

***Economic Development Assessment  
for the Cumberland County  
Association for Indian People***

***July 2003***

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This document in its entirety represents the findings and recommendations of the Office of Economic Development of UNC's Kenan Institute for Private Enterprise to the North Carolina Indian Economic Development Initiative (NCIEDI). The opinions are those of the authors and do not necessarily reflect the official position of the tribe or association. The acknowledgments section of each report indicates the level of interaction we had with representatives of that tribe or association.

In any case, no substantive alterations may be made in the material presented herein without the written consent of the Office of Economic Development. These findings and recommendations are intended for review by the Indian tribes and organizations and may be incorporated, as deemed appropriate and with due attribution, into plans and actions to improve the status of economic development in North Carolina's Indian communities. However, such plans and actions are the responsibility of the economic development committees of the Indian Tribes and organizations and of NCIEDI and not the Office of Economic Development. To discuss technical assistance in using this report or associated information to create economic development plans or grant proposals please contact Leslie Stewart at the Office of Economic Development, Kenan Institute for Private Enterprise, 919/962-8871.

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The findings and recommendations contained in this report are those of the authors and do not necessarily reflect the views of CCAIP or NCIEDI.



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This assessment represents an objective inventory of the assets and opportunities of the Cumberland County Association for Indian People (CCAIP) related to improving the economic condition of their communities, including the development of jobs and Indian-owned businesses. It includes consideration of the economic resources and potentials of the tribal council, other CCAIP-run organizations, CCAIP business owners and citizens, and the communities in which the CCAIP reside. This comprehensive and place-focused (rather than organization-focused) approach is consistent both with the way economic development is practiced and with the assessments UNC prepared for 10 other North Carolina tribes and associations. What each tribe and its members choose to do with those resources and potentials is a matter for local policy that this report is intended to inform.

## SECTION 1

# *Background*

### **History, Governing Structure, and Demographics**

#### *History*

The Cumberland County Association for Indian People (CCAIP) was established in 1965 as a social club. In September 1973, the Association registered with the state as a 501(c)3 non-profit organization.

#### *Governing Structure*

The CCAIP Board of Directors has nine members, with six elected members and three members appointed by the board to represent the senior and youth councils, and the business community. Elections are staggered, with two new members elected every even year. Voting members are required to have a high school diploma/GED or have three years of experience as either a business owner/manager or employee.

CCAIP offices are located on Downing Road in Fayetteville, N.C. The organization has four full-time staff (executive director, secretary, fiscal officer, and janitor) and two part-time staff (senior citizens' coordinator and craft shop sales person).

The Association's average annual budget over the last three years was approximately \$150,000. The CCAIP board manages the organization's budget and provides fiscal reports to funding agencies.

#### *Demographics*

Over the last two decades, population growth in the Fayetteville Metropolitan Statistical Area (MSA) lagged well behind that of the state as a whole (22.6 percent vs. 37 percent). According to the 2000 U.S. Census, there are approximately 4,691 Native Americans residing in the Fayetteville MSA, representing 1.5 percent of the total population. Between 1980 and 2000, the Native American population of the MSA increased by 22.6 percent, which is the same as the growth rate for the overall population. During that time the white population increased by 5.5 percent, the black population by 39 percent, and the Hispanic population by 134.4 percent.

Table 1 provides total population numbers and percentage shares for American Indian, Hispanic, black, and white population groups.

**TABLE 1**  
**Population Numbers and Percentage Shares of Population Groups**  
**Fayetteville MSA (1980–2000)**

Year	Total Population	American Indian	Hispanic	Black	White
2000	302,963	4,691	20,919	105,731	167,093
1990	274,566	4,577	12,402	87,453	170,278
1980	247,160	3,826	8,923	76,049	158,439
2000	100%	1.5%	6.9%	34.9%	55.2%
1990	100%	1.7%	4.5%	31.9%	62.0%
1980	100%	1.5%	3.6%	30.8%	64.1%

Source: U.S. Census Bureau

CCAIP has approximately 1,500 members who reside in and around the towns of Fayetteville, Hope Mills, Spring Lake, and Godwin. A high proportion of members are from the Lumbee and Coharie tribes; however, virtually all North Carolina tribes are represented in its membership as well as tribes located in other parts of the country through Natives who serve at the military bases of Fort Bragg and Pope Air Force Base.

