

Volume II: Appendixes

Evaluation of the Rural Innovation Fund



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Evaluation of the Rural Innovation Fund

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Prepared by

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Appendix A: General Stakeholder Discussion Guide

Discussion Guide for *Organization*

Date, Time

Econometrica, Inc., has been tasked by the U.S. Department of Housing and Urban Development (HUD) to provide a thorough analysis of the Rural Innovation Fund (RIF). Building upon the previous Rural Housing and Economic Development (RHED) program, RIF aims to create sustainable communities by addressing “concentrated rural housing distress” and “community poverty.”

The focus of the evaluation is to determine if the higher level of resources provided to grantees under RIF—relative to RHED—has permitted grantees to more effectively leverage the funding provided, work with a broader variety of funders to provide for a greater program impact, and sustain a higher level of operations in the long term. Econometrica’s research plan calls for collecting data related to these questions through a combination of program file examination, onsite visits to RIF and RHED grantees, and a set of telephone interviews with RIF program directors.

As part of the Management and Work Plan that Econometrica developed for HUD, we included holding conversations with various rural housing and economic development stakeholders. The primary objective of these conversations is to obtain informed input from knowledgeable individuals on the appropriate measures for assessing the impact of RIF-funded initiatives, as well as to identify the data indicators and useful data sources that would provide valid indications of program impacts.

In short, we would like to discuss best practices in rural development for measuring the primary issues HUD identified in the original statement of work: leveraging, grant impact, and grantee sustainability/capacity. Time permitting, a few other topics we would like to discuss include available data sources, other interested stakeholders, and an inventory of federal programs. We have provided a list of general discussion questions below.

- Leveraging
 - o What are the most common types of leveraging among rural grantees (e.g., in-kind, cash, loans)? Where does their leveraging typically come from? Is there any difference across types of grantees (e.g., tribal, colonias)?
 - o How should leveraging be measured in rural grantees? What level of complexity can we measure reliably?
 - o To what extent do RIF/RHED grants act as a development *catalyst* rather than simply an additional source of funding?
 - o What aspects other than increased leveraging might make larger grants more likely to have a significant impact in rural areas?

- Grant Impact
 - Overall, what indicators do you feel best measure the impact of RIF/RHED grants?
 - In your experience, how do larger grants affect program impact? Are economies of scale at work? Do larger grants allow more efficient production of housing and/or economic development outcomes?
 - Do larger grants affect the *types* of activities grantees undertake? How would you categorize grantee activities?
- Grantee Capacity/Capacity Building
 - How would you recommend measuring the overall capacity of rural grantees? What data can we reliably measure across rural grantees nationwide?
 - Our initial thinking is to measure capacity through grantee size (e.g., full-time employees, cost of projects, number of communities served, averaged annual budget) and sophistication (e.g., financial systems, board oversight, financial complexity). What data can we reasonably expect to collect from grantees through telephone interviews and application file examination?
- Data Sources
 - Apart from direct data collection through interviews, site visits, and program file examination, what other sources of data on rural housing and economic development would you recommend?
 - During site visits, would you recommend any sources of quantitative data we should try and identify?
- Stakeholder Network
 - At HUD's request, we are including a rural housing and development stakeholder inventory in the report. What organizations—governmental, nonprofit, etc.—would be interested in an evaluation of the RIF? Who uses the program?
- Federal Program Inventory
 - Similar to the above, what federal programs do you believe overlap with the missions of the RIF and RHED programs? What other similar programs do rural grantees believe to be important and necessary to sustaining their activities? What other programs exist that fund rural housing or economic development programs?

Appendix B: Stakeholder Meeting Summaries

B.1. Housing Assistance Council (HAC), January 17, 2014

Stakeholder Participants: Moises Loza, HAC Executive Director; Joe Belden, HAC Deputy Director; Jeff Mosely, HAC Director of Technical Assistance and Training; Lance George, Director of Research.

Econometrica Participants: James Hedrick, Co-Principal Investigator; Richard Hilton, Co-Principal Investigator; Lindley Higgins, Econometrica Consultant.

HUD Participants: N/A.

Topics: History of the Rural Housing and Economic Development (RHED) and Rural Innovation Fund (RIF) Programs, Appropriate Measures of Rural Development, Challenges With Rural Research, Data Sources for Rural Information.

Summary: The meeting was held in person at the HAC offices in downtown Washington, DC, and lasted approximately 1 hour. James Hedrick began the meeting by providing the HAC staff present with a brief overview of the RIF Evaluation and some background on the issues Econometrica was interested in discussing.

Mr. Loza offered the Econometrica team HAC's perspective on the RHED and RIF programs. In HAC's opinion, the programs were not duplicative and offered an option for rural organizations outside of U.S. Department of Agriculture (USDA) loan programs and very sophisticated (e.g., tax credits) or very specialized (e.g., YouthBuild) programs within other agencies. One of the reoccurring themes that Mr. Loza and others brought up was the *flexibility* of the RHED and RIF programs and how important this is to rural organizations. When questioned about the differences between the programs, Mr. Loza and the other HAC staff responded that the differences are largely cosmetic and do not affect their outlook on the program.

When questioned about measuring leveraging and capacity building in rural organizations, the HAC staff offered a number of interesting suggestions. Most important, they encouraged the Econometrica evaluators to focus on *staff retention* and how important staff tenure is to the capacity of organizations with few employees. For tribal entities, HAC staff encouraged evaluators to focus on the continuity of the *tribal government*.

Additionally, when discussing grantee *capacity*, HAC staff identified a number of interesting measures. One was *sophistication*, which they defined as the ability to pursue complex development opportunities, such as tax credits. Also, they tied sophistication to the ability of grantees to offer a diverse set of services and pursue funding through a variety of sources, a "quilt" of funding, as they described it.

Finally, HAC staff reiterated the importance of identifying the different needs of different rural grantees. For example, the colonias often need infrastructure projects, while Delta organizations often need housing rehabilitation programs. These different needs require different metrics, an insight that Econometrica will keep in mind during the process.

