



Dreamcatcher

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Family finds hope in house

by Elizabeth Glynn

When Jamil Montoya and Amy Goodday stand on their front porch, they see a beautiful vista dotted with scrub brush, Ponderosa pine and sunflowers. Their new home on the Jicarilla Apache Reservation in Dulce, New Mexico offers more than just a pretty view, though. It is a new beginning.

Three months ago Debbie Campbell at the Jicarilla Apache Utility Authority called to tell the Montoyas a three bedroom house was available through the new Mundo Ranch low income housing tax credit (LIHTC) development on the reservation. The Montoya family, which includes five-year-old Michael and four-year-old Gracie, was bursting at the seams of their two-bedroom apartment and



photo by Travois

Jamil Montoya and Amy Goodday on their new front porch with four-year-old daughter Gracie.

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New Markets Tax Credits Promise Economic Revival

By Philip Glynn

In recent years, a consensus has emerged among community developers: there can be no sustainable development in America's low-income communities without a comprehensive approach. Advances in education among disadvantaged populations and efforts to increase the stock of quality affordable housing have been steps in the right direction. Policy makers and community leaders now realize, however, that locally-owned business development is

needed to tie all these efforts together.

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J.C. Watts
former Oklahoma congressman

"There are neighborhoods where venture capital does not venture," said former Oklahoma congressman J.C. Watts. This comment highlights the frustration many entrepreneurs face in low-income communities. As the 1990s drew to a close, community development leaders began working with the federal government to encourage private investment in communities outside the financial mainstream.

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With this goal in mind, congress created the New Markets Tax Credit (NMTC) program in 2000. NMTCs can be used to attract private sector equity investments in low-income community enterprises. Administered by the U.S. Treasury's Community Development Financial Institutions Fund, the NMTC program gives Community Development Entities (CDEs) the chance to compete for NMTCs they can then direct to projects in their areas. This program is based on the idea that investment capital is not flowing to many low-income communities because mainstream investors have not recognized them as the new markets they are.

"The NMTC should encourage investors to 'take a second look' when they might otherwise decline a viable deal," said former Treasury official Cliff Kellogg.

NMTC equity can be leveraged to attract lenders who were previously hesitant because of a lack of capital. Indian Country business leader J.D. Colbert (Chickasaw/Creek), president of Native American Bank, said a lack of equity capital is a common deterrent to private investment.

"A big issue for the small business is the

challenge of attracting equity," he said. "A loan application that might otherwise be attractive, we can't work with because of a lack of equity capital."

Colbert added that equity concerns affect many Native-owned firms and budding Indian entrepreneurs. Other Native business leaders agree that this is a problem Indian communities must overcome.

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"We need more entrepreneurs to emerge in our Indian communities," said Jim Lowry (Lumbee) retired car dealer and Chairman of the Charlotte Board of Directors of the Richmond Federal Reserve. "There are people who have the potential who do not have the means."

The prevalence of this nationwide trend in Indian Country caused David Bland, president of affordable housing developer Travois, Inc. to take notice.

"For years our clients have asked us if we could assist them in small businesses and other developments beyond housing," he said. "With the establishment of Travois New Markets, we can begin to say, 'yes'."

For questions about New Markets Tax Credits, e-mail Phil at pglynn@travois.com or call 816-268-1283.

Cook's Corner

For the Ojibway in Minnesota, September is the time to harvest rice—an abundant natural resource on many tribal lands in the upper midwest. If you have a recipe you'd like to share, please e-mail elizabeth@travois.com.

Wild Rice and Chicken Wing Soup

2 ½ pounds chicken wings	1 cup chopped celery
3 quarts water	1 cup chopped carrots
1 teaspoon salt	2 cups wild rice
2 tablespoons vegetable oil	Parsley to taste
1 cup chopped onions	Salt and pepper

1. Wash wings and pat dry. Place in large kettle with water and salt. Bring to a boil and cook for five minutes. Remove from heat and skim any fat that has appeared on surface. Cover and simmer one hour.
2. Remove from heat and take out chicken wings. Cover and set aside.
3. Heat vegetable oil in frying skillet over moderate heat. Saute onions, celery and carrots for ten minutes, stirring occasionally.
4. Skim fat from chicken broth. Add onions, celery, carrots and parsley. Add seasoning to taste.
5. Remove chicken from bones and return to pot. Add cooked wild rice.
6. Cover pot and simmer for 20 minutes. Serve immediately.

