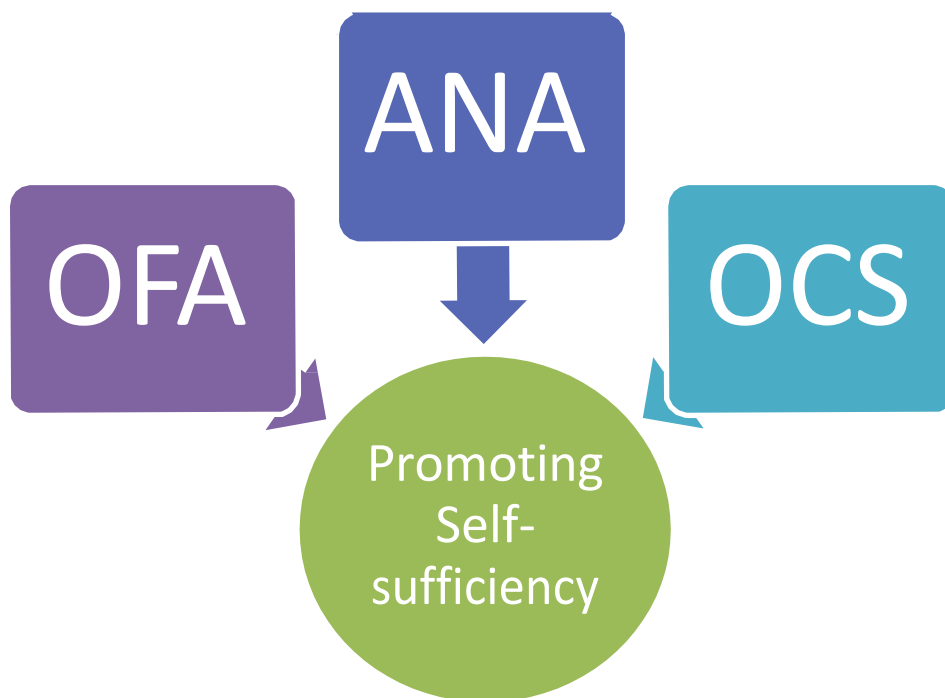




ADMINISTRATION FOR
CHILDREN & FAMILIES

Economic Development Resource Guide for Tribes and Tribal Communities



Exploring how grants and services from the Administration for Native Americans (ANA), the Office of Community Services (OCS) and the Office of Family Assistance (OFA) can help Tribes achieve more self-sufficiency for Tribal members by integrating or coordinating services funded by ACF.

The Administration for Children and Families Administration for Native Americans, the Office of Community Services and the Office of Family Assistance programs have created this Economic Development Resource Guide to assist tribes, especially those interested in economic development to better understand the options available through our various funding.

The **Administration for Native Americans (ANA)** promotes self-sufficiency for Native Americans by providing discretionary grant funding for community-based projects, and training and technical assistance to eligible tribes and Native organizations.

The **Office of Community Services (OCS)** partners with states, communities and agencies to eliminate causes of poverty, increase self-sufficiency of individuals and families and revitalize communities. OCS has two discretionary programs that provide economic development support: Community Economic Development and Assets for Independence.

The **Office of Family Assistance/ Temporary Assistance for Needy Families (TANF)** program gives federally recognized tribes flexibility in the design of programs that promote self-sufficiency, work and strengthens native families.

Our programs help to reduce dependency on public funds and social services while increasing self-sufficiency and economic well-being for native children and families. This resource provides information, program guidance and includes examples of projects and services established by tribes for the purpose of economic development using ANA, OCS and/or TANF funds. This resource can assist you to think about potential partnerships, job creation strategies or ways to increase self-sufficiency in your community through economic development.

We encourage you to review the information and if you have additional questions or would like more details please visit our website(s):

<http://www.acf.hhs.gov/>

<http://www.acf.hhs.gov/programs/ana>

<http://www.acf.hhs.gov/programs/ocs>

<http://www.acf.hhs.gov/programs/ofa/programs/tribal>

Administration for Native Americans (ANA)

ANA promotes self-sufficiency for Native Americans by providing discretionary grant funding for community-based projects. ANA also provides a wide range of training and technical assistance to eligible tribes and Native organizations.

