

Market Analysis: A Community Snapshot

Prepared for:
Ihanktonwan Development Fund

Conducted by:
**Sweet Grass Consulting, LLC with First Nations
Oweesta Corporation**

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Cover Image: <https://www.yanktonsioutribe.net/recreation-entertainment/>

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PREFACE

This market analysis investigates key research questions developed by a Native community development financial institution (CDFI) which will serve Yankton Sioux Tribal members and other community members in the surrounding geographical areas. This study sought to determine the opportunities and services that Ihanktonwan Development Fund (IDF) could provide to address the challenges and barriers which impact people's ability to access formal banking, financial services, and capital. The mission statement of IDF is *We seek to foster economic and financial independence for Native people by assisting in the development of assets through education as well as providing access to capital.*

This report focuses on business and consumer loan products and development services, including lending and training/technical assistance/education. Three research questions were developed from this project goal:

1. What is the current state of the target market economy?
 - a. Are there barriers to economic and business development? If so, what are those barriers?
 - b. What can we learn about resident economic needs and/or current consumer behavior?
2. What are the financial product and service needs in the target market?
 - a. What products/services address gaps in the current marketplace?
 - b. Are there financing gaps not being met by current lenders?
 - c. Is there need and demand for a CDFI?
3. What are the development service needs in the target market?
 - a. What is the state of financial readiness in terms of qualifying for a loan and feeling confident in the ability to save and budget money?
 - b. What kind of development services/technical assistance are currently available?
 - c. Is a lack of development services adversely affecting the steps needed to improve financial behaviors? If so, how?

A CDFI is a specialized financial institution that works with people or in communities that are underserved by traditional financial institutions. CDFIs provide loan products and development services that complement their loan products. CDFIs can be structured in many ways and include for-profit and nonprofit entities. They include regulated institutions like community development banks and community development credit unions, and unregulated institutions such as loan funds and venture capital funds.

CDFIs are found in all 50 states and the District of Columbia. They serve all sorts of communities—urban to rural populations, as well as those on and off Native lands. CDFIs serve all types of people and specialize in many types of financial products and development services.

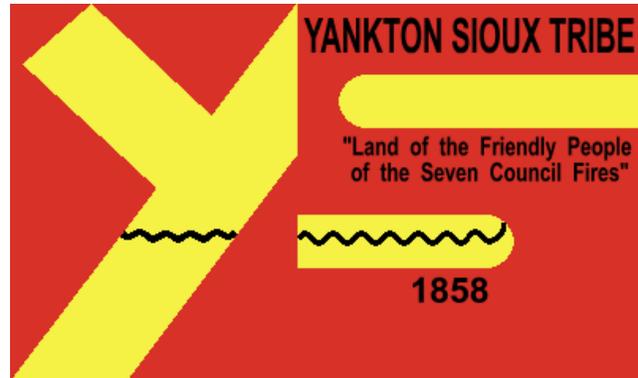
First Nations Oweesta Corporation (www.oweesta.org) is a national nonprofit that helps establish strong institutions and programs that support asset development opportunities and wealth creation for Native people. Oweesta has been working in Native communities for more

than 19 years, providing training and technical assistance to build strong institutions. Oweesta supports market research efforts like this report to inform business strategy of Native CDFIs.

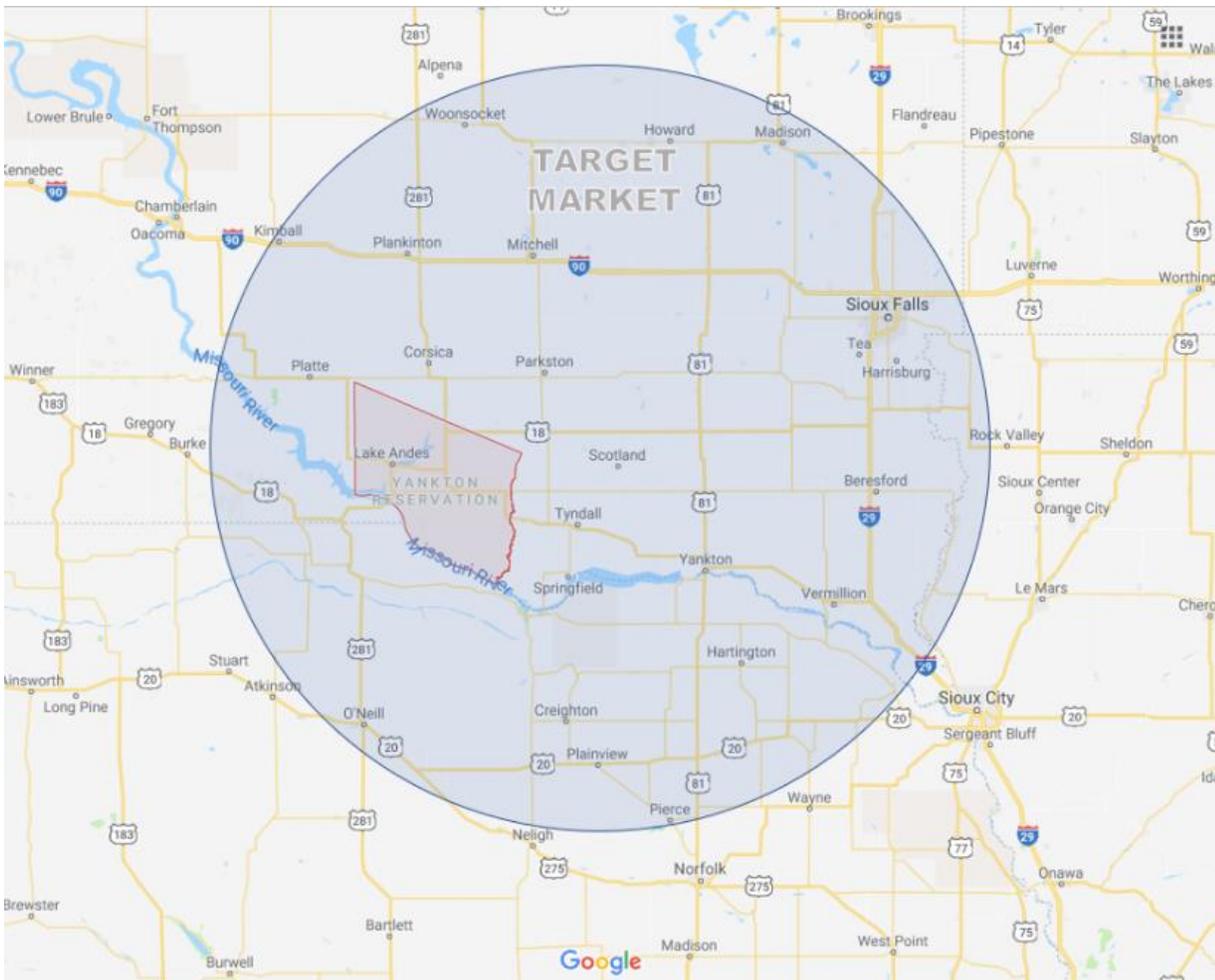
Sweet Grass Consulting, LLC (www.sweetgrassconsulting.net) provides professional, evaluative, and research services that promote and support asset-based development initiatives in economically burdened communities. SGC specializes in impact evaluation and has expertise in many methods encompassing the storytelling process from collecting, documenting, and reporting stories. SGC is committed to participatory methods with an expertise in community development processes, monitoring and evaluation, qualitative research, and quantitative research to achieve community defined goals.

INTRODUCTION

In early 2018, Sweet Grass Consulting, LLC (SGC), in conjunction with First Nations Oweesta Corporation (Oweesta) and the Economic Development Department for the Yankton Sioux (Ihanktonwan) Tribe (YST-EDD), set out to conduct a concise and comprehensive community snapshot market analysis for the Yankton Reservation. The goal of the snapshot is to understand the potential impact the creation of the Ihanktonwan Development Fund (IDF) could have on Tribal and non-Tribal community members within a 150-mile radius of the Tribal headquarters in Wagner, SD (Charles Mix County as a whole, the Yankton Sioux Indian Reservation, City of Wagner, City of Mitchell, City of Yankton, City of Sioux Falls, and surrounding small towns such as Lake Andes and Marty). The Google map below shows the Yankton Reservation highlighted in red versus the target market highlighted in blue.



<http://aktalakota.stjo.org/>



Key findings and recommendations found from the collection and analysis of data are highlighted in the following snapshot.

In recent years, the YST-EDD noticed the growing potential and need for a Native CDFI on the Yankton Reservation. The YST-EDD identified a need for coaching, technical assistance, and access to capital for community members. The YST-EDD also started identifying opportunities to develop businesses on the Yankton Reservation which could have strong economic impacts. This study is meant to elaborate and corroborate the initial findings of the YST-EDD by utilizing secondary data about the area and economy, a community market survey, and interviews with key stakeholders.

ABOUT THE YANKTON (IHANKTONWAN) SIOUX TRIBE

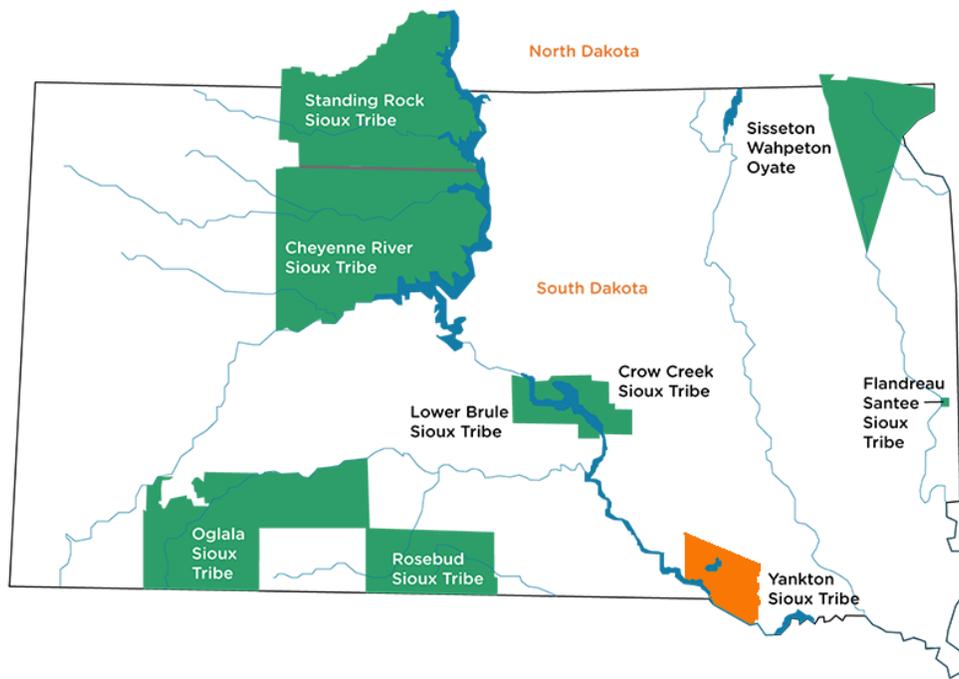
Yankton Sioux Reservation was established in 1858 and located in southeast South Dakota.

The Yankton Sioux Tribe is located in the lower eastern part of Charles Mix County (see map below).

It is one of seven Sioux Nations, or the Oceti Sakowin (“seven council fires”).

The Tribe has approximately 11,594 members and approximately 4,600 members reside within the boundaries.

The Tribal Headquarters is located in Wagner, SD.



METHODOLOGY

The demand for a CDFI for the YST target market was explored utilizing two main data sets: primary and secondary data. The secondary research was comprised, first, of a market environmental scan, which utilized Google Maps, Yelp, and online business records to pinpoint available capital and financial resources in the geographic target market area. This scan mapped predatory¹ lenders, banks, financial educators and coaching opportunities, pawn shops, and more. Secondary data was also utilized to understand the demographics of the target market more clearly.

The primary data was gathered using a survey and interviews that could be accessed online and on paper by representatives of the target market. The market survey, titled the “Ihanktonwan Community Market Development Survey” was distributed in April 2018 both online and on paper. The survey focused on basic demographics, including income and employment, financial products and services, household information, financial information, community needs, and business information. The interviews were conducted with “Key Opinion Leaders” between April and May 2018 over the phone by SGC staff. In the calls, financial and business opportunities, challenges of the area, and recommendations regarding IDF’s role in the community were discussed. There were five interviews total that averaged 45 minutes each.

¹ “Predatory lending is any lending practice that imposes unfair or abusive loan terms on a borrower. It is also any practice that convinces a borrower to accept unfair terms through deceptive, coercive, exploitative or unscrupulous actions for a loan that a borrower doesn’t need, doesn’t want or can’t afford.” Retrieved from <https://www.debt.org/credit/predatory-lending/>

AGGREGATED KEY FINDINGS & OBSERVATIONS

- **There is a need for consumer loans and credit building opportunities.**
 - 52% of survey respondents identified credit builder loans as the most needed loan in their community.
 - Six other consumer loans were commonly selected on the market survey as well: auto/car, home improvement/repair², emergency, personal line of credit, appliance/furniture, and debt consolidation.
 - Survey respondents and key stakeholders identified credit score issues as an obstacle to obtaining a loan.
 - According to the environmental scan, there were a total of 79 financial institutions within the location parameters, specifically the Yankton Indian Reservation, the City of Yankton, Mitchell, Wagner, Lake Andes, with other locations in Charles Mix County such as Pickstown, Marty, Geddes, and Platte. Yankton (33) and Mitchell (26) had the highest frequency of financial institutions, which is to be expected as these towns have the highest relative populations (14,545 and 15,254 respectively). Among the financial institutions available, banks (37%) and consumer predatory lending options (16%) were the most commonly available services.
 - According to the market survey, lack of credit and collateral were the top barriers when attempting to obtain a loan.
 - A 2015 national study on financial inclusion by FDIC shows that 24% of South Dakota households are either unbanked or underbanked.
 - Consumer training opportunities were sparse according to data from the marketplace scan. Only 3 options existed: 1 in Mitchell and 2 in Yankton.

- **A lack of funding sources and meeting loan qualifications are significant barriers to becoming a business owner.**
 - 58% of survey respondents identified finding a source of funding as being the main barrier to starting a business, followed by 56% who reported having trouble qualifying for a business loan.
 - There was a total of 79 financial institutions within the location parameters, specifically the Yankton Indian Reservation, the City of Yankton, Mitchell, Wagner, Lake Andes, with other locations in Charles Mix County such as Pickstown, Marty, Geddes, and Platte. Yankton (33) and Mitchell (26) had the highest frequency of financial services, which is to be expected as these towns have the highest relative populations (14,545 and 15,254 respectively). For every 434 people, there is 1 financial service in the target market area.
 - Among the financial services available, banks (37%) and consumer predatory lending options (16%) were the most commonly available services.

² Home improvement/repair can be considered a consumer loan, especially when IDF does not offer home loans. If the CDFI does provide home loans, home improvement/repair could be a subset of the home loan type, rather than the consumer loan type. For this report we considered it to be a consumer product.

- Many key stakeholders discussed the need for business management education, including marketing, customer service, how to treat employees (i.e. leadership vs management), accounting, and business financial management.
- **Lack of jobs and housing are two of the most common barriers to employment reported on the Yankton Reservation.**
 - Over half of respondents (59%) reported a lack of jobs as a key barrier in obtaining employment in the community.
 - 49% of respondents also reported a lack of homes as a barrier to employment and 56% reported homes and housing as the number one missing service in the community.
 - 37% of survey respondents reported they were either dissatisfied or extremely dissatisfied with the mortgage and home lending opportunities in the community.
 - It is important to note that YST-EDD worked with a consultant in 2017 to dive deep into the market of housing products and services. This report should be used in conjunction with this information in order to fully understand the housing situation on the Yankton Reservation.
- **Respondents identified a need for more diversity in businesses and services.**
 - 53% of respondents identified a retail clothing store as a missing service in the community.
 - Over 1/3 of survey respondents and key stakeholders expressed a need for fast food and sit-down restaurants. In particular, a steakhouse and a coffeeshop were mentioned.
 - Another business opportunity that presented itself in both the survey (29% of participants) and the key opinion leader interviews mentioned a need for auto mechanics. Another 38% of survey participants want a car dealership in the community.
- **There is a large desire for a new community garden on the Yankton Reservation.**
 - 66% of respondents are interested in starting a community garden.
 - Community gardens provide local fresh foods, social unity, and an opportunity for community wealth building.
 - 3 of the 5 key stakeholders interviewed expressed the desire for community gardening and agricultural education.
 - There are currently five community gardens in the surveyed area; 2 in Wagner³ and 1 each in Lake Andes⁴, Mitchell⁵, and Yankton⁶.
 - Food sovereignty initiatives as well as education of local food system benefits are becoming more common, especially in rural and native communities.
- **Community members see value in educating youth with financial training.**

³ <http://www.wagner.k12.sd.us/District/Portal/garden1> and <http://www.horizonsinc.org/community-garden/>

⁴ http://www.postandwave.com/news/lake_andes_news/community-garden/article_0a53d500-3a4a-11e7-949f-5f4e5e2d984b.html

⁵ <https://www.facebook.com/Mitchell-Community-Garden-304803386743/>

⁶ <http://www.healthyankton.org/>

- Youth financial training was the number one reported need (51%) to create financial confidence for community members.
- Youth entrepreneurship training was also selected by 45% of respondents as a way to develop financial confidence and security in the community.
- Every key stakeholder expressed the need to have a focus on youth in IDF's development services.
- Each key stakeholder also discussed youth leadership in general as being something missing from the community.
- Stakeholders thought youth leadership should be present, in some way, in all IDF's programmatic endeavors.

