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South Dakota Indian Business Alliance to Launch First-Ever Statewide Lending Program for Native Communities

Fort Pierre, South Dakota – May 17, 2012 – The South Dakota Indian Business Alliance (SDIBA) is launching an initiative that will utilize the successful model of Native community development financial institutions (CDFIs) to expand access to fair lending products into all nine of South Dakota’s reservation communities. The Expanding Native Entrepreneurship Initiative, funded by a \$141,000 grant from the Citi Foundation, will assist forty aspiring Native entrepreneurs in developing a business, provide capital to start or expand fifteen businesses, and create or retain twenty-three jobs in its first year.

“While this may seem like a small dent in breaking the cycle of poverty for South Dakota’s Native American population, this is a huge leap forward for many of our reservation communities in the larger scope of private sector development. The majority of our reservations do not have ready access to fair and responsible lenders, let alone business development assistance, so this Initiative will be mitigating the huge barrier that Native entrepreneurs face,” says Tanya Fiddler, Chairperson of SDIBA. “The numerous barriers that Native entrepreneurs face in accessing capital and support services were identified and clearly defined in *“Native American Entrepreneurship in South Dakota’s Nine Reservations,”* a research report commissioned by SDIBA and published in 2011. The report was the culmination of an in-depth market analysis of the small business development environment on South Dakota’s nine Indian reservations.

The Initiative will create the first-ever statewide Native loan fund, which will provide micro-loans up to \$10,000, paired with customized assistance to guide entrepreneurs through the process of establishing a reservation-based business. SDIBA members and the state’s three existing Native CDFIs—Four Bands Community Fund on the Cheyenne River Reservation, Hunkpati Investments on the Crow Creek Reservation, and Lakota Funds on the Pine Ridge Reservation—will play a key role in the Initiative by extending their services to neighboring reservations.

“The customized assistance that we provide, in conjunction with our lending products, is a critical element of the success of the Native CDFI model. Reservation residents are usually first-generation entrepreneurs who do not have the benefit of learning how to become a business owner from relatives or friends, so we become that source of knowledge,” states Krystal Langholz, Executive Director of Hunkpati Investments.

SDIBA plans to use this first round of funding to establish a protocol for a permanent program. “We hope this is just the beginning of a long and impactful endeavor,” says Fiddler. For more information on SDIBA or to download a copy of the report, *“Native American Entrepreneurship in South Dakota’s Nine Reservations,”* visit sdiba.org.

South Dakota Indian Business Alliance



About the South Dakota Indian Business Alliance

The South Dakota Indian Business Alliance (SDIBA) was formed in 2007 to cultivate effective and efficient business environments in South Dakota's Indian Country. In addition, SDIBA collaborates with partner organizations to maximize the benefits of joint efforts by the State and the Tribes to increase Indian entrepreneurship in South Dakota. SDIBA uses a comprehensive business development model that addresses Governance, Infrastructure, Finance, and Resources in order to develop sustainable businesses in Indian Country. The mission of SDIBA is to enhance Indian Business development by leveraging partnerships and resources of diverse institutions and organizations.