ANA’s goals include:

- Fostering the development of stable diversified local economies and economic activities to provide jobs, promote community and economic well-being, encourage community partnerships and reduce dependency on public funds and social services.
- Supporting local access to, control of, and coordination of services and programs that safeguard the health and well-being of native children and families
- Increasing the number of projects involving youth and intergenerational activities in Native American communities

Current Funding: ANA funds economic development under CFDA#93.612 with the following titles

- Social and Economic Development Strategies (SEDS)
- Social and Economic Development Strategies (SEDS-AK)

Examples of ANA funding used for economic development, projects that promote the creation of a sustainable local economy, include:

- *Asset Building* - Increasing availability of effective financial education, savings and individual development accounts, managing credit and debt, accessing federal and state benefits including tax credits, and other asset-building strategies for individuals and families
- *Economic Stability* - Conducting the necessary planning and/or research to support achievement of long-range economic development goals. Examples may include: establishing a separate division to administer economic development programs, performing gap or value-added analyses to identify strengths and weaknesses in the local economy, or for a particular industry in the region. Strengthening an organization’s capacity to deliver programs that promote economic development and security
- *Institutional Infrastructure* - Developing soft infrastructure (governance, economic, or social infrastructure such as public transportation systems, communication systems, distribution networks, financial institutions, technology, etc.) to support the local workforce and make business activity possible
- *Subsistence* - Enhancing subsistence and agricultural activities to retain or revitalize traditional native food sources and practices

Funding Information:

ANA will publish standing funding opportunity announcements for SEDS and SEDS-AK that will cover FY 2018-FY2020. Future deadlines and additional information about the FOAs can be found on the ANA website: <http://www.acf.hhs.gov/programs/ana/grants/funding-opportunities>

Funding Opportunity Announcements	SEDS	SEDS-AK
Award Ceiling	\$400,000	\$200,000
Award Floor	\$100,000	\$50,000
Project award terms	12-36 months	12-36 months
Expected number of awards/Funding	varies	varies

Training and Technical Assistance:

ANA, in collaboration with regional training and technical assistance providers, implements three types of free training and technical assistance to prospective applicants across the U.S and the Pacific territories:

- 1) Project planning and development training
- 2) Pre-application training
- 3) Pre-application electronic technical assistance

ANA provides training and technical assistance (T/TA) to potential applicants both in person and in virtual formats.

Additional Training:

ANA also provides in person Project Planning and Development training that can be very useful to communities looking to apply for any of ACF funding opportunities and to craft economic development projects. A copy of the Project Planning and Development manual is on the website.

ANA hosts regular webinars many of which are useful for economic development projects. Upcoming webinars can found on the website under “Events” and past webinars are archived and searchable on the ANA website under “Resources”.

Example of Economic Development in ANA SEDS projects

Cherokee Nation Tahlequah, OK
\$518,640 09/30/2013 – 9/29/2016
www.cherokee.org

The Cherokee Nation in Oklahoma received funding for the Entrepreneur and Job Development Training Center and Kawi Café in 2013 to create entrepreneurial and employment opportunities. This training was accomplished through a unique microenterprise training program that provided hands-on entrepreneurial training, specifically targeted to the food service industry. The project worked with unemployed and underemployed Native Americans in the community. Additionally, the program worked to create a viable food service business whose ownership can be transferred to all local entrepreneurs who went through the training.

References and Citations

- Native American Programs Act 42 U.S.C 2991 *et seq.*
 - ANA Regulations at 45 CFR 1336
 - Website: www.acf.hhs.gov/programs/ana
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Office of Community Services

Assets for Independence (AFI) Program was administered by the **Office of Community Services (OCS)**. The last round of AFI grants were awarded in September 2016. No new AFI grants will be awarded, but there are still grants in progress that will continue to operate. All grants will be closed out no later than 9/29/2021 (possibly later if no-cost extensions are awarded).

AFI enabled community-based nonprofits and government agencies to implement and demonstrate an assets-based approach for supporting low-income individuals and their families. AFI grantees enrolled participants to save earned income in special-purpose, matched savings accounts called Individual Development Accounts (IDAs). Every dollar that a participant deposited into an AFI IDA is matched (from \$1 to \$8 in combined federal and non-federal funds) by the AFI project, promoting savings and enabling participants to acquire a lasting asset.

AFI participants used their IDAs and matching funds for one of three allowable assets:

- Purchase a first home;
- Capitalize or expand a business for self-employment; or
- Fund post-secondary education or training.

