

***Economic Development Assessment
for the
Triangle Native American Society***

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 Triangle Native American Society (TNAS) who facilitated our work in conducting this assessment. Clarice Dial served as the point person for the UNC team and organized the society's two focus groups. Clarice Dial and LaTonya Locklear provided copies of written documents, review of the report draft, and suggestions for making the report more accurate, comprehensive, and useful to TNAS. We would also like to thank the TNAS Executive Board for providing direction to the UNC team at the onset of the assessment process as well as key information about TNAS programs and initiatives.

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 TNAS 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/Goals</i> | 6 |
| <i>Current Priority Programs/Services</i> | 7 |
| <i>Plans for Economic Development</i> | 7 |
| History of American Indian Economic Development Activity | 8 |
| <i>Occupations of Society Members</i> | 8 |
| <i>Society Member Businesses</i> | 8 |
| <i>Society Enterprises</i> | 9 |
| <i>Partnering and Resource Pooling</i> | 9 |
| Section 2: Strategic Assets and Critical Challenges | 11 |
| Physical Capital | 11 |
| <i>Land & Buildings</i> | 11 |
| <i>Infrastructure</i> | 12 |
| <i>Housing</i> | 12 |
| Human Capital | 13 |
| <i>Leadership</i> | 13 |
| <i>Economic Development Committee or Staff</i> | 13 |
| <i>Key Employers & Entrepreneurs</i> | 13 |
| <i>Workforce Attributes and Existing Skills</i> | 14 |
| <i>Workforce Development Institutions</i> | 15 |
| <i>Rural to Urban Migration</i> | 15 |
| <i>American Indian Youth</i> | 15 |

| | |
|---|-----------|
| Financial Capital | 16 |
| <i>Federal, State, and Foundation Grants</i> | <i>16</i> |
| <i>Sources and Amounts of Program Funds</i> | <i>17</i> |
| <i>Society Funds</i> | <i>17</i> |
| <i>Scholarships.....</i> | <i>17</i> |
| <i>Corporate Sponsors/Partners</i> | <i>18</i> |
| <i>Utilities with Economic Development Funds</i> | <i>18</i> |
| <i>Community Resources and Networks.....</i> | <i>18</i> |
| <i>Venture Capital Programs.....</i> | <i>19</i> |
| Social Capital | 19 |
| <i>Institutions.....</i> | <i>19</i> |
| <i>Technology-based Resources.....</i> | <i>19</i> |
| <i>Small Business Resources</i> | <i>20</i> |
| <i>Regional and State Initiatives.....</i> | <i>20</i> |
| <i>Economic Development Programs/Activities.....</i> | <i>20</i> |
| <i>Community Resources and Networks.....</i> | <i>20</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 Triangle Native American Society (TNAS) 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 TNAS-run organizations, TNAS business owners and citizens, and the communities in which the TNAS 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

In 1983, a group of residents in the Triangle (Durham, Raleigh, and Chapel Hill, N.C.) assembled to organize a social network for American Indians living in the area. The Triangle Native American Society was founded in 1984 and incorporated as a 501(c)3 non-profit in 1985. Over the last 15 years, the role of the society has gradually expanded from providing opportunities for American Indians to socialize and maintain a connection with their heritage to include referrals to service agencies; sponsorship of cultural and employment training events; and education, economic development, and business support advocacy.

Governing Structure

The TNAS Executive Board is made up of the current officers (president, vice-president, secretary, and treasurer) and emeritus presidents. There are currently eight board members. Officers are elected at the annual meeting held on the first Monday in October (if there is a quorum of regular members as stated in the by-laws) and serve for one year. TNAS membership meetings are held on the first Monday of each month at the Wade-Edwards Learning Lab in Raleigh. The society gained a seat on the North Carolina Commission of Indian Affairs (NCCIA) Board in March 2000. TNAS currently does not have a physical office or paid staff.

The society's average annual budget over the last three years was approximately \$10,000. The treasurer manages the organization's budget and provides a fiscal report to Board members at each monthly meeting.