B.2. U.S. Department of the Treasury, Community Development Financial Institutions (CDFI), January 29, 2014

Stakeholder Participants: Mark Kudlowitz, Associate Program Manager (CDFI); Charlene Van Dijk, Portfolio Manager.

Econometrica Participants: James Hedrick, Co-Principal Investigator; Richard Hilton, Co-Principal Investigator; Lindley Higgins, Econometrica Consultant; Wayne Mundy, Econometrica Consultant.

HUD Participants: Jackie Williams, Director of the Office of Rural Housing and Economic Development and RHED staff; Ndeye Jackson, Government Technical Representative (GTR).

Topics: History of the RHED and RIF Programs, Appropriate Measures of Rural Development, Challenges with Rural Research, Data Sources for Rural Information.

Summary: The meeting was held by conference call and lasted approximately 1 hour. Jackie Williams and Ndeye Jackson helped introduce the RIF Evaluation projects and the nature of the RHED and the RIF programs. James Hedrick then gave a brief overview of the approach Econometrica was taking with the evaluation and what the team was interested in discussing.

One of the major takeaways from the conversation with CDFI was the discovery of the Community Impact Investment System data set. This is a self-reported data set that includes financial and transactional data and may include information on some of the larger and more sophisticated RIF grantees.

Additionally, Ms. Van Dijk discussed how CDFI measures and evaluates its clients. She provided the Econometrica team with a variety of simple financial ratios—including self-sufficiency ratio, net asset ratio, and operating liquidity—that CDFI used. She also discussed *minimum prudent standards* that CDFI used to evaluate its clients.

CDFI also directed the team to Greg Bischak, a Program Manager in CDFI's Financial Strategy and Research Office, who had previously worked with the Appalachian Regional Commission. Econometrica is working on arranging a meeting with Mr. Bischak.

B.3. USDA, Rural Development, January 29, 2014

Stakeholder Participants: Sylvia Bolivar and Robert Gibbs, Associate Director Resource and Rural Economics Division.

Econometrica Participants: James Hedrick, Co-Principal Investigator; Richard Hilton, Co-Principal Investigator.

HUD Participants: Jackie Williams, Director of the Office of Rural Housing and Economic Development; Ndeye Jackson, GTR.

Topics: Appropriate Measures of Rural Development, Challenges With Rural Research, Data Sources for Rural Information.

Summary: The meeting was held in person at the USDA headquarters in Washington, DC, and lasted approximately 1 hour. Jackie Williams and Ndeye Jackson introduced the RHED and RIF programs to the USDA staff, while James Hedrick introduced the Evaluation Plan and Econometrica’s approach.

The USDA staff members were exceptionally helpful with discussing the output and outcome measures they had used in their own programs. They suggested several *community-based* measures of capacity that might be useful, including increasing the tax base of the county, housing quality, property tax rates, and several other measures. Housing *overcrowding* was one area Econometrica was encouraged to focus on as well, since many rural areas do not experience homelessness as much as overcrowding.

Several other possible *organizational-level* measures were offered as well, including staff maintenance, training received, and budget. Code compliance, building permits, business licenses, and public safety were other areas where Econometrica was encouraged to look for good outcome measures. The USDA staff also suggested the use of qualitative measures taken from discussions with local leaders, particularly given the difficulty in getting reliable data on rural areas.

Leveraging was another area discussed. USDA did not use a standardized definition of leveraging, but did inform Econometrica and those present that they would not usually consider other federal money as a “match” for most of their programs. Additionally, Econometrica was warned about the difficulty of dealing with program income and how it might affect measures of leveraging and capacity.

Finally, USDA indicated that Econometrica might be able to access to data from its databases based on the RIF grantees’ DUNS numbers.

B.4. NeighborWorks Rural Initiative, February 4, 2014

Stakeholder Participants: David Dangler, Director NeighborWorks Rural Initiative.

Econometrica Participants: James Hedrick, Co-Principal Investigator; Richard Hilton, Co-Principal Investigator; Lindley Higgins, Econometrica Consultant; Wayne Mundy, Econometrica Consultant.

HUD Participants: N/A.

Topics: History of the RHED and RIF Programs, Appropriate Measures of Rural Development, Challenges With Rural Research, Data Sources for Rural Information.

Summary: The meeting was held by conference call.

B.5. USDA, Economic Research Service, February 6, 2014

Stakeholder Participants: John Pender, Senior Economist Rural Economy Branch, Resource and Rural Economics Division.

Econometrica Participants: James Hedrick, Co-Principal Investigator; Lindley Higgins, Econometrica Consultant.

HUD Participants: N/A.

Topics: Best Available Methods for Rural Research, Challenges With Rural Research, Data Sources for Rural Information.

Summary: The meeting was held by conference call and lasted approximately 1 hour. James Hedrick began the discussion with a brief background review of the RIF Evaluation project and an overview of Econometrica's questions about measurement, leveraging, and capacity building.

Mr. Pender helped the team think through how to address specific issues with this research, such as not having access to counterfactuals and difficulty with acquiring comparative measures. Specifically, he recommended looking at impact pathway analysis to identify the very proximate effects on project dollars, especially given the short time frame for measuring the impact of fiscal year 2010 RIF funds. Mr. Pender thought that most of the projects and analysis would be too small to approach with statistical methods and suggested a series of input-output models that might improve the analysis.

Additionally, Mr. Pender introduced Econometrica to the *Wealth Creation in Rural Communities* project, which is partly funded by the Ford Foundation (<http://www.creatingruralwealth.org/>). This Web site has provided a wealth of information for the project and was included in the Program Inventory attached to the Data Collection and Analysis Plan.

B.6. HAC, Annual Conference, January 21, 2015

Stakeholder Participants: Various members of rural organizations attending the HAC Annual Conference.

Econometrica Participants: James Hedrick, Co-Principal Investigator; Lindley Higgins, Econometrica Consultant; Rich Hilton, Co-Principal Investigator.

HUD Participants: Ndeye Jackson, GTR.

