

STATE TRIBAL ECONOMIC DEVELOPMENT COMMISSION

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2017 – 2018

Report to the

Montana Legislature

September 2018



Commission Responsibilities

Launched under the Native American Economic Development Act of 1999 and permanently established by the 2007 Legislature, the State Tribal Economic Development Commission is administratively attached to the Montana Department of Commerce.

The commission is tasked with:

- Assisting to develop business enterprises on reservations;
- Identifying the availability of federal, state, and private sector funds for tribal governments, Indian business enterprises, and communities located on Indian reservations in Montana;
- Conducting a comprehensive assessment of economic conditions on each of the Indian reservations in the state;
- Applying for or assisting tribal governments in applying for grants listed in the Catalog of Federal Domestic Assistance for which either the commission or the tribe are considered eligible and would supply tangible economic benefits to any or all Indian reservations in Montana; and
- Working cooperatively with tribal government officials, the Director of Indian Affairs, and appropriate state officials to help foster state-tribal cooperative agreements (Title 18, Chapter 11, part 1) that enhance the economic development on Indian reservations and to help the Department of Commerce fully implement and comply with the economic development provisions tasked to the Department of Commerce at MCA 90-1-105.

In carrying out the duties listed above, the Commission actively:

- Works with the tribal governments and the State of Montana to support, develop, and grow Indian-owned private sector businesses on Montana Indian reservations and across the state;
- Provides the Department of Commerce information and advice on investments of economic development funding in Indian Country;
- Consults with each tribal nation of the State Tribal Economic Development Commission and the State of Montana on avenues to improve the economic well-being of Indian citizens and businesses;
- Discusses and shares best practices in economic development that have been implemented by tribal governments in Montana; and
- Provides a venue for Indian people and tribal governments to learn about local, state and federal resources that are available for projects and activities in Indian Country.

Special Commission Projects for the Current Biennium

Montana Indian Language Preservation Pilot Program

During the 2013 legislative session, Senate Bill 342 established the inaugural Montana Indian Language Program (MILP). The pilot program was created to help preserve Native languages that are traditionally spoken in the state. During the current biennium, each of the eight tribal nations have access to \$77,500 to produce preservation products that will help memorialize their languages while at the same time help to perpetuate language usage. Each of the tribes has their own schedule and prioritization of goals and activities for the year. The activities include digitizing language products, recordings of stories and book publishing, online classes, development of interactive language dictionaries and other language learning activities and summer language immersion classes among other priorities. The STED Commission created the guidelines for MILP and is the administrative/project management arm working with each local community on producing deliverables and reporting budgetary and activity updates. The MILP program works to ensure that all the program deliverables are submitted to the Montana Historical Society. The language programs have a biennial budget of \$625,000 for all eight tribes including the State recognized Little Shell Tribe (Appropriated at \$1 million in 2017 session, \$250,000 reduction in the summer of 2017 via SB 261 and planning for a \$125,000 reduction in August of 2018 via SB 261.)

Strengthening State Tribal Economic Development Networks

Annually, the STEDC program manager and Office of Indian Country Economic Development staff traveled to each of the reservations multiple times to address tribal councils, discuss projects with tribal staff and Indian businesses and to share with the tribal communities the various funding and technical assistance opportunities that are offered through the state and beyond. Staff have participated in intra-agency meetings and economic development events including the Montana Economic Developers Association (MEDA) presentations, Montana Department of Transportation Disadvantaged Business Enterprise (DBE) panels, Montana Indian Business Alliance (MIBA) Conference, Innovate Montana Symposium, State Tribal Relations Interim Committee (STRIC) meetings, and Montana Indian Education Association (MIEA) Conference.

Indian Country Economic Development (ICED) Funding

Commissioners convened in June 2017 to review, approve, and recommend adjustments in Indian Country Economic Development (ICED) program funding for fiscal years 2018 and 2019.

- Tribal Business Planning Grants,
- Native American Business Advisors (NABA) Grants,
- Indian Equity Fund (IEF) Small Business Grants

Indian Country Economic Development funding included focusing \$224,000 per fiscal year on tribal government grant funding for business and enterprise development and planning, funding Indian Equity Fund grants for a total of \$320,000 per fiscal year, and continuing development of the Native American Business Advisor grant program with \$120,000 in dedicated grant funding for local Native American organizations to increase their capacity to provide business technical assistance services and to assist clients with the online Indian Equity Fund application.