Demographics

Wake County has experienced dramatic growth in the last two decades, with an overall population increase of over 108 percent, compared with a rate of 37 for North Carolina overall. According to the 2000 U.S. Census, there are close to 1,900 Native Americans residing in Wake County, representing 0.3 percent of the total population. This

represents a growth rate of 526 percent since 1980, from 301 persons; most of this growth occurred between 1980 and 1990. Meanwhile, the white, black, and Hispanic populations increased 96 percent, 88 percent, and 1,306 percent respectively. 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
Wake County (1980–2000)

| Year | Total Population | American Indian | Hispanic | Black | White |
|------|------------------|-----------------|----------|---------|---------|
| 2000 | 627,846 | 1,884 | 33,904 | 123,686 | 454,561 |
| 1990 | 423,380 | 1,270 | 3,387 | 92,297 | 323,886 |
| 1980 | 301,327 | 301 | 2,411 | 65,689 | 232,021 |
| 2000 | 100% | 0.3% | 5.4% | 19.7% | 72.4% |
| 1990 | 100% | 0.3% | 1.3% | 20.8% | 76.5% |
| 1980 | 100% | 0.1% | 0.8% | 21.8% | 77.0% |

Source: U.S. Census Bureau

TNAS has approximately 1,000 members in its mailing database from Wake County, and to a lesser extent, Durham, Orange, Johnston, Moore, and Chatham counties. The regular mailing list includes 150 members. Of that number, about 40 pay dues annually, and 20 actively work on the organization’s activities. The categories/fees of society membership include: individual (\$25); family (\$30); and student (\$5). Dues are paid at the annual meeting. The society’s scope of services has grown in recent years in response to an increase in demand, primarily from American Indian residents of Wake County (both temporary and permanent).

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

Organizational Mission/Goals

TNAS has five organizational goals:

- To obtain and administer funds to address the needs of the American Indian constituency residing in the Triangle community.
- To provide residents of the Triangle community information and referral services.
- To educate, stimulate and cultivate cultural awareness through programming and other forms or media.
- To promote unity and leadership to achieve political and developmental strength while effectively providing advocacy for the Native population.
- To further strengthen educational achievement by providing a culturally relevant learning community.

Current Priority Programs/Services

- Since 1985, TNAS has hosted the annual TNAS Indian Heritage Scholarship Gala. The event is held at a Triangle area hotel in August and features a silent auction and high-level speakers from state government and academia. TNAS also uses the gala to help meet its objective to promote education through the arts by featuring an “up and coming” American Indian artist. All profits from the gala and silent auction go to the Mark Ulmer Scholarship fund, which provides scholarships for Native American undergraduates demonstrating leadership, scholastic improvement, and financial need.
- TNAS has co-sponsored the annual American Indian Heritage Celebration (with the N.C. Museum of History) since 1990. The event takes place in November and features Native American tribes of North Carolina with dance exhibitions, native foods, and authentic Native American crafts.
- Since 1995, TNAS has hosted an annual pow-wow at the Farmer’s Market in Raleigh. TNAS leaders use sponsorships, raffle tickets, and advertising booklets to cover the costs of the event¹ in order to provide free admission to the public. The event is held on the first weekend after Memorial Day and features an exhibition of American Indian dance, food vendors, and authentic Native American crafts. Approximately 10-15 volunteers staffed the last pow-wow, total attendance was around 1,000 people, and average costs totaled approximately \$4,000. In 2003, the society will host its first for-profit pow-wow at Dorton Arena (see *Society Enterprises*).

Plans for Economic Development

The centerpiece of the society’s economic development agenda is to use the experience and contacts members have acquired in providing referrals to Triangle natives to set up its own programs. Leaders believe that there are cultural barriers that make mainstream programs less attractive and useful to Indian persons than Native-run programs. The society would like to assist displaced workers to find better jobs and offer seminars, workshops, and business services tailored to American Indian entrepreneurs and support their business expansion and growth.

In implementing this agenda, TNAS is seeking funding to create the Triangle American Indian Urban Community Center (TAIUCC), to serve as a “satellite” for members of the more than 20 tribal entities who have re-located to the Triangle area. TAIUCC will not be a physical location but rather a group of programs and services coordinated by TNAS members and partners.

The TAIUCC will be a valuable resource to help job seekers improve their employment prospects by creating or updating resumes and conducting job searches. Students will be able to use the center to conduct Internet research and to prepare and submit college entrance and/or scholarship applications. TNAS plans to offer the following programs:

1. Costs include food for volunteers, emcee, dancers, drummers, rental equipment, and public address system.

- weekly two-hour tutoring sessions for American Indian youth
- monthly two-hour cultural workshops to educate both the native and non-native communities about the rich American Indian heritage and culture in the Triangle
- quarterly professional development evening classes and weekend seminars on job placement and career development for unemployed and underemployed Native Americans
- quarterly seminars for American Indian entrepreneurs.

History of American Indian Economic Development Activity

Occupations of Society Members

Society members are employed in the fields of education, engineering, information and computer technology, printing, hospitality services, transportation, real estate, and health. Some members also work as cab drivers; clerical staff; local, state, and federal employees; and technicians in manufacturing plants.