Topics: Experience with RIF and HUD Programs in General, Definitions of Leverage, Measuring Organizational Capacity, Community Impact.

Summary: The initial focus group was held in the morning, starting at 9:30 a.m. and lasted for several hours. Mr. Hedrick and Dr. Higgins also stayed throughout the first day of the HAC conference, discussing issues related to rural development with anyone that stopped by.

In addition, Mr. Hedrick participated in an open discussion group organized by HAC following the focus groups that discussed the delivery of technical assistance to rural organizations. Mr. Hedrick has continued to meet with this ad hoc group over the last several years at different conferences organized by both HUD and HAC, providing his insight into rural development learned through this project.

Appendix C: Preliminary Site Visit Discussion Guide

Evaluation of the Rural Innovation Fund (RIF)

Preliminary Site Visit Discussion Guide

Objective: The Econometrica project team is conducting an assessment of RIF under contract to HUD’s Office of Policy Development and Research. The purpose of this guide is to provide a structure for the discussions that will take place during the team’s preliminary site visits. The objective of the site visits is to obtain “on the ground” information about the past performance of RIF grantees and identify realistic data sources that can be used to measure the impact of RIF-supported activities. The input from these preliminary site visits will be an important information source in the development of the study’s data collection protocols, particularly the structured survey instrument.

The site visits will take place at a targeted sample of four RIF grantees (all of whom have received one or more Rural Housing and Economic Development (RHED) grants). There will be one sample site from each of the geographic/demographic groups targeted by the RIF program (Native American communities, colonias, the Mississippi Delta, and Appalachia). Two senior members of the Econometrica project team will conduct the site visits. Specific agendas for each visit will be developed via discussions with grantee representatives in advance of the visits. We anticipate that each visit will take about a day and a half, although the study teams will be prepared to stay longer if necessary to obtain significant input or data. The site visit teams will submit site visit reports to the Office of Policy Development and Research within 10 business days of each visit. Following are overviews of the major discussion topics that will be covered in each site visit.

Discussion Topic 1—Current and Past Administration of RIF/RHED Grants

- Introductions with lead contacts at the grantee organization.
- Confirmation/modification of pre-established agenda.
- Overview of current administration/management of grantee organization. Has that management structure remained constant for all of your RIF/RHED grants?
- What are the major mission objectives of the grantee organization, and what has been the organization’s major type of activities outside of those funded by RIF/RHED grants?
- How have the activities funded by RIF/RHED been integrated into the organization’s other initiatives?
- Which community stakeholders outside of the current grantee staff could provide a good perspective on your RIF/RHED grant activities? These stakeholders could include former staff at the grantee organization, political leaders, representatives of social service agencies, etc. The site visit team will attempt to identify such individuals prior to the visits and include them in the agenda.

Discussion Topic 2—Why Did the Grantee Apply to RIF/RHED?

- What were the most important factors that led you to originally submit applications for RHED grants and then continue applying for subsequent RIF and RHED grants?
- What specific community problems did your organization believe could effectively be solved by using the RIF/RHED grants?
- Have your goals and focus been consistent through the series of RIF/RHED grants? If not, why not? What factors have influenced your strategy for utilizing RIF/RHED funds?
- Have you always had the administrative capacity to submit competitive proposals under the RIF/RHED programs? What administrative resources have you used?
- Did you see partnering as an essential component of your RIF/RHED programs? If yes, who were the partners targeted, and what roles were they to play?
- Compared with other grant applications your organization has made, how difficult was it to respond to the RIF/RHED Request for Applications? Was there anything particularly difficult about obtaining the submission package (e.g., some special requirement)?
- Do you know of some organizations in your region that chose not to submit RIF/RHED applications? If yes, do you know why they chose not to submit?
- Does the fact that RIF/RHED grants were perhaps the one program that could focus on both housing and economic development make it a particularly attractive funding source?

Discussion Topic 3—Operation of RIF/RHED Grants

- Was there continuity of management of your RIF/RHED grants over time or were the grants managed as separate organizational initiatives? Did the community impact focus of your grants remains the same over time?
- Were your RIF/RHED grants managed as “stand-alone” activities, or were they integrated into other organizational initiatives? If yes, was this your original intent?
- Were your RIF/RHED grants implemented through partnerships with other organizations? If yes, why were the partners selected, and what were their responsibilities? Was it your original intent to have partners? Were there any problems in managing the partnership arrangement?
- What indicators did you use to measure progress toward your objectives? Based on your experience, were these the most relevant measures?
- Were there any unanticipated issues or barriers that affected your grant activities? If yes, what were they, and what strategies did you use to address them? In retrospect, do you think those strategies were effective?
- Are the activities that were originally funded through RIF/RHED grants now at least partially self-sustaining? If yes, how was this accomplished? If no, what have been the barriers to reaching sustainability?

Discussion Topic 4—Data Sources

- What metrics did you originally intend to use to measure both progress of your activities and perhaps impacts as well? Did these prove to be realistic? If yes, what were your data sources? If no, what were the problems with these data?
- After the start of your RIF/RHED projects, did you identify some new data items that you thought were particularly useful in measuring progress and impact? If yes, please specify these items, and explain why you have found them useful.
- Are you collecting any data to measure the mid- or long-term impact of one of your RIF/RHED projects, or perhaps even the combined impact of two or more of your projects? If yes, please specify these data and explain how you are collecting them. How long do you intend to collect these data?
- Are there any data that you have not been able to obtain as yet that you think would be particularly useful in measuring the impact of one or more of your projects? If yes, please specify what these data are, explain why you think they are particularly informative, and indicate the barriers to obtaining the data.
- Should we consult any national or state data sources when evaluating the impact of the RIF/RHED grants on your community? Examples would be U.S. Census data, Centers for Disease Control and Prevention data, etc.