FINAL RECOMMENDATIONS

The evidence above leads us to recommend moving forward with the Ihanktonwan Development Fund (IDF), a Native CDFI that would provide a variety of products and services, including business lending, consumer and credit builder lending, and financial counseling/education.

FOR YOUR LOAN PROGRAM

Start with a credit builder loan product

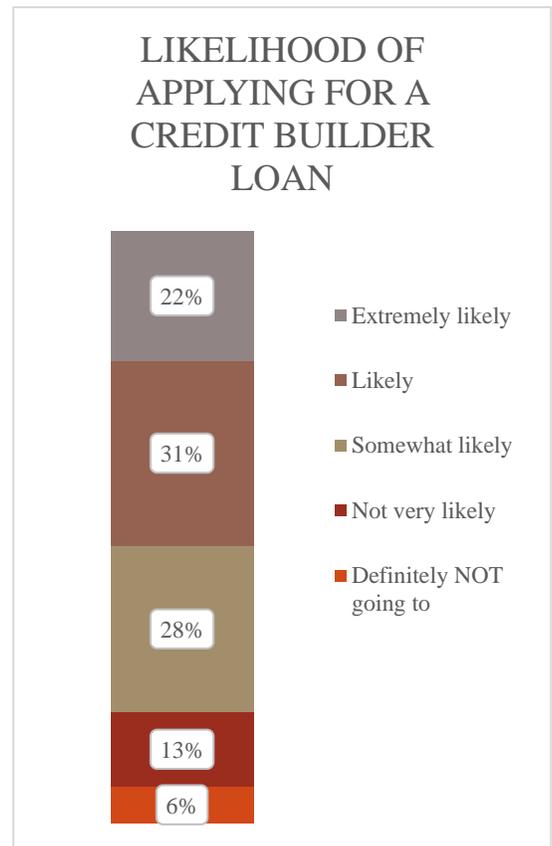
Prior to this study, YST-EDD had empirical evidence to support credit builder and business lending. This market study corroborates those initial findings. There is an undeniable need for credit building and consumer loans for community members on the Yankton Reservation and surrounding areas. In fact, it was the most desired loan type reported in the market survey (52%). When looking at the likelihood to apply for a credit builder loan, 53% of people said they were either likely or extremely likely to apply. Of those who have faced issues when trying to obtain a loan in the past, 46% reported the issues had to do with their credit.

Key stakeholders told stories from their own experience as well as experiences from around the community that confirmed this issue. Credit issues are common barriers when attempting to obtain a loan from a bank. A CDFI will address these challenges by providing the opportunity for people who typically face distrust, stigma, or lack of “bankability” in the formal banking world. 57% of survey respondents who provided their credit score had a score under 650, which Experian considers subprime, and therefore makes them the target market for a CDFI. When survey respondents were asked how they would rate their credit score, 1% rated their credit score as exceptional, 16% very good, 23% good, 25% fair, and 25% very poor. 6% did not know how to rate their score and the final 4% reported they do not have credit.

It is common for Native CDFIs to start with consumer lending and transition to small business/microenterprise lending⁷ due to high demand and less risk. It also builds borrower capacity.

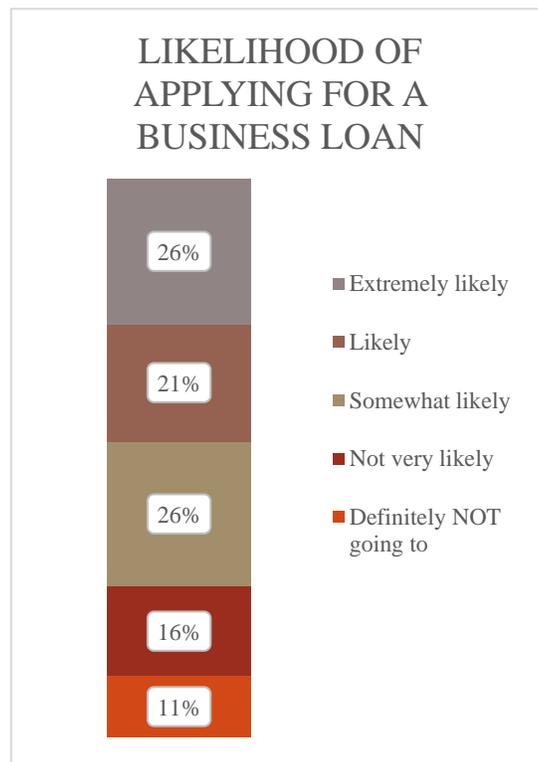
Begin microenterprise lending when it feels right

It is recommended to start microenterprise lending when IDF has a strong set of borrowers ready for business credit (maybe 6 months or a year after beginning consumer lending) in order to



⁷ CDFIs generally refer to small business and microenterprise lending differently; small business lending consists of loans greater than \$50,000 and microenterprise lending is loans less than \$50,000.

decrease risk and build the borrowers up before business lending. Barriers to business ownership from the community survey demonstrated an overall lack of business management experience and skill, confidence, and access to funding. Managing a loan to start one’s business adds to the challenges of running a business because it requires a strong financial history, a high credit score, collateral, and realistic financial projections, all of which were listed as hurdles to becoming business credit-ready. Businesses need start-up and expansion capital in order to be strong, positive forces for local economic development. Small business loans (less than \$50,000) were commonly selected by survey respondents, with 29% of respondents selecting this product. Microenterprise (20%) business loans (less than \$5,000) and large (21%) business loans (larger than \$50,001) were also common selections by respondents. When adding all selected business loan types together, this product became the number one loan type needed in the community (79%). When looking at the likelihood to apply for a business loan (micro, small, or large), 47% said they are likely or extremely likely to apply. Finding a funding source (58%) and qualifying for a business loan (56%) were the top two barriers to owning a business for survey respondents, both of which IDF would be positioned to combat.



Community gardening and agricultural development

With food sovereignty initiatives on the rise, it is a great time for an emerging CDFI like IDF to learn from what other CDFIs, CDCs, and nonprofits are doing in this respect and develop programming to support these endeavors. Microbusiness and agricultural lending are two lending products which might support the development of community farmers markets and agricultural businesses and efforts. Both surveys and interviews expressed the need and opportunity for community gardening and agricultural development in the target market area. When IDF is ready, this is something it should highly consider offering and supporting.

FOR YOUR DEVELOPMENT SERVICES

A need for financial capabilities

Primary data shows a strong desire for financial education and coaching opportunities. Lack of financial education is the foundation of many of the barriers discussed throughout this study. Not only are people not meeting the criteria of the banks, but many times lack the financial knowledge and confidence to change their financial situation. Financial education and coaching⁸ opportunities ranked in the top ten ways in which community members could feel more

⁸ Financial education is often lecture-based and offered to a class. Financial coaching is a client-driven process characterized by working with a client on the way to achieving mutually-agreed-upon goals.

financially confident and secure. One-on-one financial coaching ranked eighth, followed by credit counseling/assistance in ninth, and lastly financial education opportunities rounded out the top ten ways to become more financially confident and secure.

IDF's role should be one of building clients until they are loan-ready. Be sure to make clients feel welcome and comfortable with individually tailored, one-on-one professional guidance. If clients do not qualify for a loan right away, provide credit counseling, financial education, and group classes (homebuyer education, business management training, etc.) and other services until they are loan-ready.

General examples of successful curricula used for financial education and professional development services include Building Native Communities (BNC), Credit When Credit is Due, Dollars and Sense, and Making Waves. These are used by a variety of Native CDFIs to help build financial knowledge and confidence, professional development, and business leadership skills. It would be helpful to learn from these curricula and choose one or two to begin with.

Business management and entrepreneurship training

Increasing business skills of the community and advocating for locally-owned business development is of great importance to community members, according to the market survey. Survey results indicated service and business gaps in the target market economy that community members could utilize as start-up business opportunities. This includes a retail clothing store, a car dealership, a sit-down restaurant, a fast food restaurant, and childcare services. One-on-one and group education opportunities should be provided to community members in order increase the level of knowledge and confidence in starting and maintaining a business. Some stakeholders mentioned the need for customer service and business leadership education. Other business development service focus areas suggested by stakeholders included business plan creation training, developing financial statements, and operating a business. These services will build capacity of business loan clients, so they can fill the business gaps identified in the survey.

Youth financial training

Each key stakeholder highly stressed the need to address the financial education and confidence of youth. They felt this development service would provide the younger generation with financial knowledge that will enable them to be financially healthy and secure in adulthood. Specific youth financial training also provides a space for young people to gather and engage in healthy and safe activities. When asked about financial confidence, 51% of survey respondents said youth financial training was the number one way to increase confidence and security in the community. Additionally, youth entrepreneurship training was the fifth most common way to increase confidence and security (46%). There are several pieces of research that detail best practices of the Native CDFI industry in providing youth-oriented services⁹. Some examples of services could include a youth matched savings program¹⁰ or youth internship program with local businesses.

⁹ <https://firstnations.org/knowledge-center/investing-in-native-youth>

¹⁰ Everything You Need to Know About Individual Development Accounts, <https://prosperitynow.org/everything-you-need-know-about-individual-development-accounts-idas>

Who will provide development services?

One consideration for IDF is deciding who will provide the development services. These services can be done in-house, through partnerships, or a combination of the two. Oweesta and SGC most commonly see Native CDFIs choose the last option. A combination approach allows for a personal relationship between IDF and their clients, while at the same time broadening staff time and capacity by relying on capable and experienced partners. These experienced partners often include the Tribal housing authority, other nonprofits, or other financial institutions in the community. Development services tend to be some of the most impactful services a CDFI can offer, but also require staff time and training.

Another consideration would be to choose partners wisely in order to build and support trust within the community. IDF should hold their partners accountable and be sure they provide culturally relevant financial services and products.

GENERAL RECOMMENDATIONS

Work on outreach and marketing

It is important to focus on community outreach and marketing so the community is accepting and familiar with IDF. This is especially important as IDF starts working in the community and building a name for itself. Word of mouth is always the strongest form of marketing in Indian Country, but before word of mouth can be effective, IDF must provide quality lending and development services. Many Native CDFIs hold a community event once the CDFI is in operation to let people know what products and services are provided and get to know individuals. Continue to utilize other forms of marketing such as social media, newspaper, and radio throughout the life of IDF.

Work towards certification

The Yankton Sioux Tribe is in the process of creating a space for their CDFI and has hired an executive director. For any organization working towards CDFI certification, it is important to know the requirements of CDFI certification. This way, in the time leading up to certification, the applicant can make strategic decisions that will ultimately support a strong CDFI Certification Application¹¹. The CDFI Certification Application is broken up into seven sections, which organize the application and assist the applicant to understand how their application is evaluated. Those sections are numbered below:

1. Legal entity
2. Primary mission
3. Financing entity
4. Target market
5. Development services
6. Accountability
7. NGO (Non-governmental entity)

¹¹ <https://www.cdfifund.gov/programs-training/certification/cdfi/Pages/apply-step.aspx#step11>

The steps IDF can take to meet the first criteria, legal entity, are relatively easy to accomplish. IDF needs an EIN (Employer Identification Number) from the IRS and Articles of Incorporation.

The second section, primary mission, is designed to for the CDFI Fund to evaluate how the applicant's mission supports community development. This has been developed and will be potentially updated and approved by the Board in the near future.

The third component, financial entity, ensures that most of the CDFI's assets and staff are focused on financing. To pass this section of the CDFI Certification Application, a majority of IDF's assets need to support financial products, development services, or other similar financing. Additionally, a majority of staff need to support lending. The CDFI Fund is also interested in whether an organization has enough capital on their balance sheet to continue meeting target market demand or not.

A foundational component of the CDFI Certification Application is the target market to whom the organization will provide services and financial products, which IDF has already identified. This market study provides data to support the need for improved financial products and services in the target market area.

In the Development Services section of the certification application, the CDFI Fund is checking if the CDFI provides development services that prepare its target market for financing. IDF does not have to do this directly; it is permissible to partner with another service provider to whom IDF would provide referrals. This market study also provides data that outlines what development services the target market needs so that IDF may tailor services to best suit the area and the people.

The applicant must also create a board of directors that is representative of its target market. Native CDFIs typically use OTPs (Other Targeted Populations) in their target market definitions because this type of target market enables the Native CDFI to serve all Native Americans in a certain region. In this case, the board of directors must be made up of Native Americans that live or work in the defined area¹². Native CDFIs, in addition to using an OTP in their target market, can use an Investment Area. This enables them to serve the entire population of a specified area, just as IDF wants to do (Natives and non-Natives).

The final criterion used is NGO (non-governmental organization) status. The CDFI Fund excludes entities from certification that are controlled by government entities. Native CDFIs face less stringent criteria than non-Native CDFIs as Tribal governments are allowed some level of connection¹³.

Cultivate effective partnerships

South Dakota has many successful Native CDFIs with longevity in the industry. Partnership and mentorship from these established CDFIs would be recommended. The Lakota Funds and Four Bands Community Fund are two very successful Native CDFIs IDF might consider reaching out

¹² Target markets defined by the CDFI Fund are difficult to understand. The footnote on the previous page will help readers to understand them, and so will the following link: <https://www.cdfifund.gov/programs-training/certification/cdfi/Pages/apply-step.aspx#step11>

¹³ Tribes sometimes function as sponsoring entities of Native CDFIs. While Native CDFIs can have ties to a Tribe/Tribal government (allowable by CDFI Fund) and these ties can be beneficial, it is considered best practice for Native CDFIs to operate independently of Tribal government.

to. Other resources include the South Dakota Indian Business Alliance (SDIBA) which provides business and entrepreneurship training to Native American entrepreneurs and business owners and also provides a network of support. More local partnerships include Wagner Area Progressive Growth and Yankton Area Progressive Growth, both of which have already expressed interest in cultivating formal partnerships to help provide support and outreach for community projects and on an individual basis.

Start using accounting software and lending software

As IDF begins offering loan products, it will need to access loan capital. Therefore, it will need to produce financial statements and projections for grant applications. It is recommended that it start using an accounting software in-house or looking into working with an outside accounting firm to produce these financial documents. Furthermore, it is recommended that IDF begin setting up the needed infrastructure, including lending software, from the very beginning. Having the necessary accounting and lending software available and ready to go will ease the transition into operation.

Collect and organize data efficiently

One of the most important and overlooked components for a successful emerging Native CDFI is to establish efficient ways to organize and track data. In order for a Native CDFI to effectively tell its story, it needs to effectively and consistently collect and organize data. IDF now, and in the future, will need to write grant applications to fund their initiatives and have data to share with potential investors. The more disorganized the data collection, the less likely it will capitalize operations and lending, which will lead to capacity loss and increased time playing catch-up when it comes time to reporting or writing a grant application.

This is a common problem, so it is recommended IDF takes several different steps to mitigate any issues. Utilize interns and volunteers, such as AmeriCorps VISTA members who strictly focus on collecting and organizing data. Consider a database to collect and store data, such as the Opportunity Through Impacts System (OTIS) or other data systems such as SurveyMonkey or Google Forms. A database system can also assist with organizing the papers, forms, applications, and client documents that tend to pile up over time.

Use and revisit the market study

This market study should be used as a reference to start up and expand IDF. It should be used to make operational decisions, to set goals, and to reach out to the community and funders. Since it is a first step, it should be revisited and reflected upon to potentially dig deeper once IDF is established. Recommendations and key findings should be utilized in the beginning stages to set the stage for IDF's growth and success. It can also set the stage for new developments. Although the survey was successful in getting 92 responses from each section of its target market, it would be beneficial to revisit this part of the study in particular to continue gauging the community's needs in an up-to-date and representative way.

RESEARCH FINDINGS

BACKGROUND AND DEMOGRAPHICS

The Yankton Sioux Tribe is located in the lower eastern part of Charles Mix County, which is in south central South Dakota. Surrounding areas were researched and compared to the Yankton Sioux Reservation to identify where comparisons and discrepancies exist. Surrounding cities included Mitchell, Wagner, Lake Andes, Sioux Falls, and Yankton. Charles Mix and Yankton counties were also researched for comparison. There were 92 responses from 12 cities and towns within South Dakota, and 1 response from North Dakota. 58% of the respondents reside in Wagner, 17% in Lake Andes, 9% in Marty, 4% in Mitchell, and 2% each from Yankton and Sioux Falls. The various cities and towns represented in the survey represent the target market locations identified by YST-EDD.