Society Member Businesses

Businesses attempted by members include web site and database development, computer programming and networking, restaurants and catering, roofing, arts and crafts (jewelry, wall hangings, embroidering), American Indian cultural education, curtains and window treatments, equestrian training and riding lessons, auto transmission repair, and retail sales (used cars, fruits and vegetables). In the focus group held by UNC, business owners cited the following key factors in their success:

- Starting small and moving slowly
- Effective marketing
- Knowing how to submit winning bids
- Mentoring by family and friends as well as non-natives
- Seeking early legal advice
- Acquiring business management skills
- Developing relationships with successful key partners, e.g. builders in real estate

Barriers to success particular to American Indian businesses in the Triangle include over-reliance on family members and undependable employees, lack of business management skills, lack of time for marketing, premature expansion of product line or services, and erratic income and cash flow. In the mainstream economy, these businesses face competing imports (e.g. dream catchers from Taiwan); price undercutting by other minority businesses; a “good ole boy” network that blocks the entrance of minorities; high bonding and workers’ compensation costs; and having to use personal collateral or inside contacts to secure business capital. Moreover, many American Indian consumers expect special treatment, including lower prices, from Native business owners. There is no established mentoring network in place, formal or infor-

mal, the visibility of successful role models is low, and most American Indian entrepreneurs have fewer resources to tap from previous generations.

Members have started businesses with capital from a family member, bank loans, or by purchasing equipment on a monthly installment plan. Some people have chosen businesses, such as real estate, that do not require a high level of start-up capital. Most business owners rent rather than purchase their space.

Society Enterprises

- In August 2003, TNAS will move its annual pow-wow to Dorton Arena in Raleigh. For the first time, the pow-wow will include a dance competition with prize money. The event will be funded through public admission fees, vendor booth fees, and private contributions.

Partnering and Resource Pooling

Over its nearly 20 years of existence, TNAS has assembled an extensive group of partners from the non-profit, educational, and community development sectors to support its referral services and activities. Key partners include:

- N.C. Commission of Indian Affairs
- Wake County Indian Education Program
- Wade-Edwards Learning Lab (WELL)
- N.C. Museum of History

TNAS has also worked in the past with regional educational institutions, such as Duke University, to sponsor cultural events (e.g. national Native American art show).

SECTION 2

Strategic Assets and Critical Challenges

In evaluating the strategic assets and critical challenges of each N.C. tribe and society, 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

Wake County has 832 square miles of land area and 5,631 acres of available sites for business development (1.06 percent of total land). Major municipalities are Raleigh, Cary, and Apex. Raleigh serves as the county seat and state capital. Raleigh, Chapel Hill, and Durham together make up a metropolitan statistical area (MSA) with approximately 1.2 million residents.

The price of undeveloped industrial property in Wake County has increased dramatically over the past 10 years from approximately \$20,000 per acre to between \$40,000 and \$60,000 per acre. Annual square-foot costs for space in Class A and Class B office buildings are \$15-24.50 and \$10-20, respectively. The average price of industrial park property in the Raleigh-Durham submarket has increased over the past 10 years from \$45,000-\$50,000 per acre to \$75,000-\$80,000 per acre. Historically, users seeking small parcels (1 to 5 acres) have faced a very short supply in area industrial parks and the supply of larger tracts is becoming more limited. According to local realtors, undeveloped rural property at the urban periphery has also decreased in availability in the last decade.

TNAS does not own any land or buildings but is currently seeking to locate and rent or lease an office in the Triangle. Since 2000, the society has used the Wade-Edwards Learning Lab (WELL) for board meetings. WELL is a prototype community-based computer center located across from Needham B. Broughton High School in Raleigh

that primarily serves high school students who have no other access to computers or tutorial services. The lab provides advanced computing facilities with on-site staff assistance, e-mail capability, and training classes for students and teachers. Space is available to students for after-school studying, study group meetings, and study sessions conducted by teachers. The facility is open every afternoon and evening except Saturday. TNAS leaders propose to use the WELL facility to implement the youth tutoring and mentoring component of the TAIUCC program.

Infrastructure

Raleigh-Durham International Airport (RDU) is located in Wake County, 11 miles northwest of Raleigh. Nine major airlines and 11 regional airlines serve RDU with 382 daily arrivals and departures. Forty-one destinations are served with non-stop flights. North Carolina's state-supported Carolinian train (Charlotte–New York) and Piedmont train (Raleigh–Charlotte), and Amtrak's Silver Star train (Florida–New York) have scheduled daily service to the Raleigh train station. The Carolinian and Piedmont trains also have scheduled daily service to the suburban Cary train station.