Discussion Topic 5—Leveraging Funds and Resources

- Did you assume that you would need to leverage funds and/or resources to successfully complete your proposed RIF/RHED projects? If yes, what were the sources of these leveraged funds or resources?
- In your opinion, how critical was winning a RIF/RHED award to your ability to obtain leveraged funds or resources? For example, could you have used sources of funds other than RIF/RHED to obtain the leveraged funds/resources?
- Had you clearly identified the sources of your leveraged funds/resources when you began your RIF/RHED project? If not, how did you identify sources once you began projects?
- Did you obtain the ratio of leveraged funds/resources to your grant amounts that you originally anticipated? Did you exceed or fall short of the expected ratio? What were the factors that influenced these results?
- Is your organization still benefitting from the leveraging process that was associated with your RIF/RHED grants? If yes, how is this playing out, and how is it affecting your ability to implement housing or community development initiatives?

Discussion Topic 6—Partners

- Who were the partners you intended to work with in implementing your RIF/RHED projects, and what role were the partners to play? Did these linkages play out as you intended?

- Did your RIF/RHED grants enable you to establish linkages that were not available to you previously? If yes, have these linkages endured, and are they active currently? If yes, how do these linkages enhance your ability to achieve your institutional objectives?
- Did you encounter any unanticipated problems in working with any of your partners? If yes, what were the factors/issues that caused these problems? Have you been able to resolve these problems?
- Are there any types of potential partners with whom you are still looking to develop working relationships? If yes, what would these partners bring to the table? Why have you not been able to develop these linkages until now?
- How critical were the RIF/RHED grants in enabling you to develop effective and ongoing community partnerships?

Discussion Topic 7—Conversations With Non-Grantee Community Informants

- At each site we anticipate being able to have discussions with informants who are not staff of the grantee organization. Individual discussion guides will be developed for these informants based on their areas of expertise or involvement with grantee projects.

Appendix D: Preliminary Site Visit Report

D.1. Purpose of the Preliminary and Primary Site Visits

During the months of March and April 2014, the study team conducted four *preliminary site visits* as part of an evaluation of the Rural Innovation Fund (RIF). The grantees visited were the Housing Development Alliance, Inc. (HDA) in Hazard, Kentucky; Macon Ridge Community Development Corporation (Macon Ridge CDC) in Ferriday, Louisiana; the Karuk Tribe of Northern California; and Nogales Community Development (NCD) Corporation of Nogales, Arizona. The purpose of this appendix is to report on these preliminary site visits. It discusses the purpose of the site visits and the processes used on site. We briefly summarize the purpose and process in Section D.2. Section D.3 provides brief summaries of the four preliminary site visits, including discussions of leveraging and partnerships, capacity building, and overall program outcomes and impact as laid out in the Research Design and Data Collection and Analysis Plan (DCAP). Section D.4 presents some general findings and conclusions based on these early visits. We will use these to inform the remaining site visits. Finally, Section D.5 presents our updated protocols and data collection tools based on our experiences with the grantees.

D.2. Preliminary Site Visit Protocols

D.2.1. Purpose

To adequately prepare for the field research portion of this evaluation, we conducted four preliminary site visits in March and April 2014. The objective of these preliminary site visits was to obtain “on the ground” information about the past performance of RIF grantees and identify realistic data sources that can be used to measure the impact of RIF-supported activities. The input from these preliminary site visits has been and will continue to be an important information source in the development of the study’s data collection protocols, particularly the structured survey instruments and discussion guides. The overall goal was to obtain contextual information to enhance the value and explanatory power of our subsequent survey, administrative data analysis, and primary site visits.

D.2.2. Process

During this portion of the evaluation, the study team visited four targeted RIF grantee sites, all of which received one or more Rural Housing and Economic Development (RHED) grants as well. One sample site from each of the geographic/demographic groups targeted by the RHED/RIF program—Native American communities, colonias, the Mississippi Delta, and Appalachia—was chosen based on the Selection Criteria listed herein.¹

Each site visit was conducted by two senior members of the study team (see table 1). Specific agendas were developed before the visits via discussions with the grant administrators and senior staff. Each grant visit lasted approximately 2 days. On average, nine interviews were conducted per site visit. A list of each interviewee and his or her affiliation is included in the individual reports in section 3. Several visits also included interviews with HUD Field Office staff from the

¹ These selection criteria were also included in the Data Collection and Analysis Plan (DCAP).

Office of Community Planning and Development (CPD) and the Office of Native American Programs (ONAP). These interviews and any information gleaned from them are included in section D.3 as well.

Table 1: Preliminary Site Visits

Grantee	State	Award	RHED Underserved Area	RIF Grant Type	Date of Visit	Evaluators
Housing Development Alliance, Inc. (Hazard-Perry County)	KY	\$300,000	Appalachia	Single-Purpose	March 17–19, 2014	Rich Hilton James Hedrick
Macon Ridge Community Development Corporation	LA	\$300,000	Mississippi Delta	Single-Purpose	March 24–27, 2014	Lindley Higgins James Hedrick
Karuk Tribe of California	CA	\$392,266	Tribal	Indian Economic Development and Entrepreneurship	March 31–April 2, 2014	Chuck Hanson James Hedrick
Nogales Community Development Corporation	AZ	\$1,999,177	Colonia	Comprehensive	April 7–10, 2014	Rich Hilton James Hedrick

RHED = Rural Housing and Economic Development program.

Each site visit also included a tour of the RIF project site(s) and any RHED project site(s) available. The study team also toured many other project sites, including Section 202 and 811 projects, HOME and U.S. Department of Agriculture (USDA) Section 504 and 502 properties, Head Start programs, and other federal project sites operated by the grantee organizations. Images and information from these site visits have been included in this Preliminary Site Visit Report.

D.2.3. Preliminary Site Visit: Selection Criteria

1. Sample must include all three types of RIF grantees (Single-Purpose, Comprehensive, and Indian Economic Development and Entrepreneurship).
2. Sample must include all four of RHED’s underserved communities (Appalachia, Colonia, Mississippi Delta, and Tribal).
3. Individual grantees must have participated in both RIF and RHED programs.
4. Individual grantees must have received multiple awards.