AFI grantees provided training and support services to participants, such as:

- Financial education;
- Owning and managing a bank account;
- Family budgeting;
- Debt and credit counseling and repair; and
- Guidance in accessing refundable tax credits.

Target Population

AFI program eligibility guidelines were as follows:

- Members of households must be either eligible for the Temporary Assistance for Needy Families (TANF) program when they apply for enrollment in an AFI project (based upon their Tribe's eligibility criteria, if their tribe administered a Tribal TANF Plan); or
- Persons who meet **both** of the following criteria:
 - Their household adjusted gross income is equal to or less than twice the federal poverty line or within federal Earned Income Tax Credit (EITC) limits when they apply for enrollment in the AFI project; and
 - Their household net worth (excluding primary residence and one vehicle) does not exceed \$10,000 at the end of the calendar year, (that proceeded the day that they applied for enrollment in the AFI project.)

Note: In order to participate in the AFI program, an individual must have a source of earned income to deposit in their IDA and must be able to make their asset purchase within the five-year time frame of the AFI grant.

Eligible Applicants

AFI was authorized to award grants to the following categories of entities:

- Non-profit organizations with 501(c)(3) status;
- State, local, and tribal government agencies applying jointly with a non-profit;

- Financial institutions designated as a low-income credit unions by the National Credit Union Administration; and
- Organizations designated as a community development financial institution by the Secretary of the Treasury or the Community Development Financial Institutions Fund and can demonstrate a collaborative relationship with a local community-based organization whose activities are designed to address poverty in the community.

Recipients of AFI project funding must be able to provide a funding match of at least 100% of the AFI grant amount. Please note: Some, but not all, federal funds could be used as match for an AFI grant, based on their legislative authority. These included:

- Indian Community Development Block Grant Program (ICBDG)
- Native American Housing Assistance and Self-Determination Act (NAHASDA)
- Public Law 93-638 (the Indian Self-Determination and Education Assistance Act)

Four Bands Community Fund, Inc. | Eagle Butte, South Dakota
\$127,500 | 9/30/2012 – 9/29/9/2017

www.fourbands.org

Four Bands Community Fund is a non-profit Community Development Financial Institution that has received three AFI grants since 2005, two of which have been completed. The Fund emphasizes homeownership, postsecondary education, and business capitalization, with the goal of giving the people of the Cheyenne River Reservation the opportunity to achieve economic self-sufficiency, gain financial literacy, and attain long-term assets. The Fund has been successful in opening IDAs, providing financial education classes, and allowing their participants to purchase assets. **Four Bands Community Fund, Inc.**, partners with Cheyenne River Sioux Tribal Ventures for recruitment, Cheyenne-Eagle Butte School District on training for education savers, and Cheyenne River Housing Authority for homeowner assistance. The Fund also partners with Habitat for Humanity to provide volunteer labor to complete home renovations and with local businesses to provide paid internships to high school youth who enroll in the AFI project.

Lakota Funds, Inc. | Kyle, South Dakota

\$42,353 | 7/1/2012 – 6/30/2017

\$101,622 | 9/1/2010 – 8/31/2015

\$38,823 | 9/1/2009 – 8/31/2014

<http://lakotafunds.org>

Lakota Funds, Inc. has received five AFI grants since 2001, three of which have been completed. The objective of Lakota Funds' AFI projects is to promote economic growth and sustainability for members of the Oglala Lakota Sioux residing on the Pine Ridge Reservation in southwestern South Dakota. They emphasize homeownership, postsecondary education, and business capitalization, with the goal of providing the opportunity for families on the Pine Ridge Reservation to obtain long-term assets leading to greater self-sufficiency. They partner with Mazaska Owecaso Otiipi Financial, the Oglala Sioux Tribe Partnership for Housing, the Oglala Sioux Lakota Housing Authority, and Eagle Next Housing to provide homebuyer assistance and homebuyer client referrals. Other partnerships include Tribal Services of South Dakota and Thunder Valley Community Development Corporation, which provide client referrals as well as United States Department of Agriculture (USDA) Rural Development, which provides loans for

low-income homebuyers. Additionally, the Pine Ridge Area Chamber of Commerce provides Volunteer Income Tax Assistance (VITA) services and Eagle Nest Community College provides use of their facilities. The Lakota Federal Credit Union provides financial literacy education.