## **Organizational Mission, Current Priority Programs, and Plans for Economic Development**

### ***Organizational Mission***

CCAIP’s mission is to enhance and promote the self-sufficiency, socioeconomic development, and self-determination of American Indians living in Cumberland County.

### ***Current Priority Programs***

- A key program for CCAIP has been its day care center, which opened in 1975. In 1995, the Association received an Administration for Native Americans (ANA) grant to expand the center to its present capacity of 103 children. The day care center serves both native and non-native children and usually operates at maximum capacity, in part because fees are lower than most other centers in the area. The current status of this and other CCAIP enterprises is discussed in more detail in “History of American Indian Economic Development Activity.”
- The Four Feathers Enterprise, which markets Native American leather, wood and ceramics products, was initiated in 1992 with a start-up grant from ANA. The enterprise operated for a decade without additional grant funds. The enterprise has employed up to three staff.
- The CCAIP operates a Native American museum that also provides a space for American Indian artisans and the Association to display items for sale to the general public.

### ***Plans for Economic Development***

The CCAIP Board is developing plans for two potential projects:

- CCAIP wants to create a non-profit construction company to help American Indian sub-contractors develop their businesses and win more contracts, particularly with the military. The Association is applying for one-year ANA grants over the next four years to fund start-up of the company. The project will have a training component with a goal to conduct eight seminars per year for the next three years. In addition, the project will assist entrepreneurs with business start-up and certification.
- CCAIP hopes to participate in an arts and crafts center in downtown Fayetteville funded by the N.C. Arts Council. The center is proposed as part of a downtown revitalization program to promote arts education and tourism. CCAIP has applied for a grant from the council to be used in marketing its crafts and to fund the salary of a staff person for the center.

There are efforts underway in the Cumberland County area, spurred by the Greater Fayetteville Futures project, which relate to both of the above initiatives. One committee on leveraging the military bases more effectively is looking specifically at enhancing local military contracting. Another is establishing a new branding campaign for the area that includes a greater emphasis on the cultural and historical assets of the Fayetteville area. (See “Social Capital” in Section 2 for more detail.)

## **History of American Indian Economic Development Activity**

### ***Occupations of Association Members***

Many Native Americans in the Fayetteville area work in the construction trades, e.g. roofing, plumbing, flooring installation, concrete work, electrical wiring, and heating and air conditioning. Professional occupations include teaching, local, and state government, nursing, and accounting.

### ***Association Member Businesses***

Some business owners live in the rural counties adjacent to the Fayetteville area and commute to find economic opportunity. At the same time, many American Indian business owners don't feel they have time to go through the process of getting a license and getting established in the larger economy. Small businesses currently operated by members include retail clothing, upholstery, picture framing, plumbing, general contracting, flooring/tile, and rental property.

Key barriers to business success are long hours; lack of reliable help; lack of financing and contracts; lack of computers; low levels of education; lack of knowledge regarding planning, marketing, and expanding a business; and a short-term perspective. Bidding for state contracts is difficult because of the small size of most American Indian contracting business. In the past, access to the economic system was difficult for American Indian business people; now there's more of a diversity “climate” with less stigma attached to being American Indian. However, it is difficult for some Native

Americans to admit their needs or ask for help, which can keep them from taking advantage of resources.

Key success factors include willpower, long-term planning, hard work, dependability, good customer service, and good financial records that can be submitted to a lending institution. American Indians often develop knowledge of the business and skills by working for an immediate family member (“growing up in it”) or an experienced business owner. As a result, several members of a nuclear family can all end up in the same trade or business.

Source of capital is usually money saved from working for years for another business owner or assumption of an existing business and its debt. To acquire rental units, entrepreneurs use property loans and look for bargains, e.g. foreclosures. This usually starts as a side business and is considered “back-up income.” Construction workers and contractors purchase rental property and learn about the real estate market from their involvement in the construction trades and membership in associations such as the Homebuilders Association and Plumbers Association.