Interstate 40 runs in a northwest/southeast pattern through Wake County, joining the 440 beltline around Raleigh. Capital Area Transit, or CAT, operates fixed-route buses within the city of Raleigh, including service to area colleges, universities, and schools; major shopping, employment and residential areas; medical centers; and the Raleigh passenger train station. Wake Coordinated Transportation Services, or WCTS, provides subscription and dial-a-ride transportation for citizens of Wake County who reside outside the city of Raleigh. Triangle Transit Authority, or TTA, operates fixed-route commuter bus service throughout the Research Triangle metropolitan region to connect Durham, Cary, Chapel Hill, and Raleigh with Research Triangle Park, RDU, major universities, and surrounding suburban areas.

County and municipal governments throughout the MSA provide water and sewer services. Raleigh's Public Utilities Department charges a basic rate of \$15.87 per month plus \$2.17 per gallon for water and sewer. PSNC Energy provides natural gas to most areas of the Triangle. The company charges a general service rate of between \$1.04 and \$1.14 per therm, depending on consumption, plus a facilities charge of \$11.61 per month. Progress Energy, Duke Power, and the Wake Electric Membership Cooperative provide electricity to residential and business customers in Wake County. Rates vary by provider and level of service demand. Nearly 86 percent of households in the Raleigh/Cary/Apex area have access to high-speed Internet, compared to the state average of 75 percent.

Wake County has abundant water resources, including the Neuse River, Falls Lake, Lake Wheeler, Lake Benson, Harris Lake, and Greshams Lake. Natural areas maintained by the state include recreational areas on Falls Lake and Jordan Lake, and William B. Umstead State Park near Raleigh.

Housing

According to the 2000 Census, there are 242,040 households in Wake County. The home ownership rate is 65.9 percent. The Triangle has a number of affordable housing orga-

nizations. The Self-Help Credit Union is a community development lender that provides low-cost, low interest home loans to people who are underserved by conventional lenders. The N.C. Housing Finance Agency offers low-interest mortgages for first-time homebuyers with income and net assets under specified limits.

Human Capital

Leadership

TNAS leaders represent a small but highly motivated and committed group who have limited resources to accomplish their goals and activities. Many volunteer their time and professional skills (e.g. grantwriting) to the organization, and even pay some society expenses out-of-pocket. For over a decade, TNAS leaders have provided informal referrals for re-locating Native Americans to organizations and services related to housing, real estate, employment, small business support, and education.

Some former leaders were very committed to the organization in the early years but eventually left due to “burn-out.” One complaint among TNAS leaders is that information sharing is poor among Triangle Native Americans as well as among N.C. urban associations, largely because of a competitive, “fixed pie” attitude regarding resources.

Economic Development Committee or Staff

TNAS does not have an economic development committee. However, the society uses the following standing committees to carry out its administrative functions and programs/services:

- By-laws
- Gala
- Pow-wow
- Grants
- Scholarship
- Web site
- Social/publicity
- Grants

In 2000, TNAS leaders developed a five-year strategic plan for 2000–2005. In developing the society’s strategic plan, leaders used three planning horizons: one year, 2-3 years, and 5 years.

Key Employers & Entrepreneurs

Table 2 lists Wake County’s nine largest private-sector employers. Major employers of TNAS members include Rex Hospital, Western Wake Hospital, SAS, IBM, CP&L, Bayer, N.C. State University, and the N.C. Departments of Transportation and Public Instruction. Between 1997-2002, about 21,750 people were laid off in Wake County, with nearly 67 percent losing their jobs in the last two years. Industries most affected by closings

included manufacturing of electronic and electrical equipment and components (except computers), air transportation, and business services. Business start-up and fail-

TABLE 2
Largest Private-Sector Employers in Wake County

| <u>Business</u> | <u>Industry Description</u> |
|------------------------|---|
| Rex Healthcare | services |
| SAS Institute, Inc. | services |
| IBM | manufacturing, wholesale trade |
| Food Lion | retail trade |
| Wal-Mart | retail trade |
| CP&L | transportation, communication & utilities |
| Worldcom Payroll Svcs. | transportation, communication & utilities |
| YMCA | services |
| American Airlines | transportation, communication & utilities |

Source: N.C. Employment Security Commission

ure rates were 13 percent and 6.7 percent, respectively. Investments for business expansion totaled \$389 million and created 2,335 jobs.