Native Spaces

By Ashley Arrington

Traditionally, Spring is the time of year when many of us turn our attention towards enhancing our landscape and gardens and this seems natural, to spend time outside after the winter months, to enjoy the fresh growth of flowers and plants. However, fall is actually the best time of year to get a jump-start on your landscaping and to plan ahead for a lovely spring garden.

Believe it or not, many trees, shrubs, grasses and flowers prefer to be planted in the Fall. This allows the new plant to establish roots before the winter dormant months and then gain strength through the spring growing



Daffodil (*Narcissus* spp.)

Zones 3-9

True bulb to be planted in the fall for early spring flowers. Cold tolerant, deer and Squirrel resistant. Plant bulbs twice as deep as their greatest diameter. Prefers full sun.

season prior to the hot and often dry summer months. Bulbs that are expected to flower in early spring, such as tulips, hyacinth, and daffodils should also be set in the fall, typically near the time of the first freeze. By planting in the fall, you can ensure strong, established plants. By the time spring rolls in you'll have an anchored landscape that can be accented with perennials and other annuals that are commonly planted in the springtime.



Red Maple (*Acer rubrum*)

Zones 3-9

Good accent tree due to showy red color. Grows moderately fast and prefers partial shade.

This is also a good time of year to plan ahead, especially if you are on a limited budget. With the majority of people focusing their attention outdoors in the spring, the fall is an ideal time to find good deals on landscaping equipment and supplies. If you would like to add elements to your yard such as patios, walkways, borders or rocks and stone gardens, now is the time to check out your local hardware stores for specials. Even if there are no deals to be found, by planning ahead

and setting your budget now, you can work in phases to get the look you are after. Start in the fall with the main elements; shrubs and larger accent trees, and then through the winter

months focus on and hardscape elements. In the spring add perennial and annual flowering plants to your already established groupings for color.

If you are in a region with harsh winters and already have an established landscape, there are a few maintenance requirements to prepare your garden for the winter months. If you live in a region with deciduous trees, be sure to rake and remove the leaves from

grasses so they are not smothered. If you have been watering plantings through the dry summer, begin to decrease your waterings in order to prepare plants for dormancy. Just before the first freeze, give a

last deep watering to last through the winter. Cleaning out leaves and stalks from your planting beds will save you time in the spring and will avoid decay and rot. If you are able, adding mulch in these areas will protect the root systems of your existing plants through

the winter months. In areas with very low winter temperatures, be sure to bring in your hose and turn off your water to its source once you have winterized your garden! When planning a landscape and choosing plants be sure to consult

the USDA Hardiness Zone map, which will tell you the zone for your region and will help you to select plants that are appropriate to your climate and soil type. Choosing plants that are either native to your area, or have been proven to be hardy in your climate will ensure that your landscape will thrive, saving you time and money down the road.

For design or landscaping questions, e-mail Ashley at arrington@travois.com.

Robin's Rules



Robin Thorne, Travois' director of Asset Management, will answer your compliance questions in this quarterly column. This column is not intended to replace Travois asset management services. If you have questions, e-mail robin@travois.com.

When is the best time to start our annual recertifications?

In order to complete your recertifications on time you will want to begin as early as possible. Verifications are valid for up to 90 days prior to the recertification date. We recommend sending a notice to your tenants approximately 120 days prior to their recertification date. This gives them ample time to schedule an appointment to come in and meet with you and provide any paperwork necessary to begin the verification process. Many software systems provide a tickler system to remind you when it is time to send out the requests for applicants to come in and recertify. Often it will be necessary to send follow up reminders 90, 60, or 30 days prior if a tenant is not responding. Remember that the tenant must return to the office to sign the completed and approved TIC on or just before the annual recertification date in order for it to be valid and on time.

How do you determine what type of money is income and what is considered an asset?

Income generally means any type of money that is received by the household on a regular basis, including employment income, social security benefits, recurring gifts, welfare as-

sistance, alimony & child support, TANF, unemployment benefits, workers compensation, or severance pay. This type of regular income should be calculated using the total/gross payment amount and annualized over the next 12 months. Assets are items owned by the household that have a cash value. Assets can include any of the following: Checking accounts, savings accounts, Money market accounts, IRA accounts, 401k's, Real Estate, Whole life Insurance, and Pension or Retirement plans. In order to count any assets on the TIC, it must be verified that the household has access to the funds. On the TIC you will include the value of the asset, the income it may be earning (typically interest) and the imputed interest (2% of the total cash value of the asset). When figuring the total household income, you will add the greater of the imputed or actual interest to the regular annualized gross income. Remember that you only need to verify assets when the total household assets are over \$5,000.00 in value.