### ***Land Issues***

Middle-aged and elderly American Indian persons tend to keep private land out of productive use, even if they are not using it themselves, because their main goal is to hand it down to the next generation.

### ***Association Enterprises***

- CCAIP has produced and sponsored an annual pow-wow for over 20 years. For the past decade, it has been held in the Memorial Arena in Fayetteville. The event is usually well attended by American Indians in the CCAIP service area as well as other associations and tribes across the state (approximately 1,500 people in 2002).
- About a year ago, the arts and crafts center associated with the Four Feathers Enterprise temporarily closed when the director had to take medical leave. CCAIP provided funding for the director to attend ceramics school and upgrade her technical and business skills, but this knowledge and experience left with her. Currently, the center is open by appointment only, customers schedule appointments to purchase crafts or place orders. The closure of the center has reduced income for the Association, which has in turn reduced its ability to participate in community networks such as the local Chamber of Commerce.
- The CCAIP day care center had to close two years ago because its heating and air conditioning system failed to pass new building codes. The Association plans to move the day care center to a new location and is in the process of renovating the facility in order to reopen the center.

### ***Partnering and Resource Pooling***

In the mid- to late-1980s, a group of 12 business owners (including native and non-native persons) in the CCAIP service area created a business training “cooperative.”

The group met quarterly to share ideas and information about successful business strategies, how to access funding and contracts, and how to advertise products and services. The cooperative lasted for 4–5 years until some members became very successful and stopped attending.

Training is needed to move American Indian entrepreneurs into the mainstream economy. Currently, there is not enough of the right training offered and what is offered is not being used. Better marketing of business training is needed as well as implementation of rudimentary business principles. Many American Indian business owners get stuck at the entry level, partly because they have no information about accessing Small Business Association (SBA) loans or bank loans.



## SECTION 2

# *Strategic Assets and Critical Challenges*

In evaluating the strategic assets and critical challenges of each North Carolina tribe and association, the UNC team used a framework that looks at four types of capital: physical, human, financial, and social. Economic developers have always recognized the importance of physical infrastructure and workforce; the addition of financial and social capital reflects an increased emphasis in the knowledge economy on business finance and networks.

Below we summarize our key findings from statistical data, focus groups, individual interviews, and review of tribal documents (where available).

### **Physical Capital**

#### *Land and Buildings*

Cumberland County has 653 square miles of land area and 3,668 acres of available sites for business development (0.88 percent of total land). Major municipalities are Fayetteville and Hope Mills. Fayetteville serves as the county seat. The Greater Fayetteville area is a metropolitan statistical area (MSA) with approximately 300,000 residents.

The average cost of industrial land in Cumberland County is around \$10,000 per acre; the price has risen only slightly over the last decade. Office space is plentiful and costs on average between \$12 and \$15 per square foot.

CCAIP leased the Les Maxwell school and grounds from Cumberland County from 1991 to 2001. In response to a request from Association leaders, Cumberland County commissioners granted ownership of the school building and grounds (12 acres) to the Association in 2002. The property is currently valued at \$1.4 million. Although it has decreased in the last two years, one barrier to development is repeated vandalism resulting in a repair cost to the Association of approximately \$100,000 over the last decade. The property also has a high water table, which may make development more expensive. The property is zoned as residential, but this does not threaten to interfere with the Association's current plans.

### ***Infrastructure***

Interstate 95 runs in a northeast/southwest pattern through Cumberland County, passing within 2 miles of the City of Fayetteville. Several major state roads, including Highways 421 and 401, connect Fayetteville with municipalities in the Triangle and Triad areas.

Located in and owned by the City of Fayetteville, Fayetteville Regional Airport serves a 12-county area in southern North Carolina, along the I-95 corridor. It is serviced by two airlines: U.S. Airways, with seven daily departures to its Charlotte hub and Delta, with five daily departures to its Atlanta hub.