POPULATION

The Bureau of Indian Affairs (BIA) estimates Yankton Sioux Tribal enrollment to be 11,594¹⁴. Data from the U.S. Census Bureau from 2010 reports the Yankton Sioux Reservation had a population of 6,465 people compared to Sioux Falls' population of 153,888 and South Dakota's population of 814,180. Of the Yankton Sioux Tribe's total population, 49.2% are male and 50.8% are female¹⁵. The Center for Indian Country Development reports 44% of the Yankton Reservation is made up of those who self-identify as only American Indian or Alaska Native (AIAN alone)¹⁶. Census data collected through the 2012-2016 American Community Survey estimates 50.4% of those living on the Reservation are white only, 44% are AIAN only, and the remaining 5.6% of individuals are one of the following: Black/African American, Asian, Native Hawaiian or another Pacific Islander, or some other race¹⁷. The U.S. Census estimates as of July 2017, 2.7% of individuals in Sioux Falls are AIAN. In the state of South Dakota as a whole, 9% of individuals are estimated to be AIAN.

The table below displays age and population information for Yankton Reservation, Sioux Falls, and South Dakota gathered from the 2000 and 2010 U.S. Census. Information regarding Yankton Reservation's age, child, and old dependency ratios could not be found, and the ratios were calculated using available 2000 Census age data. "The dependency ratio is an age-population ratio of those typically not in the labor force (ages 0 to 14 and 65+) and those typically in the labor force (the productive part ages 15 to 64). It is used to measure the pressure on productive population."¹⁸

	Yankton Reservation	Sioux Falls	South Dakota
2000 Census Population	6,500	124,939	754,844
2010 Census Population	6,465	153,888	814,180
AIAN Population Percentage	44%	2.7%	9%
Median Age	32.8	34.3	36.8
AIAN Median Age	22	No Data	No Data
24 or Younger	66.5%	75.4%	75.1%

¹⁴ "Yankton Agency." *Indian Affairs*, U.S. Department of Interior, www.bia.gov/regional-offices/great-plains/south-dakota/yankton-agency.

¹⁵ US Census Bureau. *My Tribal Area - Yankton Reservation*. 7 Mar. 2017, www.census.gov/tribal/?aianihh=4700.

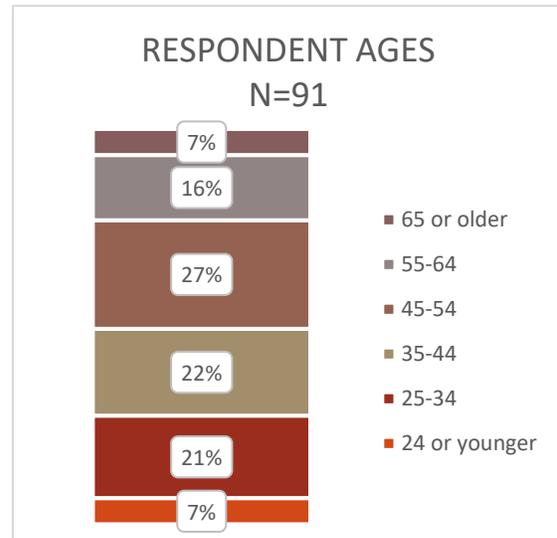
¹⁶ "Yankton Reservation." *Center for Indian Country Development*, Federal Reserve Bank of Minneapolis, www.minneapolisfed.org/indiancountry/resources/reservation-profiles/yankton-reservation.

¹⁷ US Census Bureau. *My Tribal Area - Yankton Reservation*. 7 Mar. 2017, www.census.gov/tribal/?aianihh=4700.

¹⁸ Dependency Ratio Calculations, https://en.wikipedia.org/wiki/Dependency_ratio

65+	15.4%	10.9%	14.3%
2000 Age Dependency Ratio	77.2%	58.1%	70%
2000 Child Dependency Ratio	48.9%	39.2%	45.6%
2000 Old Dependency Ratio	28%	18.9%	24.4%

The data presented in graph to the right contains age information for Yankton Reservation survey respondents¹⁹. There was a total of 93 respondents, though not all provided responses for every survey question. Respondents were 67% male and 33% female. The most common age group was 45-54 years in age.



91% of respondents reported their ethnicity to be American Indian alone while 6% reported American Indian and one other ethnicity, and the remaining 2% were Caucasian. Of those who shared their Tribal affiliation, 93% were Yankton Sioux, 2% were Rosebud Sioux, and 1% reported one of the following: Santee, Oglala, Crow Creek, or Cheyenne River.

EDUCATION

The table below explores the highest level of educational attainment of survey respondents and Yankton Reservation, Sioux Falls, and South Dakota residents through 2010 and 2012-2016 U.S. Census Data. Yankton Reservation’s high school diploma or equivalency attainment falls short of Sioux Falls’ and the state’s percentage and is slightly lower for those who identify as AIAN. The gap grows larger when looking at bachelor’s degree and higher education. Those living on Yankton Reservation experience significantly lower rates of attaining a degree compared to those living off the Reservation and those who do not identify solely as AIAN. Educational attainment according to the market survey respondents ranges from high school (38%) to a Doctorate degree (1%), with most reporting high school as their highest level of education and only 2% report having less than a high school education.

Educational Attainment					
	AIAN Survey Respondents ²⁰	Yankton Reservation ²¹	AIAN Yankton Reservation	Sioux Falls ²²	South Dakota
High school diploma or equivalency	38%	34.1%	38.1%	91.2%	91.2%
Bachelor’s degree or higher	21%	13.7%	6.1%	33.4%	27.5%

¹⁹ 2018 Ihanktonwan Market Survey

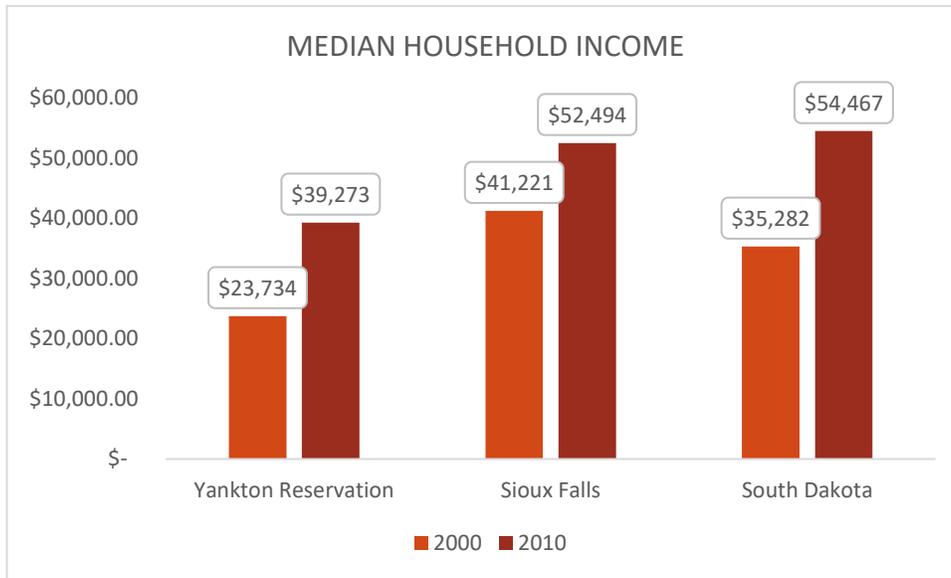
²⁰ Ihanktonwan Community Market Development Survey

²¹ "Yankton Indian Reservation." Yankton Sioux Tribe. <https://www.yanktonsiouxtribe.net/>.

²² "U.S. Census Bureau QuickFacts: Sioux Falls City, South Dakota; South Dakota." United States Census Bureau. <https://www.census.gov/quickfacts/fact/table/siouxfallscitysouthdakota,SD/PST045217>.

INCOME & POVERTY

The median annual household income for Yankton Reservation was \$23,734 in 2000 according to the U.S. Census and this amount increased to \$39,273 by 2012²³. For those living on the Reservation who identify as AIAN only, the most recent median household income is \$27,422 which is over \$10,000 lower than the Reservation’s median income. The following chart gives a visual representation of available median income data for the Yankton Sioux, Sioux Falls, and South Dakota according to 2000 and 2010 U.S. Census and American Community Survey data.

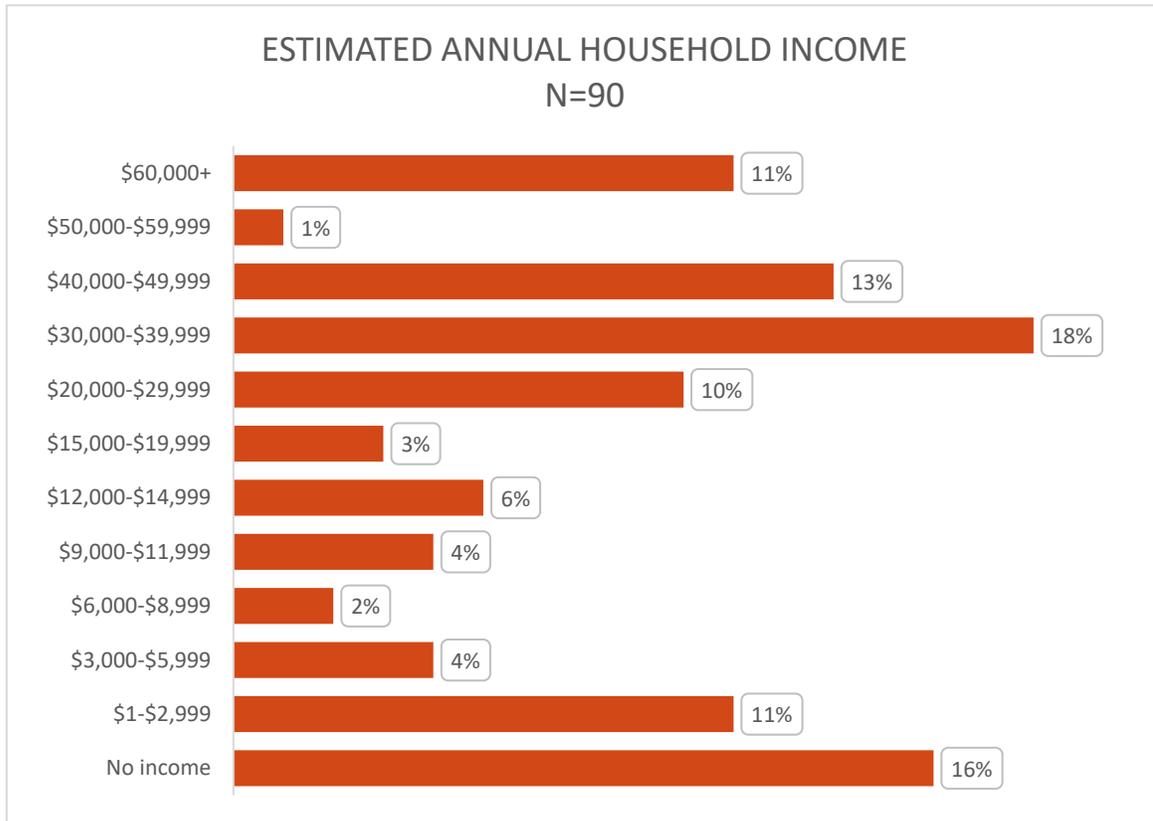


In the year 2000, Yankton Reservation residents’ median household income was \$17,487 lower than Sioux Falls and \$11,548 lower than the state’s median. The 2016 median income for the Yankton Reservation is \$13,221 lower than the nearby city of Sioux Falls’ whose median annual income is \$52,494, and \$15,194 lower than South Dakota’s which is \$54,467. While income did increase for those living on the Reservation, they are still lagging behind Sioux Falls and the state as a whole. Data from the American Community Survey from the years 2012-2016 reports AIAN median household income on the Reservation to be \$27,422 compared to \$38,502 for all AIAN in the United States.

AIAN Median Household Income				
	AIAN Yankton Reservation	Yankton Reservation	AIAN United States	United States
2016 ACS	\$27,422	\$39,273	\$38,502	\$55,322

²³ “Yankton Reservation.” *Center for Indian Country Development*, Federal Reserve Bank of Minneapolis, www.minneapolisfed.org/indiancountry/resources/reservation-profiles/yankton-reservation.

According to the market survey, 58% of survey respondents reported an estimated annual household income of less than \$40,000 a year. Additionally, 16% reported they do not have an income. The table to the below shows the annual household incomes reported by respondents.



The table below shows the individual poverty rates gathered from U.S. Census and American Community Survey data for individuals in the United States, South Dakota, and Yankton Reservation. The rates are further broken down by those who identify as AIAN in the years 2000, 2010, and 2016. Unfortunately, there are significant gaps in the data. This is especially true for Yankton Reservation data older than the year 2016. However, the data still displays a vast difference in poverty rates on and off the Reservation and even more so for AIAN. While the United States and South Dakota's poverty rate declined from 2010 to 2016, the data for American Indians in South Dakota showed a slight increase. The Yankton Reservation is vastly underrepresented in the U.S. Census data which makes it difficult to pinpoint poverty rates. Referring to a final recommendation, it is suggested to reassess the market study in hopes that more information will be made available during the 2020 U.S. Census.

Individual Poverty Rates ²⁴					
	United States	South Dakota	AIANs in South Dakota	Yankton Reservation	AIANs on Yankton Reservation
2000 Census	11.3%	11.5%	No data	No data	No data
2010 Census	15.1%	14.4%	48.3%	No data	No data
2016 ACS	12.7%	13.3%	48.7%	19.4%	49.86%

²⁴ "Community Facts." American FactFinder. October 05, 2010. https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml.

EMPLOYMENT & JOBS

The table below displays information gathered from The Bureau of Labor Statistics and the U.S. Census for unemployment rates in Charles Mix County, Yankton Reservation, Sioux Falls, and South Dakota. Census data from 2000 places the Yankton Reservation's unemployment rate at 18.3% which is significantly higher than Sioux Falls' unemployment rate of 2% and South Dakota's of 2.5% during the same year. 30% of respondents from the market survey were unemployed, 22% of which reported to be seeking employment. As with other points of interest, missing data for the Yankton Reservation makes it difficult to compare the change in unemployment over the years, but what data there is demonstrates a higher unemployment rate on the Reservation.

Unemployment Rates				
	Charles Mix County	Yankton Reservation	Sioux Falls	South Dakota
2000 U.S. Census	5.1%	18.3%	2%	2.5%
2018 Bureau of Labor Statistics ²⁵	3.7%	No Data	3.4%	3.3%

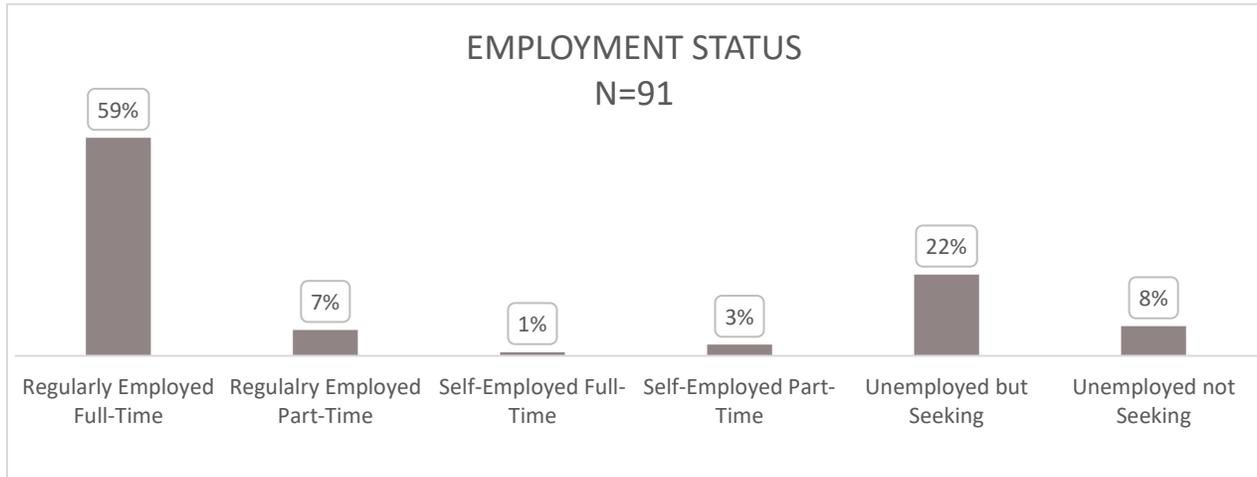
The table below, from the South Dakota Department of Labor, shows in which industries Yankton Sioux residents are employed, the total number of people employed, and the average annual pay in those industries. The three highest paying industries are utilities, information, and financial activities. Alternately, the three lowest paying industries are leisure and hospitality, retail trade, and trade, transportation, and utilities. Interestingly, the higher paying industries have low reports of employment.