Current biennial Tribal Business Planning projects include:

- Blackfeet Capital Improvement Plan
- Chippewa Cree Completion of Business Enterprise Plans
- Confederated Salish & Kootenai Tribes Hot Springs Wellness Center Market Analysis
- Crow Establishment of 6 District Community Development Corporations
- Fort Belknap Native CDFI Policy and Procedure Development
- Fort Peck South Spole Irrigation Implementation Plan (Phase II)
- Little Shell Tribe Investment Agreement, Feasibility Study, and Corporation Structuring
- Northern Cheyenne Tribal Energy Efficiency, Business Feasibility, Market Analysis & Business Planning

The application period for fiscal year 2019 Tribal Business Planning Grants runs from July 1 to September 29, 2018.

Native American Business Advisor (NABA) organizations that were awarded funds for fiscal year 2018 were:

- BLACKFEET: NACDC Financial Services Inc.
- CHIPPEWA CREE: Tribal Planning Department
- CONFEDERATED SALISH & KOOTENAI TRIBES: Sovereign Leasing and Financing LLC
- CROW: People's Partners for Community Development and Raising Places Lodge Grass
- FORT BELKNAP: Fort Belknap Tribal Credit/Economic Development
- FORT PECK: Great Northern Development Corporation
- LITTLE SHELL: Native American Development Corporation
- NORTHERN CHEYENNE: People's Partner for Community Development

These organizations were granted funds to increase their capacity to provide robust technical assistance services to local entrepreneurs and assist Indian Equity Fund applicants.

In fiscal year 2019 the NABA Program has made available additional opportunities for NABA organizations to participate in tribal tourism capacity development such as the George Washington University Cultural Heritage Certification Program, a six-week graduate level course, as well as participation with the American Indian Alaska Native Tourism Association (AIANTA) to better understand the domestic and international tribal tourism industry. Additionally, NABA organizations have been encouraged to assist their clients with claiming tourism-related business listings on the visitmt.com website as well as encouraging producers to register with the Made in Montana Program as a Native American Made in Montana producer.

In fiscal year 2018, Indian Equity Fund (IEF) Small Business grants were awarded to the following businesses across Indian Country:

BLACKFEET NATION

- **Carlson Designz** in Browning received \$13,000 to purchase an embroidery machine and accessories. (Marilyn Carlson)
- **Johnson's of St. Mary's** in Browning received \$9,000 to replace carpet and linoleum flooring. (Nathan St. Goddard)

- **Leaning Tree Campground and Cabins** in Babb received \$14,000 to construct two new cabins. (Doug Fitzgerald)
- **Painted Sky Branding** in Heart Butte received \$14,000 to purchase photography, video and web development equipment. (Trevor Spotted Eagle)
- **Red Root Herbs and Divide Creek Campground** in Browning received \$14,000 for signage, encampment and water system. (Pauline Matt)

CHIPPEWA CREE TRIBE

- **HM Salon and Spa, LLC** in Havre received \$14,000 to purchase new chairs, equipment and inventory. (Melody Bernard)

CONFEDERATED SALISH & KOOTENAI TRIBES

- **All American Autoworks** in St. Ignatius received \$14,000 to purchase automobile detailing equipment and inventory. (Richard Johnson)
- **Willow Canyon Professional Counseling Services** in Ronan received \$14,000 for training, trailer, fencing and arena construction for equine therapy. (Shawnda Salois-Albert)

CROW NATION

- **Apsaalooke Glamping** in Lodge Grass received \$14,000 to purchase tepees, a generator and a computer. (Kathleen Carpenter)
- **Crow Country Guides and Outfitters** in Hardin received \$14,000 to purchase hunting and fishing guide equipment. (Chaz Bends)
- **Greasy Mouth Concession and Catering** in Crow Agency received \$7,000 to purchase restaurant equipment. (Loretta Shane)
- **Meila's Manicures and Makeovers** from Busby received \$7,000 to purchase salon equipment. (Shawnee Bends)
- **Randy Not Afraid Ranch** in Lodge Grass received \$7,000 to purchase a tractor. (Randy Not Afraid)

FORT BELKNAP TRIBES

- **Archambault Towing** in Harlem received \$14,000 to purchase a wrecker tow truck. (William Archambault)
- **Curly Head Horse Training** in Hays received \$14,000 for horse training facility improvements. (Charles Ereaux)
- **Smoke House Grille** in Harlem received \$12,000 to purchase equipment to expand its menu. (Joseph Blackcrow)

FORT PECK TRIBES

- **BCS Consulting** in Wolf Point received \$7,000 to purchase computers and hardware. (Carrie Schumacher)
- **Gorilla Heating and Air, LLC** in Poplar received \$14,000 to purchase shipping containers. (Virgil Smith)
- **Indigenous Auto LLC** in Wolf Point received \$12,000 to purchase a vehicle tow truck. (Danni Gonzalez)
- **Wolf City Auto Inc.** in Wolf Point received \$12,000 for upgrades and renovations. (Lynelle Garfield)