Fayetteville Area System of Transit, or FAST, operates fixed-route bus service within the City of Fayetteville, and between Fayetteville and Hope Mills, Spring Lake, and Fort Bragg. FAST provides transportation services, authorized by the Department of Social Services, for citizens of Cumberland County with medical appointments and operates dial-a-ride para-transit services for eligible residents of Fayetteville and nearby areas of Cumberland County. Reservations to ride must be made at least 24 hours prior to planned travel times. Greyhound provides scheduled intercity bus service to the Fayetteville terminal. Amtrak's north-south Meteor and Palm trains have scheduled daily service to the Fayetteville train station.

Progress Energy, South River Electric Company, and the city of Fayetteville's Public Works Commission (PWC) supply electricity to Cumberland County. N.C. Natural Gas provides natural gas service. PWC provides water and sewerage services. Approximately 83.8 percent of households in the Fayetteville MSA have access to high-speed Internet.

Cumberland County has abundant natural resources including the Cape Fear River, the Little and South Rivers, and several creeks.

### ***Housing***

According to the 2000 Census, there are 107,391 households in Cumberland County. The home ownership rate is 59.4 percent.

The Self-Help Credit Union is a community development lender that provides low-cost, low interest home loans on properties located in North Carolina to people who are underserved by conventional lenders. Self-Help also offers commercial loans for new and existing North Carolina businesses and non-profits. The Self-Help office for Cumberland and the nine surrounding counties in the southern Piedmont region is located in Fayetteville. Twelve Fayetteville banks participate in the N.C. Housing Finance Agency's program that offers low-interest mortgages for first-time homebuyers with income and net assets under specified limits.

## **Human Capital**

### ***Leadership***

Many CCAIP leaders are also well-known as leaders in the larger community and represent a wide range of professional and business expertise — from housing management to local government to business. A small core group has been working with

the organization since its inception. Others, particularly from the business community, have been intensely involved for a number of years but have eventually left the organization to dedicate more time to their businesses or families. Several leaders interviewed during the assessment expressed a willingness to mentor young people, both as entrepreneurs and upcoming Association leaders.

The idea of mentoring fits well with American Indian culture and values. The CCAIP experience has been that area business owners are willing to be mentors; however, the price of success is often that they become too busy to be actively involved in an association, or are involved for a number of years and then drop out.

***Economic Development Committees or Staff***

The Association does not have an economic development committee. Standing committees that perform functions related to economic development or tribal enterprise management are the Pow-wow Committee and the Planning Committee.

***Key Employers and Entrepreneurs***

Table 2 lists Cumberland County’s 10 largest private-sector employers. The largest employers of American Indians in the area are Purolator Products and Kelly Springfield. Between 1997 and 2002, approximately 3,960 people were laid off in Cumberland County. Industries most affected by closings included business services, transportation equipment, non-durable goods, and rubber and plastics products. Business start-up and failure rates were 10.4 percent and 7.8 percent, respectively. Investments for expansion of businesses from 1997 to 2001 totaled 111.3 million and created 1,461 jobs.

**TABLE 2  
Largest Private-Sector Employers in Cumberland County**

<b>Business</b>	<b>Industry Description</b>
Wal-Mart Associates Inc.	retail trade
Goodyear Tire and Rubber Inc.	manufacturing
Black & Decker Inc.	manufacturing
Purolator Products Inc.	manufacturing
M. J. Soffe Co.	manufacturing
Fluor Daniel Services Corp.	construction
Food Lion	retail trade
Cutler Hammer Inc.	manufacturing
Cingular Wireless	retail trade, transportation, communication, utilities
E. I. Dupont de Nemours & Co. Inc.	manufacturing

Source: N.C. Employment Security Commission

***Workforce Attributes and Existing Skills***

In the 2<sup>nd</sup> quarter of 2001, there were approximately 107,000 Cumberland County residents in the labor force and the average unemployment rate for the year was 5.4 percent. Median household income in Cumberland County in 1999 was \$37,466 with 12.8

percent of the population living below the poverty level. The mean travel time for workers 16 years and older was 22 minutes.

Table 3 provides a breakdown of the percentage of employment in each employment sector. Largely as a result of the military bases in Cumberland County, government is the largest sector of the economy, accounting for nearly 30 percent of total employment. However, the trade sector is also a vital sector, representing over a quarter of employment while manufacturing provides slightly over one-tenth of jobs in the county.