Yankton Sioux Industries	Total Employment	Average Annual Pay
Total Private	2,115	\$25,445
Total Government	1,322	\$29,742
Trade, Transportation, and Utilities	668	\$25,326
Education and Health Services	581	\$27,282
Retail Trade	388	\$16,249
Leisure and Hospitality	242	\$9,486
Natural Resources/Mining	144	\$30,963
Construction	124	\$29,020
Financial Activities	119	\$32,957
Professional/Business Services	75	\$29,924
Manufacturing	73	\$31,157
Information	30	\$34,876
Utilities	26	\$47,335

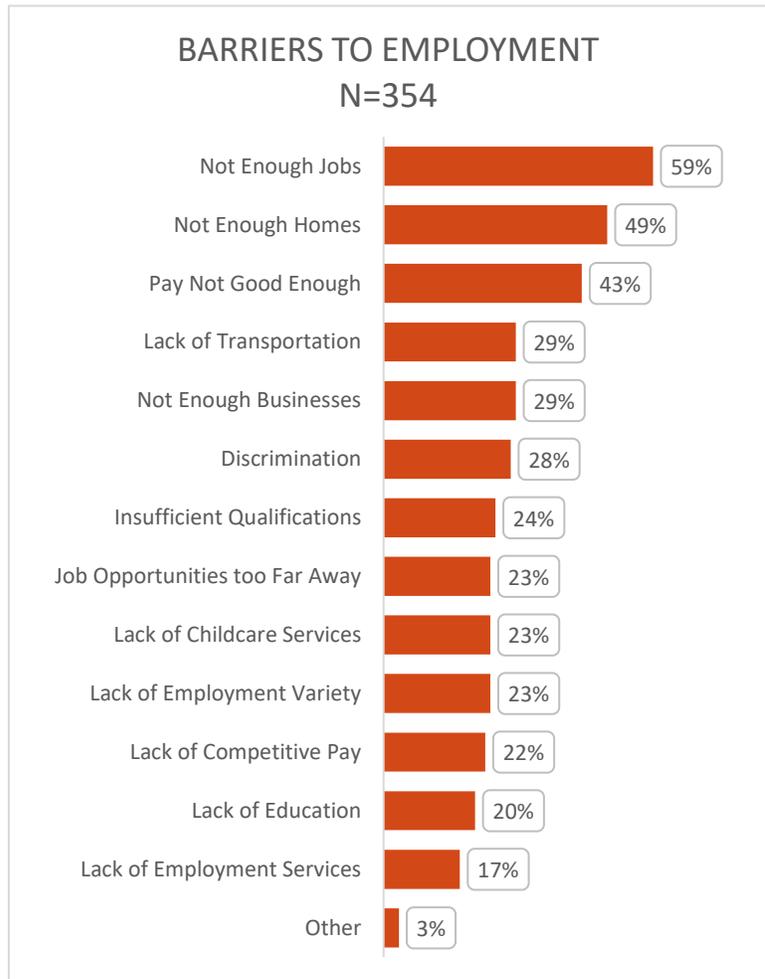
Over half (59%) of the market survey respondents reported they are currently employed full-time, while 22% are unemployed but seeking employment. All employment status can be seen in

²⁵ "Local Area Unemployment Statistics Map." U.S. Bureau of Labor Statistics. <https://data.bls.gov/map/MapToolServlet>.

the chart below. Along with identifying their current employment status, respondents were asked to identify possible barriers that exist to obtaining employment.



Lack of jobs, lack of homes, poor pay, transportation issues, and a lack of businesses are the most commonly identified barriers to employment on the Yankton Reservation. One solution to these barriers is entrepreneurship and new business creation. Through entrepreneurship and new business creation new employment opportunities can be created for community members. Native Nations Institute reports "...by developing local retail and service sectors, entrepreneurship and private sector growth reduce the costs to Native community members of having to shop at distant stores simply to meet basic needs for food, clothing, and durable goods... Native entrepreneurship can also reproduce, in a culturally appropriate way, the kind of opportunities, experiences, and



choices that community members once may have thought existed only outside their communities such as movie theatres, art galleries, and a mix of restaurants.”²⁶

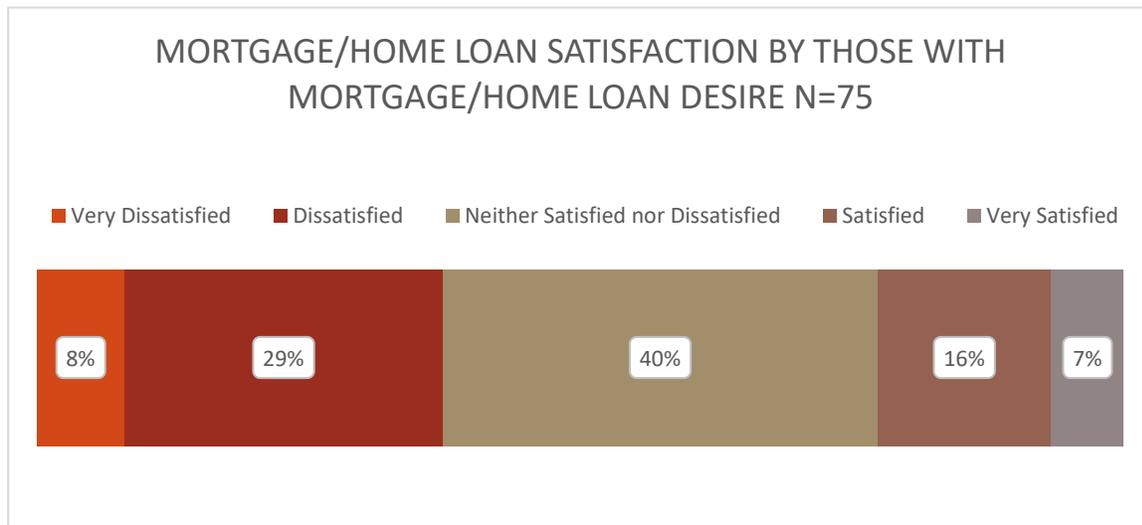
HOUSING

U.S. Census housing tenure data from 2000 and 2010 are displayed in the table below showing that American Indians are renting more often than owning. The homeownership rate on the Yankton Reservation, not taking into consideration race or ethnicity, has also been reported to be 65.2% which is higher than the United States’ rate of 63.6%.

Housing Tenure on the Yankton Reservation ²⁷				
	AIAN Owner Occupied	Owner Occupied	AIAN Renter Occupied	Renter Occupied
2000 U.S. Census	17.3%	No Data	24.1%	No Data
2010 U.S. Census	No Data	63.4%	No Data	36.6%

Conversely, Yankton Reservation’s homeowner rate is slightly lower than the rate reported for all reservations in the United States which is reported to be 69.2%²⁸. Survey respondents identified a lack of homes and housing as a barrier to employment as well as a missing service from the community. The housing assessment report from Big Water Consulting is expected to explore in more depth the housing situation on the Yankton Reservation to identify issues and missing aspects related to housing. This snapshot and the housing assessment report should be used in conjunction to paint a whole picture for the housing and business situation on the Yankton Reservation.

Most of the market survey respondents (42%) are currently renting, while 35% own a home, 20% live with relatives/another person’s home, 2% don’t live in a permanent home, and 1% lives in a parsonage provided by a local church. There is an average of 2 adults (18+) and 2 youth (under 18) in the respondents’ homes. The average total household size is 4 individuals. 80% of survey respondents were interested in a mortgage loan and of those respondents, 37% were either



²⁶ Native Nations Institute. 2016. *Access to Capital and Credit in Native Communities*. Tucson, AZ: Native Nations Institute.

²⁷ Yankton Indian Reservation. "Yankton Sioux Tribe. <https://www.yanktonsiouxtribe.net/>.

²⁸ "Yankton Reservation." *Center for Indian Country Development*, Federal Reserve Bank of Minneapolis, www.minneapolisfed.org/indiancountry/resources/reservation-profiles/yankton-reservation.

dissatisfied or very dissatisfied with mortgage and home lending in the community, and only 23% report they were satisfied or very satisfied. Additionally, 40% report they are neither satisfied nor dissatisfied with the mortgage and home lending opportunities which can be seen in the chart below. This indicates a need for mortgage lending that is more appropriate for residents of Yankton Reservation.

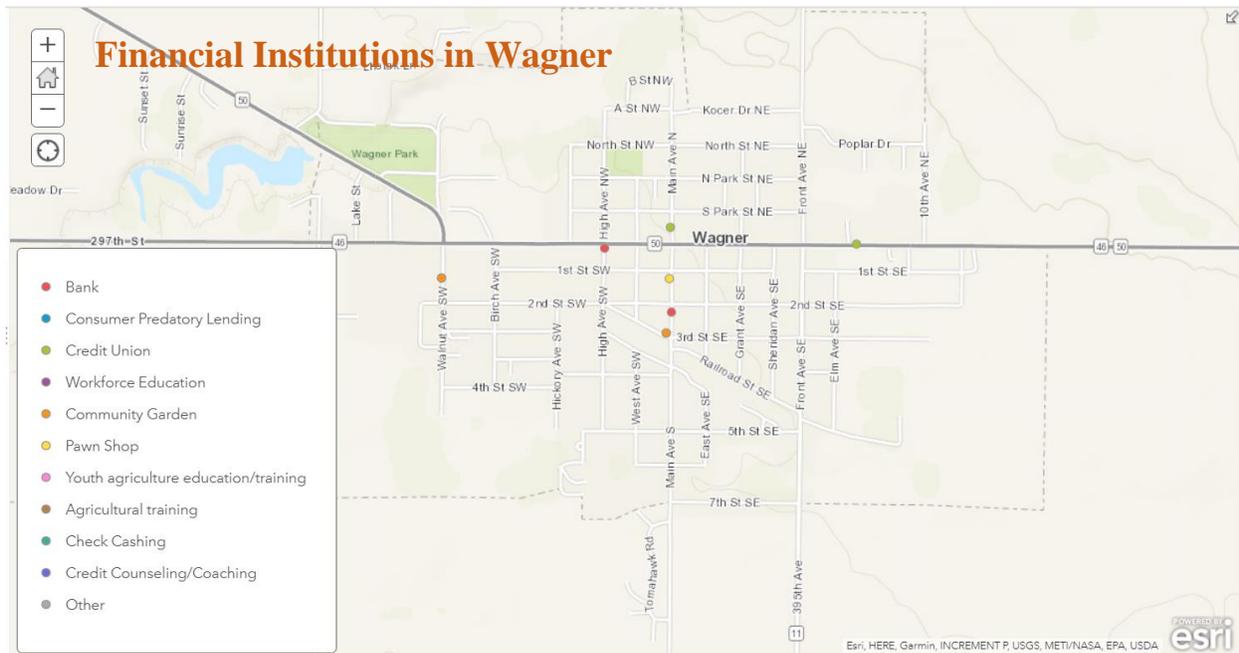
KEY FINDINGS

- Age, child, and old dependency ratios are higher on the Yankton Reservation than in Sioux Falls and the state.
- Less than half (44%) of Yankton Reservation residents are American Indian or Alaska Native alone.
- While aggregate high school and higher education attainment is lower on the Reservation, it is even lower for those who are American Indian or Alaska Native. Only 6.1% of American Indian and Alaska Natives report having a bachelor's degree or higher on the Reservation compared to 13.7% of all residents.
- Yankton's annual median income has trailed behind Sioux Falls and South Dakota's since at least 2000. The gap grows larger when looking at the median income of just American Indian and Alaska Natives which is \$27,422 compared to the Reservation's over all median income of \$39,273.
 - AIAN income for Yankton (\$27,422) is also quite lower than that of AIAN in the United States which is \$38,502.
 - Survey respondents displayed similar annual income information in that 58% report making less than \$40,000 a year.
- The poverty rate for American Indian and Alaska Natives on the Reservation is 49.86% compared to 19.4% for the entire Reservation.
- American Indian and Alaska Natives, as well as the Reservation as a whole, experience higher unemployment rates compared to Sioux Falls and the state.
 - 59% of survey respondents are employed regularly full-time, and of those who are unemployed, 22% are seeking employment.
- Lack of jobs (59%), lack of housing (49%), and poor pay (43%) are the three most common barriers survey respondents identified as barriers to employment.
- Secondary data shows that homeownership rates on the Yankton Reservation are higher than the United States at 65.2%, but American Indian and Alaska Natives are most commonly renting (24.1%) instead of owning (17.3%).
- While survey respondents report a desire for mortgage/home loans, they lean towards dissatisfaction with mortgage/home lending on the Reservation.
 - In general, 44% of respondents report they are dissatisfied or very dissatisfied with the mortgage/home lending on Yankton Reservation, and 43% are neutral.
 - Of those who specifically report individual interest in mortgage/home loans, 37% are either dissatisfied or very dissatisfied and 40% are neither dissatisfied nor satisfied with their community's mortgage/home lending options.

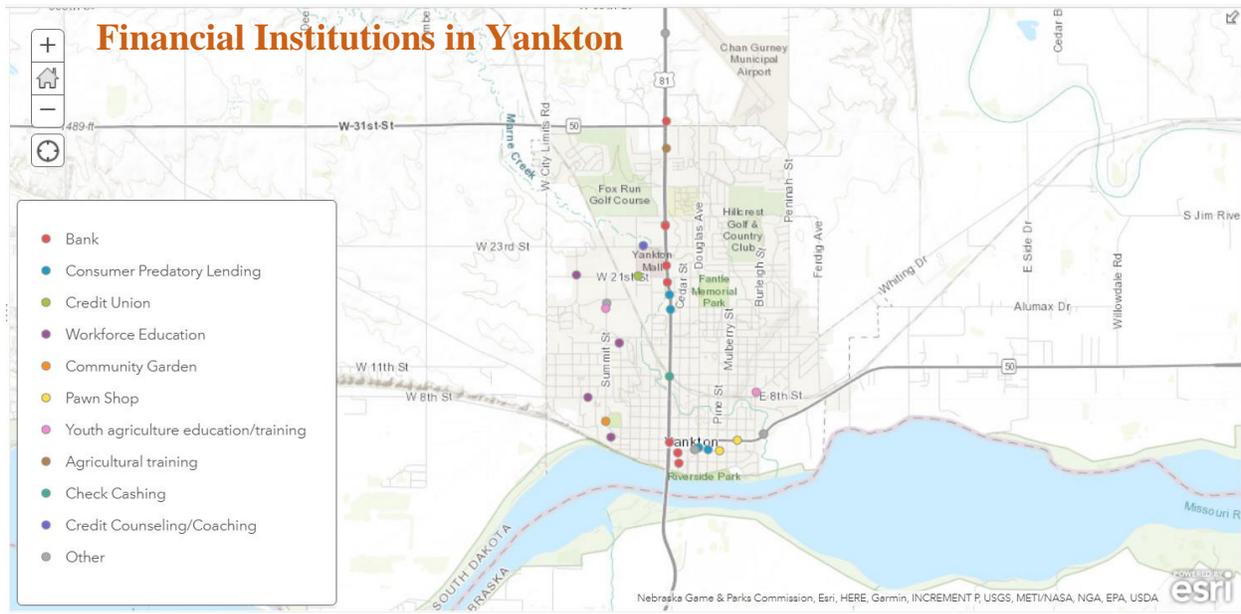
FINANCIAL INSTITUTIONS

AVAILABLE FINANCIAL RESOURCES

To better understand the distribution and frequency of financial institutions in the target market area, an environmental scan was performed. SGC performed a scan of the type and location of financial, educational, food-related, and workforce services by searching Google Maps, Yelp, and online business records using predetermined keywords: business loans, business lending, native-owned businesses, financial education, financial literacy training, credit counseling/coaching, credit builder loans, consumer loans, agriculture training, youth agriculture education/training, community garden, food sovereignty initiatives/trainings. The location and type were recorded in excel. The location data was analyzed in Excel and mapped in ArcGIS (see below).



The map above shows a close-up view of the service scan in Wagner. The two following maps are to be used in comparison for the cities of Mitchell and Yankton. The first map is of Yankton, shown below, which is almost an hour away from the community of Wagner.



The second map shown below is of Mitchell, also about an hour away from Wagner.



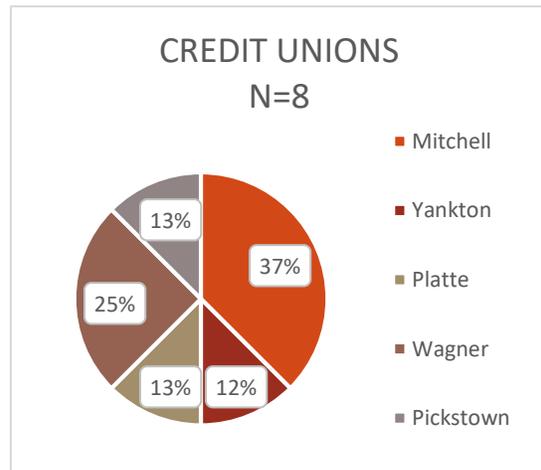
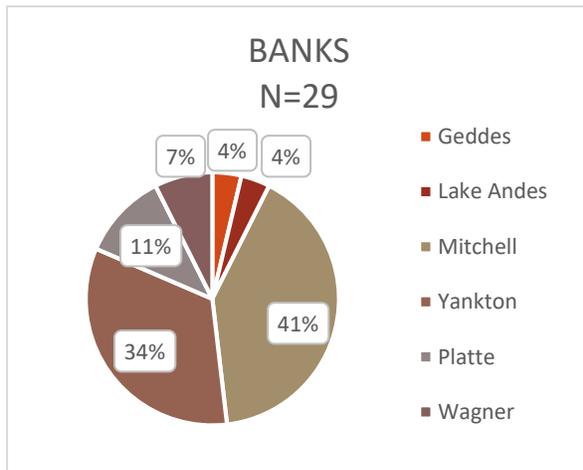
The city of Wagner is being compared to the cities of Mitchell and Yankton because Wagner is where the Yankton Sioux Tribal Headquarters is located. Wagner has a larger American Indian population and is considered more rural than Mitchell and Yankton. Both Mitchell and Yankton have more financial options regarding capital resources and education opportunities. The tables below outline further services by population and location in the target market.