Workforce Attributes and Existing Skills

In the 2nd quarter of 2001, there were approximately 389,985 Wake County residents in the labor force, and the average unemployment rate for the year was 3.3 percent. Median household income in Wake County in 1999 was \$54,988 with 7.8 percent of the population living below the poverty level. The mean travel time for workers 16 years and older was 25 minutes. Table 3 provides a breakdown of the percent of employment in each employment sector. The services and trade sectors account for nearly 55

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

| <u>Employment Sector</u> | <u>Percent Share of Labor Force in Wake County</u> |
|--------------------------|--|
| Construction | 7.4 |
| Manufacturing | 7.6 |
| Services | 30.2 |
| Trade | 24.0 |
| Fin., Ins. & Real Estate | 5.2 |
| Government | 17.6 |

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

percent of employment, with government employees representing just under one-fifth of the labor force. TNAS leaders report that a high percentage of their members are “white-collar” workers in the Wake County economy.

The 2000 Census revealed that 14.6 percent of the general population 25 years of age and older in the Raleigh-Durham-Chapel Hill MSA have not completed high school compared to nearly 23 percent of Native Americans. Nearly 18 percent of all residents have only a high school diploma and approximately 7.5 percent and 30 percent, respectively, have gone on to earn associate and bachelor’s degrees. By contrast, 22 percent of Native Americans have only a high school diploma, over 55 percent have attended college with 6.7 percent completing associate degrees, and 18.3 percent have earned a bachelor’s degree.

Workforce Development Institutions

Four-year degree-granting institutions in the Triangle area include: North Carolina State University, UNC-Chapel Hill, North Carolina Central University, as well as private institutions including Duke and Shaw universities and Peace and Meredith colleges. Most of these also offer graduate degrees.

Wake Technical Community College provides customized employee training for area businesses through its Business and Industry Services Division. The Corporate Education Department at Durham Technical Community College offers continuing education opportunities and customized training to area businesses, industries, public service agencies, and other organizations in a variety of technical and professional areas. Training may be conducted at a variety of locations: the worksite, the college’s main campus or northern Durham center, the Orange County skills development center, the small business center, or at other off-campus locations.

The Capital Area JobLink Career Centers provide career information and job search guidance, education and training information, job listings, on-site classes and workshops, and email, fax, copy and phone services to job seekers.

Rural to Urban Migration

Society leaders believe (and census data confirm) that the American Indian population in the Triangle region is growing. In fact, while Native Americans represent less than 1 percent of the total population, the group’s percent share of population in the Raleigh-Durham-Chapel Hill MSA doubled between 1980 and 2000. American Indians from rural tribes in N.C. and other states relocate to the Triangle to take advantage of increased opportunities for education and employment. However, those who relocate often find that their familial, cultural, and social bonds are weakened and their sense of identity as Native Americans is compromised. Tribal members who move from rural to urban areas also may have difficulty adjusting to more demanding urban area schools and workplaces.

American Indian Youth

American Indian students attending post-secondary schools in urban areas of the state represent a potential asset for urban associations, including TNAS. For example, TNAS

leaders view university students as an untapped resource because many receive the North Carolina Indian Incentive Grant requiring them to perform 6–8 hours of community service each week. In particular, they hope to recruit Triangle college students to tutor and mentor American Indian youth as part of the TUICC program. TNAS leaders encourage students to remain in the Triangle after graduation because they feel that their skills and experience are important to the development of future opportunities for Native American people.

Financial Capital

Federal, State, and Foundation Grants

TNAS relies mainly on private grants for its operations and special events. In the past, the society has received event funding from Target, Glaxo Wellcome (now Glaxo SmithKline), Bayer, Bellsouth, Progress Energy, Caterpillar, BB&T, and Wachovia. The society has solicited funding from the Triangle Community Foundation and the Wake County Arts Council, and recently submitted two proposals to the Warner Foundation for funds to support capacity-building; however, all applications have been unsuccessful. Society leaders believe that the lack of an office and paid staff undermines the organization's credibility with potential non-profit partners and funding agencies.

TNAS board members have attended courses on grants identification and writing, conducted Internet research, and worked directly with funding agencies to re-write unfunded proposals. But these strategies have not improved the society's "win" rate. TNAS leaders believe that Native Americans are not as successful as other minority population groups, particularly African-Americans and Latinos, in competing for resources.

In recent years, TNAS has worked closely with NCCIA to execute several programs. In 1999, through a \$75,000 subcontract with NCCIA, TNAS leaders conducted a survey to determine the resource needs of all N.C. tribes and urban associations. Survey findings were submitted to NCCIA and the N.C. Department of Health and Human Services. TNAS volunteers have staffed the Indian Resource Association, a spin-off of NCCIA, which provides food and clothes to disadvantaged Native Americans. In future, the society plans to interface with NCCIA's Economic Development Program to bring new services to American Indians in the Triangle area.

