understanding of values to the extent possible
- Tribes should think about how investments can be better facilitated and with greater coordination.

Issues Related to Education and Strengthening Human Capital

CHALLENGES

- Tribes often lack financial sophistication and economic education; the need for enhancing community members’ understanding of the important consumer decisions they are making and the potential for investing in their own communities
- Tribes often lack business savvy; there is a need for inspiring an entrepreneurial spirit amongst tribal members, particularly for younger generations who may lack exposure to business opportunities

OPPORTUNITIES

- Develop a centralized resource center for financial and economic education purposes
- Create leadership development opportunities; evaluate the potential for creating leadership forums, partnerships, or collaborative

- Strengthen education and training opportunities for tribal economic departments to help them in thinking about creating more effective development strategies for their communities
- Create training opportunities for youth; especially those that may enhance their interest in contributing to their tribal community and that help to build trust, both on and off the reservation

Issues Related to Tribal Economic Development Planning

CHALLENGES

- Tribes often lack business diversification; there is a need to think beyond gaming – in some cases it has provided a limited vision for tribes.
- Tribes often lack skills in strategic planning and vision; furthermore, there is sometimes a lack of commitment to a plan if one is created.
- There is a need for tribal members to better connect with non-tribal business leaders and to develop stronger intra-tribal collaborations.
- Tribes are sometimes confronted with prioritizing issues of survival vs. those of growth and development for their communities.
- High turnover of economic development staff and community members engaged in planning processes.
- There is often a lack of permanency or ability to conduct long term planning due to the lack of private ownership of land.
- Private/public sector partnerships should be thought about very strategically and tribes should ensure that they have a clear understanding of due diligence and how project valuation is conducted.
- Tribes should be sure that developers, TA providers, tribal leaders, tribal business community are all on the same page.

OPPORTUNITIES

- Create business incubators, business associations; identify multiple resource organizations/entities and evaluate the possibility of bringing them together
- Develop clear processes and strategies for private/public partnerships
- Separate the economic development arm from tribal council activities
- In some cases, there is a need to renegotiate state government compacts so as to mitigate the removal of resources and revenues from tribal earnings
- Think more strategically about location and tribal resources to further develop markets and that attract investment and interest from outside the community
- Identify mechanisms for greater transparency within planning processes
- Tribal collaboration can be furthered by sharing best practices from one tribe to another
- Tribes should share and explore their successes with one another; for instance, how to support tribal entrepreneurs, how to develop a strategic plan, etc.

Issues Related to Governance and Infrastructure

CHALLENGES

- There is often a lack of organizational structure within tribal governance to support robust business development and growth

- Tribal government leadership often lacks business sophistication to move agendas forward in a strategic way.
- There is often complexity in tribal governance. As an example, the Hopi tribe consists of a centralized tribal government and 12 villages that each have the right to establish their own governance, in addition to governance rights led by clans within the villages.
- The lack of having a strong legal infrastructure can create a perception for non-tribal entities that tribal courts will not be fair.
- Political challenges within tribes could impacts outside perceptions of stability; there is a need to separate
- The short term nature of tribal leadership roles can be challenging for developing longer term strategies
- There is a need to separate politics from business issues
- There is often a lot of red tape in tribal bureaucracy, especially in the area of rewriting tribal policies and codes
- There is often a need for more public transportation and telecommunication infrastructure
- There is a need to elect tribal leaders that are well educated about business development issues.

OPPORTUNITIES

- In some cases government infrastructure is evolving quickly and becoming more organized; there is less gang violence and graffiti and instead are new buildings and developments that demonstrate positive growth for community members.
- The federal government should allow tribes to develop and lease lands without BIA approval.
- Ensure that legislative issues are clearly understood and well coordinated with tribal leadership.

Issues Related to Physical Infrastructure

CHALLENGES

- Tribes should recognize that they are stewards of their own resources. Members should identify how they may connect with public sector companies such as utilities – oil, gas, wind, etc.
- Some villages choose not to have plumbing, sewer, etc. which creates a barrier to small business development and other opportunities for economic growth

OPPORTUNITIES

- n/a

Issues Related to Tradition and Culture

CHALLENGES

- Each tribe has such a different culture and government and so it can be hard to bring them together
- It can be difficult to find the balance between entrepreneurial spirit vs. collectivism
- There is a need for non-tribal stakeholders to understand tribes' cultural and traditional ways. For instance, sometimes it may seem that decisions take too long to make. In other

cases, it is helpful to remember that decisions for a tribal community are ultimately family decisions.

- There is a need to find an appropriate balance between maintaining tradition and accepting change; addressing risk aversion.

OPPORTUNITIES

- Social media has created a new network of communications possibilities

Issues Related to Public Sector Programs

CHALLENGES

- There is often a lack of understanding in how to successfully navigate through federal program policies
- There is a lack of understanding in how to raise issues of importance with key decision makers
- There is a need for federal agencies to provide more TA representatives and focus on relationship building, perhaps in each state, or to allow regional representatives to travel to meet with Tribes
- There is a need for programs to be more coordinated so that application procedures are more streamlined such that tribes can better leverage resources
- There is a need for federal agencies to better work together. Downsizing and decreased budget levels have contributed toward agencies not being able to collaborate as effectively as they might be able to.
- There is concern over companies importing business overseas; federal agencies should do more in the way of job retention efforts

OPPORTUNITIES

- Agencies should identify more community and regional partners to work with both to promote their programs and leverage resources.
- Federal agencies should think about co-locating local/regional representatives across agencies to encourage coordination and save on costs