Total financial institutions by location ²⁹		
Location	#	%
Geddes	1	1%
Lake Andes	4	5%
Marty	1	1%
Mitchell	26	33%
Pickstown	1	1%
Platte	4	5%
Wagner	9	11%
Yankton	33	42%
Total	79	100%

Financial services by population ratio ³⁰		
Type	Population	Population to service ratio
Geddes	208	1:208
Lake Andes	879	1:220
Marty	402	1:402
Mitchell	15,254	1:587
Pickstown	201	1:201
Platte	1,230	1:307
Wagner	1566	1:174
Yankton	14,545	1:441
Total	34,285	1:434

The table on left shows the frequency distribution per town. There was a total of 79 financial institutions within the location parameters, specifically the Yankton Indian Reservation, the City of Yankton, Mitchell, Wagner, Lake Andes, with other locations in Charles Mix County such as Pickstown, Marty, Geddes, and Platte. Yankton (33) and Mitchell (26) had the highest frequency of financial institutions, which is to be expected as these towns have the highest relative populations (14,545 and 15,254 respectively). The table on the right shows the ratio of service to population. The towns most rural and with the lowest populations have the least amount of financial institutions. The ratio of individual person to financial institution may seem better off than Yankton and Mitchell, but the social and environmental situations of rurality lead to specific barriers such as shared transportation and long distances when trying to access these services and lead these populations to be underserved.

Data found from the marketplace scan found only a few available consumer-related training opportunities including consumer credit counseling, of which were 3 options: 1 in Mitchell and 2 in Yankton. This is not enough especially for the large area covered in the target market. With



²⁹ <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

³⁰ <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

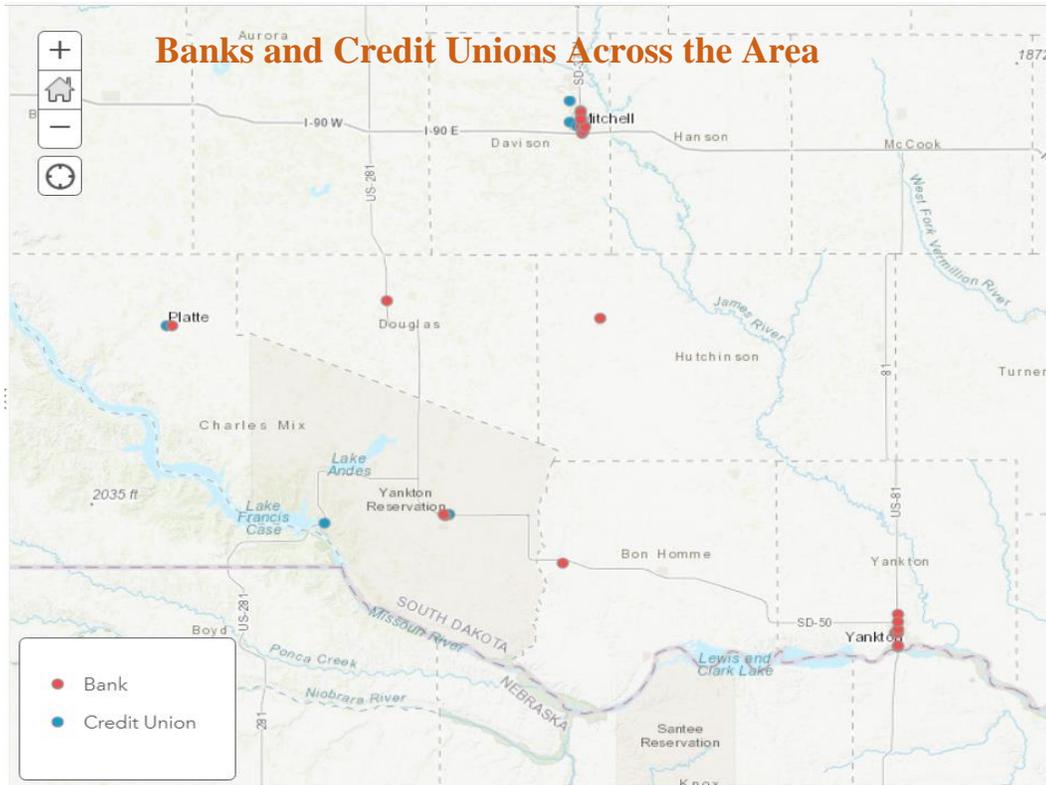
Mitchell and Yankton each being an hour away from the Reservation, many Tribal members would be burdened to drive that far for credit counseling services. The location of a CDFI that provides consumer and credit building opportunities with capital and education will be highly useful to this area’s community members as 45% of survey respondents express an interest in credit building opportunities alone. Key opinion leaders discussed how although there is a selection of financial institutions near the reservation communities, the drives can be long and many families share one vehicle.

Among the services available, banks (37%) and consumer predatory lending options (16%) were the most commonly available services. Banks were available in all but two of the survey areas (Marty and Pickstown), most likely due to their low population and proximity to other towns, although Pickstown did have one credit union. Mitchell, SD had the highest number of banks (12), followed by Yankton (10). Other towns had 1-3 banks included Geddes, Lake Andes, Platte, and Wagner. All towns except Geddes, Lake Andes, and Marty had credit unions to supplement the lack of banking services. Credit unions made up 10% of the financial institutions and were present in 62.5% of the towns surveyed.

In contrast, Sioux Falls has 108 banks and 9 credit unions. While this may be a greater number of total banks, the ratio of banks to population is significantly more than in the surveyed area at 1:1,696, while on average, there is 1 bank for every 927 residents in the surveyed area, although this number fluctuates by population. The ratio of credit unions is even greater, as Sioux Falls has 1 credit union per 20,256 residents, versus 1: 4,285 in the surveyed area, although the geographic distances between services will inhibit many from accessing services. Consumer credit counseling, an important aspect of financial independence, made up 3.8% (3) of the total services available and was only available in Mitchell (1) and Yankton (2), suggesting that the availability of credit counseling outside of those areas is limited.

Banking services by population³¹		
Type	Population	Banking Services (Agricultural Loan, Bank, Credit Union)
Pickstown	201	1:201
Geddes	208	1:208
Platte	1,230	1:308
Wagner	1,566	1:392
Lake Andes	879	1:879
Mitchell	15,254	1:1,016
Yankton	14,545	1:1,322
Marty	402	0

³¹ <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>



In terms of loan products available to community members, over 90% of the banks and credit unions surveyed offered some type of loan product. Of those that offered loans, 100% offered consumer loan products (personal line of credit, auto loan, etc.), 98% offered some type of home loan (mortgage or home improvement, etc.), 93% offered business loans, and 83% offered some type of agricultural related loan product (machinery/equipment, livestock, land purchase, and general working capital). There is some overlap however, as a business loan could be used for an agricultural business.

Consumer predatory lending services included pawn shops, check cashing services, payday loans, and other high interest loan options and were predominantly located in Yankton (7) and Mitchell (5), with one pawn shop in Wagner. Of the 13 predatory lending services, 54% were payday lenders, 31% were pawn shops, and 15% consisted of check cashing services. While there are higher numbers of consumer predatory lending in Sioux Falls (18), there are considerably less per population as the ratio for Sioux Falls is 1:8,549 while Mitchell is 1:3,051 and Yankton is 1:2,078, suggesting these areas are at a higher risk for consumer predatory lending when compared to the higher amount of people living in the area. It should also be noted

that many predatory lenders have closed since a law was passed to cap the interest rate that lenders can charge³².

Predatory lending services by population ³³				
Type	# of services	% of services	Population	Population to service ratio
Wagner	1	3%	1,566	1:1,566
Mitchell	5	16%	15,254	1:3,051
Yankton	7	23%	14,545	1:2,078
Sioux Falls	18	58%	153,888	1:8,549
Total	31	100%	185,253	1:5,976

Aside from the market scan, SGC used secondary data to further research what lending and financial institutions are available for the Yankton Sioux Tribe, and to what degree they are accessible for community members.

The Yankton Sioux Tribe has access to a revolving loan fund³⁴ that was set up in 2004. The loan fund was made possible through a Rural Business Enterprise grant from the U.S. Department of Agriculture to the Tribe in the amount of \$150,000. This loan fund has been a resource for Tribal members but has not met the needs indicated in this market snapshot.

The city of Yankton has a Small Business Development Center whose mission is “to help new entrepreneurs realize their dream of business ownership and assist existing businesses in their efforts to remain competitive” (Planning & Development District III). The office offers a variety of “consulting services,” including venturing into business, business planning,

marketing, financial analysis, business expansion, and small business information. However, the location is roughly 60 miles from the Yankton Reservation which might not be accessible for all business owners and entrepreneurs. Key opinion leaders expressed the rurality and barriers that come with that to support evidence of this issue as well. The city of Yankton also offers business education through their Business Educational Development Committee for Chamber Members. Their website³⁵ states that they “provide vital programs that train, educate, and develop

REVOLVING LOAN POINTS OF CONSIDERATION

- It is a loan program, not a grant – repayment is expected
- All loan proceeds will be paid to third party vendors/services providers – no loan checks will be paid directly to borrower
- Only complete applications will be processed and reviewed
- Pre-applicant training is required
- Must be enrolled member of Yankton Sioux Tribe
- \$10,000 max loan amount
- Up to a 5-year repayment period
- Loan review will pay particular attention to repayment sources
- Borrowers need an understanding of their personal finances
- Equity contribution will be a positive factor
- Bank relationship is strongly encouraged
- Interest rate is dependent upon the type of project and current market rate of interest
- Collateral for loan is dependent on the type of project
- Projects must fall within the Target Market – Charles Mix, Gregory, Douglas, Bon Homme, and Yankton counties

³² <http://sdlegislature.gov/>

³³ <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

³⁴ www.districtiii.org/old_site/economic_development/loan_services.htm

³⁵ <https://yanktonsd.com/>

collaborative partnerships that contribute to business success.” However, if you are not a Chamber Member you either cannot participate or are required to pay a higher fee to participate. In the city of Mitchell, the Mitchell Area Development Corporation offers some resources to business owners such as financial packages, construction support services, and land and infrastructure assistance. This resource is also over 60 miles from the Yankton Reservation which could be difficult for many entrepreneurs to access. It is clear that there is a lack of accessible small business and entrepreneur resources for the Yankton Sioux community.

BANKING CHALLENGES

A 2015 survey conducted by the FDIC (Federal Deposit Insurance Corporation) in partnership with the U.S. Census Bureau assessed the inclusiveness of the banking system to estimate unbanked and underbanked households across the nation and is broken down by states³⁶. The survey collected responses from more than 36,000 households. It was found that in South Dakota, 19.8% of households are underbanked and 4.2% are unbanked, meaning a total of 24% of the state’s households do not have a member in the household who have a checking or savings account. This is slightly better than the national numbers, which shows 19.9% underbanked and 7% unbanked, for a total of 26.9%. The only significant statistical change was a drop in the national percentage of unbanked household population which fell from by 0.7% from 2013 to 2015. Unbanked and underbanked households had no data shown on rates of saving for unexpected expenses or emergencies. “Approximately 24.5 million U.S. households, composed of 51.1 million adults and 16.3 million children, were underbanked in 2015.^{37”}

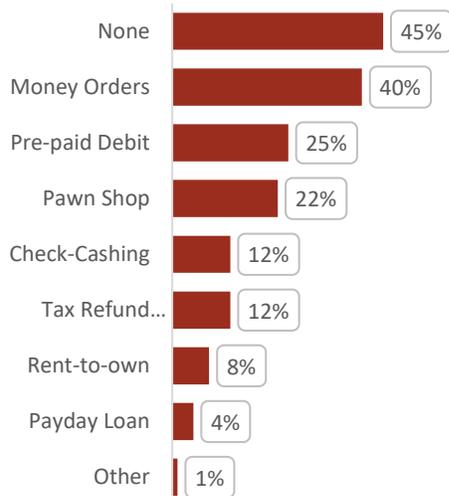
2015 National Survey of Unbanked and Underbanked Households³⁸			
Location	% Unbanked	% Underbanked	% Total
South Dakota	4.2%	19.8%	24%
Midwest Region	5.7%	17.5%	23.2%
United States	7.0%	19.9%	26.9%

³⁶ 2015 FDIC National Survey of Unbanked and Underbanked Households <https://www.economicinclusion.gov/>

³⁷2015 FDIC National Survey of Unbanked and Underbanked Households <https://www.economicinclusion.gov/>

³⁸ 2015 FDIC National Survey of Unbanked and Underbanked Households <https://www.economicinclusion.gov/>

ACCESSED IN THE LAST 12 MONTHS N=152



Financial challenges do not solely occur when referring to loans. Respondents also shared information surrounding banking and financial services they have recently used, as well as their reasoning for using some services that can be deemed as predatory.

Market survey respondents were asked to identify what banking and financial services they have/use. 60% report having a debit card, 58% a savings account, 51% a checking account, 22% a credit card, and 11% reported they do not have any of the banking and financial products.

Respondents were also asked to identify what services they have utilized outside of a bank in the last 12 months, most of which are considered predatory. The most common response was “none” followed by 40% who utilized money orders, 25% a pre-paid debit card, and 22% utilized a pawn shop. The main reason

respondents reported accessing the services outside of bank was to get money faster (35%). Emergency reasoning was also a highly reported reason for accessing the services (33%). The chart below shows all the reasons respondents used the services.

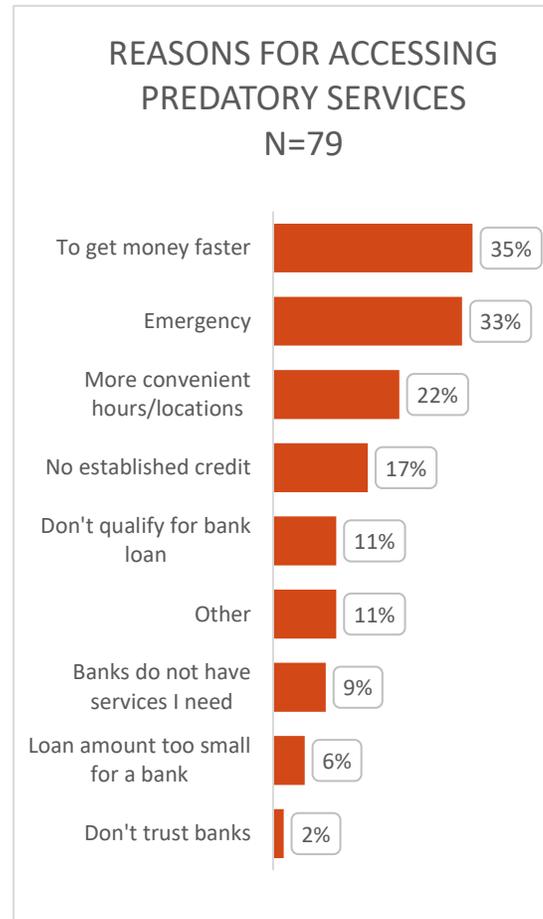
Key stakeholders gave insights into the banking challenges that community members face and how a CDFI could lessen these challenges. Banks have a reputation in Indian country for being more stringent in what they expect from community members when they try to obtain a loan. There are trust issues between the banking world and Tribal members with both Tribal members lacking trust in banks and banks not trusting Tribal members. This creates a vicious cycle of poor financial management skills, lack of credit, and so on. One key stakeholder described the stigma that being Native carries with it in his perspective “not dependable, not responsible with your money, no matter what experience you have.” Another key stakeholder said, “They want a ton more from us Tribal members.” Discussions of discrimination and trust led into solution-based conversation.

Key stakeholders gave recommendations to lessen banking challenges and increase access to capital. With these recommendations in mind, a CDFI on the Yankton Reservation could help community members overcome the obstacles they may confront while on the path to business ownership.

- Be personal – walk your clients one-on-one through the entire process
- Be encouraging – show your clients they are meant to do more than just rent, tell youth and adults they are capable of making positive financial change in their family’s life
- Be a friend, a lender, and an educator – provide loan products to clients who normally don’t get financed, if they aren’t loan-ready, educate them. Be welcoming and provide a trusted financial opportunity for the community.