Remember that the tenant must return to the office to sign the completed and approved TIC on or just before the annual recertification date in order for it to be valid and on time.

What is the best source for compliance regulations?

Your State Housing Agency Compliance Manual and/or QAP will outline all of the compliance requirements for your Tax Credit project. Be sure to keep this document available for reference and be aware that the Compliance Manual may be updated every year. The State QAP is updated every year. You will also need a copy of the HUD handbook 4350.3, Chapter 5: Determining income & calculating rent. The LIHTC program is required to follow the guidelines in Chapter 5 for determining income. Chapter 5 provides the information necessary to determine a household's gross annual income as well as specific information relating to income inclusions & exclusions. Remember, if income is not specifically excluded in the Chapter 5 guidelines then it must be counted towards the household's gross annual income.

eager for a place of their own. They jumped at the chance.

A stay at home father, Jamil Montoya wants the best for his family.

But with unemployment at 33% on the Jicarilla Apache Reservation and an average per capita tribal income around \$10,000, many tribal members have a hard time making ends meet much less finding safe, decent and affordable housing. The Housing Authority has 300 people on their waiting list. Over time, the LIHTC program promises to greatly increase the housing stock on the reservation and decrease the number of families on waiting lists.

The 46-unit Mundo Ranch is the first of what many hope will be a growing number of LIHTC developments on the reservation.

The Jicarilla Apache Housing Authority, despite the complexity and time-consuming paperwork, considers the LIHTC program a much needed and valuable resource. The Mundo Ranch development built homes for tribal members who have been waiting for a long time—as many as ten years. Now Debbie Campbell loves to tell her clients the good news.

Campbell, known as the “house lady” around the reservation, loves to make those happy calls.



Photo by Travois
Debbie Campbell at the Jicarilla Apache Utility Authority. She says the best part of her job is calling families to tell them a house is available.

“The best part about this job is seeing the families when I call them—‘I’ve got a house’—and seeing the kids playing outside,” she said. The Montoyas, like many families on



Photo by Travois
The Montoya family’s new home on the Jicarilla Apache Reservation in New Mexico.

reservations across the country, have been on a waiting list since 2002.

The LIHTC program has changed Jamil Montoya’s life.

“Now we’re close to the elementary school, the medical center is right across the street, and I can go fishing every day because we are so close to the lake,” Montoya said. A tribal member who has lived on the reservation his entire life, Montoya wants to stay. He and his wife are making their house a home—they’ve hung wind chimes on the porch and family pictures on the walls. The kids each have their own bedroom and Jamil has space for a barbecue grill out front. They even have room for Amy’s extended family. She’s from Oklahoma and they visit often.

Now that the Montoyas have a place of their own they are enjoying sharing it with those who have helped them in the past.

“We don’t have to worry about bothering other people,” Montoya said. “Now we have a house of our own.”

Tax Credit Calendar

September

9/1

FHLB-Cincinnati AHP due
FHLB-Seattle AHP due
S. Dakota monthly report due

9/15

FHLB-Atlanta AHP due
FHLB-Chicago round B due
FHLB-Dallas AHP due

9/19-9/21

6th Annual Travois Tax Credit Conference

9/20

Arizona Bi-monthly reports due

9/28

FHLB-Pittsburgh AHP due

9/29

FHLB-Boston AHP due
Utah LIHTC due

November

11/1

Minnesota Carryover Due
S. Dakota Monthly report due

11/3

Maine LIHTC deadline

11/10

Montana Carryover Due

11/20

Arizona Bi-monthly reports

October

10/1

N. Dakota Quarterly reports due
S. Dakota Monthly report due

10/2

FHLB-San Francisco AHP due
FHLB-Topeka AHP due

10/6

FHLB-San Indianapolis AHP due

10/26

Minnesota announces 1st round Tax Credits

December

11/1

Arizona Carryover Due
S. Dakota Monthly Report due

11/15

Washington Carryover Due



TRAVOIS

www.travois.com

110 Barlow Creek Road Red Lodge Montana 59068

p. 406.446.3482 f. 406.446.3488

info@travois.com