The individual site visit reports in section D.3 are organized as follows. First, we provide a brief summary of the basic elements of the RIF project. Second, we include a table that lists the name, affiliation, and date of all the interviews conducted during the site visit. Next, we provide a bulleted list of general findings and then a more detailed description of our findings from our visits organized around the three main topics of the evaluation: leveraging/partnerships, capacity building, and program outcomes and impact. We also provide a short concluding paragraph at the end.

D.3. Site Visit Reports

D.3.1. Housing Development Alliance, Inc.

D.3.2. Overview

HDA requested Fiscal Year (FY) 2011 RIF funding for their Constructing Highly Energy Efficient Housing project to assist with constructing 25 highly energy-efficient homes in the city of Hazard and the greater Perry County area of Kentucky. These homes would then be marketed for sale to low and very low-income households. The amount requested in the RIF grant application was \$300,000. The requested funds would be used exclusively to provide energy-efficient construction upgrades and Home Energy Rating System (HERS) ratings to the 25 homes. The funds would enhance existing programming and be leveraged with existing funds. At the time of the application, HDA owned 24 lots and had site control on 12 more lots.

Table 2: HDA Interviews

Name	Title and Affiliation	Date
Roger Leonard	CPD Director, Louisville Field Office	March 17, 2014
Anita Bowles	CPD Representative, Louisville Field Office	March 17, 2014
Scott McReynolds	Executive Director, HDA	March 18, 2014
Bailey Richards	Loan Fund Coordinator, CDFI	March 18, 2014
Jane Rose Britain	Volunteer and Community Coordinator	March 18, 2014
Chris Doll	Assistant Executive Director	March 19, 2014

CDFI = Community Development Financial Institution. CPD = U.S. Department of Housing and Urban Development, Office of Community Planning and Development. HDA = Housing Development Alliance, Inc.

D.3.3. Key Findings

- The HUD Field Office had a very high opinion of HDA and Executive Director Scott McReynolds in particular.
- Ms. Bowles indicated that in her experience, RHED/RIF grantees had experienced significant growth in capacity and performance following the completion of their grants.
- Ms. Bowles also emphasized the importance of rural organizations needing to understand the organizational cost of administering a grant before applying. In her experience, many grantees failed to understand grant requirements and failed to successfully complete their grants.
- Multiple interviewees, including Mr. McReynolds and Ms. Bowles, expressed the importance of having a finance plan in place and a good working relationship with a local bank.
- Overall, Ms. Bowles classified RHED/RIF as an extremely important program that filled a funding need no other program did.

- Although state HOME funds were cited as HDA’s largest source of funding, RHED and RIF grants allowed experimentation and innovation.
- HDA operates as the nearly sole producer of housing for low- to moderate-income individuals in the Hazard-Perry County area. Mr. McReynolds indicated that their primary competition was not other contractors but manufactured housing, which builds neither wealth nor equity for the homeowner.
- HDA directly employs several carpenters but hires subcontractors for most other work. HDA staff identified several independent contractors—providing HVAC, electrical, plumbing, etc.—who had begun their businesses with support from HDA.
- One RHED grant allowed HDA to construct a new office building (figure 1), significantly increasing organizational capacity. Mr. McReynolds said, “I cannot overstate the importance of the new office.”
 - Other interviewees expressed this sentiment as, “Looks like part of the solution, not the problem.”
 - HDA’s previous office has been repurposed as a homeless shelter through a partnership with a local faith-based organization.
- HDA staff also indicated that their operations have had a major impact on the availability of building materials in the local area. Many local hardware stores would not stock code-compliant or energy-efficient materials until HDA requested them.
- HDA staff indicated that they had been awarded bonus points on other grant applications due to their experience with energy efficiency through the RIF grant.
- HDA is continuing to expand its operations and capacity by establishing a Community Development Financial Institution (CDFI).
 - Interviews with the CDFI Coordinator indicated that this expansion was related to the creditworthiness of many of their applicants and their interest in becoming self-sustaining.
- HDA frequently partners with faith-based organizations that provide volunteer workers to assist in home construction, particularly during the spring and summer, when they recruit students from around the country.

Figure 1: HDA Headquarters



D.3.4. Leveraging and Partnerships

Our interviews with HDA staff uncovered a broad array of partnerships but less leveraging than might be expected given such a strong organization.² This limited leveraging compared with other high-capacity organizations seems to be largely due to a lack of other funds in HDA’s geographic area rather than a lack of interest. HDA has regularly secured a variety of state and federal grants to fund its ongoing operations. Additionally, HDA and the CPD Field Office Representative both expressed the importance of HDA’s relationship with its local bank for securing financing and minimizing the need to depend so heavily on outside sources of income.

Additionally, HDA has begun to develop a CDFI. It currently has a pending technical assistance application with the U.S. Department of the Treasury. The expressed purpose of establishing a CDFI was twofold. First, HDA wanted to serve its clients better by helping them develop financial literacy and offer financial products to their clients that commercial banks would not find viable. They indicated that a lack of credit and significant debt-consolidation loans were two big obstacles for individuals wanting to access HDA’s services. HDA could address both of these issues with a CDFI.

² Leveraging is defined in the DCAP as “any project funds over and above the base grant award acquired after the acquisition of the grant.”

Also, during our interviews with HDA staff, they expressed a desire to become self-sustaining and minimize their reliance on volatile (and diminishing) federal and state grants. This was a general concern among all the grantees we interviewed, but few had the capacity to attempt to become more self-sustaining by establishing a CDFI. HDA also used an RHED grant to establish a revolving loan fund to help address this issue. HDA indicated that this move toward more self-sufficiency would, by necessity, drive them toward serving slightly higher-income individuals—moderate income vs. low/very low income.

Despite its smaller network, HDA has established an impressive group of partners throughout its service area of eastern Kentucky. It has established relationships with a number of faith-based social service organizations. The RHED grant that HDA used to construct its current headquarters allowed staff to provide their former office building to a local Catholic charity as a homeless shelter. Other local church organizations offer housing for their student volunteers. Other partners include the Federation of Appalachian Housing Enterprises, who services HDA’s loans, and AmeriCorps VISTA, who provides volunteer staffing on an annual basis, usually assigned to special projects.