KEY FINDINGS

- There was a total of 79 financial services within the location parameters, specifically the Yankton Indian Reservation, the City of Yankton, Mitchell, Wagner, Lake Andes, with other locations in Charles Mix County such as Pickstown, Marty, Geddes, and Platte. Yankton (33) and Mitchell (26) had the highest frequency of financial services, which is to be expected as these towns have the highest relative populations (14,545 and 15,254 respectively). Among the financial services available, banks (37%) and consumer predatory lending options (16%) were the most commonly available services.
- Data found from the marketplace scan found only a few available consumer related training opportunities including, consumer credit counseling, of which were 3 options: 1 in Mitchell and 2 in Yankton.



- Every key stakeholder discussed banking challenges in the area, and in general. One key stakeholder said her biggest problem with formal banks is that “They need to be culturally competent, they need to be educated.”
- A 2015 national study shows that 24% of South Dakota households are either unbanked or underbanked.
- The main reasons for accessing predatory services was to get money faster and because of emergency.
- South Dakota passed a law in 2016 (Statute 54-3-1.1)³⁹ that capped the interest rate that lenders can charge, so it forced a lot of predatory lenders to pull out of the area. This has assisted the decrease of exposure to predatory lenders, but there are still some good education and lending practices that can further lessen any reason to even access these types of loans in the first place.

BUSINESS OWNERSHIP & ENTREPRENEURSHIP

LOAN SERVICES

There are many benefits to promoting and supporting entrepreneurship including the creation of jobs, economic strengthening and resiliency, and improving the quality of life for all community members. The USDA reports investing more than \$229.4 million dollars into the South Dakota Tribal nations from 2009 to 2014. Of that investment, \$6 million is reported to have gone toward business and cooperative programs. The Yankton Sioux Tribe has the least number of projects invested in of the nine South Dakota tribes. The three projects are described as the revolving loan fund, rental assistance, and a guaranteed rural housing loan. The total of the USDA investments in the Yankton Sioux Tribe amounts to \$697,456 which is about 3% of the USDA’s total investment of \$229.4 million in the South Dakota Tribal nations⁴⁰.

An article published by the Academic and Business Research Institute (AABRI) in 2014 stated that “...according to the U.S. Small Business Administration, the 2.79 million small businesses accounted for 64 percent of all net new jobs created from 1993 to 2011, and also accounted for 99.7 of employer firms in the United States. However, despite these impressive numbers, Native American businesses account for the smallest number of firms (under 300,000) among those considered minority owned.”⁴¹ In 2012, the U.S. Small Business Administration’s Office of Advocacy released an infographic report on the topic of American Indian and Alaska Native-owned businesses in the U.S. It reported that there were 272,000 firms owned by Native Americans or Alaska Natives, and that this was 15% growth from 2007 to 2012. Of those 272,000 firms, only 26,000 (9.6%) had paid employees.⁴² The same AABRI article mentioned the importance of entrepreneurship among Native Americans as a possible solution for lifting many out of poverty. “Even for Native Americans not living on reservations, they consistently

³⁹ <http://sdlegislature.gov/>

⁴⁰ United States Department of Agriculture. "Tribal Progress Report - South Dakota." February 2015.

⁴¹ Bressler, Martin S., et al. "A Study of Native American Small Business Ownership: Opportunities for Entrepreneurs." *Research in Business and Economics*, Oct. 2014, www.aabri.com/manuscripts/141961.pdf.

⁴² US Small Business Administration. "Survey of Business Owner Facts." *Office of Advocacy*, 2012, www.sba.gov/sites/default/files/SBO_Facts_AIANOB.pdf.

rank highest in poverty. The U.S. Census reports poverty rates for Native Americans living on reservations at 39 percent...⁴³

Inability to access credit and capital are the main obstacles to overcome for Yankton Sioux to have the ability to start and grow their own small businesses. A study done in 2011 looking at the 9 reservations in South Dakota shared the top 5 barriers related to accessing capital for Native entrepreneurs. The barriers were reported as a difficulty in securing collateral, the lack of affordable financial products and services, a lack of entrepreneurship training and support, a lack of equity investments in Native-owned enterprises, and inadequate telecommunications and transportation.⁴⁴ A study conducted in 2000 explored another possible explanation as to why there are fewer Native American entrepreneurs. “The researchers found significant differences in the way Native American entrepreneurs think and their business orientation. Based upon interviews, the researchers found Native Americans to be much more community oriented, as opposed to individual oriented, than non-Native Americans.”⁴⁵

2015-2016 U.S. Census data reported that Charles Mix County had a total of 285 employer firms and 532 non-employer firms. According to the U.S. Census Bureau, a non-employer business is one that does not have paid employees, has an annual business receipt⁴⁶ of \$1,000 or more, and is subject to federal income tax. In most cases, these are self-employed individuals who are running very small, unincorporated businesses. Of the non-employer firms, they averaged \$1,302.83 in receipts in 2012. From surveying community members, SGC identified a small number of business owners. While there are big dreams for possible businesses on the Reservation, significant barriers are hindering community members from achieving their entrepreneurial goals which are further discussed in the next section.

Data from the market survey showed that only 3% of respondents identified themselves as business owners. Of the business owners, 33% have tried to expand their business and 33% are interested in expanding their business. The one business owner who was interested in expanding his or her business reported it would be for more infrastructure. The other two business owners who are not interested in expanding reported their reasoning to be because it is more of a hobby and because it's a sole proprietorship. The currently-owned businesses are in construction, real estate rental & leasing, retail trade, agriculture, forestry, fishing & hunting, and other business types including trucking and photography.

Small business loans (less than \$50,000) were commonly selected by individuals with 19% of respondents reporting a desire for them. Micro (less than \$5,000) and large (larger than \$50,001) business loans saw a much smaller amount of desire from community members with only 7% showing individual interest in large business loans and 6% showing interest in micro business loans.

⁴³ Bressler, Martin S., et al. “A Study of Native American Small Business Ownership: Opportunities for Entrepreneurs.” *Research in Business and Economics*, Oct. 2014, www.aabri.com/manuscripts/141961.pdf.

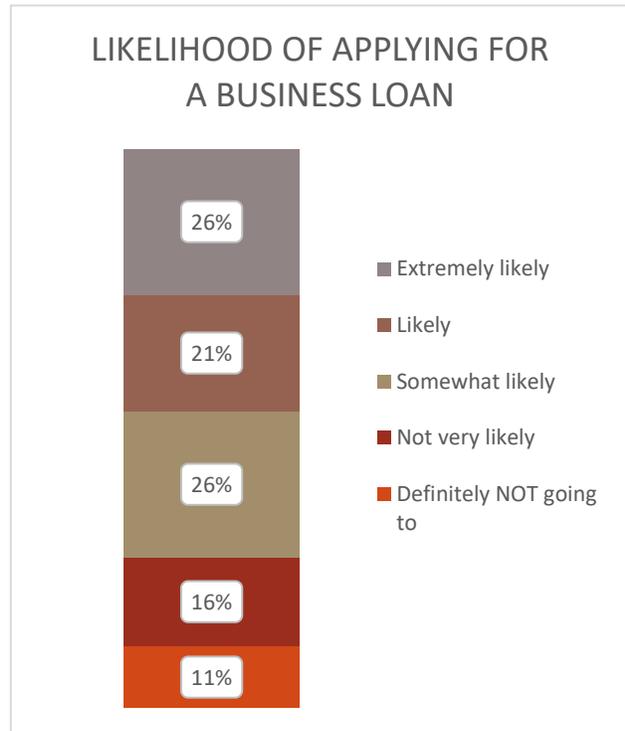
⁴⁴ Stebbins, Lauren, and Kim Pate. “Native American Entrepreneurship in South Dakota's Nine Reservations.” *Corporation for Enterprise Development*, 2013, www.sdibaonline.org/docs/SDIBA_NativeEShip_Apr2013_web.pdf.

⁴⁵ Bressler, Martin S., et al. “A Study of Native American Small Business Ownership: Opportunities for Entrepreneurs.” *Research in Business and Economics*, Oct. 2014, www.aabri.com/manuscripts/141961.pdf.

⁴⁶ Business receipts represent the gross receipts or sales less returns and allowances from trade or business income.

When asked about loans missing from the community, small business loans were among the top 10 needed loans reported by 29% of respondents, while micro (20%) and large (21%) business loans were close behind. From a choice of 23 loan types, the top 10 are discussed to show a more representative count of loan interests on the individual level. On a community level, respondents selected the same loan types they personally would like to see, and the only new loan type added is down payment assistance which 29% reported the community needs.

Of those interested in a business loan, 47% were likely or extremely likely to apply for one, 26% were somewhat likely, 16% were not very likely, and 11% definitely were not going to apply.

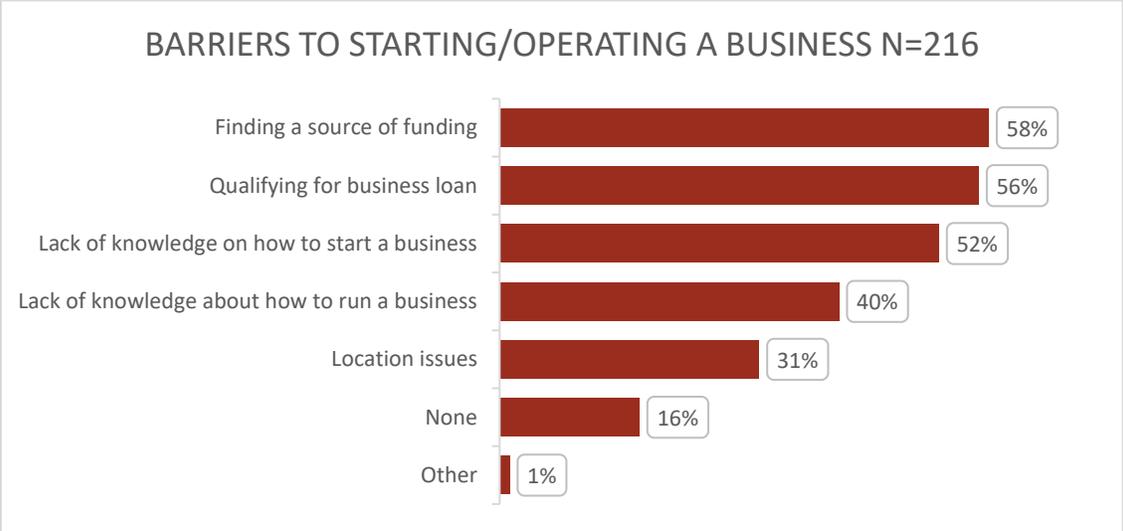


BUSINESS OPPORTUNITIES AND DEVELOPMENT SERVICES

97% of survey respondents do not own a business, but 69% would like to. Of those who would like to, the most desired business type is arts, entertainment & recreation (47%) followed by agriculture, forestry, fishing & hunting (41%). The following chart shows the top 10 areas respondents expressed interest in opening a business in. The potential businesses would fill gaps in the areas respondents previously noted as missing services in the area such as a retail clothing store, sit-down and fast food restaurants, bars and restaurants, childcare, and art supplies.



Survey respondents identified what barriers exist to owning a business in their community. They had a list to choose from and were asked to check all that applied. A total of 216 responses were analyzed. Finding a source of funding was the most reported barrier (58%) followed by qualifying for a business loan (56%), and a lack of knowledge on how to start a business (52%). The Yankton Sioux show a clear desire to start businesses in their community, but the barriers pictured in the chart below need to be addressed first. Clearly IDF’s offering of business loans would help impact that most expressed barrier, finding a source of funding. Aside from only providing funding, the potential CDFI also needs to place an importance on business education and training in order to prepare community members to successfully start, grow, and operate a business. This financial and business education would work towards addressing the barriers of loan qualification and lack of knowledge on starting and running a business. The following section discusses the education and training possibilities a CDFI could offer the community, and the wants and needs discussed with key stakeholders.



Although there were multiple options for workforce development training available near the community, including career learning centers and vocational training, none of them are close to Wagner, Lake Andes, Marty, or Pickstown (Reservation communities). The workforce development opportunities can be seen in the table below. Again, Mitchell and Yankton are both an hour from Wagner and the rest of the target market, so it would be helpful to incorporate workforce development in strategic planning as a potential service opportunity in the future that IDF could provide. 46% of survey respondents identified workforce development as something they need in order to gain financial confidence and security.

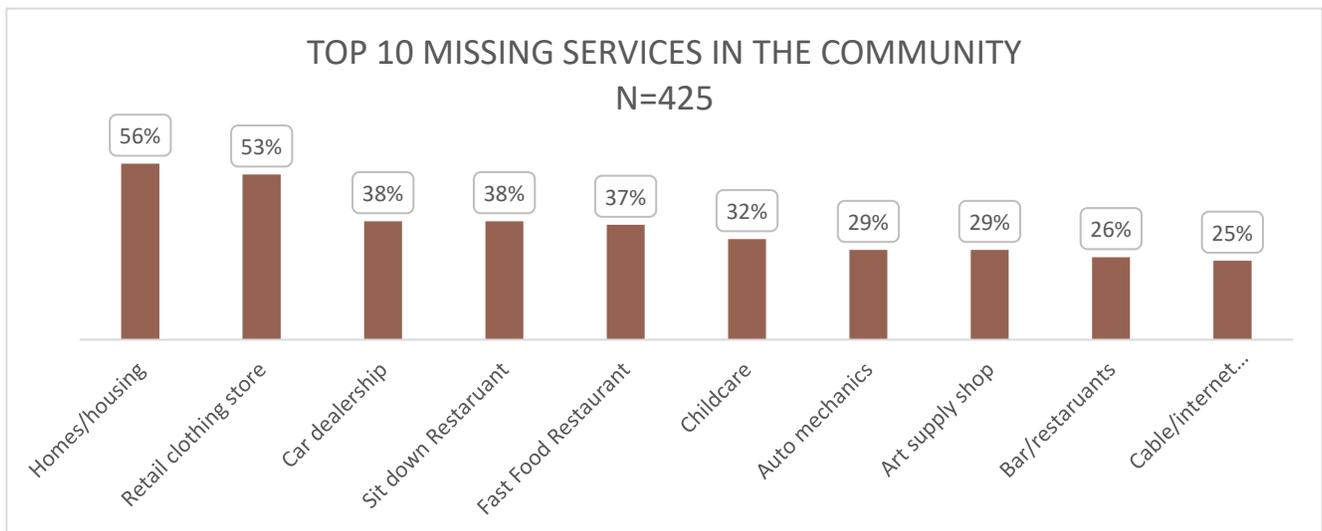
Organization	Location
Avera Education & Staffing Solutions	Yankton
Cornerstones Career Learning Center	Yankton
Ihanktonwan Nations Employment & Training Program	Wagner
Mitchell Technical Institute	Mitchell
Mount Marty College	Yankton

Regional Technical Education Center	Yankton
SD Department of Labor and Regulation	Yankton

Part of the educational service that IDF can provide is professional development and business education. This service could be workforce development directed toward youth and young adults, but it can also be provided to potential and current business owners who just need a boost of confidence and skill. Many key stakeholders discussed the need for business management education including: marketing, customer service, how to treat employees (i.e. leadership vs management), accounting, and business financial management.

This education could help address barriers to starting and operating a business that were expressed in the survey including, qualifying for a loan and the lack of knowledge on how to start/run a business. One important recommendation to future business owners from a key stakeholder was to find their niche market and excel at it. It is okay if their product does not attract every person. Whether they make jewelry or food, provide services they know and that they are good at and do not try to get too broad too fast just to appease as many people as possible because they will fall short. Furthermore, looking at what services are needed on the Reservation is an important way an individual can decide what role their business can play in the community. Keeping this in mind, survey respondents provided important insight as to what is missing from their community and where opportunity lies.

The lack of homes and housing in the community was identified as the top missing service in the community (56%). Lack of housing was previously mentioned as a major barrier to employment for community members as well. A retail clothing store (53%), a car dealership (38%), a sit-down restaurant (38%), a fast food restaurant (37%), and childcare services (32%) were other highly rated missing community services.



Key stakeholders provided insights into what services and businesses are needed in the region. Both key stakeholders and survey respondents expressed a need for restaurants, auto mechanics, retail clothing stores, and various supply shops. The full list of recommended services is to the right. This list provides not only insights into what services are missing from the communities but is also gives an idea to potential and future business owners as where they can focus their efforts. Having more local businesses where community members can conveniently go to buy a service or product and feel welcomed helps grow community wealth. This can be tied in with educational opportunities as well. One key stakeholder stressed “the importance of shopping local and the value behind it needs to be expressed in our community. People need to understand what happens when you buy from Walmart vs. our main street shops and how that keeps our community going. Get printing done out of town when we have a print shop in town.” Education is key to inform community members about their local economy, finances, and how community members can impact businesses in the area. Survey respondents and key stakeholders also provided insight on the importance of educating the youth about being financially responsible and secure.

