

In Quinault Indian Nation, Taala Fund helps tribal members build small businesses—and their dreams

By Ignacio Lobos



Most people are still asleep when Richard Underwood Jr. walks through his small village of Taholah, the centerpiece of Quinault Indian Nation in Washington state's central coast.



Richard Underwood Jr.

Here, the glacier-fed Quinault River joins the Pacific Ocean, and today that meeting is a raging mess amid heavy rain and gusts up to 40 mph.

Underwood caught his first salmon at age 6. By 16, he was working as a pro fishing guide, earning a living as his elders had done for decades.

And yet, fishing is a tough way to feed a family. Nature is fickle at best; boats and other equipment cost a lot, with stiff competition for angler dollars.

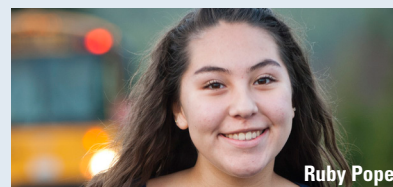
These challenges forced Underwood to start thinking about how best to expand his business to secure his family's future. He knew fly fishing, with a catch-and-release approach never tried on the reservation, would attract well-off recreational fishermen.



There were plenty of clients willing to pay good money for a chance to catch and release the Quinault River's famous 30-pound steelhead. But with little financial collateral, Underwood wasn't sure he could get a loan to expand his business.



HOW IT SERVES ACCESS TO CAPITAL



Ruby Pope

Taala Fund was able to expand its target market by using an NNAF grant to supply more lending capital. Taala Fund made more loans that increased startup dollars available for local businesses, provided funds to help small businesses grow, and created savings opportunities for community members. The increase in loans also improved Taala's income and therefore its stability.

CLICK TO READ ABOUT 13-year-old Ruby Pope, who attended a Taala financial management and business principles youth camp.

Taala Fund builds a community's wealth one member at a time

Natalie Charley smiles fondly when she remembers Underwood's first visit to discuss a loan. "We had been trying to find ways to work with the tribe's fishermen, and Richard's idea for a new fly fishing business was bold and strategic," said Charley, executive director of Taala Fund, a nonprofit Native Community Development Financial Institution (CDFI) that serves the Quinault Indian Nation. "No one had ever done it here."

In the Quinault language, "taala" means "money." In a much larger, community sense, it also means "wealth and prosperity," and it neatly sums up the goals of CDFIs across the country. CDFIs were created to build economic prosperity in low-income communities, particularly in Indian country. They pursue a multiprong approach, providing existing and new Native-owned businesses with access to small loans and microloans. CDFIs typically provide business planning assistance, help tribal members rebuild their credit, and hold financial empowerment and business classes. Taala Fund wants to put every elementary school tribal member into a matched savings plan for college.

Supporting CDFIs is an important mission for Northwest Area Foundation, which dedicates one of its four interlocking portfolios in support of nonprofit lenders such as Taala Fund. The Foundation's Access to Capital Portfolio supports CDFI grantees and their networks—groups that loan funds at affordable rates—to bring access to capital to communities not served well by commercial banks and lenders. A Foundation grant provided more lending capital so Taala Fund could expand its target market to include fishermen like Underwood.

"One of our primary missions is economic development," Charley said. "And we do it by supporting private business development and

"We are dedicated to improving the quality of life for our people and our communities."

— Natalie Charley



building assets on the reservation. We are dedicated to improving the quality of life for our people and our communities.

"The Northwest Area Foundation grant allowed us to increase access to capital for the community, including education and savings opportunities. The grant also has allowed us to increase the number of loans to small businesses, which will help us increase our own income and stability for the long term."

A Taala Fund loan allowed Underwood to become the first fly fishing guide on the reservation in early 2015. In just four months, his new clientele helped him achieve a 25 percent increase in revenues from the previous year.

"New ways of fishing allows (sic) us to protect and enhance our resources," Underwood said.



"It is working for me, and I know it can work for my fellow tribal members. I just want to make sure that we do it right. I don't want to hear from anyone that the Quinault don't know anything about fly fishing."