D.3.5. Capacity Building

HDA has an impressive record of long-term capacity building, both in its staff and in its facilities. It seems to be a model organization for rural nonprofits, and its steady growth over the years is notable. HDA has continually been able to recruit and retain qualified individuals with specialized skills—such as its current Chief Financial Officer (CFO) and its recently hired CDFI Loan Fund Coordinator—when many other rural nonprofits around the country find recruitment and retention to be major restrictions on capacity.

Additionally, HDA staff indicated that they owed much of their growth to the RHED and RIF programs. Although RHED and RIF were not primary sources of income for the organization—state HOME funds were cited as their largest source of funds—RHED and RIF grants allowed “experimentation and innovation.” Mr. McReynolds indicated that they were reluctant to try anything new with their HOME funds. These funds through the state of Kentucky are competitive, and a poor performance would endanger receiving the funds in subsequent years.

RIF and RHED funds, however, allowed the organization the leeway to experiment with more innovative projects and test projects that would have been too risky otherwise. For example, one RHED grant allowed it to experiment with purchasing in-fill properties in Hazard, KY, and build on the steep lots common in Appalachia. In addition, the RIF grant allowed HDA to test its ability to build extremely energy-efficient housing, something it would not have done without the RIF program. HDA staff indicated that the risks associated with building such energy-efficient homes would have been too high without the RIF funds. This increased capacity and ability to build houses with very low HERS ratings has already provided HDA with bonus points on other grant applications and increased the energy efficiency of other homes HDA is building as well.

D.3.6. Program Outcomes and Impact

Outcomes and impact are difficult to measure, but we were impressed by how well HDA and its staff were integrated into their community and the variety of ways they affected the community. For example, during our tour of homes built with RHED funds, a local resident stopped Mr.

McReynolds coming out of a driveway to ask him if he was the one who bought land and indicated his interest in selling a nearby property. Other individuals stopped HDA staff members during our tours and asked them about particular projects, including constructing a downtown arts center and redeveloping the waterway that ran through town. It was obvious from our visit that the staff of HDA—and their Executive Director and Assistant Executive Director especially—were highly regarded in the community.

More concretely, HDA had provided the space for a homeless shelter to a local faith-based organization, employed more than 25 people, constructed approximately 20 homes per year, and developed one of the only general contracting businesses in the area. As Mr. McReynolds put it, “We got our start because there was no one else to contract with.” The organization also recently celebrated constructing its 200th home, and its strategic plan indicated that HDA intends to increase that amount by approximately 1 house per year until it is building 25 to 30 homes per year, contingent on funding.

Our discussions also indicated a variety of other impacts that the grantees believed were important but difficult to measure. Staff saw themselves as providing significant *stability* to the children of low- to moderate-income folks, including the two children of their first-ever homeowner from 1996. Both are college graduates; one works as a police officer and the other as a teacher. In addition, HDA staff point to their impact on the tax base of the county. Due to their efforts, almost 200 houses have been built, purchased, and added to the tax rolls that otherwise would not have existed. HDA has recently partnered with the Federation of Appalachian Housing Enterprises and NeighborWorks to do a neighborhood-impact study on an area of Hazard, Kentucky, where it has built several houses recently. We are attempting to obtain a draft of that study and see if its conclusions support our own.

HDA also indicated that it has had a significant impact on the local contracting economy through two routes: availability of materials and availability of skilled workers. According to HDA staff, local hardware stores and other businesses have begun stocking materials they purchase frequently, including energy-efficient products—such as windows and code-compliant building materials—that were not available before. Also, many former HDA employees have gone on to start their own businesses, often with support from HDA. Mr. McReynolds provided one example of an individual who had started an insulation business, now employs several individuals, and had recently invested in a \$100,000 piece of spray-insulating equipment.

Finally, HDA staff were proud of their environmental and energy-efficiency impact. The purpose of their RIF project was to design and build energy-efficient homes. This project has had a variety of impacts. First, it has reduced the ongoing maintenance and energy costs for the low- to moderate-income individuals who purchase the homes. Second, it gave HDA the experience and expertise it needed to include energy-efficient technologies in its other projects. Many of those efficiencies are seemingly minor additions (see figures 2, 3, and 4), but they added up to a significantly reduced HERS rating for those homes.

Figure 2: ENERGY STAR Air Conditioning Unit



Figure 3: Programmable Thermostat



Figure 4: Energy-Efficient Appliances



D.3.7. Conclusion

HDA's impact on its community was extensive and varied. It has had a significant impact on the local construction economy, both through available materials and through trained and licensed contractors. It remains one of the only housing options for low- to moderate-income individuals in the area, other than manufactured housing. HDA is financially stable and has continually built its capacity over the years and continues to do so by creating a CDFI. Its leveraging was minimal, but HDA is one of very few high-capacity organizations operating within its service area and has provided in-kind donations and support to many other local organizations.

D.3.8. Macon Ridge Community Development Corporation

D.3.9. Overview

Macon Ridge CDC requested \$300,000 in FY 2010 RIF funding under the Category 1 Single-Purpose grant and proposed to use the funding to establish an internal revolving loan fund, the Louisiana Delta Rural Innovation Housing Program, for the interim construction of single-family homes. Macon Ridge CDC expected to leverage these funds with existing as well as new funds.

The first phase of the program has focused on the construction of 10 new single-family houses in the first 24 months. These homes have been marketed to low- to moderate-income families. Macon Ridge CDC believed the project would promote retail growth in the area and serve as a job creator through construction. Additionally, Macon Ridge CDC has encouraged entrepreneurship by using disadvantaged startup subcontractors.

The revolving loan fund gave Macon Ridge CDC the necessary capital to incur predevelopment and interim construction for three houses concurrently instead of the current limit of one. The revolving loan fund capital would also decrease production time and overhead, resulting in an increase to Macon Ridge CDC's capacity to develop more single-family homes annually using USDA's Rural Development Section 502 programs (both loan guarantee and direct loans). Macon Ridge CDC would also like to expand its use of conventional mortgage lenders for its clients to avoid the current delays in accessing other funds.