TABLE 4
Current Priority Programs

| <u>Program Name</u> | <u>Funding</u> | <u>Amount</u> | <u>Dates</u> | <u>Program Activities</u> |
|---|---|-------------------|---------------------|--|
| Indian Heritage Scholarship Gala | Corporate sponsorships, ticket sales, private contributions and in kind donations | \$5,000 – \$6,000 | Annually since 1985 | The gala is the major fund-raising event for the Mark Ulmer Scholarship for Native American undergraduates. TNAS also uses the gala to help meet its objective to promote education through the arts by featuring an “up and coming” American Indian artist. |
| American Indian Heritage Celebration (co-sponsor with N.C. Museum of History) | Volunteer time | N/A | Annually since 1990 | This Indian Heritage month event features Native American tribes of North Carolina. Activities include a dance exhibition, native foods, and authentic Native American crafts. |
| Annual pow-wow | Corporate sponsorships, raffle tickets, and advertising booklets | \$2,500 | Annually since 1995 | TNAS hosts an annual pow-wow (in Dorton Arena beginning August 2003). The pow-wow features American Indian dance, food vendors, and authentic Native American crafts. |
| American Indian Education Days | Target Stores, N.C. Museum of History, and volunteer workers | \$3,000 | Annually | Students from across the state attend activities and demonstrations including Native American storytelling, dance, crafts and more. The purpose is to educate children and adults about the very real American Indians living in North Carolina. |

Sources and Amounts of Program Funds

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

Society Funds

The society uses a brokerage account to keep funds raised for the scholarship gala separate from the general budget.

Scholarships

The Mark Ulmer Scholarship Fund provides two scholarships of either \$500 or \$1,000 annually for Native American undergraduates who are full-time students at one of the institutions within the UNC system. Persons receiving the scholarship may choose any course of study or discipline. Past recipients have gone on to careers in engineering, law, education, allied health, and medicine. Scholarship recipients also serve as volunteers in churches and community organizations, and act as mentors and role models to younger Native students in their respective communities.

Corporate Sponsors/Partners

The society has had limited success in developing partnerships or sponsorships with corporations and local governments. Image appears to be a key barrier with both the private and government sectors. Leaders feel that the American Indian population is viewed as a small group of voters who are not well organized and have no concerted political voice. Society members employed with for-profit companies are reluctant to tap corporate programs that target minority groups as they believe managers see these programs as “handouts” rather than support for Indian economic development.

Utilities with Economic Development Funds

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

Community Resources and Networks

Table 5 provides information on the services provided by Triangle financial institutions to businesses and investors. Examples of nonprofit organizations in the region include Capital Economic Development Corporation (CEDCO). CEDCO is a nonprofit,

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

| <u>Financial Institution</u> | <u>Established</u> | <u>Assets</u> | <u>Services</u> |
|-------------------------------------|--------------------|------------------|--|
| First Citizens Bank & Trust Company | 1/1/1898 | \$11,084,972,000 | loans and lines of credit, factoring |
| The Fidelity Bank | 1/1/1909 | \$1,005,074,000 | equipment, construction, and real estate loans, lines of credit, working capital, SBA loans |
| Capital Bank | 6/20/1997 | \$840,426,000 | equipment loans, lines of credit, construction loans, building financing, real estate development loans |
| Paragon Commercial Bank | 5/10/1999 | \$209,887,000 | operating lines of credit, residential contractor construction, acquisition and development, commercial real estate, term loans, accounts receivable funding |
| Mechanics & Farmers Bank | 3/1/1908 | \$186,273,000 | working capital loans, seasonal lines of credit, capital acquisition or improvements, SBA small business loans |
| Crescent State Bank | 12/31/1998 | \$182,004,000 | commercial loans and lines of credit |

Source: Federal Deposit Insurance Corporation

small business financial assistance corporation that works with the U.S. Small Business Administration and some local resources to help small businesses get loans, mostly through loan guarantees.

Venture Capital Programs

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

TNAS and the United Methodist Church began working together in November 2000 to establish a church for the Native American community in the Triangle. Leaders met with representatives of the Rockingham District Native American Cooperative Ministry and in January of 2001, a worship service was held at the Methodist Home for Children to plumb the level of interest and support in the area. Subsequently, a task force of volunteers agreed to meet regularly to guide the creation of the Native American United Methodist Church. Pastors from churches in the Rockingham United Methodist Church Conference agreed to lead a monthly worship service for six months. The response from the American Indian community was high; in July 2001, the new church began holding its own Sunday school and church services in the administrative building of the Methodist Home for Children in Raleigh.