POSSIBLE TASK FORCE IDEAS

- Identify who else should be involved in task force affairs: for instance, lenders, venture capitalists, business venture firms, and perhaps housing authority representatives
- Create a one-stop shop for economic development resources in AZ
- Develop strategies for attracting greater financial support for tribal communities
- Identify training and technical assistance resources for housing and infrastructure projects
- Evaluate the potential for developing joint ventures
- Gauge interest in creating regional industry clusters
- Develop and distribute a best practices guide of success stories; perhaps use multimedia efforts to do so (video and online resources, for instance)
- Identify (or perhaps create?) financial education modules (training/toolkits) for Native communities

- Build connections with research and local policy representatives
- Possible training areas: model commercial code/secured transaction development, model zoning codes
- Design a business plan competition
- Pool resources when possible to move projects forward

LOCAL PERSPECTIVE on ECONOMIC DEVELOPMENT

SPEAKER: Tony Skrelunas, Native America Program Director, Grand Canyon Trust

- Key question – how many grew up very traditional; dirt floor, no running water, no washing machine; and now...how many have large flat screen TV, 4x4 SUV, shower daily
- People all over the world are aspiring to change their quality of life. America was one of the main places to do this but we use our resources heavily and the economic experiment we have been under has left some people out.
- Global changes (India, China, etc.) are happening around us while world's resources are in severe limitations.
- Economies of tribal lands have been tested in the Americas and at one point we had truly sustainable economies – this required knowledge about plants, animals, architecture, and its usages. Every individual had to have as much understanding of these things as possible in order to survive. This led to our structure of religion, ceremonies, song, dance, narration, ranching, planting, etc.
- GCT seeks to bring individuals together to develop strategies to think about these areas in today's environment across tribes. Key areas of focus – land use, health, stimulate economic growth, teaching on traditional ways of life – agriculture, farming, etc.
- There is a need to develop integrated strategies for growth and development – connection with land, importance of language and customs.
- Opportunity Fund is being created by GCT (currently @ \$200K) – very educated individuals involved and are very concerned.
 - Renewable energy; green economy issues; and creating tribal ownership within
 - Community ventures – some around farm projects, others around renewable energy

PANEL DISCUSSION on ECONOMIC DEVELOPMENT STRATEGIES

Jacob Moore, Managing Partner, Generation Seven

(GS offers advice on economic development with a special focus on maintaining tribal values and traditions)

- Think about private/public sector partnerships more strategically; eg. commercial and agricultural leases – gain a better understanding of due diligence and how project valuation is conducted
- Ensure that legislative issues are clearly understood and well coordinated with tribal leadership
- Solar is a good opportunity but much is still to be learned for many communities about this movement

Jeff Castillo, Director of Economic Development, Fort Mojave Indian Tribe

- Be cognizant of tribal resources and how they may connect with public sector companies such as utilities – oil, gas, wind, etc.
- Make sure that developers, TA providers, tribal leaders, tribal business community are all on the same page

Joe Waters, Housing Director for the White Mountain Apache Tribe

- Think about the importance of internal collaboration within the Tribal Departments
- Find out what is working in other Tribes, or how they were able to get a similar project off the ground
- Make sure there is mentoring of the next generation, allow room for mistakes

Dr. Stephen Cornell, Director, Udall Center for Studies in Public Policy, ASU

- Tribal collaboration can be furthered by sharing best practices from one tribe to another
- Think about how investments can be better facilitated and with greater coordination
- Share and explore other successes; how to support entrepreneurs, how to develop a strategic plan, etc.

On governance and infrastructure issues

- Economic diversity and strength can be strong drivers for a community
- Tribal leaders should seek to identify capital sources for their communities to lay a foundation for future growth
- Keeping politics out of tribal policies and codes for operational matters can be important; the development of independent boards rather than having councils oversee all elements can be helpful

On how to better attract more technical support across private, public and other sectors

- Use state legislators to convene different stakeholders to work together in collaboration, avoid duplication and create affiliate groups
- Convince regulators that tribal economic development is in their interests
- Create one-stop shops so that federal and state resources are more easily navigable
- Build a track record of competent governance and stability so that external partners understand there is predictability and value in getting involved

- Build capable governance infrastructure; hire from outside if necessary, even if just in the short term
- Establish a bonus system for mentoring, training provision and tactics for future advancement of tribal communities

On current issues impacting community

- Fort Mojave was already fairly diverse in terms of its business landscape and so a key strategy underway is to develop a more integrated model for the tribe – partnering within has helped to grow the local economy, keep resources internal, and build new skillsets
- Utilize technology to spread the word about successes in a cost effective way

On how can tribal councils help to establish greater interconnectedness

- A legislative resolution can help but may not be necessary
- Think about the ancillary services that exist and about what larger commercial endeavors need – catering, workforce training, repairs/maintenance, etc. – do so with an eye toward partnering within first and then look externally
- Be interdisciplinary – know when to help foster individuals

Examples of tribes that have implemented successful in their economic development strategies

- The Potawatomi Tribe (Oklahoma) has worked to strengthen their governance infrastructure and has been successful in persuading the outside business community to invest in their strategies as a result. They did so by developing a level understanding of rights, roles and responsibilities via policies and codes.
- The Mississippi Choctaw tribe has also worked to establish themselves as an economic powerhouse.
- From the Alaska interior – internet strategy – carvers and craftspeople collaborated to develop a cooperative that created a unique business identity and helped to develop a market for their products, etc.
- Another Alaska example has been to identify federal, state and regional jobs that offer contracting opportunities such as game counting
- First ask what has to be done in this area, and then what can be done about it – go after the job opportunities, fill the skill gaps if there are any.