Community Economic Development (CED) Program is also administered by the **Office of Community Services**. The CED Program:

- Promotes employment opportunities through investment in disinvested neighborhoods to support low-income individuals.
- Provides technical and financial assistance to well qualified, non-profit Community Development Corporations (CDCs).
- Develops business opportunities and provides equity investments to benefit low-income individuals in high need communities through the creation of employment opportunities for residents of these communities.

Eligible Applicants

Private, non-profit CDCs with experience in managing economic development projects. CDCs must:

- Be governed by a tripartite board of directors that consists of residents of the community served, local businesses, and civic leaders; AND
- Have planning, developing, or managing low-income housing or community development projects as their principle purpose.

Upcoming Funding Opportunities Announcements (FOA)

The most recent round of CED grants for Fiscal Year 2017 were just awarded as of September 30, 2017. It is anticipated that the next round of applications for CED Program will be due on April 27, 2018. Below is an overview of the Fiscal Year 2017

Funding Opportunity Announcement – 2017 Fiscal Year	CED
Funding Awarded	\$ 17,358,014
Maximum Grant Award	\$ 780,800
Minimum Grant Award	\$ 312,320
Average Grant Award	\$ 694,321
Total Number of Awards	25

- Awards levels are based on the applicant’s program design and funding needed to support a successful project.
- Grants are awarded to cover project costs for business start-ups or expansions.
- Examples of CED projects are business incubators, shopping centers, manufacturing businesses, agricultural initiatives, and more.

Tribes and other entities serving Native American communities can benefit from CED funding to implement job creation programs and support economic self-sufficiency among Native Americans by establishing a CDC or collaborating with an experienced CDC.

Upcoming Webinars

OCS will be hosting a series of webinars for prospective applicants in Spring 2018. More information will be available at: <http://www.acf.hhs.gov/programs/ocs/programs/ced>.

Updates on Funding Opportunities

For updates on funding, please visit:

- www.acf.hhs.gov/hhsgrantsforecast
- www.grants.gov

CED Grants Serving Native American Communities

Capacity Builders, Inc. | Farmington, NM

\$600,000 | 9/30/2014 - 9/29/2017

<https://capacitybuilders.info>

Capacity Builders, Inc. (CBI) used CED funds to implement the Train 10 (T-10) project, an initiative to support 10 individuals annually (30 total) in the Hopi Reservation, one of the most impoverished communities in the country. CBI recruited individuals to complete an intensive education, job readiness training, and certification process in the private fitness training and exercise instructor industry, replicating a successful CED-funded initiative on the Navajo Nation under CBI leadership. Participants in the Train 10 project were also provided with CBI's innovative and proven effective business start-up and growth incubation supports which involved the creation of marketing materials, customer recruitment, contracting, collections support, and business licensing and tax/accounting assistance. The T-10 project created 30 fully sustainable employment positions for low-income and introduced new services not currently accessible within targeted villages of the Hopi Reservation or in border town communities.

Fort Belknap Community Economic Development Corporation | Harlem, MT

\$348,703 | 9/30/2014 - 9/29/2019

Fort Belknap Community Economic Development Corporation in Montana is using CED funds to construct and launch businesses as part of the Lodge Pole Healthy Food Initiative, designed to help address health factors, unemployment, and poverty in Lodge Pole, Montana. The Lodge Pole Trading Post & Healthy Foods Co-Op, a 2,500 square foot grocery outlet, will offer a variety of healthy foods and a selection of general merchandise and gas; the Lodge Pole Pantry will be a 1,000 square foot distribution facility designed to provide emergency food assistance to low-income Tribal members who cannot afford food. The Trading Post and Pantry will serve the community of Lodge Pole as well as the entire Fort Belknap Reservation. The Trading Post and Pantry will together create a total of 14 new full-time jobs.

Native American Development Corporation | Billings, MT

\$739,160 | 9/30/2014 - 9/29/2019

www.nadc-nabn.org

The Native American Development Corporation (NADC) in Billings, MT is using CED funds to recapitalize its existing revolving loan fund. NADC currently provides loans to American Indian businesses to combat pervasive poverty and unemployment among Native Americans in Montana and Wyoming. The loans provided will increase small business ownership among Native Americans by increasing access to capital, increasing private sector jobs and salaries, and offering affordable credit and sustainable loan programs to Native American small businesses. The NADC revolving loan fund will support two Native American businesses, the Northern Cheyenne Tribal Housing Authority (NCTHA), which will construct a food incubator that will house small companies and the Northern Arapaho Tribal Council (NATC), which directs an information technology subsidiary, Northern Arapaho Tribal Industries (NATI), to develop, fund and build high capacity, high density broadband communication services for residential and business subscribers located adjacent to its current service area. NATC will expand this system to upgrade the current service provided to the residents. This project will create 40 full-time jobs, 75 percent of which

will be provided to low-income Native Americans.

