June 12–14
Pacific Grove, California
nativecdficonvening.org

2018 Native CDFI Capital Access Convening

Bringing Native CDFIs, Funders, and Investors Together to Bring Capital to Native Communities
Corporate & Sustainable Investor Support for Indian Country: Leveraging Impact Investments
Organizing for Economic Opportunity
PURPOSE & PROCESS

1. Define and explore how Communities of Practice can leverage greater social & economic capital for Native communities.
2. Examine primary change factors within the SRI movement.
3. Impact Investments, especially within health, food sovereignty & education. ISSUE / REGIONAL GROUP WORK
4. Connect to existing leadership teams/Communities of Practice: Investors & Indigenous Peoples Working Group (IIPWG)
5. Explore Opportunity Zones and their potential in Indian Country.
6. Tax Reform: Requires tax credit programs and others to be more centered in Communities of Practice
What is a Community of Practice?

A community of practice is a group of people who share a concern and/or a passion for something they do, and learn how to do it better as they interact regularly.
Key elements of a “Community of Practice”

• Learning need: people come together because of a shared need to learn. The learning may be explicit, i.e. how to leverage impact investments, or the learning may occur as a result of the gathering.

• Community Bond: the collective learning creates bonds of affection and trust among the community. Each individual has their own contribution to the whole, i.e. New Markets deal.

• The practice: the interactions produce resources that affect the shared and individual practice,
Missing and Murdered Indigenous Women, Girls, Queer and Trans People

BEAD PROJECT (EVERY ONE)
Native CDFI’s and Tribal Economic Development institutions can be ideal Communities of Practice

--Shared values
--Common concern for Tribe/Native community
--Passion for sustainable economic development
--Abilities: listen to & learn from community; research & envision the big idea; create and implement; learn and do it again, even better
Sustainable Responsible Impact

- Influencing
- Attracting Capital
- Investing

TRAVOIS™

Logos of various organizations are also present at the bottom of the image.
Sustainable Responsible Impact Investing (SRI)

Communities of Practice are increasingly emerging within the SRI field.

1. Tribal investments, i.e. Oneida Nation & Ho-Chunk Nation
2. Shareholder advocacy, i.e. #NODAPL
3. Impact Investments, i.e. early learning, Inter-tribal food sovereignty & healthy food access
Indigenous values meet Times Square & Wall Street
Community of Practice for SRI & Indigenous Peoples
Resolution #ABQ-10-018

TITLE: Socially Responsible Investing for Indian Country

WHEREAS, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States, to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the health, safety and welfare of the Indian people, do hereby establish and submit the following resolution; and

WHEREAS, the National Congress of American Indians (NCAI) was established in 1944 and is the oldest and largest national organization of American Indian and Alaska Native tribal governments; and

WHEREAS, Socially Responsible Investing (SRI) is a broad-based approach to investing that now encompasses an estimated $2.71 trillion out of $25.1 trillion in the U.S. investment marketplace; and

WHEREAS, SRI recognizes that corporate responsibility and societal concerns are valid parts of investing and that SRI based investment encourages corporations to improve their practices on issues of concern to Tribes such as intellectual property rights, cultural rights, self-determination and Tribal sovereignty; and

WHEREAS, Tribal Governments are increasingly exercising their sovereignty through strengthening their institutions of government, taking over the management of their financial and resource assets and directing their financial investments towards the development of Tribal enterprises to generate jobs, income and opportunities for their Peoples; and

WHEREAS, NCAI, Native American Financial Officers Association and other financial advisors and firms recognize a growth in investable assets in Indian country; and

WHEREAS, Tribal Governments have a fiduciary responsibility to exercise due diligence for investing their funds, and socially responsible investing can assist them to utilize tribal assets to address a range of issues of concern to them, in addition to securing positive financial returns; and...
SHAREHOLDER ADVOCACY

1. IDENTIFY INVESTMENTS
2. CONTACT SHAREHOLDERS & NEGOTIATE
3. PUBLIC PRESSURE & VOTE
Sources of Impact Investments

- Foundation Portfolios
- Religious Group Investments
- ESG Investment Portfolios
- Asset Management
- Private or Regional Investor Alliances, i.e. MN

Logos:
- Administration for Native Americans
- Northwest Area Foundation
- Prosperity Now
- NeighborWorks America
- Amerind Risk
- FHLB American Bank
- Native American Bank
- Capital One Bank
- Clearinghouse CDFI
TOTAL DIVESTMENT--NO #DAPL

- $4.4 Billion
- $4.3 Billion
- $86 Million

2018 - CITY DIVESTMENT - ACCOUNT CLOSURES
IMPACT INVESTING: Start with a Big Idea!
Matika Wilbur: Project 562
Institutional Impact Investing by Asset Shares:

* Public Funds - 58%
* Corporations - 32%
* Education - 6%
* Foundations - 2%
* Labor - 1%
Turning an eye toward impact
WINNEBAGO TRIBE OF NEBRASKA: EDUCARE

TYPE: EDUCATION CENTER FOR INFANTS, TODDLERS AND PRESCHOOLERS
YEAR COMPLETE: 2014
GAP FUNDING SOURCE: NEW MARKETS TAX CREDIT PROGRAM (NMTC)
YEAR OF INVESTOR CLOSING: 2013
TOTAL INVESTOR EQUITY: $3.5 MILLION
FOUNDATION CONTRIBUTION: $5 MILLION (Buffet Early Childhood Fund)
TOTAL PROJECT COST: $11.4 MILLION
A few of the Tax Reform challenges...

- Traditional investors such as bigger banks have less incentive to invest in tax credits or other deals because their burden has eased.
- Per credit equity pricing in tax credit deals are not as competitive because corporations have more options and are holding onto their tax reform savings.
- Opportunity Zone rules are still in flux within Treasury. They have great potential, but will require initiative and innovation.
WHAT’S YOUR BIG IDEA?

Take some time to think in small groups.
Opportunity Zones

Lobbying and advocacy power was seen across Indian Country as tribes secured Opportunity Zone designation for 30% of the eligible 1,341 census tracts in tribal areas.
Tribal Areas that Include Designated Opportunity Zones

Leverage: Tax Credits + Impact Investments in Opportunity Zones = Potential
LITTLE BIG HORN COLLEGE:
Health & Wellness Center
LITTLE BIG HORN COLLEGE

LOCATION: CROW AGENCY, MONTANA
TYPE: COMMUNITY CENTER
YEAR COMPLETE: 2012
GAP FUNDING SOURCE: NEW MARKETS TAX CREDIT PROGRAM (NMTC)
YEAR OF INVESTOR CLOSING: 2011
TOTAL INVESTOR EQUITY: $2.3 MILLION
TOTAL PROJECT COST: $10.3 MILLION
Know where you want to go. Clarify the capacity you have & need to get there.
New Market Tax Credits:
More opportunity for Partnering

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TOTAL NATIVE ORGANIZATIONS 90
Reflection Time

Feedback and Next Steps

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CONNECTORS

• IIPWG (Investors & Indigenous Peoples Working Group. E-mail Steven Heim to be included in monthly calls. sheim@bostoncommonasset.com
• ICCR (Interfaith Center for Corporate Responsibility)
• SOCAP (Social Capital Markets)
• SRI (Sustainable Responsible Impact) Conference
• Designated Qualified Opportunity Zones: https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx