

***Economic Development Assessment
for the
Metrolina Native American Association***

July 2003

Brenda Linton, Senior Associate, OED
and
Leslie S. Stewart, Associate Director, OED

Office of Economic Development
www.oed.unc.edu



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.

Acknowledgments

The UNC assessment team would like to acknowledge the important contributions of several members of the Metrolina Native American Association (MNAA) who facilitated our work in conducting this assessment. Letha Strickland provided copies of written documents, set up or provided contact information for individual interviews, coordinated the Association's focus group, and arranged for review of the team's findings and recommendations by the MNAA board. Patrick Clark, Earlene Stacks, and Lee Roy Epps supplied key preliminary information to the UNC team. We would also like to thank Patrick Clark, Chair Person, and the MNAA board for reviewing the report draft and providing suggestions to make this report more comprehensive and useful to MNAA.

We thank the North Carolina Indian Economic Development Initiative, the N.C. Rural Economic Development Center, and the Progress Energy Foundation for sponsoring and supporting this assessment project conducted jointly by two UNC campuses, Chapel Hill and Pembroke. We also would like to thank Russell Hieb and David Kiel for their guidance and facilitation of this multi-faceted effort. And we appreciate the help of Greg Richardson and Kim Hammonds for hosting the September 2002 project kickoff meeting of all the tribes and associations at the offices of the North Carolina Commission on Indian Affairs in Raleigh.

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

Contents

| | |
|--|-----------|
| <i>Acknowledgments</i> | 1 |
| Section 1: Background | 5 |
| History, Governing Structure, and Demographics | 5 |
| <i>History</i> | 5 |
| <i>Governing Structure</i> | 5 |
| <i>Demographics</i> | 5 |
| Organizational Mission, Current Priority Programs, and Plans for Economic Development | 6 |
| <i>Organizational Mission</i> | 6 |
| <i>Current Priority Programs</i> | 6 |
| <i>Plans for Economic Development</i> | 7 |
| History of American Indian Economic Development Activity | 7 |
| <i>Occupations of Association Members</i> | 7 |
| <i>Association Member Businesses</i> | 7 |
| <i>Association Enterprises</i> | 9 |
| Section 2: Strategic Assets and Critical Challenges | 11 |
| Physical Capital | 11 |
| <i>Land & Buildings</i> | 11 |
| <i>Infrastructure</i> | 11 |
| <i>Housing</i> | 12 |
| Human Capital | 13 |
| <i>Leadership</i> | 13 |
| <i>Economic Development Committees or Staff</i> | 13 |
| <i>Key Employers and Entrepreneurs</i> | 13 |
| <i>Workforce Attributes and Existing Skills</i> | 14 |
| <i>Workforce Development Institutions</i> | 15 |
| <i>Diversity of Local Population</i> | 15 |

| | |
|---|-----------|
| Financial Capital | 15 |
| <i>Federal or state grants</i> | <i>15</i> |
| <i>Sources and Amounts of Program Funds</i> | <i>16</i> |
| <i>Scholarships.....</i> | <i>16</i> |
| <i>Corporate Sponsors/Partners</i> | <i>16</i> |
| <i>Utilities with Economic Development Funds</i> | <i>17</i> |
| <i>Local Banks.....</i> | <i>17</i> |
| <i>Venture Capital Programs.....</i> | <i>18</i> |
| Social Capital | 18 |
| <i>Institutions.....</i> | <i>18</i> |
| <i>Technology-based Resources.....</i> | <i>18</i> |
| <i>Small Business Resources</i> | <i>18</i> |
| <i>Regional and State Initiatives</i> | <i>19</i> |
| <i>Community Resources and Networks.....</i> | <i>19</i> |
| Section 3: Most Promising Opportunities for Economic Development | 21 |
| Conclusions | 21 |
| Key Assets | 22 |
| Key Challenges | 22 |
| Recommendations | 22 |
| <i>General Recommendations.....</i> | <i>22</i> |
| <i>Specific Projects/Activities</i> | <i>23</i> |

This assessment represents an objective inventory of the assets and opportunities of the Metrolina Native American Association (MNAA) Indians 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 MNAA-run organizations, MNAA business owners and citizens, and the communities in which MNAA members 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 Metrolina Native American Association (MNAA) was organized in the early 1970s by a group of American Indian families who met in each other's homes with the goal of assisting native people in the area to stay connected. The Association was chartered in 1976 and became a 501(c)3 non-profit organization the same year. By the late 1980s, MNAA had become one of the most resource-rich urban Indian organizations in the state.

Governing Structure

The MNAA Board of Directors has seven members, elected at large, who serve three-year, staggered terms. The MNAA Board is ethnically and educationally diverse. Board meetings are held on the second Monday of every month at the Metrolina offices. MNAA currently has one full-time staff person who both manages the day-to-day operations and serves as director of the Workforce Investment Act (WIA) Program.

The average annual budget over the last three years was approximately \$200,000. The WIA Director submits monthly fiscal reports to board members and, after board review and approval, sends out status reports to funding agencies. The main priorities of the MNAA board over the next two years are to procure an office building and cultural center for the Association's activities, and to develop enough revenue to hire more staff.

Demographics

Over the last two decades, the Charlotte Metropolitan Statistical Area (MSA) has experienced a higher rate of population growth than any other MSA in the state and over 3.5 times that of the state as a whole (135 percent vs. 37 percent). According to the 2002 U.S. Census, there are 7,392 Native Americans residing in the Charlotte MSA, representing 0.5 percent of the total population. Between 1980 and 2000, the Native American population of the MSA increased by 237 percent. During that time the white popu-

lation increased by 124 percent, the black population by 121 percent, and the Hispanic population by 1,285 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
Charlotte MSA (1980–2000)

| Year | Charlotte MSA | American Indian | Hispanic | Black | White |
|------|---------------|-----------------|----------|---------|-----------|
| 2000 | 1,499,293 | 7,392 | 76,277 | 307,102 | 1,103,627 |
| 1990 | 1,162,093 | 4,107 | 10,671 | 231,654 | 911,904 |
| 1980 | 637,218 | 2,196 | 5,508 | 138,719 | 492,171 |
| 2000 | 100% | 0.5% | 5.1% | 20.5% | 73.6% |
| 1990 | 100% | 0.4% | 0.9% | 19.9% | 78.5% |
| 1980 | 100% | 0.3% | 0.9% | 21.8% | 77.2% |

Source: U.S. Census Bureau

MNAA has 175 registered members in the 10-county service area,¹ of which about one-third are active. Seventy percent of MNAA members are Lumbee but nearly all of the N.C. tribes are represented, as well as tribes such as the Ute and Chippewa-Winnebago.

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

Organizational Mission

MNAA’s mission is to promote cultural awareness and economic development, to provide job training and placement, and to provide for the well-being of Indian people.

Current Priority Programs

- MNAA’s main program focus is its Workforce Investment Act (WIA) Program, which provides referrals for employment, GED prep/testing, and academic and career counseling as well as classroom training programs. The WIA Program is funded by an annual grant from the U.S. Department of Labor. The grant funds the participation of 40–50 participants per year; in addition, the director works on a volunteer basis with all additional persons seeking assistance. The Association has recently applied for a federal grant to develop computer and Internet training.

1. Metrolina includes Cabarrus, Catawba, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanley, and Union Counties.

- MNAA partners with the Mecklenburg County School System to sponsor an annual Native Youth Day on the campus of Central Piedmont Community College. The event takes place on the first Friday in February.
- MNAA operates a program for senior citizens, which provides scheduling and transportation for medical services and recreational opportunities.
- The Metrolina Native American Youth Organization focuses on heritage/cultural activities, music and dance classes, and sports.
- The Association sponsors the MNAA Princess Pageant as an annual community event for all American Indian tribes in the region. The pageant takes place on the first Saturday in November at UNC-Charlotte. Contestants may be affiliated with any tribe but must reside in the Metrolina region. Approximately 80 people attended the 2002 pageant.

Plans for Economic Development

MNAA has developed a strategic plan for 2002–2006. The five goals of the Association as delineated in the strategic plan are to:

- Encourage effective and responsible governance of the MNAA through leadership development and planning, and by stimulating effective partnerships throughout the community and state.
- Create and nurture an environment that ensures access, involvement, and support of Native American cultural and artistic endeavors.
- Increase opportunities to educate the public about MNAA programs, activities, and services, and solicit increased participation.
- Address the financial needs of MNAA by seeking increased funding and expanded resources.
- Explore opportunities for establishing a physical “home” for MNAA so that Native American culture can be more visible and Indians in the Metrolina area can be more active participants in accomplishing the community’s overall goals.

History of American Indian Economic Development Activity

Occupations of Association Members

Association members work in a wide range of professional fields, such as real estate, investment capital, public accounting, law, health care, and medicine. Corporations employing area American Indians include Lay’s (food products), Winsocket (twine and fabric), Carolina Medical Center, and University Regional Hospital.

Association Member Businesses

Businesses started by current and former Association members include dental labs, construction and specialty subcontracting, drywall finishing, landscaping, printing, chemical and pharmaceutical manufacture, automobile dealerships, parking garages, florists, dance studios, and retail women’s clothing stores.

According to the American Indian entrepreneurs interviewed during this assessment, their level of success is directly related to access to working capital because it helps both to increase competitiveness in the short-term and to facilitate business expansion. For some businesses, computer and Internet skills are a necessity and seeking out good information about tax laws, local regulations and permitting, and how markets function can increase profits. Business owners have used a variety of marketing/advertising mechanisms, including word-of-mouth, newspaper ads, flyers, and special discounts for new customers.

Successful business owners advocate:

- starting small
- working hard
- using savings as capital
- joining associations to share ideas
- establishing and maintaining a good reputation
- building relationships with customers
- using a home office and unpaid labor of family members
- providing quality work at a low cost
- apprenticing with or seeking advice from an experienced business owner
- understanding how to function in the market place, and
- using federal and state business programs rather than relying on the American Indian population for revenue and capital.

Barriers for business owners are lack of starting capital, unfavorable terms for commercial credit, and an unstable labor market. Some business owners have expanded quickly and then been forced to scale back in a few years because of problems like unreliable workers. Others in the construction industry have built or renovated houses, used them as a primary dwelling, and sold them several years later for a profit. Those interviewed were disappointed to find that local banks required a substantial amount of collateral to approve a commercial line of credit. At the same time, respondents who have been successful at growing their businesses felt that mechanisms such as revolving loan funds were preferable to grants as they allow entrepreneurs to take responsibility for their own success and to gradually build up a credit record.

In the construction industry, contract procurement is heavily influenced by a “buddy system” that makes contacts as important as quality work. In this environment, minority business owners often find themselves in the position of just supplying labor. For example, American Indians in the area have been unsuccessful in their attempts to turn a profit from commercial construction (e.g. office buildings in downtown Charlotte). Although some have tried to use minority set-asides to “get their foot in the door,” they received a lower rate of pay than other contractors and this set a precedent for future contracts.²

2. Most minority set-asides for federally funded contracts require that a certain percentage of work be carried out by minority or women-owned firms but do not stipulate a rate of pay.

Association Enterprises

- Since 1991, MNAA has hosted two pow-wows each year. The fall pow-wow is held on the last weekend in September at Indian Trail Elementary School (located about 10 miles east of Charlotte). Over the last two years, the fall pow-wow has produced a net loss of approximately \$2,000; as a result, the board has decided to discontinue this event until additional funding can be found.

The three-day spring pow-wow takes place on the first weekend in May at Pearl Park in Charlotte. Featured activities include exhibition and competition dancing, with approximately \$4,000 awarded each year, and the sale of food and native arts/crafts. In addition, raffles and blanket dances are used to solicit donations to help cover pow-wow costs or to support a community need. Approximately 10 volunteers assisted Association staff to put on the 2003 spring pow-wow which drew between 4,000 and 5,000 people. The pow-wow provided the Association with a net profit of around \$2,500 with revenues coming from admission and vendor fees, program ads, and raffle tickets.

In 2003, MNAA also procured a \$20,000 grant from the N.C. Arts Council to bring in dancers and drummers and to conduct interactive workshops during Youth Day.³ In addition to its educational value, MNAA leaders believe that this “living experience” of Native American culture can help to dispel stereotypes and myths and foster cross-cultural knowledge, empathy, and understanding in the Metrolina region. The Association hopes to secure funding to offer these activities in subsequent years.

- The MNAA Board is working to determine the kind of businesses the Association should support and promote in the future, e.g. telephone call center, assisted living center, adult day care in partnership with the city.

3. Elementary school students from the Mecklenburg County School system attend the first day of the spring Pow-wow as a scheduled field trip.

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 & Buildings

Mecklenburg County has 526 square miles of land area and 3,192 acres of available sites for business development (1.0 percent of total land). Major municipalities are Charlotte, Mint Hill, Huntersville, and Matthews. Charlotte serves as the county seat. Greater Charlotte is the largest metropolitan statistical area (MSA) in North Carolina with approximately 1.5 million residents. The average cost of industrial land in the Charlotte area is around \$95,000 per acre, though the price varies greatly depending on location. The average cost of office space is about \$20 per square foot.

MNAA's office space is currently provided without charge by a Native American who owns an office building in Charlotte. Members report that the majority of American Indian people in the area do not own property outside their primary dwellings or businesses. However, several highly successful American Indian business owners have invested in rental properties, business parks, office buildings, and undeveloped commercial property.

Infrastructure

The regional economy and infrastructure are in good shape to support business development and job creation. Interstate 85 enters Mecklenburg County from the northeast and continues west into Gaston County, N.C. Interstate 77 runs through the county in a north-south pattern and into bordering York County, S.C. Both Interstate high-

ways pass through the Charlotte MSA. Owned and operated by the city of Charlotte, Charlotte Douglas International Airport serves commercial, cargo, corporate, private, military, and trucking operations. The airport averages 520 daily flights and serves 23 million passengers annually.

The Charlotte Transit System operates fixed-route bus service and para-transit services for the city of Charlotte and nearby suburbs in Mecklenburg County, including service to area universities, the Charlotte passenger train station, and Charlotte-Douglas International Airport. Deviated fixed-route service for general public riders also operates in suburban Matthews to connect passengers with the Charlotte Transit System. Charlotte's Center City Circuit operates free shuttle transit service in the city's Uptown banking and commerce district and many bus routes connect at the Uptown Transportation Center.

Mecklenburg County Transportation Services, or MCTS, provides deviated fixed-route, subscription, and dial-a-ride transportation services for citizens of Mecklenburg County who reside outside Charlotte. Metro Vanpool coordinates ridesharing within the Charlotte MSA to allow employees to share a ride to work for a fraction of commuting costs. In addition, several public and private transit systems in the Charlotte metropolitan region operate commuter buses and special-event transportation to Uptown Charlotte from surrounding suburbs, including Concord, Gastonia, Huntersville, Kannapolis, Monroe and Rock Hill, South Carolina. Greyhound provides scheduled intercity bus service to the Uptown Charlotte terminal and suburban bus terminals located in Gastonia, Concord, Monroe and suburban Rock Hill, S.C. North Carolina's state-supported Carolinian and Piedmont trains and Amtrak's north-south Crescent train have scheduled daily service to the Uptown Charlotte train station. The Crescent train also provides scheduled daily service to the suburban Gastonia train station and the Crescent, Carolinian and Piedmont trains have scheduled daily service to the suburban Kannapolis train station.

Charlotte-Mecklenburg Utilities provides water and wastewater treatment service to Mecklenburg County and its incorporated cities. Piedmont Natural Gas and PSNC provide natural gas. Crescent Electric Membership Corporation (EMC), Union EMC, Cornelius, Davidson, Huntersville, Pineville, and Duke Power supply electricity.

Approximately 75 percent of households in Mecklenburg County have access to high-speed Internet.

Mecklenburg County is home to Lake Norman, Lake Wylie, and Mountain Island Lake, all located on the western border of the county along the Catawba River.

Housing

According to the 2000 Census, there are 273,416 of households in Mecklenburg County. The home ownership rate is 62.3 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. The Self-Help office for Mecklenburg and the 12 surrounding counties is located in Charlotte. Forty-two Charlotte 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

Association members serve on the Civil Service and Federal Reserve Boards, the Arts and Science Council, and the Community Building Initiative Board. The vice-chair of the MNAA Board of Directors currently serves as chairperson of the education committee of the Triangle Community Foundation. MNAA leaders also maintain good relationships with local politicians and city/county administrators.

In beginning to implement its five-year strategic plan, the MNAA leadership is taking stock of successes and challenges from the past as well as the changes that are needed to move the organization forward. Over the last decade, a number of members have broken away from MNAA to form their own groups and this, in turn, has caused a fragmentation of focus for the population as a whole. Each group has chosen a different area of intervention (e.g. education, business development, social and cultural integration).

The MNAA Board considers economic and business development to be a top priority. As an issue critical to the progress of all American Indians, leaders see economic development as an issue that can bring various groups together and support American Indian youth in beginning to assume leadership. In addition, MNAA leaders stress that the development work of Native American women is a key asset that can be built upon. As the American Indian organization with the most name recognition in the Charlotte area, leaders believe that MNAA could effectively serve as a coordinator and spokesperson for the effort.

Economic Development Committees or Staff

There are currently no committees or staff with a title of economic development. MNAA does have the following standing committees:

- Pow-wow
- Youth Group
- Heritage/Culture

Key Employers and Entrepreneurs

Table 2 lists Mecklenburg County's largest private-sector employers. Between 1997 and 2002, about 21,440 people were laid off in Mecklenburg County. Industries most affected by closings included air transportation, business services, industrial and commercial machinery, and computer equipment. Business start-up and failure rates were 13 percent and 7.2 percent, respectively. Investments for expansion of businesses from 1997 to 2001 totaled 1.4 billion and created 17,356 jobs.

TABLE 2
Largest Private-Sector Employers in Mecklenburg County

| <u>Business</u> | <u>Industry Description</u> |
|------------------------------------|---|
| First Union National Bank | finance, insurance, real estate |
| US Airways Inc. | transportation, communications, utilities |
| Bank of America | finance, insurance, real estate |
| Nationsbanc Services Inc. | services |
| Duke Energy Corporation | transportation, communications, utilities |
| Presbyterian Hospital | services |
| Harris Teeter Inc. | retail trade |
| Baxter Healthcare Corp. | manufacturing |
| Bell South Telecommunications Inc. | transportation, communications, utilities |
| Wal-Mart Associates Inc. | retail trade |

Source: N.C. Employment Security Commission

Workforce Attributes and Existing Skills

In the 2nd quarter of 2001, there were approximately 516,436 Mecklenburg County residents in the labor force and the average unemployment rate for the year was 4.1 percent. Median household income in Mecklenburg County in 1999 was \$46,119 with 9.3 percent of the population living below the poverty level. The mean travel time for workers 16 years and older was 26 minutes.

Table 3 provides a breakdown of the percentage of employment in each sector. The services and trade sectors together account for over 50 percent of jobs. Finance, insurance, and real estate (FIRE) make up the third largest employment sector and

TABLE 3
Mecklenburg County Employment by Sector,
Second Quarter, 2001

| <u>Employment Sector</u> | <u>Percent Share of Labor Force in Mecklenburg County</u> |
|--------------------------|---|
| Construction | 6.1 |
| Manufacturing | 9.7 |
| Services | 28.3 |
| Trade | 24.7 |
| Fin., Ins. & Real Estate | 11.4 |
| Government | 10.2 |

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

supply almost twice as many jobs as in the Raleigh and Greensboro regions and over three times that of the Fayetteville MSA.

The 2000 Census revealed that 19.5 percent of the general population 25 years and older in the Charlotte MSA have not completed high school compared with 36.6

percent of Native Americans. Nearly 26 percent of all residents in the Charlotte MSA have only a high school diploma and approximately 7 percent and 19 percent, respectively, have gone on to earn associate and bachelor's degrees. By contrast, 21.5 percent of Native Americans have only a high school diploma although nearly 42 percent have attended college. The percentage of American Indians completing associate, bachelors, and graduate degrees is 5.9 percent, 9.8 percent, and 5 percent, respectively.

Workforce Development Institutions

Mecklenburg County is home to several colleges and universities, including UNC-Charlotte, Johnson C. Smith University, Davidson College, and Central Piedmont Community College (CPCC). CPCC offers associate degrees, diplomas, and certificates in over 70 technical programs. CPCC customizes training programs for businesses and serves over 35,000 students through Corporate and Continuing Education.

The City of Charlotte's Neighborhood Employment Development Services assists residents in finding jobs with programs such as job fairs and matching businesses and youth looking for summer jobs. The Charlotte-Mecklenburg JobLink Career Center, with two locations in Charlotte, offers job placement assistance, access to education and training, career change guidance, and needs and services referrals.

Diversity of Local Population

MNAA is attempting to serve a large and diverse American Indian population in the Charlotte region. In concert with the 2000 Census, the MNAA web site cites a total of 4,500 Native Americans residing in Charlotte and around 7,000 in the Metrolina area.

Financial Capital

Federal or state grants

MNAA receives program funding from the U.S. Department of Labor (WIA) and the Office of Economic Opportunity; the Association also participates in the Community Service Block Grant and Community Action Partnership Programs. MNAA relies largely on funding from the N.C. Arts Council and private donations to support its cultural and community events.

Sources and Amounts of Program Funds

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

**TABLE 4
Current Priority Programs**

| <u>Program Name</u> | <u>Funding</u> | <u>Amount</u> | <u>Dates</u> | <u>Program Activities</u> |
|--|---------------------------------------|--------------------------------------|---------------------|--|
| Workforce Investment Act (WIA) Program | USDL | \$57,000 | Early 1980s–present | The WIA program provides referrals for employment, GED prep/testing, and academic and career counseling as well as classroom training programs. |
| Native Youth Day at Central Piedmont Community College | MNAA Mecklenburg County Schools | \$5,000 transportation to CPCC | 1999–present | Students from the Mecklenburg County Schools System travel to the campus of Central Piedmont Community College to learn about Native American culture and history. |
| Senior Citizens Program | MNAA | \$2,000 | 1976–present | The senior citizens program provides scheduling and transportation for medical services and recreational opportunities. |
| Native American Youth Organization | N.C. Arts Council | \$7–9,000 | Early 1980s–present | The Metrolina Native American Youth Organization focuses on heritage/ cultural activities, music and dance classes, and sports. |
| MNAA Princess Pageant | MNAA Entry Fees | \$1–2,000 \$100 | 1983–present | The pageant is a community event for all American Indian tribes in the region. |

Scholarships

Since 1990, the Association has awarded one \$500 scholarship each year to a Native American high school senior who demonstrates academic achievement and financial need. The scholarship is funded through the Captain’s Choice Golf Tournament, which takes place the second weekend in September; all proceeds are earmarked for the Johnny Strickland Memorial College Scholarship Fund. Some American Indian business owners with teaching studios have also provided private scholarships for American Indian children.

Corporate Sponsors/Partners

The Charlotte-Mecklenburg Community Foundation, just established in 2002, assists donors in making charitable gifts to the community, provides services for nonprofit organizations to create new or manage existing endowments, and makes grants for new projects.

Utilities with Economic Development Funds

Duke Power provides an economic development rider for qualifying companies in the Duke Power service area. The rider provides an initial 20 percent reduction equal to the best available rate, with a cumulative reduction of 50 percent over four years.

Local Banks

Charlotte is a major financial services center, second only to New York City on the east coast. Table 5 provides information on the services provided by Charlotte-based financial institutions to businesses and investors.

**TABLE 5
Assets and Services of Local Banks**

| <u>Financial Institution</u> | <u>Established</u> | <u>Assets</u> | <u>Services</u> |
|------------------------------|--------------------|-------------------|---|
| Bank of America | 10/17/1904 | \$565,382,000,000 | lines of credit; SBA loans; commercial loans including auto, equipment, real estate, and term loans |
| Wachovia | 1/11/1994 | \$318,870,000,000 | lines of credit, SBA loans, commercial mortgages, term and construction loans |
| First Charter Bank | 7/5/1888 | \$3,726,842,000 | lines of credit; small business loans; construction, real estate, vehicle, and term loans |
| First Trust Bank | 1/19/1999 | \$172,715,000 | lines of credit; SBA loans; loans for real estate, construction, equipment, and vehicles |
| First Commerce Bank | 7/31/1996 | \$172,644,000 | lines of credit, commercial loans including equipment and construction loans |
| The Scottish Bank | 6/1/1998 | \$116,570,000 | business loans including real estate and equipment loans |

Source: Federal Deposit Insurance Corporation

This local concentration of financial resources — especially with the national headquarters of Bank of America and Wachovia — represents a major untapped potential opportunity for the Association, not necessarily as a lender but as a community development partner. Through their traditional lending programs, banks can rarely offer the types of loans needed by entrepreneurs; however, they all must abide by the federal Community Reinvestment Act, which requires a certain amount of the bank’s profits to be invested in community development projects. Major banks are always on the lookout for well-crafted proposals for community service investments that help them look good to their shareholders and to local leaders.

Bank of America, for example, has invested in numerous affordable housing projects around North Carolina, small business lending, and the creation of a Latino Credit Union in Durham.

Venture Capital Programs

There are several venture capital firms located in Charlotte, including Blue Point Capital Partners, Carolina's Capital Investment Point, Carousel Capital, Kitty Hawk Capital, and Piedmont Venture Partners.

Social Capital

Institutions

In carrying out its mission, MNAA has developed a variety of good partnerships with local schools, YMCAs, and churches interested in Native American culture and identity. For example, the Association has partnered successfully with the Mecklenburg County Schools and CPCC to create mutually beneficial educational events, such as Native Youth Day. At the same time, the Native American population has lost two vital resources over the last five years. In 1998, the Indian education program in the Mecklenburg County School System was discontinued. In addition, the county building that housed the Mecklenburg Native American Center was condemned and county leaders have not located a permanent replacement. Association leaders would like to see an American Indian Center established in the Charlotte area similar to centers created in Los Angeles and Chicago.

The Victory United Methodist Church, the first Native American church in the Charlotte area, was established in 1995 by the former pastor of the Branch Street United Methodist Church in Lumberton. Initially, the small founding group met at one of the area's Lutheran churches. In 2001, the congregation purchased its own building in Indian Trail. The church currently has about 35 members, who are predominantly from the Lumbee tribe.

Technology-based Resources

MNAA has maintained a web site (www.indiantrailonline.com/mnaa.htm) since 1997. The web site is updated monthly by one of the Association members. Association leaders use the web page to disseminate general information about the organization, its board members/staff, and programs. In addition, the web site provides an electronic means for Association members to learn about upcoming events. Members can also subscribe to the *Metrolina Indian News*, a newsletter distributed quarterly.

Small Business Resources

The city of Charlotte's Small Business Development Program (SBDP) partners with Charlotte area organizations to provide local firms with technical and business development assistance. SBDP's programs include the Small Business Opportunity program, which is designed to increase market access for small businesses in contracting and procurement opportunities with the city.

CPCC's Small Business Center offers classes and seminars, confidential counseling and assessments, and a resource center. CPCC has offered to work with MNAA to create opportunities for American Indian people in the crafts and trades sectors.

CPCC's Business and Entrepreneurial Skills Training Program (BEST) is a nine-month program taught by local business leaders. In this community-based public/private partnership participants enhance their business skills through one-on-one sessions, study groups, workshops, and mentors. The Public Library of Charlotte and Mecklenburg County and CPCC's Small Business Center sponsor free small business seminars that are offered each week at select library branches.

Regional and State Initiatives

The Charlotte Regional Partnership (www.charlotteregion.com) is one of seven regional commissions for economic development recognized by the state. It is a marketing organization for 16 counties — 12 in North Carolina and four in South Carolina, and it keeps extensive data about the sites, buildings, and other marketing assets of its participating counties. The Partnership also convenes regional leaders around economic development issues and joint projects.

Community Resources and Networks

Both Association leaders and business owners reported that the Metrolina area is very competitive as regards resources for minorities. Native Americans are the smallest of the formally recognized groups, which include African-Americans, Asians, and Latinos. In addition, the Charlotte area is home to a substantial population with a variety of ethnic backgrounds. At least some Native Americans in the area believe that business owners from these ethnic groups are also viewed as minorities in city-sponsored bids.

Association leaders feel that Native Americans in the Charlotte area do not have a unique presence in the community and need to develop a higher profile. MNAA might solicit historical and cultural-based grant funding to lead an effort to preserve and disseminate information on the heritage of all Native American groups in the area, including less visible indigenous tribes such as the Catawba. This initiative could target the entire state and help to counteract the misconceptions created by advertising and the discrimination toward American Indians that still exists in North Carolina. At the same time, leaders feel that Native Americans in the Charlotte area should not polarize their interests but find ways to fit into and support the wider community, e.g. serving on diversity panels and organization boards.

SECTION 3

Most Promising Opportunities for Economic Development

Conclusions

- The Charlotte MSA is the fastest-growing urban area in the state, outpacing other major MSAs⁴ in North Carolina and total population growth in the state (135 percent vs. 37 percent between 1980 and 2000).
- In the last two decades, the American Indian population in the Charlotte MSA increased by well over 200 percent, nearly twice that of both the black and white population groups. However, over the same period, the Hispanic population increased by nearly 1,300 percent. Notably, between 1990 and 2000, the Hispanic percentage share of total population increased from 0.9 percent to 5.1 percent or nearly 10 times that of Native Americans.
- Charlotte is the headquarters of two major national banks, Bank of America and Wachovia. All U.S. banks must abide by the federal Community Reinvestment Act, which requires a certain amount of the bank's profits to be invested in community development projects.
- The main barriers cited by Native American business owners in the Charlotte area are insufficient access to capital, costly credit instruments, and an unstable labor market. Even so, successful native business owners interviewed during this assessment proposed that loans, which help entrepreneurs take responsibility for their success and gradually build up their credit, were preferable to grants. One American Indian business owner also suggested that Latino construction workers in the Metrolina region are dependable and fill a labor supply gap for sub-contractors, native and non-native.
- The Charlotte MSA has excellent transportation resources and services for those living in Charlotte and surrounding suburbs, including international and do-

4. Between 1980 and 2000, total population in the Fayetteville MSA, Greensboro–Winston-Salem–High Point MSA, and the Raleigh–Durham–Chapel Hill MSA increased by 22.6 percent, 51 percent, and 123.6 percent, respectively.

mestic air travel; two Interstate highways; state-supported and commercial train service; public and private bus transit systems for commuting and special events; and inter-city bus service.

Key Assets

- Location in a major metropolitan center with several large banks that invest in community development to comply with the Community Reinvestment Act (CRA)
- High level of demand for the MNAA's WIA program services
- Reputation as regional leader in the education sector
- Five-year strategic plan in place
- Extensive collective business experience of members
- Visibility and accomplishments of Native American women
- Number of Native Americans with associate degrees comparable to general population
- Abundance and variety of regional educational institutions and small businesses training programs

Key Challenges

- Loss of Indian Education Program and Mecklenburg Native American Center
- High proportion of Native Americans without high school diplomas
- Fragmentation of focus and continued legacy of past rifts among members
- Smallest recognized minority group in region
- Gradual decrease in financial resources over the last decade

Recommendations

General Recommendations

- Develop a higher profile of native organizations and individuals in the mainstream community of the Charlotte region. In addition to promoting the contributions of Native Americans in education and the arts, create awareness of leadership and achievements in business, policy-making, and community development.
- Use customized referrals and broker existing resources to better manage the overflow of job seekers needing support services. Partner with organizations such as Charlotte's Neighborhood Employment Development Services and JobLink.
- Take a leadership role in bringing together key representatives from the various Metrolina Native American organizations for a facilitated dialogue and planning session on Indian economic development and business support. Invite selected additional participants, e.g. high school seniors, elders, business

owners, professionals, who can represent their constituency and provide a variety of perspectives for the discussion.

- Take advantage of and become more knowledgeable about the broad range of racial and ethnic minorities in the Metrolina region to find other partners on minority-focused initiatives as well as to distinguish MNAA from the others where appropriate. For example, a joint proposal to the banks for CRA funding from all the minorities working together would be difficult for them to turn down.
- Design a half-day facilitated retreat for the MNAA Board to explore how non-profit and community-based organizations can “think like businesses.” This is a first step in identifying ways that the Association can become or spin off a revenue-generating organization. Create a panel of speakers from successful private sector organizations and small businesses to discuss the elements of their success (organizational, financial, planning, marketing) and how they might be adapted for community development.

Specific Projects/Activities

- Institutionalize economic and business development by adding an economic development goal to the MNAA strategic plan; creating an economic development standing committee; adding a list of American Indian businesses in the Charlotte area to the Association’s web site; and developing employment experience opportunities for teenagers in the MNAA Youth Organization.
- Partner with Central Piedmont Community College (CPCC) to establish an American Indian Business Development Program in the CPCC Small Business Center. The program might have two prongs: (1) hands-on guidance for entrepreneurs on issues such as incorporation, tax laws, local regulations and permitting, finding market information, procuring start-up funds, and (2) developing culturally sensitive technical and management courses in the construction trades and crafts areas. Contact: Maggie Baum.
- Develop a broad-based task force to organize a few focused media events that highlight the contributions of Native Americans to the growth and success of the Metrolina region. Focus on a different group in each event (business owners, women, artisans, youth, professionals, seniors) and solicit the help of native artists and writers to design the format and create visually appealing information products.
- Develop a minority/ethnic coalition to design a joint project for community development and/or economic development, and then approach the CRA departments of Bank of America and Wachovia to see if they might fund it. The project could be a business incubator, built or virtual, to support innovation among minority entrepreneurs, or a credit union, or a low-income neighborhood redevelopment, or an entirely new idea. CRA evaluates banks based on their investment, lending, and service to low- to moderate-income individuals and businesses, so many different types of projects could qualify. The banks

look especially favorably upon projects they believe will ultimately be profitable investments and/or bring them more customers, not just public relations points.

Resources:

- Bank of America Examples in North Carolina: www.bankofamerica.com/community/index.cfm?template=cdb_localefforts&context=NorthCarolina
 - Bank of America Examples in Charlotte: www.bankofamerica.com/community/index.cfm?template=cdb_localefforts&context=Charlotte
 - How to apply to Bank of America Foundation: www.bankofamerica.com/foundation/index.cfm?template=fd_grantapp
 - Information on Wachovia's programs: www.wachovia.com/inside/page/0%2C%2C139_413_419_429%2C00.html
- Bring successful Native American subcontractors together to consider developing a joint bid on an upcoming building project. Act as a broker for the project by inviting representatives from educational institutions and small business development programs, such as the Charlotte-Mecklenburg Small Business Development program's Small Business Opportunity Program, and the Minority Contractors Resource Center, to participate. Publicize the project to local government officials, community leaders, and the media as an innovative, cutting-edge initiative.

Resources:

- The Small Business Opportunity Program: www.charmeck.org/Departments/SBDP/Home.htm
- The Metrolina Minority Contractors Association, which runs the Minority Contractors Resource Center in Charlotte; www.mmcaofcharlotte.com/scripts/MCRC.asp. This is one of three such centers statewide that is affiliated with the Institute for Minority Economic Development, whose NCIEDI board member is Cynthia Clemmons, 919/956-8889, who can help MNAA make appropriate local contacts.