**TABLE 3**  
**Cumberland County Employment by Sector,**  
**Second Quarter, 2001**

<u>Employment Sector</u>	<u>Percent Share of Labor Force in Cumberland County</u>
Construction	4.2
Manufacturing	11.3
Services	20.1
Trade	27.0
Fin., Ins. & Real Estate	3.4
Government	28.9

Source: N.C. Department of Commerce,  
<http://emedis.commerce.state.nc.us/countyprofiles/>

Association leaders report that American Indian workers in the Fayetteville area (and perhaps across the state) have technical skills but don't have the resources to develop business skills. Many are between middle-age and retirement-age, are reluctant to incur debt, and have not been exposed to ideas such as a business plan. Most have had limited access to business training and some are not high school graduates.

Few American Indian construction workers have health care or disability benefits and they are not in the habit of planning ahead to manage lean times that occur from bad weather, etc.

American Indian contractors feel intimidated by complicated bidding processes and are not aggressive enough to find the resources they need, e.g. "Fort Bragg contracting is a quagmire." Instructors at federal government contracting seminars offered by national public accounting firms assume that attendees already have a fairly high-level understanding of topics such as SBA loans. Very few Native Americans attend these seminars; rather, they need seminars in their communities and more customized assistance for processes such as certification. As part of the Greater Fayetteville Futures project, there are now more opportunities for small business owners to attend information sessions about military contracting, which are pitched to a more basic level.

### ***American Indian Youth***

American Indian young people in Cumberland County are becoming more assertive in getting resources and seeking out opportunities whereas their parents and grand-

parents relied more on determination and hard work to be successful. However, member businesspersons expressed the view that Native American youth need older people to guide them. In addition, many feel that a college education is a good asset, even if the young person decides to start a business or play professional sports.

### ***Workforce Development Institutions***

The 2000 Census revealed that only 15 percent of the general population 25 years and older in the Fayetteville MSA have not completed high school, compared with 31 percent of Native Americans. About 28 percent of all residents have just a high school diploma and approximately 9.3 percent and 13.1 percent, respectively have gone on to earn associate degrees and bachelor's degrees. By contrast, 34 percent of Native Americans have only a high school diploma although approximately the same percentage (34.9) have attended college. The percentage of American Indians completing associate, bachelor's, and graduate degrees is 6.7 percent, 7.1 percent, and 3.8 percent, respectively.

Cumberland County is home to Fayetteville State University (FSU), Methodist College and Fayetteville Technical Community College (FTCC). The Business Services area of FTCC offers specialized computer courses, instructor and license support training, and customized educational programs in supervisory skills and communication.

Area JobLink Career Centers provide job and training seekers access to information on unemployment insurance, education and training opportunities, and services such as career guidance, resume preparation, job placement and referral to partner agencies. Services available to employers include work recruitment assistance, rapid response assistance for plant closings, and information on worker training and tax credits and hiring incentives. The Cumberland County JobLink Career Center is located in Fayetteville on Ray Avenue.

## **Financial Capital**

### ***Federal or state grants***

Major sources of grants for CCAIP programs are the ANA and the N.C. Arts Council. The Cumberland County Community Development (CCCD) department provides microloans for businesses and administers various federal and state grant programs. The CCCD staff provides ongoing technical assistance to community-based development organizations.

### ***Sources and Amounts of Program Funds***

In Table 4, we present detailed information on the Association's most important programs as reported by Association leaders:

**TABLE 4**  
**Current Priority Programs**

<u>Program Name</u>	<u>Funding</u>	<u>Amount</u>	<u>Dates</u>	<u>Program Activities</u>
Day Care Center	Parent fees	\$41,228 per year	1975 – 2000	The center expanded in 1995 to its present capacity of 103. The facility's heating system is currently being upgraded so the center can re-open.
Four Feathers Enterprise	Self-supporting (ANA 1st year start-up funding)	\$1,221	1992 – present	The Four Feathers sells American Indian leather, wood, and ceramics arts/crafts. The center is currently open by appointment only.

