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Via email: [cdfihelp@cdfi.treas.gov](mailto:cdfihelp@cdfi.treas.gov)

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Dear Ms. Kuchar:

Opportunity Finance Network appreciates the opportunity to comment on the CDFI Fund's proposed report to assess the state of access to capital and credit in Native Communities, in response to the request published in the *Federal Register* on November 30, 2012.

OFN serves in an ex officio capacity on the Board of Directors of the Native CDFI Network (NCN) and encourages your thoughtful consideration of the comments submitted by NCN. Because the NCN has submitted a thorough set of comments, OFN's recommendations do not respond to all of the questions posed by the Fund. Instead, they focus on items of particular relevance to OFN's role as a national network of CDFIs and as a provider of capital, training, and technical assistance to that network.

Opportunity Finance network's Strategic Plan for 2011-2025 highlights "Coverage" as one of its principal goals. That goal is:

*By 2026, the OFN network of CDFIs and their partners will be strong, diverse, and broad with the strategic, performance, and geographic capacity to fulfill OFN's mission of ensuring that low-income, low-wealth, and other disadvantaged people and communities across the United States have access to affordable, responsible financial products and services. To that end, OFN will work to develop and support a network of strong CDFIs that is results-oriented and, together with partners, offers a comprehensive set of financial products and services, and ensures broad market coverage.*

In short, OFN aspires to help create a CDFI sector that is capable, with partners, of providing a full range of financial products and services wherever low-income, low-wealth, and other disadvantaged people and communities need them.

The OFN network will include CDFIs of all asset sizes and types—loan funds, credit unions, equity funds, and banks; CDFIs of all sizes; and CDFIs working in rural, urban, and Native communities and markets. CDFIs will be lead providers of credit and other financial products and services in opportunity markets—low-income, low-wealth, and other disadvantaged communities outside the margins of conventional finance.



We expect that CDFIs serving Native American communities will be an important part of that work, and the CDFI Fund's proposed report will provide critical information about those needs and the ways that CDFIs can meet them.

From this perspective, OFN offers the following suggestions for the proposed report in response to key questions posed by the CDFI Fund:

*1. What should the access to capital and credit report accomplish?*

Consistent with OFN's interest in broadening CDFI coverage, the proposed report should help the CDFI industry and its partners understand the existing coverage of CDFI products and services in Native American markets and the barriers to expanding it.

As one part of identifying CDFI coverage in this market, the report should note the track record of the CDFI Fund and its support to Native American CDFIs. It should highlight the successes of Native CDFIs, the CDFI Fund's NACA Program, and its training programs to build the capacity of CDFIs serving this sector. CDFIs, in partnership with the CDFI Fund and others, have made significant progress in bringing capital and credit to Native American and reservation communities, and the proposed report should help document that success.

At the same time, the need of Native American communities for capital, credit, affordable housing, and job and small business opportunities is far from met. The report should, in addition to tracking the progress that Native CDFIs have made in these areas, identify continuing gaps in these markets. It should also identify the capacity-building and resource needs of CDFIs focused on Native American markets and suggest potential opportunities to meet those needs.

*4. Who are the key users of the report? and 6. How did you or your organization use the NALS?*

The NCN letter outlines the ways in which funders, local and tribal governments, financial institutions, researchers, and other partners might use the report. Opportunity Finance Network would use the report to understand the gaps in coverage in the financial products and services available in Native American markets, and the capacity of CDFIs to serve those markets. OFN might offer its own products and services—capital, training, and consulting—based on the results of the report.

The CDFI Fund itself used the NALS to develop and implement its Native American Initiatives—the specialized set of programs targeted at CDFIs serving Native American communities. OFN was a lead contractor in the CDFI Fund's training related to this initiative, and used the report to help identify topics and to build its own capacity to offer useful, high-quality training. The Fund should use the updated study to review and, if necessary, refine its Native American Initiatives.



Policymakers who influence decisions about the federal resources available for Native American CDFIs—not only those in the CDFI Fund, but across federal departments—are another likely user of the report.

**Conclusion**

The CDFI Fund has been a leader and key resource in the development of CDFIs as solutions to the capital and credit gaps in Native American markets. Its original Native American Lending study catalyzed the Fund’s important work and that of others interested in building the capacity of CDFIs serving those markets. The updated NALS can continue to ensure that resources flow to these markets and to a strong network of CDFIs working in them.

OFN appreciates the Fund’s consideration of our views and looks forward to continued partnership in building a strong network of Native American CDFIs.

Sincerely,

Mark Pinsky  
President and CEO