The challenge of operating without a formal office has spurred the development of a network of partners and agencies that support the implementation of the society's programs and activities. For example, TNAS currently has no physical space for the proposed Triangle American Indian Urban Community Center. However, some of the society's partners are willing to provide resources and access to their facilities if the society is successful in procuring program funding.²

Technology-based Resources

In 2000, TNAS used funds from a community block grant administered through NCCIA to implement the Computer Technology Project. The project funded the purchase of a computer system for Native Americans in the Triangle to use in updating resumes, conducting job searches, and performing other tasks related to employment.

TNAS has maintained an interactive web site since (www.tnasweb.org) since 2001 that is updated as needed. The web site is designed to provide an electronic means for members to obtain referrals to agencies, services, and programs. The web site is user-friendly and provides a wealth of information customized for American Indians and non-Indians (teachers, researchers, "virtual" tourists) related to education, employ-

2. Wake County Title X Indian Education Program, Wade-Edwards Learning Lab, NCCIA American Indian Workforce Development and Economic Development Programs, American Indian Leadership Initiative in N.C., UNC-Chapel Hill and other area universities.

ment, student financial aid, and faith-based issues as well as details and updates on society events. TNAS has recently added a list of American Indian businesses to its web site. According to TNAS leaders, the web site gets a high numbers of hits but because the society does not offer any direct services or programs, there are not as many repeat users as they would like.

Small Business Resources

The MCI Small Business Resource Center in Raleigh offers counseling services, Dialog (an online information retrieval system) training to assist businesses with market research, an executive-in-residence program, a lender's conference, bid-matching services, and information on importing/exporting and funding sources. The Small Business Centers at Wake Technical Community College and Durham Technical Community College host business seminars, assist entrepreneurs to develop their business ideas, and act as clearinghouses for agencies that work with small businesses.

TNAS business owners have reported the following resources as useful:

- Service Corps of Retired Executives (SCORE)
- N.C. Real Estate Commission (and local bodies)
- Wake County/Raleigh Realtors Association
- Chambers of Commerce (e.g. Greater Raleigh)

Regional and State Initiatives

The society hopes to coordinate the activities of the TAIUCC program with those of the proposed American Indian Leadership Initiative. In 2002, an organizational meeting open to all N.C. tribes and associations was held at UNC-Chapel Hill to determine the interests and needs of Native Americans regarding leadership development.

Economic Development Programs/Activities

The extensive list of contact referrals provided by TNAS gives them credibility with Native American workers and entrepreneurs. However, the society is finding it a challenge to go to the next stage, i.e. providing experiential information and implementing programs adapted to the specific needs of American Indians.

Community Resources and Networks

In 2003, TNAS leaders are considering submitting initial grant applications to foundations such as Wilder and Surdna as well as area churches. In addition, with grantwriting support from American Indian associations in other parts of the U.S., TNAS hopes to successfully apply for ANA grant funding. In January 2004, society leaders plan to develop a list of potential sources for capacity-building grants.

TNAS is a member of the of the National Urban Indian Coalition (NUIC) which seeks to become a national voice for American Indian urban associations and to increase communication among associations across the U.S. as well as between urban American Indians and their tribes.

SECTION 3

Most Promising Opportunities for Economic Development

Conclusions

- Between 1980 and 2000, total population in Wake County and the Raleigh–Durham–Chapel Hill MSA grew considerably faster than the state as a whole (108 percent and 51 percent, respectively, versus 37 percent). The region’s population is also becoming more diverse. Wake County’s American Indian population doubled over the last two decades and outpaced all other N.C. urban regions with a growth rate twice that of the Charlotte area and over four and one-half times that of the Greensboro area. The Hispanic population increased most dramatically (1,300 percent) and the black population experienced the least growth (88 percent).
- Although TNAS is working hard to serve a growing and diverse American Indian population (many of whom have migrated from rural areas), only 26 percent of members on TNAS’s regular mailing list pay dues and only half of dues-paying members are active in the organization. Society leaders and members are spread too thin and periodically must resort to using personal funds to manage the society’s financial shortfalls.
- Despite the current recession, TNAS is located near the most prosperous economic engine in the state, the Research Triangle Park. Wake County has lower poverty and unemployment rates and higher median income than Guilford, Cumberland, and Mecklenburg Counties. At the same time, Native Americans are competing with a highly educated workforce for jobs.
- The region has a variety of financial institutions and non-profit agencies supporting business and investment as well as excellent transportation and telecommunications access (high-speed Internet is available to 86 percent of households in the Raleigh/Cary/Apex area).