In addition, the CCAIP Native American museum provides educational exhibits and American Indian crafts for sale to the general public.

***Local Sponsors/Partners***

Cumberland County’s department of Community Development keeps a list of approved contractors for local government construction projects, and encourages its contractors to use minority and women-owned businesses. American Indian-owned businesses can apply to be included on this list.

The Women’s Center of Fayetteville (see [www.wcof.org](http://www.wcof.org)) has a variety of business loans, informational seminars, and other programs for women-owned businesses in the region.

The Cumberland Community Foundation (see [www.cumberlandcf.org](http://www.cumberlandcf.org)) is a community foundation for Cumberland County and southeastern North Carolina that raises funds from private and national foundations for various community purposes. CCF makes grants to local nonprofit organizations that apply for project funding that fits donors’ wishes.

***Utilities with Economic Development Funds***

PWC, the locally owned utility company, has a special economic development rate schedule for new or expanding businesses provided that the customer meets certain qualifications and has signed an electric service contract for an initial term of no less than five years. This rate schedule is applicable to the first 36 months of service only and is based on 90 percent of the otherwise applicable general service rate.

Progress Energy, which also serves Cumberland County, has an economic development rider that offers discounts over a five-year period on the electricity demand charges for new loads over 1,000 kilowatts. To be eligible for discounts, business owners or corporations must satisfy certain employment and investment conditions.

***Local Lenders***

Omni National Bank, headquartered in Fayetteville, offers a variety of commercial loans including real estate, construction, and equipment loans. Omni also participates in SBA and USDA loan guaranty programs. Omni’s Business and Industry Loan Pro-

gram is designed for both for-profit and non-profit firms and American Indian tribes that need money for land, buildings, machinery, equipment or working capital. See [www.onb.com/business.htm](http://www.onb.com/business.htm).

First South Bank (formerly Home Federal) and Guaranty Savings and Loan in Fayetteville have provided funding to CCAIP members for acquisition of rental property.

### ***Venture Capital Programs***

There are currently no venture capital companies based in Fayetteville. There are several venture capital firms located in the Research Triangle region, including Eno River Capital and Intersouth Partners in Durham and the Halifax Group and Palisade Ventures in Raleigh.

## **Social Capital**

### ***Institutions***

Les Maxwell School served American Indian students from 1954 to 1967.

### ***Technology-based Resources***

Currently, CCAIP does not have a web site.

### ***Small Business Resources***

FTCC's Small Business Center offers small business counseling, specialized seminars on management and technical skills, and a resource center. Also, FTCC participates in the very successful Rural Entrepreneurship through Action Learning (REAL) program, which is designed to assist aspiring entrepreneurs start a business or trade.

Association leaders feel that small business centers in their area are not effective at providing technical assistance. Rather, they provide "10,000 papers" for folks to fill out. Based on UNC interviews with Small Business Center directors, it appears that they find managing expectations and developing trust both to be very challenging in dealing with people who want to start a business and don't know where to start. Part of their job, they say, is to help people make their own realistic and frank self-assessment of the likely success of their business before they start to leverage their life savings on a venture that is likely to fail for lack of a good business and marketing plan.

### ***Diversity of Population***

Fayetteville is sometimes called the state's best melting pot, because there is a high level of racial and ethnic diversity in the area (due mainly to the military bases). The area residents tend to have a broader and more inclusive perspective. Cultural diversity is more accepted and there is less stereotyping compared to other areas of the state. As a result, some services needed by Native Americans are already in place.

### ***Regional and State Initiatives***

Cumberland County is one of 11 counties served by North Carolina's Southeast regional partnership, based in Elizabethtown. Its self-description is "a vibrant public-

private partnership offering a single point of contact for businesses looking to expand, or relocate into any of the 11 counties that make up southeastern North Carolina.” Its focus is primarily on recruiting new businesses into the region, rather than on assisting small business owners. It does, however, have a strong network of contacts and links, and it has had American Indian board members in the past.