LITTLE SHELL CHIPPEWA TRIBE

- **Great Mountain Creative Ltd Co.** in Kalispell received \$14,000 to purchase graphic design equipment. (Sunni Grotberg)
- **Plains Soul** in Hardin received \$9,000 for equipment, inventory and marketing. (Carrie McCleary)

NORTHERN CHEYENNE TRIBE

- **Dr. “B” ILL’z Repair** in Lame Deer received \$14,000 for computer repair equipment, inventory and working capital. (Brandyn Limberhand)
- **Ewing Bovine Ultrasound and Artificial Insemination** in Lame Deer received \$6,000 to purchase bovine ultrasound equipment. (Marty Lynn Ewing)
- **Motor Medic** in Lame Deer received \$7,000 to remodel its building. (Terry Allen Beartusk)
- **Phat Gurl Catering** in Ashland received \$14,000 to purchase a mobile food cart. (Donna Marie Fisher)
- **Small Equine Sports Therapy** in Busby received \$7,000 to purchase equine massage equipment. (Clayton Small)
- **Warrior Trail Jewelry and Gifts** in Lame Deer received \$7,000 for website and ecommerce development. (Sierra Alexander)

The application period for fiscal year 2019 Indian Equity Fund grants runs from July 1 to September 29, 2018. The application process has been streamlined and applicants, through the process of applying, will learn of additional resources, such as visitmt.com business listings and Native American Made in Montana designation through the Made in Montana Program, as part of the application process.

Tribal Tourism & Development:

During the 2017 regular session of the Montana Legislature, Senate Bill 309 sponsored by Senator Lea Whitford, created and funded a new Indian Country tourism region that is administered by the State Tribal Economic Development Commission. The bill created a funding source derived from the Lodging and Facility Use Tax (bed tax) at a rate of .5%. In fiscal year 2018, appropriation is set at an authority level of \$110,000 which will increase in fiscal year 2019 to \$120,000. This bill also mandated at least one tribal government and one private sector representative to the Tourism Advisory Council. In a joint meeting between the State Tribal Economic Development Commission and Tourism Advisory Council held October 2017, eight priorities and focuses areas were identified. The priorities were ranked in importance to meet the achievable goals of the department and outlined as: Re-design Tribal Tourism Guidebook, Industry Membership, Familiarization Tour-RMI/Flathead, Social Media Marketing Promotion, Joint Venture Media, Photography, Crown of the Continent Maps, Tribal Tourism Map. The Indian tourism region covers the State of Montana and is specifically defined by areas recognized as being historically associated with the seven federally recognized reservations in Montana and the Little Shell Chippewa Tribe. Developed by the State Tribal Economic Development Commission, the five Tribal Tourism Pillars” are listed and defined as:

Product Development

- Tourism products are tourism experiences that visitors may experience in state. This may include lodging accommodations, guided and self-tours, museums, restaurants, educational experiences, arts and crafts markets, etc.

Capacity Development

- Building a deeper understanding of tourism and industry best practices for tribal tourism partners from both the public and private sector, while growing the facilities available to attract prospective visitors to tribal tourism experiences.

Collateral Assets

- Development of updated marketing and visitor education/orientation pieces to ensure the content is fresh and within the current industry best practices.

Industry Relationship Development

- Concerted efforts will be made to initiate and deepen relationships across the industry, and capitalizing industry association and operator interest to develop and maintain relationships with tribal tourism partners.

Research

- Local research will be conducted to understand what tribal communities see as culturally appropriate and what can or should be prioritized to share with prospective visitors.

April 2018, the Department of Commerce, Office of Indian Country Economic Development hired a tribal tourism officer to collaborate with tribal governments, tourism-based businesses, tourism partners and tourism regions across Montana to develop a cohesive tribal tourism strategy in Montana. The tribal tourism officer facilitates government to consumer, government to industry, government to tribal nation and internal MOTBD collaboration. The tribal tourism officer is directly responsible for tribal tourism marketing, visitor orientation, and the development of tourism products, services and facilities. Tourism development activities include training and workshop opportunities with the American Indian Alaska Native Tourism Association (AIANTA), the Governor's Conference on Tourism participation, developing a more robust Indian Country content for the visitmt.com website, and National Association for Interpretation certification and training.

Native American Collateral Support Program (NACS)

Following the 2015 legislative session, staff launched the Native American Collateral Support program after researching domestic high-performing collateral support programs. The program addresses a lack of access to capital for Native American owned businesses. The program has assisted with certificates of deposit to support:

- \$65,000 on a \$225,000 loan for land acquisition and commercial building construction for Flathead Raft Company in Polson, MT
- \$100,000 on a \$379,000 loan for the purchase of Wolf City Auto Napa in Wolf Point, MT
- \$18,342 on a loan of \$80,000 for the purchase of a hunting and fishing lodge for River Bend Lodge, LLC located on the Crow Reservation
- \$72,000 on a loan of \$144,000 for relocation costs for the Bloom Montessori School located in Helena, MT, and
- \$86,000 to support a loan of \$172,572 for the purchase of CNC equipment for Polson Tile and Stone in Polson, MT.