MISSING SERVICES AND BUSINESS OPPORTUNITIES

- Restaurants
- Grocery Store
- Taxi
- Kids Clothing Shop
- Men’s Professional Clothing Shop
- Feed Store
- Butcher Locker
- Welding Shop
- Event Center
- Bookstore
- Coffeeshop
- General handyman
- Auto Mechanics
- General Building Space for New Business Development

KEY FINDINGS

- As of 2012, Charles Mix County had a total of 731 firms compared to 15,083 firms in Sioux Falls. Of Charles Mix County’s firms, 105 or 6.96% are minority owned. Only 3% of Market Survey respondents reported they are business owners, and 69% of respondents showed an interest in owning a business.
- The main barrier to starting or expanding a small business in Native communities is access to credit and capital. Finding a funding source (58%) and qualifying for a business loan (56%) were the top 2 responses from respondents of the 2018 Market Survey as to being barriers to owning a business.
- Although there were multiple options for workforce development training available near the community, including career learning centers and vocational training, none of them are close to Wagner, Lake Andes, Marty, or Pickstown (Reservation communities).
- Insights from the survey and key stakeholder interviews expressed what the missing services and are. This provided insights into potential business endeavors that locals entrepreneurs could capitalize on. Some of the most popular responses included restaurants and fast-food joints, retail clothing stores, and auto mechanics.
- Many key stakeholders discussed the need for business management education including: marketing, customer service, how to treat employees (i.e. leadership vs management), accounting, and business financial management.

CONSUMER FINANCE AND CREDIT BUILDING

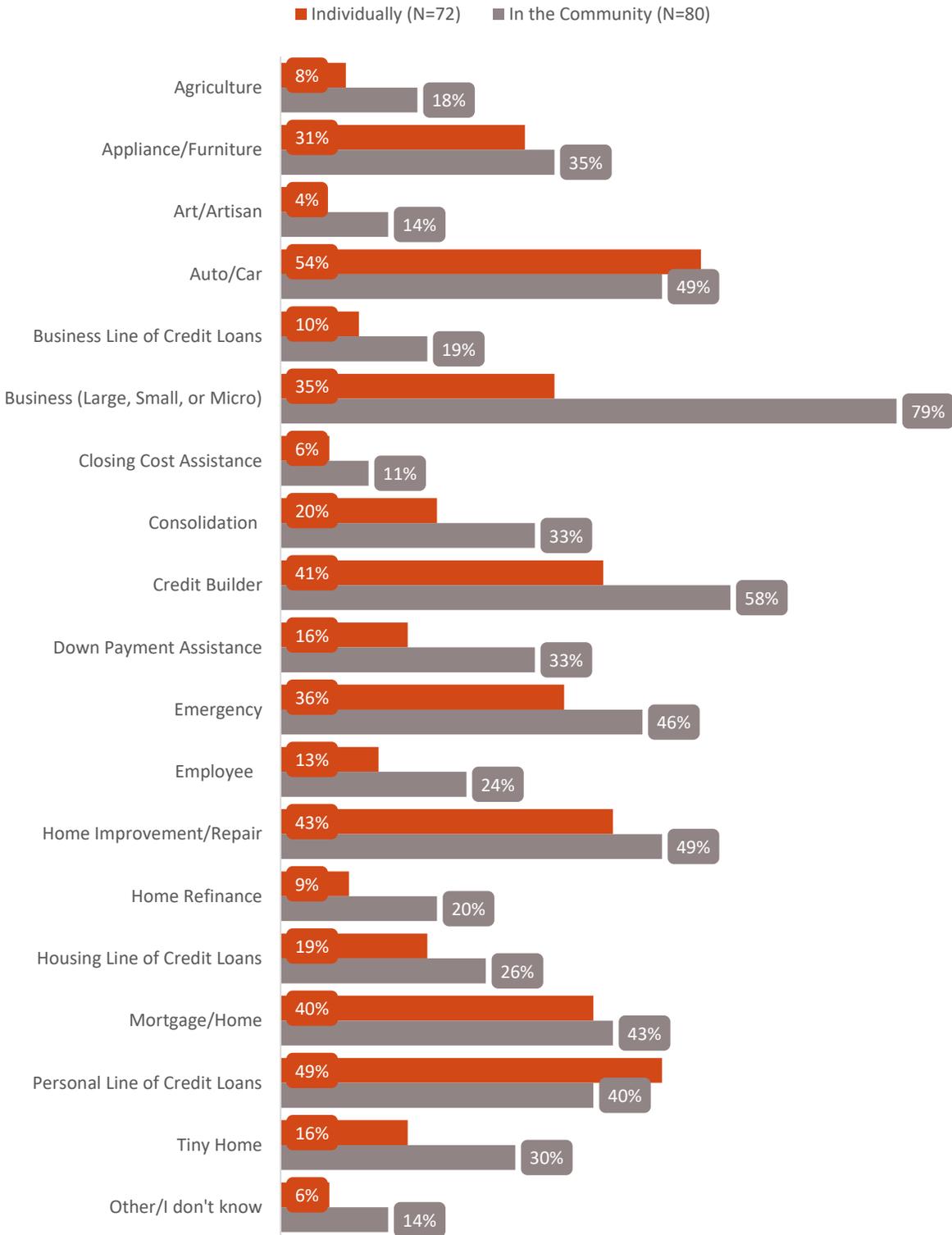
LOAN SERVICES

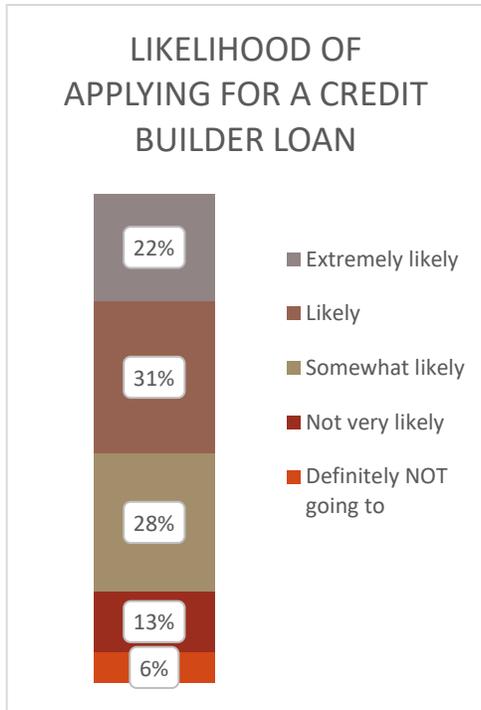
When asked about what types of consumer loans are needed, respondents reported similar answers to the loans they are personally interested in. The number one loan type desired for the community was reported to be credit builder loans (52%). Six other consumer loans were in the top ten as well: auto/car (44%), home improvement/repair (44%), emergency (42%), personal line of credit (36%), appliance/furniture (31%), and debt consolidation (29%). Clearly consumer loans are in need and therefore present an opportunity for IDF.

This study asked both what loans were needed in the community and what loans were individually desired because the loans individuals are personally interested in are potentially different than the insights we can receive from asking what is needed in the community in general.

The loans people are individually interested in and those desired by the community are compared in the chart below. Many of the same loans are listed for what people are interested in. It is helpful to see what people are interested in aligns well with what's needed in the community, but there are a few differences. Some of the most significant differences were in business loans, credit builder loans, and down payment assistance; these showed that between 17-44% more people said these loan types are needed in the community compared to desired by themselves. Even though some people were not interested in a loan (20%), they still offered insightful feedback into what is needed.

Loans Needed (of respondents who are interested in a loan)



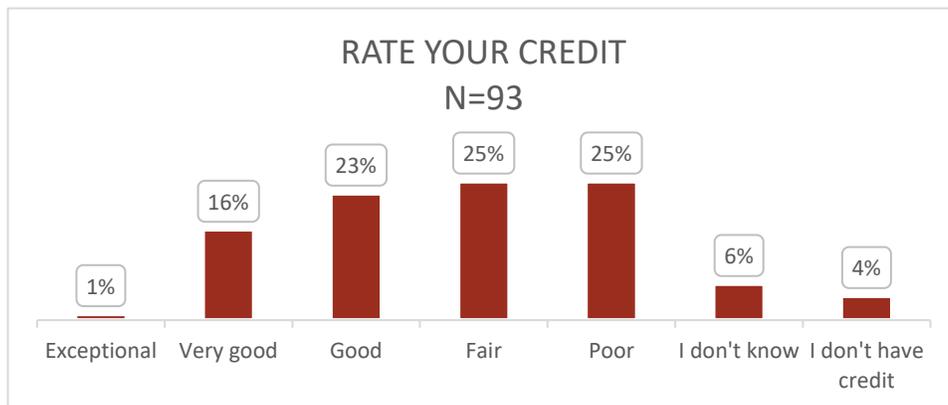


79% of the respondents reported they have applied for a loan before, and 25% have faced issues when trying to obtain a loan. The issues varied and not all respondents specified the issues they faced. Of those who did explain, 46% reported their problems revolved around credit issues such as poor credit or no credit. The remaining issues include: lack of assets/income (15%), discrimination (15%), no home loans available (8%), high interest rates (8%), and inadequate business training/skills (8%). Respondents were asked to select the loan types they would most personally be interested in. Auto and car loans were reported to be the most desired loans (48%) followed by a personal line of credit (43%) and home improvement or repair loans (38%).

When asked the likelihood of applying for a loan, 53% of people interested in a credit builder loan said they were likely or extremely likely to apply.

DEVELOPMENT SERVICES

The median credit score for respondents who know their score is 642.5. According to Experian, a FICO credit score of 615 would qualify as a fair credit score and “applicants with scores in this range [580-669] are considered to be subprime borrowers.⁴⁷” Furthermore, Experian estimates about 20.2% of people have credit with in this range. Half of the respondents rated their credit score to be fair or poor.



Respondents selected many different options concerning what is needed to aid community members in feeling more financially confident and secure, for a total of 589 responses. Focusing on the youth through financial training was the most chosen option by 51% to achieve the goal of

⁴⁷ <https://www.experian.com/blogs/ask-experian/credit-education/score-basics/what-is-a-good-credit-score/>

financial confidence for community members demonstrating respondents' concern for youth learning responsible financial habits and skills. Following closely was homebuyer education (48%) and home maintenance education (48%) which would potentially help address housing issues in the community. The top 10 needs for financial confidence are shown below.



KEY FINDINGS

- When asked the likelihood of applying for a loan, 53% of people interested in a credit builder loan said they were likely or extremely likely to apply.
- Each of the key stakeholders discussed the need for credit counseling and financial education due to barriers of lacking credit and collateral when attempting to obtain a loan.
- Financial confidence needs were spread quite equally. Credit building opportunities (46%), one-on-one financial coaching (44%), credit counseling/assistance (41%), and general financial education (39%) were all identified in the top ten financial confidence needs.

YOUTH FINANCIAL RESPONSIBILITY AND SECURITY

Many Native CDFIs work directly with youth in a variety of programs and services: youth matched savings accounts, credit counseling, financial management, internships, and more. Poor credit, lack of collateral, lack of savings, and poor financial management skills all attribute to adult challenges when attempting to obtain financing. All five key stakeholders discussed the need for youth financial education. One key stakeholder said, “The earlier we teach our kids about credit score and financial literacy, the better. I don't know that it's taught in the school and I want to encourage that, especially our high-schoolers, our juniors and seniors, and the

importance of a bank account and applying for a small credit card. Catch them earlier before they go into the big world."

Another key stakeholder discussed "we need everything for our youth," as she explained the lack of mental health awareness, suicide prevention, and access to mental health professionals. She tied this back into what a CDFI can offer because as of now, there aren't many after school activities and you see dropouts. "We need youth leadership. Our kids are smart, but there's no opportunity." By gaining the knowledge of financial responsibility, it would impact their future in terms of saving, debt management, professional development and career, and more.

One option for preparing youth for financial success is children's and or youth matched savings accounts⁴⁸ (CSAs or YDAs). The accounts are set up for children/youth to ensure they will be able to start adulthood financially prepared by requiring that they deposit a certain amount each month and that amount is matched (2:1, 3:1, or even 4:1) by IDF. The accounts can be utilized for specific purposes ranging from education, to starting a business, to buying a home, among others approved and set by IDF. While giving them a sense of financial security, the accounts can also aid in encouraging further educational, professional, and/or homeownership aspirations. A Native Nations Institute report⁴⁹ states that some Native nations are already offering a savings option for youth similar to a CSA which is known as a minors' trust account. Tribal minors' trust accounts are a controversial topic and often receive little positive feedback. Native Nations Institute reports they often fail, do not provide long-term financial security, and can undermine educational goals and aspirations because they do not require financial education components and can be used for any purpose.

Providing youth with a good foundation of financial education and responsibly can hopefully set them up for success as they enter adulthood. Teaching the youth about financial responsibility will teach them healthy financial habits which can impact their future borrowing, credit scores, and overall financial confidence. Youth financial training was the most common response in the survey identified for financial confidence needs by the community (51%). Youth entrepreneurship training came in at number five (46%). All sets of data show that a youth-based approach will be highly beneficial to the present and future community.



Figure 1 <https://www.ystgcvendor.com/>

⁴⁸ <https://prosperitynow.org/everything-you-need-know-about-individual-development-accounts-idas>

⁴⁹ http://www.investnative.org/research_policy_pubs/BigMoney.pdf

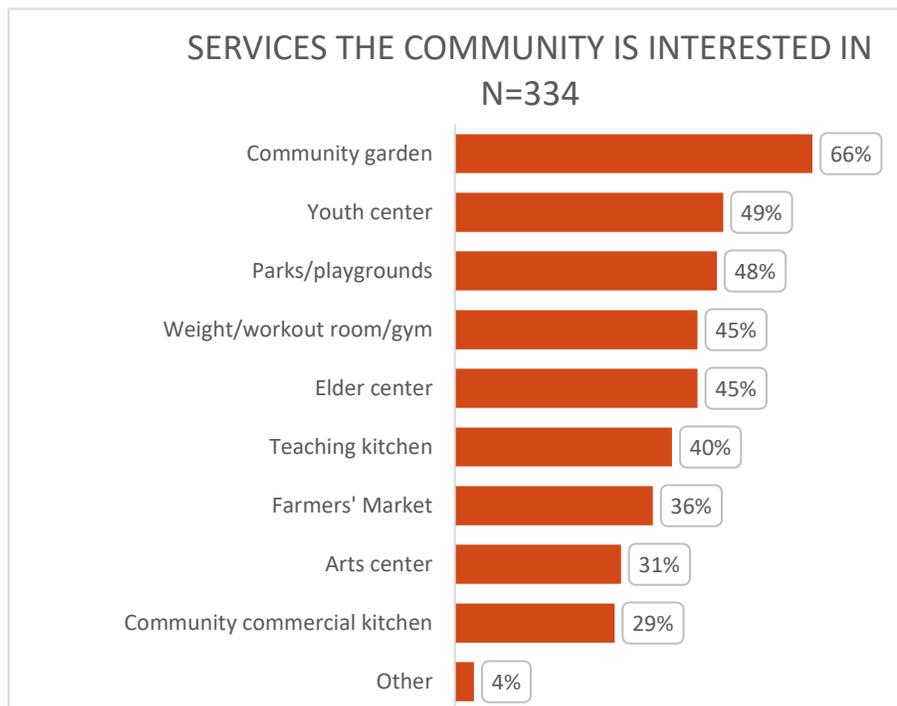
KEY FINDINGS

- Every key stakeholder expressed the need to have a youth-focus in a piece of Ihanktonwan Development Fund’s financial development service. One key stakeholder explained, "the earlier we teach our kids about credit score and financial literacy, the better. I don't know that it's taught in the school and I want to encourage that, especially our high-schoolers our juniors and seniors and the importance of a bank account and applying for a small credit card and catch them earlier before they go into the big world."
- Each key stakeholder also discussed youth leadership in general as being something missing from the community. It was recommended that Ihanktonwan Development Fund pay special attention to providing youth-based services in all facets of their programming, whether it’s agriculture and gardening, lending, or financial education, youth should be involved in some way.
- A Native Nations Institute report states that some Native nations are already offering a savings option for youth similar to a CSA which is known as a minors’ trust account. Another option for a CDFI is matched savings accounts geared toward youth financial security.
- Youth financial training (51%) and youth entrepreneurship training (46%) were in the top five of needs identified by the community for financial confidence.

COMMUNITY GARDEN AND AGRICULTURAL DEVELOPMENT

Food security and access to healthy food options was another topic that SGC examined.

Community gardening has the potential to have widespread positive impacts for a community: physical well-being, mental well-being, and even financial well-being. According to our survey of the area, there are 5 community gardens in the surveyed



area, 2 in Wagner⁵⁰, and 1 each in Lake Andes⁵¹, Mitchell⁵², and Yankton⁵³. In addition to the Lakota Andes Community Garden, residents also have access to the Lake Andes Food and Wellness Council, who sponsored the garden. 50% of the towns surveyed had no community gardens or food sovereignty organizations. Youth agricultural education was also examined to assess the availability and accessibility of youth organizations with agricultural training programs. There is a total of 5 programs throughout the surveyed area, including Lake Andes, Mitchell, Wagner, and Yankton and included 4-H Clubs (2) and Future Farmers of America programs (3).