Senator Tony Rand, who represents Cumberland County, has been very active in supporting improved military contracting for North Carolina businesses, and for being an effective advocate in the state legislature for that region more generally.

### ***Community Resources and Networks***

The Greater Fayetteville Futures project<sup>1</sup> has helped to create a larger store of social capital for Cumberland County, by bringing together diverse groups to forge an economic development action plan for the county centered around three main goals:

- Developing a unified vision for the economic development of the county
- Leveraging the military bases for greater local economic advantage
- Improving the image of Greater Fayetteville

Committees organized around each of these goals are proceeding with implementation. CCAIP should participate in the military committee to capitalize on the programs they are developing to educate prospective military contractors about the application processes and bidding opportunities.

For the last three years, CCAIP has worked with American Indian families who have organized to promote its services to the several hundred Native Americans stationed at Fort Bragg and Pope Air Force Base. For example, CCAIP has developed flyers for distribution that describe the services offered by the organization. However, the transience of the military population has undermined the success of this effort; CCAIP staff has to establish new relationships every 1–2 years because of the high turnover of leaders.

The Fayetteville Business and Professional League<sup>2</sup> is the longstanding voice for minority business owners and professionals in Cumberland County. Another local resource that works well with minority micro-enterprises, including construction contractors, is the Cumberland Regional Improvement Corporation.

CCAIP is a member of the minority business council for Fayetteville/Cumberland County but minority programs have not been very useful for (or patronized by) Native Americans. Association leaders feel that American Indian entrepreneurs would respond best to seminars that are held in their own communities and need assistance in making connections with mainstream resources.

The CCAIP director has initiated preliminary discussions regarding development of the Les Maxwell School and surrounding 12 acres with the Cumberland County Community Development (CCCD) department.

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1. See [www.greaterfayettevillefutures.com](http://www.greaterfayettevillefutures.com)

2. See [www.fayettevillebusiness.com/league/](http://www.fayettevillebusiness.com/league/)

## SECTION 3

# *Most Promising Opportunities for Economic Development*

### **Conclusions**

- Population growth in Cumberland County has not kept pace with the state average over the last two decades (22.6 percent versus 37 percent); however the population is becoming more diverse. The Native American population increased by the same percentage as the general population but less than other minority groups: the black population increased by nearly twice as much and the Hispanic population grew at a rate that was approximately six times that of the American Indian population.
- In 2001, unemployment and poverty rates in Cumberland County were the highest of all the urban counties included in the NCIEDI economic development assessment. The proportion of Native Americans without a high school diploma is approximately twice as high as for the general population (2000 census). However, the number of American Indians with either a high school diploma or associate degree as their terminal degree was much closer to that of the general population.
- Native Americans in the Fayetteville area have a lack of visibility in the business sector, even though many are successful business owners, largely because they are reluctant to seek help or resources and usually get their technical and business experience by working for family members.
- The Fayetteville area has a number of well-regarded higher learning institutions and small business centers.

### **Key Assets**

- Technical skills and experience of area Native American tradespeople, sub-contractors, and business owners
- Demand for CCAIP day care center services
- Continuity and longevity of the Association's crafts marketing and sales

- Highly diverse area population, with less stigma and more resources for minorities
- Business training cooperative established in 1980s as model for mentoring
- Good geographic location, transportation modes, and access to other N.C. urban regions

## **Key Challenges**

- A number of American Indian business owners without business license, business management skills, and visibility in the larger economy
- Small size of most Native American contracting businesses
- Lack of capital and information about accessing SBA, bank and other loans
- Dependence on the knowledge of one or two staff to run Association enterprises
- Tribal-owned property with low economic potential and damage from vandalism

## **Recommendations**

### ***General Recommendations***

- Position the Association to be more visible in the community and a player in community development.
- Drawing on staff understanding of cultural barriers and experience in dealing with Native American workers and entrepreneurs, develop strategies for providing intermediary technical assistance and support to Natives who wish to take advantage of mainstream resources.
- Take advantage of the mentoring ethic of the Native business community to develop a business mentoring program that does not overtax any one volunteer. Focus on mentoring youth who want to be entrepreneurs.
- Support women-owned businesses as a strategy to increase federal contracting and provide economic opportunities for Native women.
- Become knowledgeable of and involved in Greater Fayetteville Futures, a countywide effort, driven initially by the local business community, to improve and diversify the local economy. Explore how the Greater Fayetteville Futures project goal of leveraging the military to create better economic opportunities fits with CCAIP's goal to support American Indian construction workers to participate in contracts issued by Fort Bragg, particularly those related to the new housing initiative.