Staff met with financial institutions both on and near the reservations to make them aware of the program.

Policy/Program Recommendations

The STED Commission has actively participated in and made recommendations on the program framework and budget for programs housed in the Office of Indian Country Economic Development. A consistent focus for the commissioners is addressing the barriers of accessing capital for tribal and individually owned tribal member businesses and expanding the tribal private sector.

STED Commission-Tribal Indian Equity Fund Program

The State Tribal Economic Development (STED) Commission approved utilizing the Montana State Small Business Credit Initiative (SSBCI) funds to be matched (1:1) by the tribal governments to promote and fund tribal business development in Montana at their February 1, 2017 meeting as the STED Indian Equity Fund Program. With guidance from the state-established Indian Equity Fund Grant Program, the STED Commission contracted pledged (held in trust) and match funds to the tribal governments for tribal program administration and oversight. Tribal governments then began re-granting the funding to tribal businesses or provided critical trainings according to developed application and usage criteria. A total of \$197,121 in SSBCI funding was matching by funds held in trust and matched by the Tribes for a total of \$394,242 in funding for grants to businesses and business trainings.

STED Commission Montana Indian Youth Program

The State-Tribal Economic Development (STED) Commission allocated \$150,000 in Montana State Small Business Credit Initiative (SSBCI) funds to pilot a Montana Indian Youth Small Business Program, whereby tribal youth interns were and will continue to be placed with private sector entrepreneurs to learn how businesses operate and to assist in growing private sector businesses and business development in Indian Country. The goal of the program is to provide an opportunity for the tribal youth to mentor with small businesses in their interest area that will result in building business acumen, including experience in managing a business, improving communication and customer service skills, and fostering better understanding and deeper appreciation of success in tribal small business. Additionally, the program intends to leverage the unique perspectives and skills sets of Native youth to grow and diversify operational, marketing and product development for private sector businesses which was identified in the Main Street Montana Project as a critical need in Indian Country. Ultimately, Native youth and private sector businesses will be positively impacted and the tribal private sector economy will be enhanced. The program is currently ongoing with seven tribal governments participating. Tribal governments fund youth internships via a stipend for up to \$2,000 (\$1,500 from the program and \$500 from the business). In the summer of 2017, 14 youth participated in the internship program and additional internships are underway this summer and will be available next summer.

STED Commission Board Membership

The commission is comprised of one member from each of the seven federally recognized tribes in Montana and one member from the Little Shell band of Chippewa Indians. A tribal government may advertise for individuals interested in serving on the commission and develop a list of applicants from which it may choose its nominee to recommend to the Governor. In place of choosing from a list of applicants, a tribal government may select an elected tribal official to recommend for membership on the Commission. If a tribal government nominates or otherwise recommends more than one person for membership on the Commission, the Governor shall select one individual from among those recommended persons. Governor Bullock has appointed the following Board members:

BLACKFEET TRIBE

Harry Barnes Term ending June 2018
Alternate: Carl Kipp Term ending June 2018

CHIPPEWA CREE TRIBE

Richard Sangrey, STEDC Vice-Chair..... Term ending June 2020

CONFEDERATED SALISH & KOOTENAI TRIBES

Shelly Fyant..... Term ending June 2020
Alternate: Len Twoteeth Term ending June 2020

CROW TRIBE

Shawn Real Bird, STEDC Chair Term ending June 2018
Alternate: Harold Malebear Stone Term ending June 2018

FORT BELKNAP TRIBES

Brandi King Term ending June 2021
Alternate: Delina Cuts The Rope..... Term ending June 2021

FORT PECK TRIBES

Lonnie Headdress Term ending June 2019
Alternate: Rodney Miller Term ending June 2019

LITTLE SHELL TRIBE OF CHIPPEWA INDIANS

Gerald Gray Term ending June 2021
Alternate: Clarence Sivertsen..... Term ending June 2021

NORTHERN CHEYENNE TRIBE

Joe Fox Jr. Term ended June 2017
Alternate: Merlin Sioux Term ended June 2017

GOVERNOR'S OFFICE

Jason Smith, Director of Indian Affairs
Ken Fichtler, Chief Business Development Officer

MONTANA DEPARTMENT OF COMMERCE

Pam Haxby-Cote, Director

Several board terms expire prior to the submission of this report to the Legislature. Current appointments can be found at: <http://marketmt.com/ICP/STEDC/Members>