Northwoods NiiJii Enterprise Community, Inc. | Lac du Flambeau, WI
\$300,000 | 9/30/2015 - 9/29/2020
www.niiiii.org

The Northwoods NiiJii Enterprise Community, Inc. (NiiJii) is using CED funds to construct the Waaswaaganing Indian Bowl Living Arts and Culture Center on the Lac du Flambeau Indian Reservation. In a pristine lakeside resort setting in Northern Wisconsin. The Center will offer distinctive Native American artistic programming and opportunities for economic development, while ensuring remediation of involuntary cultural displacement. The center will be attached to the George W. Brown Native American Museum and include an outdoor amphitheater, classrooms, gift shop, art gallery, and NiiJii's Woodland Indian Artists' Incubator. It plans to host cultural tourism events such as Pow Wows, theater, community events, classes to inter-generationally transmit endangered Native arts and craft skills, culture and language. The project will create 12 full-time jobs.

Office of Family Assistance (OFA)

OFA administers the **Tribal Temporary Assistance for Needy Families (Tribal TANF)** program and **Native Employment Works (NEW)** program. These programs give federally recognized tribe's flexibility in the design of programs that promote self-sufficiency, work, and strengthen native families.

Tribes may use their Tribal Family Assistance Grant funds to support certain economic development and job creation activities. Remember that all activities supported by Tribal TANF funds must meet one of the four purposes of TANF:

- 1) To assist needy families with children so that the children can be cared for in their own homes or in the homes of relatives;
- 2) To reduce dependency by promoting job preparation, work, and marriage;
- 3) To prevent and reduce out-of-wedlock pregnancies; and
- 4) To encourage the formation and maintenance of two-parent families.

The following are select examples of economic development and job creation activities that could be supported by Tribal TANF funding:

- **Establish education and job training programs** for eligible TANF clients in the community that address and meet business needs;
- **Provide start-up loans** to eligible TANF clients to help start their own micro-enterprise;
- **Support TANF clients in gaining and maintaining employment** through supportive services, such as payment of eligible work expenses (e.g., child care) or transportation support (e.g., purchase of a car);
- **Establish an Individual Development Account (IDA) program.** One example of an allowable way that eligible clients may use their IDA funds is for qualified business capitalization expenses. Further information can be found in our Q&A at www.acf.hhs.gov/programs/ofa/resource/q-a-individual-development-accounts-idas/;
- **Provide summer jobs** or subsidized employment for eligible youth;
- **Conduct a job market analysis.** Tribes may use TANF funds to pay an allocable portion of the cost of an analysis of the job skills, services, and strategies needed to attract businesses into the community or to help local businesses remain or become more competitive so as to maintain or increase employment opportunities;
- **Conduct consultations with the Tribe's economic development staff** or other agencies or organizations that are promoting economic development in the Tribe's area; and
- **Provide incentives to existing businesses, or to attract new businesses to the area.** Such business incentives could include supportive services to TANF clients such as payments for tools, uniforms or other work expenses; soft skills training; assistance with employee counseling services; payment of on-the-job training; and payment of bonuses, awards or non-medical employee benefits.

Important restrictions on using Tribal TANF funds for economic development activities

Tribes may not use Tribal Family Assistance Grant funds or State MOE funds to start or to purchase a business. ACF has concluded that government ownership and operation of a business is not reasonably calculated to accomplish any of the four purposes of the TANF program.

- Services provided under the first two purposes of TANF can be delivered only to “needy” families as defined in the Tribe’s approved Tribal TANF plan.

Examples of Economic Development in Tribal TANF and NEW programs

The Tanana Chiefs Conference’s TANF program, which serves thirty-seven Native Villages in Alaska’s Interior region, uses Tribal TANF funds to support several economic development activities. The program provides subsidized employment services for all of its clients who are non-exempt from work participation requirements. TANF parents and their working-age children participate in targeted training that prepares them to approach employers and secure employment. The program covers all costs for employers to pay each participant \$14 an hour, 40 hours per week for 3 to 4 months during the busy Alaskan summer work season.