Resources: For further information see [www.greaterfayettevillefutures.com](http://www.greaterfayettevillefutures.com).

### ***Specific Projects/Activities***

- Work to get a CCAIP member on local community and economic development boards and commissions, to give Indian people a stronger voice and involve-

ment in local policy and opportunity. Start attending public meetings of the county commission, arts council, etc.

Resource:

- Arts Council, [www.theartscouncil.com](http://www.theartscouncil.com), Deborah Mintz, 910/323-1776. She was active in Greater Fayetteville Futures and interested in involving Indian artisans in local arts initiatives.

- Apply to the Cumberland County Community Development Department to become a “community-based development organization” or CBDO. This would position the CCAIP to take on various community economic development or energy conservation projects that could help Indian business owners from an ongoing source of funding. Federal rules require that a certain percentage (15 percent) of the county’s annual funding of \$800,000 goes to CBDOs, and there are currently none in the county so the CCAIP may be able to get \$120,000 per year. The CCAIP would have to provide information about its board, by-laws and 501(c)3 status to apply to be a CBDO.

Resource:

- Cumberland County Community Development: Thanena Wilson, 910/323-6112.
- Designate a member of the Association to act as a liaison between the American Indian community and resource institutions in the larger community. Have that person attend the programs offered by minority and other organizations,<sup>3</sup> and then establish an active outreach program that includes a resource guide for Indian business owners with information on what programs are available, the commitment of time and money needed, and the potential results that could be achieved.
- Create a business support task force that will work to simplify business start-up for Native American entrepreneurs, focusing particularly on permitting processes, using free consulting services, and business planning.
- Provide an Association representative for the Greater Fayetteville Futures’ task force on leveraging military contracts, which is working to educate prospective military contractors about the application processes and bidding opportunities. The CCAIP representative should disseminate regular reports to Indian contractors and subcontractors about the work of the task force and opportunities for training.

Contact:

- Jayne Hammonds, a Native American who works as a career consultant at Pope Air Force Base and was involved in the Greater Fayetteville Futures

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3. Examples include the Women’s Center of Fayetteville ([wcof.org](http://wcof.org)) and the Fayetteville Business and Professional League ([www.fayettevillebusiness.com/league/](http://www.fayettevillebusiness.com/league/))

project from the start: 910/394-2538. She provided this information about the people establishing the databases of contractors: Ms. Leslie Crawley, Pope Air Force Base, 910/394-6244; and Ms. Aman, Fort Bragg, 910/396-9133.

- Explore the feasibility of establishing a non-profit construction company. For the first stage, seek program and financial partners in the larger community. For example, explore the programs available through the Minority Contractors Resource Center in Fayetteville; it offers professional managerial technical assistance, and specialized training, enabling minorities to access various construction opportunities. The Center has a plans room, computers, meeting space and monthly workshops. In addition, the staff works with the minority contracting community to identify market opportunities and assist with the development of formal relationships between city, county, and state representatives. In addition, Cumberland County's community development department keeps a database of local construction contractors and encourages Native Americans to apply.

Resources:

- Institute for Minority Economic Development, which has a seat on the NCIEDI board (Cynthia Clemmons). See [www.ncimed.com/construction/index.cfm](http://www.ncimed.com/construction/index.cfm) or call Lloyd Dunn at 530-8780.
  - Cumberland County Community Development: Thanena Wilson, 910/323-6112.
- Meet with representatives of local lenders that target non-profits, such as the Self-Help Credit Union and Omni, to learn more about their programs and how they might benefit Native American business owners.

Resource:

- [www.selfhelp.org/commercialending/index.asp](http://www.selfhelp.org/commercialending/index.asp)