Macon Ridge CDC's focus on single-family housing production has raised the level of the local housing stock, helped families build assets and wealth through homeownership, provided more housing choices than the substandard housing that currently exists, and created improved living environments.

Table 3: Macon Ridge Interviews

Name	Title and Affiliation	Date
Buddy Spillers	Executive Director, Macon Ridge CDC	March 25–26, 2014
Jennifer Spillers-Barton	Property Manager, Macon Ridge CDC	March 25–26, 2014
Eddie Ray Jackson	Director of Housing, Macon Ridge CDC	March 26, 2014
Lisa R Washington	Financial Officer, Macon Ridge CDC	March 25, 2014
Marlet Becnel	CPD Representative, New Orleans Field Office	March 27, 2014
Cheryl Breaux	CPD Director, New Orleans Field Office	March 27, 2014

CDC = Community Development Corporation. CPD = U.S. Department of Housing and Urban Development, Office of Community Planning and Development.

D.3.10. Key Findings

- According to the grantee, its RIF grant helped it establish an internal revolving loan fund that minimized the need to pursue and qualify for conventional bank lending to build houses for low-income individuals.

- RIF/RHED grants were used to build homes. Macon Ridge CDC also made sure it developed workers into contractors, creating jobs and building local construction capacity. Some of the funds were used in a revolving loan fund.
- RIF/RHED grants were used to purchase a warehouse that allows contractors to have a place to train, work, store material, and share tools.
- Macon Ridge does little partnering; there are few organizations to partner with, and most are not as strong as Macon Ridge.
- Macon Ridge is mostly self-sufficient, relying on little or no grant money for operations and generating its revenue from development and management fees.
- Macon Ridge uses USDA Section 502 Direct Loan and Single Family Housing Guaranteed Loan Programs to provide homeowners with low-cost mortgages.
- HUD Field Staff do not have much interaction with Macon Ridge because they are a “low risk” organization.
- HUD Field Staff believe many small, rural grantees do not have the capacity—particularly in financial management and compliance reporting—to manage their grants properly.
- Many of the staff members are long serving, including the current Executive Director Buddy Spillers, but few have his extensive background and strategic vision.

D.3.11. Leveraging

As mentioned previously, Macon Ridge CDC is one of the few rural community development organizations operating in rural Louisiana. There are few other CDCs or Community Housing Development Organizations in the state that have the organizational strength of Macon Ridge. They have partnered with the Louisiana Housing Corporation, but the state agency has difficulty providing the money on time and provides nothing for overhead and administrative costs. Other state agencies have similar issues, according to Mr. Spillers. Macon Ridge has received technical assistance funding from national organizations, such as the Housing Assistance Council and the Local Initiatives Support Corporation, but little in the way of program funds from nonfederal sources. Macon Ridge and Mr. Spillers are currently looking to tax credit deals to sustain the organization in the future because USDA funding from programs such as Section 502 and Section 515 is being reduced, and USDA funds a major portion of their operations. According to Mr. Spillers, Macon Ridge makes its money from selling homes and is approximately 90-percent self-sufficient, minimizing the need for extensive partnerships or leveraging. This was confirmed by an examination of recent audits.

D.3.12. Capacity Building

Macon Ridge’s capacity is narrow but deep. The organization owns 11 apartment buildings—directly managing 7 of them—and builds houses that it finances through USDA loans and loan guarantees. The rental properties are primarily Section 202 and 811 housing, although there is at least one USDA multifamily property. This programmatic focus has allowed the organization to be highly self-sufficient and fiscally sound, as supported by recent audit reports examined by Dr. Higgins.

This organizational strength, however, may be largely dependent on a single individual, Executive Director Lloyd (Buddy) Spillers. Mr. Spillers has been engaged in economic development in the Ferriday area and rural Louisiana for more than 30 years, starting with the Macon Ridge Economic Development Association, which was awarded Enterprise Community status in the mid-1990s. Mr. Spillers then organized the spinoff of Macon Ridge CDC as a separate entity so that it could become a Community Housing Development Organization. Mr. Spillers has obtained economic development certifications from Nicholls State University in Louisiana and the University of Oklahoma and has worked with other Louisiana rural organizations at the state level.

Macon Ridge CDC went into decline when Mr. Spillers left to run Louisiana's Renewal Communities through the state. During this time, between 2002 and 2006, Macon Ridge applied for and received its first RHED grant. According to Mr. Spillers and the other staff we interviewed, the organization lost money on every house from that initial RHED grant. Macon Ridge CDC was in danger of going bankrupt before Mr. Spillers stepped back in to run the organization and hire additional support staff, including Jennifer Spillers-Barton.

This past management turnover and organizational decline was confirmed by our interview with the New Orleans CPD representative. In her words, "Capacity for grant writing isn't capacity for implementation." In other words, as successful as Macon Ridge CDC has been in the last 7 to 8 years, much of that capacity rests within a single individual, Executive Director Buddy Spillers. Although he has attempted to address this concern by bringing in more staff—for example, Ms. Spillers-Barton—and recruiting experienced and dedicated board members, there is still a danger that his retirement or absence would significantly affect the capacity of the organization to implement complex grants, despite their low staff turnover and history of success.

This was an issue we encountered in every organization that we visited. Staff and management turnover are major dangers to rural housing and economic development organizations, and their communities often do not have individuals with the available skills necessary to replace key staff. We intend to examine this topic further as we continue this evaluation.

D.3.13. Program Outcomes and Impact

Macon Ridge CDC builds houses and operates subsidized multifamily housing. Essentially, that is all the organization does. The Executive Director, Mr. Spillers, was adamant about maintaining the organization's focus and commitment to housing in its regular operations. The RIF grant was put to this purpose as well, establishing a revolving loan fund allowing them to finance housing construction for low- to moderate-income individuals. Mr. Spillers and Ms. Spillers-Barton cited this as the reason the organization applied for a Single-Purpose (\$300,000) RIF grant rather than one of the larger Comprehensive grants. They did not want to expand the operations of the organization and felt that there was no need to pursue one of the larger (and likely more competitive) Comprehensive grants.