Key Assets

- Extensive group of partners from non-profit, education, and community development sectors
- Program focus (job training and placement) that fits well with the region's economic opportunities
- Use of the WELL facility for board meetings and, in future, for youth tutoring and mentoring
- Native American students at area colleges and universities
- Number of American Indians with associate degrees comparable to general population
- Availability of business support and employee skills training at a wide range of locations across the region

Key Challenges

- Lack of office and at least one paid staff person
- Low proportion of Native Americans with bachelor's degrees compared to the general population
- Overwork and burnout of leaders
- Negative attitude regarding information sharing among Triangle Native Americans
- Low success rate for grant proposals
- High costs of living and doing business in region and growing scarcity of land resources.

Recommendations

General Recommendations

- Work with the other urban associations (MNAA, GNAA, and CCAIP) and the new NUIC to determine how best to educate public and private funding agencies, media, and the region's general public about the mission and objectives of American Indian urban associations in general, and TNAS in particular. NUIC is the National Urban Indian Coalition, an advocacy group concerned with urban Indian issues including health care, education, funding for urban centers, drug and substance abuse, racial profiling, affordable housing, racism, discrimination, and a host of other problems. See the UNC reports for the other North Carolina associations to understand where there are overlaps in economic development issues and ideas.

Resources:

- Fay Givens, NUIC, American Indian Services, 313/388-4100.
- Create and project a local/regional identity that is in sync with the TNAS organizational goals. The mission, strategic plan, and programs of the society need

to reflect its primary role as a community network for Indians from all tribes who have re-located to the Triangle.

- Develop an integrated plan that includes: (1) organizational capacity-building; (2) creation of strategic new partnerships with local governments and business partners; and (3) phased-in expansion of customized services for Indian entrepreneurs, unemployed and displaced workers, the elderly and youth populations, and newly arrived residents.
- Improve the visibility of the society with strategies such as soliciting news stories from area journalists, strengthening internal public relations, and ensuring that press coverage of partner programs and activities includes TNAS.
- Research the possibility of sharing an office and staff person with one or two non-profit or minority development organizations in order to keep costs down and increase opportunities for networking.

Specific Projects/Activities

- Conduct informational interviews with selected private companies and local governments to better understand what they would need to consider partnering with TNAS. Develop and disseminate information products about the society that include relevant demographics and provide a more accurate profile of 21st century American Indians in the Triangle.
- To make best use of scarce human resources, consolidate current standing committees into three or four committees whose key responsibilities are planning and management. Solicit assistance from non-active society members, college students (native and non-native), and interested community members to help carry out the coordination of events.
- Create a strategic funding task force to determine what training or mentoring activities are needed to improve the society's success at procuring administrative and program funds.
- Create a "business owner of the month" feature on the TNAS web site to publicize the existence of successful Native American businesses and to lay the foundation for development of a cadre of mentors for American Indian entrepreneurs.
- Break down the goal of offering seminars, workshop, and business services tailored to Indian entrepreneurs into several phases. As part of the first phase, designate a business owner who is a member of the society to act as a liaison between the American Indian community and business resource institutions in the larger Triangle community. Have that person attend the programs offered by minority and other organizations, and then develop a resource guide that can be posted on the TNAS web site. The resource guide would include information on what programs are available, the commitment of time and money needed, and the potential results that could be achieved. For example, designate a TNAS member to represent the association in the Greater Raleigh

Chamber of Commerce. The chamber has a Channels program for multicultural networking and a Business Institute Lunch and Learn program. The closest chapter of SCORE, a national small business advisor with many free services, is in downtown Raleigh, and there is one in Durham as well. The Council for Entrepreneurial Development is a national leader in entrepreneurship networking and services that is based in the RTP. The Institute for Minority Economic Development, based in Durham, has a resource center for contractors. The TNAS business persons could adapt information from the business seminars and other resources of each of these local organizations to be more useful to Native Americans who wish to start and maintain a profitable business.

Resources:

- Sara Schaffstedde, Raleigh Chamber Small Business Coordinator, www.raleighchamber.org, 919/664-7000.
 - Monica Doss, Council for Entrepreneurial Development, www.cednc.org, 919/549-7500.
 - Raleigh chapter of SCORE: 919/856-4739. See also www.score.org, which is a very interactive site.
 - Cynthia Clemmons, NCIEDI board member from the Institute for Minority Economic Development, Durham, www.ncimed.org, 919/956-8889.
- One longer-term idea along the same lines as the above is to act as a broker between American Indian entrepreneurs and non-profit financial assistance corporations, such as the Self-Help Credit Union and CEDCO (Community Economic Development Company of Colorado), to increase their knowledge and use of capital instruments, e.g. loan guarantees, revolving loan funds.

Resources:

- www.selfhelp.org; www.cedco.org.