The graph above demonstrates how respondents have a great interest in creating a community garden with over half (66%) reporting it as a potential community service. Other services of interest reported are a youth center (49%), parks/playgrounds (48%), a weight/workout room (45%), and an elder center (45%). This section is split out for community garden and agricultural development specifically because YST-EDD is interested in discovering the feasibility of these services. There is a clear need and opportunity for a service like this in the target market area.

Three of the five key stakeholders also expressed a desire and opportunity for community gardening. "If you helped with the garden you could get veggies and it would provide social unity because you'd get Tribal and non-Tribal people working together." A key stakeholder from the city of Yankton said they have a community garden and a lot of that food becomes free to people in need. They have a farmer's market event where they give away food. A community garden would provide not only a source of fresh foods, but also social unity and an educational opportunity. This would be another innovative way to get youth involved.

Other notable quotes from key stakeholders included:

- "Community gardening and agriculture has always been a discussion here because we have some of the best farmland in our region"
- "Community garden and agricultural education would be great. If you helped with the garden you could get veggies and it would provide social unity because you'd get Tribal and non-Tribal people working together. The tribe doesn't do any of our own farming, we lease out to non-Native people. "

KEY FINDINGS

- There are 5 community gardens in the surveyed area, 2 in Wagner⁵⁴, and 1 each in Lake Andes⁵⁵, Mitchell⁵⁶, and Yankton⁵⁷.
- Survey respondents have a great interest in creating a community garden with over half (66%) reporting it as a potential community service. Other services of interest reported are a youth center (49%), parks/playgrounds (48%), a weight/workout room (45%), and an elder center (45%).

⁵⁰ <http://www.wagner.k12.sd.us/District/Portal/garden1> and <http://www.horizonsinc.org/community-garden/>

⁵¹ http://www.postandwave.com/news/lake_andes_news/community-garden/article_0a53d500-3a4a-11e7-949f-5f4e5e2d984b.html

⁵² <https://www.facebook.com/Mitchell-Community-Garden-304803386743/>

⁵³ <http://www.healthyyankton.org/>

⁵⁴ <http://www.wagner.k12.sd.us/District/Portal/garden1> and <http://www.horizonsinc.org/community-garden/>

⁵⁵ http://www.postandwave.com/news/lake_andes_news/community-garden/article_0a53d500-3a4a-11e7-949f-5f4e5e2d984b.html

⁵⁶ <https://www.facebook.com/Mitchell-Community-Garden-304803386743/>

⁵⁷ <http://www.healthyyankton.org/>

- Three of the five key stakeholders also expressed a desire and opportunity for community gardening and discussed how a community garden would provide not only a source of fresh foods, but also social unity and an educational opportunity.
- Food sovereignty initiatives as well as education of local food system benefits are on the rise, especially in rural and native communities.

APPENDICES

A. IHANKTONWAN COMMUNITY MARKET DEVELOPMENT SURVEY

IHANKTONWAN COMMUNITY MARKET DEVELOPMENT SURVEY			
INCLUDE YOUR NAME AND CONTACT INFORMATION IF YOU WANT TO BE INCLUDED IN THE PRIZE DRAWING. YOUR NAME WILL NOT BE ATTACHED TO YOUR RESPONSES.			
First name:		Last name:	
Email:		Phone number:	
Mailing address:		City:	State: Zip:
ABOUT YOU			
Today's Date: / /		What city/town and state do you live in?	
What is your gender? <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Prefer not to answer <input type="checkbox"/> Other (please specify):		What is your age? <input type="checkbox"/> 24 or younger <input type="checkbox"/> 35-44 <input type="checkbox"/> 55-64 <input type="checkbox"/> 25-34 <input type="checkbox"/> 45-54 <input type="checkbox"/> 65 or older	
What is your highest level of education? (choose one) <input type="checkbox"/> Elementary school <input type="checkbox"/> GED <input type="checkbox"/> Associates degree <input type="checkbox"/> Doctorate degree <input type="checkbox"/> Middle school <input type="checkbox"/> Vocational/Trade school <input type="checkbox"/> Bachelor's degree <input type="checkbox"/> Other (please specify): <input type="checkbox"/> High school <input type="checkbox"/> Some college <input type="checkbox"/> Master's degree			
Are you a Yankton Sioux Tribal Member? <input type="checkbox"/> Yes <input type="checkbox"/> No			
What is your ethnicity? (mark all that you identify with) <input type="checkbox"/> African American <input type="checkbox"/> Asian <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> American Indian (Tribe: _____) <input type="checkbox"/> Caucasian <input type="checkbox"/> Pacific Islander <input type="checkbox"/> Alaska Native (Village: _____) <input type="checkbox"/> Latino or Hispanic <input type="checkbox"/> Other (please specify):			
What is your estimated annual household income? Household income refers to all sources of income (including earned income, government assistance, social security benefits, tribal programs, general assistance, per capita, etc.) derived from those in your household with whom you share or support financially. <input type="checkbox"/> No income <input type="checkbox"/> \$6,000-\$8,999 <input type="checkbox"/> \$15,000-\$19,999 <input type="checkbox"/> \$40,000-\$49,999 <input type="checkbox"/> \$1-\$2,999 <input type="checkbox"/> \$9,000-\$11,999 <input type="checkbox"/> \$20,000-\$29,999 <input type="checkbox"/> \$50,000-\$59,999 <input type="checkbox"/> \$3,000-\$5,999 <input type="checkbox"/> \$12,000-\$14,999 <input type="checkbox"/> \$30,000-\$39,999 <input type="checkbox"/> \$60,000+			
What is your current employment status (mark all that apply): <input type="checkbox"/> Regular full-time <input type="checkbox"/> Self-employed full-time <input type="checkbox"/> Unemployed, seeking employment <input type="checkbox"/> Regular part-time <input type="checkbox"/> Self-employed part time <input type="checkbox"/> Unemployed, not seeking employment			
Are you seasonally employed? <input type="checkbox"/> Yes <input type="checkbox"/> No Are you seasonally employed? <input type="checkbox"/> Yes <input type="checkbox"/> No			
What are the barriers to employment in the area? (mark all that apply) <input type="checkbox"/> Not enough jobs <input type="checkbox"/> Insufficient qualifications <input type="checkbox"/> Lack of childcare services <input type="checkbox"/> Not enough homes (can't move there) <input type="checkbox"/> Lack of education <input type="checkbox"/> Lack of employment variety <input type="checkbox"/> Pay not good enough <input type="checkbox"/> Lack of transportation <input type="checkbox"/> Not enough businesses <input type="checkbox"/> Lack of employment services (how to apply, job boards, interview training) <input type="checkbox"/> Lack of competitive pay <input type="checkbox"/> Other (please explain): <input type="checkbox"/> Job opportunities are far away <input type="checkbox"/> Discrimination			

FINANCIAL PRODUCTS AND SERVICES

Have you ever applied for a loan? (a vehicle loan, credit builder loan, emergency loan, loan from bank or credit union, loan from tribal credit, loan from personal friends or family, housing loan, business loan, etc.) Yes No

If you have applied for a loan in the past, have you faced issues when trying to obtain a loan? Yes No
If yes, please explain:

What kind(s) are loans are YOU interested in? (mark all the apply)

- | | | |
|---|---|--|
| <input type="checkbox"/> Credit builder/repair loans (small loans to increase credit score) | <input type="checkbox"/> Mortgage/home loans | <input type="checkbox"/> Business line of credit loans (funds for personal finances) |
| <input type="checkbox"/> Auto/Car loans (new or used) | <input type="checkbox"/> Tiny home loans | <input type="checkbox"/> Employee loans |
| <input type="checkbox"/> Personal line of credit loans (funds for personal finances) | <input type="checkbox"/> Home improvement/repair loans | <input type="checkbox"/> Micro business loans (less than \$5,000) |
| <input type="checkbox"/> Consolidation loans (pay off/combine debt) | <input type="checkbox"/> Down payment assistance loans | <input type="checkbox"/> Small business loans (less than \$50,000) |
| <input type="checkbox"/> Emergency loans | <input type="checkbox"/> Closing cost assistance | <input type="checkbox"/> Large business loans (larger than \$50,001) |
| <input type="checkbox"/> Agriculture loans | <input type="checkbox"/> Home refinance | <input type="checkbox"/> I don't know |
| <input type="checkbox"/> Art/Artisan loans | <input type="checkbox"/> Appliance/Furniture loans (fridge, stove, washer/dryer, furniture, etc.) | <input type="checkbox"/> I'm not interested in loans |
| | <input type="checkbox"/> Housing line of credit loans (funds for personal finances) | <input type="checkbox"/> Other (please explain): |

In the next 12 months, how likely are you to apply for any type of loan listed above?

- Extremely likely
 Likely
 Somewhat likely
 Not very likely
 Extremely unlikely
 Definitely NOT going to

If likely, what type of loan are you planning to apply for and what do you plan to use it for?

What types of loans are needed in your community? (mark all the apply)

- | | | |
|---|---|--|
| <input type="checkbox"/> Credit builder/repair loans (small loans to increase credit score) | <input type="checkbox"/> Mortgage/home loans | <input type="checkbox"/> Business line of credit loans (funds for personal finances) |
| <input type="checkbox"/> Auto/Car loans (new or used) | <input type="checkbox"/> Tiny home loans | <input type="checkbox"/> Employee loans |
| <input type="checkbox"/> Personal line of credit loans (funds for personal finances) | <input type="checkbox"/> Home improvement/repair loans | <input type="checkbox"/> Micro business loans (less than \$5,000) |
| <input type="checkbox"/> Consolidation loans (pay off/combine debt) | <input type="checkbox"/> Down payment assistance loans | <input type="checkbox"/> Small business loans (less than \$50,000) |
| <input type="checkbox"/> Emergency loans | <input type="checkbox"/> Closing cost assistance | <input type="checkbox"/> Large business loans (larger than \$50,001) |
| <input type="checkbox"/> Agriculture loans | <input type="checkbox"/> Home refinance | <input type="checkbox"/> I don't know |
| <input type="checkbox"/> Art/Artisan loans | <input type="checkbox"/> Appliance/Furniture loans (fridge, stove, washer/dryer, furniture, etc.) | <input type="checkbox"/> I'm not interested in loans |
| | <input type="checkbox"/> Housing line of credit loans (funds for personal finances) | <input type="checkbox"/> Other (please explain): |

HOUSEHOLD INFORMATION

"Household" includes anyone in your home with whom you share or depend on financially. These can be dependents (children), those you share expenses with (spouse), or those who depend on you financially. This does not always include everyone living in your home.

Number of Adults Over 18
(including yourself):

Number of Children Under 18:

Total Size of Household:

+

=

What is your current housing status?

- Own my own home
 Renting
 Live with relatives/another person's home
 Don't live in a permanent home (motel/hotel/shelter/etc.)
 Other (please explain):

How satisfied are you with the availability of mortgages/home lending in your area?

- Very satisfied
 Satisfied
 Neither satisfied nor dissatisfied
 Dissatisfied
 Very dissatisfied

FINANCIAL INFORMATION

Do you currently have a: Checking account Savings account Credit card Debit card None

Do you know your credit score? Yes No
 - If yes, what is it? _____

How would you rate your credit?

Poor Fair Good Very good Exceptional I don't know I don't have credit

In the last 12 months have you accessed any of the following outside of a bank? (mark all the apply)

Money orders Pre-paid debit card Tax refund anticipation loan
 Check-cashing services Payday loan None
 Pawn shop Rent-to-own Other (please explain):

If so, what was the main reason for doing so? (mark all the apply)

To get money faster Loan amount too small for a bank Emergency
 Banks do not have the services I need Don't trust banks No established credit
 More convenient hours/locations Don't qualify for a bank loan Other (please explain):

In your opinion, what is needed for community members in the area to feel more financially confident and secure (opportunities, not worrying about bills, having enough at the end of the month, etc.)? (mark all the apply)

More banking options Financial education opportunities Business management training
 Pre/Post purchase education One-on-one financial coaching Low-cost tax preparation
 Loan opportunities Homebuyer education Credit counseling/assistance
 Checking accounts Credit building opportunities Home maintenance education
 Saving accounts Youth financial training Workforce development
 Individual development accounts (IDA) Youth entrepreneurship training Other (please explain):
 Agriculture training Business start-up training

NEEDS ASSESSMENT

What services are missing from your area? (mark all the apply)

Childcare/Daycare services Hardware store Retail clothing store
 Financial services (banks/credit unions/etc.) Bar/Restaurants Gas station
 ATMs Restaurants - fast food Homes/Housing
 Health services (hospital/dentist/etc.) Restaurants - sit down Real estate
 Car dealership General store Cable/Internet services
 Auto mechanics Supermarket Other (please specify):
 Art supply shop Farming and Ranching

What community services would you be interested in that are missing from your area? (mark all the apply)

Community garden Elder center Parks/Playgrounds
 Farmer's market Arts center Weight/Workout Room/Gym
 Community commercial kitchen Youth center Other (please specify):
 Teaching kitchen

BUSINESS INFORMATION

Are you a business owner? Yes No **→ Have you tried to expand your business?** Yes No **→ Are you interested in expanding your business?** Yes No

→ Why or why not?

If you own a business, what type(s)? (mark all that apply)

Agriculture, forestry, fishing & hunting Finance & insurance Educational services
 Mining Real estate rental & leasing Health care and social assistance
 Utilities Professional, scientific & technical services Arts, entertainment & recreation
 Construction Management of companies & enterprises Accommodation & food services
 Manufacturing Administrative & support & waste management & remediation services Public administration
 Wholesale trade Other businesses (please specify):



<input type="checkbox"/> Retail trade	<input type="checkbox"/> Information	
<input type="checkbox"/> Transportation & warehousing		
If you WANT TO OWN a business, what type(s)? (mark all that apply)		
<input type="checkbox"/> Agriculture, forestry, fishing & hunting	<input type="checkbox"/> Finance & insurance	<input type="checkbox"/> Educational services
<input type="checkbox"/> Mining	<input type="checkbox"/> Real estate rental & leasing	<input type="checkbox"/> Health care and social assistance
<input type="checkbox"/> Utilities	<input type="checkbox"/> Professional, scientific & technical services	<input type="checkbox"/> Arts, entertainment & recreation
<input type="checkbox"/> Construction	<input type="checkbox"/> Management of companies & enterprises	<input type="checkbox"/> Accommodation & food services
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Administrative & support & waste management & remediation services	<input type="checkbox"/> Public administration
<input type="checkbox"/> Wholesale trade	<input type="checkbox"/> Information	<input type="checkbox"/> Other businesses (please specify):
<input type="checkbox"/> Retail trade		
<input type="checkbox"/> Transportation & warehousing		
What barriers are you aware of for starting or expanding a business in your community?		
<input type="checkbox"/> Qualifying for a business loan	<input type="checkbox"/> None	
<input type="checkbox"/> Lack of knowledge on how to start a business	<input type="checkbox"/> Other (please specify):	
<input type="checkbox"/> Lack of knowledge about how to run a business		
<input type="checkbox"/> Finding a source of financing		
<input type="checkbox"/> Location issues		

Thank you for taking the time to be a part of this survey!

B. KEY OPINION LEADER INTERVIEW PROTOCOL

KEY OPINION LEADER INTERVIEW

First Nations Oweesta Corporation and Sweet Grass Consulting, LLC are conducting a community snapshot market study for the Yankton Sioux Tribe. This will aid the Tribe in determining the direction they would like to develop a CDFI (community development financial institution), and it will benefit the community as the CDFI will be able to accommodate the needs of its target market. Thank you for being willing to contribute to this process.

Name of Interviewer:

Date and Time of Interview:

Name of interviewee:

Title:

Organization:

1. Please tell me about your organization and your roles and responsibilities.
 - What does your organization/business/bank do? What products and services are offered?
 - What community does it serve?
 - What is its role in the community?
2. Do you live on or near Yankton Reservation?
3. What is your knowledge of, and relationship with, the Yankton Sioux Tribe?
4. What types of financial/banking services are available for community members (*specifically for Yankton communities*)?
 - Are these services sufficient? What services are missing? (*specifically, regarding business lending, credit builder and personal loans, as well as financial education opportunities*)

- Are the currently available financial products available from a local, culturally relevant, non-predatory institution?
 - In your opinion, what are the strengths and weaknesses of available financial services to community members? (ex: staffing, knowledge, demand etc.)
 - Do you see a possibility for Yankton CDFI to partner with any of these organizations? If so, in what capacity?
5. In your opinion, what services/businesses/opportunities are needed in the area?
 - Do you feel that there is demand for any financial products in Yankton communities that are not currently available?
 - Do you feel there is demand for a community garden and/or agricultural-based education for community members?
 6. What challenges do Yankton Tribal members and/or local community members face when attempting to obtain loans/financing?
 - Business vs. Housing vs. Consumer
 7. What is the single greatest weakness of businesses operated in and by Yankton community members and Tribal members?
 8. How could a CDFI in the area lessen these challenges? What role does a CDFI have in serving Yankton communities?
 - On what do you recommend Yankton Sioux Tribe focus its financial education efforts?
 - On what do you recommend Yankton Sioux Tribe focus its business classes?
 9. Do you have any additional comments or things you would like to add?