

**Tony Brown
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OCC Native American Conference

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The mission of the CDFI Fund is to expand the capacity of financial institutions to provide credit, capital and financial services in economically distressed urban and rural communities.

Unlike the OCC, the Fund is not a regulator.

We are determinators: Determined to see low income communities thrive;

Determined to foster the growth and capacity of CDFIs to provide basic financial services in our nation's most distressed underserved communities.

The CDFI Fund is a lifeline for the community development finance and industry and we are committed to our mission of expanded access to capital for all Americans.

Overview of the CDFI Fund Native American Lending Study

Broad qualitative review by convening 13 regional and two national workshops.

Study identified 17 national barriers to capital access relating to the following areas: legal infrastructure; federal and Indian tribal operations; capital access; financial and physical infrastructure; and education and cultural.

Improving the economies of Indian lands, Alaska Native and Native Hawaiian Home lands is viewed by the Treasury Department as a comprehensive and collaborative undertaking that must involve federal interagency cooperation and public-private initiatives. At the CDFI Fund, we have already begun thinking about the contributions we can make:

During FY 2002, the CDFI Fund created the Native American CDFI Assistance (NACTA) program:

38 awards were announced for a total of \$2.6 million

Another \$1.5 million set aside to implement a training program that will be designed to help Native American, Alaska Native and Native Hawaiian

communities build leadership skills enabling them to create and manage CDFIs

To date, of the 603 certified CDFIs, 24 include market areas serving Native American and Alaska Native communities and 5 serve Native Hawaiian communities

\$34 million awarded to these CDFIs since 1996

Our goal is to have 100% certified CDFI coverage in Native American, Alaskan and Hawaiian Home Lands by 2007.

The Fund is completing a strategic plan for how it will address the study's barriers. Our plans will include:

Use BEA Program to provide incentives for increased bank lending in native lands:

Introduce a demonstration project called the Native American CDFI Comprehensive Assessment Program (NACCAP) which will have three goals:

- Increase financing to businesses and individuals desiring to start or expand businesses on Indian Lands and Native Hawaiian Home lands;
- Expand the supply and quality of housing units in Indian Lands and native Hawaiian Home Lands affordable to the local population and increase homeownership rates; and
- Expand access to affordable financial services to Native Americans and Native Hawaiians.
 - Document and case study to address the Perception that lending is 'riskier'; best practices to overcome uncertainty of tribal legal structure; and demonstrate a quality loan portfolio given concerns regarding the lack of capital, collateral and credit histories

Increase equity investments on Indian Lands and Native Hawaiian Home Lands

- NMTC program

The CDFI Fund is committed to being an active partner in creating greater access to capital and equity investments throughout Indian Lands and Native Hawaiian Home Lands.