The program significantly increases income for participating families, and benefits Native-owned businesses by decreasing their personnel costs and increasing business productivity. Isolated village economies benefit from increased dollars circulating in their communities. The positive impact on both household income and the local economy continues in the winter when some clients move to permanent employment and/or receive an Earned Income Tax Credit. On average, 30% of the subsidized employment participants become permanently employed or self-sustaining through subsistence trade.

Savings from clients leaving the program by becoming employed and self-sufficient are reinvested into the program.

Central Council Tlingit & Haida Indian Tribes of Alaska (CCTHITA) is a Tribal government headquartered in Juneau, Alaska representing more than 30,000 Tlingit and Haida Indians worldwide. CCTHITA’s Employment & Training (E&T) Division supports economic development by providing resources and referrals to eligible TANF clients that will lead to employment and economic self-sufficiency through their P.L. 102-477 program.

In 2010, the E&T Division entered into a Memorandum of Understanding with the CCTHITA Vocational Training & Resource Center (VTRC), which provides vocational training to individuals seeking to improve their job skills, gain employment or increase their pay. The VTRC entered into an agreement with Penn Foster, an accredited on-line vocational training school, to provide on-line classes to Tribal members. Case managers refer clients to VTRC, who conducts an assessment to determine clients’ education levels, career interests, and guides clients through the enrollment and testing process. This on-line collaboration is ideal because of the remote location of the communities in Southeast Alaska.

The Confederated Tribes and Bands of the Yakama Nation, located in the State of Washington, Native Employment Works (NEW) program coordinates with the Tribe’s Economic Development staff in support of a variety of economic development projects. For example, Yakama Nation is conducting feasibility studies for a water park, funeral home and a furniture factory, which are all predicated to increase employment opportunities for Indian people in their community.

References and Citations

- Section 404(h) of the Social Security Act (*Use of funds for Individual Development Accounts*).
- TANF regulations at 45 CFR 263, Subpart C and 45 CFR 286.40 (*Use of funds for Individual Development Accounts*).
- NEW regulations at 45 CFR § 287.130 (*Using Native Employment Works funds for economic development*).
- TANF-ACF-PI-2005-02 (*Using Federal TANF or State MOE funds to purchase a business*).

How might a Tribe utilize all of these programs to better serve its community?

The following is a hypothetical example of how a Tribe might access all of the ACF programs described in this resource document in order to support economic development efforts in its community. This example illustrates how these programs might be utilized in overlapping and complementary ways.

- A Tribe applies for and receives a grant from the **Administration for Native Americans (ANA)** to establish a community development corporation (CDC) – a not-for-profit organization incorporated to provide programs, offer services, and engage in other activities that promote and support community development.
- This CDC is governed by a tripartite board of directors that includes tribal residents, tribal businesses, and council members. ANA funds are used to develop policies and procedures for the CDC and train the board and staff to build capacity for the new organization.
- With the goal of developing community development projects that address the economic needs of low-income tribal members and families, the CDC applies for funding through ACF - Office of Community Services' **Community Economic Development (CED) Program**.
- With CED funds, the Tribe develops a project for the creation or expansion of a business which results in the creation of new jobs for needy target area residents.
- Under the Tribe's **Temporary Assistance for Needy Families (TANF) Grant**, administered through ACF – Office of Family Assistance, TANF-eligible employees of these businesses are provided opportunities for skills training, soft skills training, counseling, work uniforms and other work expenses including transportation, payment of bonuses, awards, and other non-medical employee benefits. As an incentive to the business to hire tribal members, including but not limited to TANF recipients, the Tribal TANF program subsidizes wages for an established length of time.
- Employees are also able to utilize subsidized child care services funded by ACF – **Office of Child Care (OCC)** at a local child care center. As TANF recipients transition out of the program because of their new employment, they may receive child care assistance under TANF up to the tribe's income and time limit for transition assistance.
- The Tribe through its TANF program also operates an Individual Development Account program. Through their IDA program, the Tribe enrolls eligible participants to save earned income in IDAs matched savings accounts. Participants receive financial education and use their IDA savings to purchase a first home, capitalize a business for self-employment, or fund post-secondary education or training. IDAs are disregarded from income and resources in determining TANF eligibility and benefits.