



TOM HOWARD PHOTO

A housing development for the elderly was completed on the Salish & Kootenai Reservation in 2001. The Salish & Kootenai Housing Authority has done five projects using Low Income Housing Tax Credits and has used Travois Inc. as a consultant in all of them.

## Travois New Markets making a difference in Indian Country

By Tom Howard

A company that has helped develop more than 2,600 affordable homes on American Indian reservations over the past decade has branched out with a subsidiary that aims to encourage economic development in Indian Country.

David Bland said Travois New Markets, a subsidiary of Travois Inc., has obtained \$30 million in New Markets Tax Credits from the U.S. Treasury Department. The tax credits are allocated annually by the Treasury Department's Community Development Financial Institutions Fund.

The tax-credit program provides low-cost financing for a variety of economic-development projects, while also providing a mechanism to encourage private investment in low-income communities. Hotels, renewable-energy projects, manufacturing facilities and retail stores are some of projects that can be financed through the program, said Bland, who is president of Travois Inc. and Travois



BLAND

New Markets.

Travois New Markets is a Community Development Entity, a private, for-profit company that finances economic-development projects in low-income communities.

Bland said Travois New Markets is unique because it's the only CDE that received money in the most recent allocation that works exclusively with Indian tribes.

"This allocation of New Markets Tax Credits will spur desperately needed economic development in many of our country's neediest communities," he said. Bland said Travois New Markets has been working on a number of economic-development projects in Montana and elsewhere, although it's too early to discuss them in public.

Bland lives in Luther, but Travois Inc. has 20 employees divided among offices in Kansas City, Virginia and Florida. The company has worked with Indian tribes throughout the United States.

Until the Travois New Markets subsidiary was formed, the company concentrated on improving substandard housing conditions on reservations.

Travois has helped tribes obtain more than \$300 million worth of housing financed through the Low Income Housing Tax Credit Program. In Montana, Travois has helped fund more than \$20 million worth of housing projects on the Blackfeet, Flathead, Fort Belknap and Fort Peck reservations.

Bob Gauthier, former executive director of the Salish and Kootenai Housing Authority, said Travois has "brought a tremendous service to Indian Country." The program has done a lot of good even though some tribes struggle to understand the complicated financial arrangements involved in the tax-credit programs, Gauthier said.

The LIHC was created under the Tax Reform Act of 1986 as a way to encourage more affordable housing in low-income areas. The program offers federal tax credits to private investors who agree to invest in qualified affordable-housing projects. The tax credit provides a dollar-for-dollar reduction in the investor's income tax liability. For every dollar invested in a qualifying project, federal taxes are reduced by the same amount.

Although building or renovating 2,600 homes is no small accomplishment, much more needs to be done to meet the vast housing needs on the nation's reservations, Bland said. The National American Indian Housing Council estimates that 200,000 homes are needed on Indian reservations.

Bland became familiar with Indian Country while he worked at the Community Affairs Division of the Minneapolis Federal Reserve. During his visits to reservations, tribal leaders consistently mentioned housing as one of the most pressing needs. So, Bland left the Fed and went into business on his own.

A consulting firm working in Indian Country must strive to learn both the culture and the legal landscape of each reservation, Bland said.

"When you do business in Indian Country, you have two things to think about: What are the cultural attributes of the tribe you're working with, and what are the differences in laws with respect to how transactions are governed?" Bland said.

Travois Inc., named after the Y-shaped framework that Indians used to transport goods behind horses or dogs, strives to "carry the load" for tribes, Bland said.

"I love working in Indian Country," he said. "You can't help being impressed by the stories you hear."