This focus has allowed them to be very successful in providing safe, sanitary, and decent housing to the community. We were able to view houses both under construction and already completed, and all the houses appeared professionally built, well maintained, and occupied. Figures 5 and 6 present some of the houses they constructed in various states of completion and occupancy.

Figure 5: Macon Ridge CDC Home, Approximately 90-Percent Complete



Figure 6: Macon Ridge CDC Home, Owner Occupied



In addition, Macon Ridge has used some of its RHED/RIF funding to construct a warehouse for its disadvantaged subcontractors, allowing them a place to work during inclement weather, store larger equipment, and even borrow equipment when necessary. Macon Ridge has also helped many of these subcontractors—HVAC technicians, plumbers, carpenters, and so forth—establish their own legal businesses, helping them apply for business licenses and secure insurance. This has helped many of them expand their businesses and gain the legal status necessary to compete

for contracts to build larger, more lucrative housing in the surrounding areas. Many of these subcontractors are minorities, and Macon Ridge has helped them develop the business skills and financial literacy necessary to operate a successful, legal business.

Figure 7: Macon Ridge CDC Contractor Warehouse



Figure 8: Advertisement, Macon Ridge CDC-Trained Contractor



Finally, Eddie Ray Jackson is the Director of Housing for Macon Ridge, serving as a housing and credit counselor to Macon Ridge’s clients. Although many people who come to the organization do not eventually end up in a new home, everyone can benefit from credit and financial counseling, and many of their clients can become eligible for home ownership after addressing blemishes on their credit report, something they would not have the resources for without Macon Ridge. Mr. Jackson and other Macon Ridge staff members help individuals dispute blemishes on their report, access beneficial credit, and document nontraditional credit history, such as used-car dealerships and many rent-to-own businesses. This helps many in the community establish a credit history that might eventually make them eligible for a USDA home loan.

D.3.14. Conclusion

Finally, although Macon Ridge did not have the breadth of operations or universal recognition that HDA has, it was providing decent, safe, and sanitary housing—both single family and multifamily—throughout Concordia Parish and the other parishes in its service area. Macon Ridge CDC built its organization on a strong financial foundation, although it is heavily dependent on the energy, experience, and knowledge of its Executive Director. Future concerns include diminishing funds through USDA and other federal organizations, as well as succession planning, but there are plans in place to address these issues.

D.3.15. Karuk Tribe of California

D.3.16. Overview

The Karuk Tribe requested FY 2010 RIF funding under the Category 2 Economic Development and Entrepreneurship for Federally Recognized Indian Tribes component. These funds would be used by the Karuk Community Development Corporation (KCDC) for the Karuk Community Development Project to support both short- and long-term economic self-sufficiency of low-income and unemployed Native Americans, including Karuk Tribal Housing residents. KCDC requested \$392,266 in the grant application and expected to direct these funds, as well as leverage existing funds and in-kind services, toward four stated goals over a 36-month period.

- **Goal 1:** Increase employment and self-employment opportunities for low-income tribal members living within the Karuk aboriginal territory (vocational and job training).
- **Goal 2:** Improve the quality of life of low-income tribal community members for establishing good credit, homeownership, and financial security (for example, building equity investments, retirement funds, and savings accounts to help promote economic development) (credit and financial counseling).
- **Goal 3:** Facilitate sustainable economic development opportunities and the creation and retention of jobs for low- and very low-income and unemployed tribal members through business ownership and entrepreneurship training and securing business contracting service opportunities (entrepreneurship training).
- **Goal 4:** Provide the educational skills that are crucial to securing living-wage jobs (graduate equivalency degree, paraprofessional certificates, and associate's degrees.)

The Karuk Tribe is the second-largest Native American Tribe in California, with 3,555 tribal members and nearly 5,000 descendants. The Karuk Tribe has developed myriad health, education, housing, and human services critical to their rural region's infrastructure. The Karuk Tribe implemented the proposed project through KCDC. KCDC's mission is *to build diversified, sustainable economies by creating new business ownership and employment opportunities within the ancestral territory of the Karuk People*. KCDC is governed by a seven-member Board of Directors, and oversight is closely monitored, with monthly reporting to the Karuk Tribal Council.

Table 4: Karuk Tribe Interviews

Name	Title and Affiliation	Date
Charles Seaton	Executive Director, KCDC	March 31–April 1, 2014
Deanna Miller	Chief Financial Officer, KCDC	March 31–April 1, 2014
Victoria Hayes	Workforce Development Coordinator, Happy Camp Community Computer Center Director	March 31, 2014
Bari Talley	Student Services Coordinator and Orleans Community Computer Center Director	March 31, 2014
Laura Olivas	Former KCDC CFO, Current Karuk Tribe CFO	April 1, 2014
Emma Lee Johnson	Karuk Tribe Grant Writer and Former KCDC Employee	April 1, 2014
Russell “Buster” Attebery	Karuk Tribal Council Chairman	April 1, 2014
Michael Thom	Karuk Tribal Council Vice Chairman	April 1, 2014
Kimberly Corkin	Grants Management Specialist, Southwest ONAP Region	April 10, 2014
Bob Holden	ONAP Grants Management Director, Southwest ONAP Region	April 10, 2014

CFO = Chief Financial Officer. KCDC = Karuk Community Development Corporation. ONAP = U.S. Department of Housing and Urban Development, Office of Native American Programs.

D.3.17. Key Findings

- KCDC has recently undergone significant staff turnover. None of the original staff listed in the RIF application are still at the organization, and the current KCDC Executive Director and CFO—Charles Seaton and Deanna Miller, respectively—have both been with the organization less than 6 months.
- The Karuk Tribe is a widespread organization, with tribal members concentrated in three areas: Orleans, California; Happy Camp, California; and Yreka, California.
- KCDC is an organization that operates a varied number of programs, including Head Start and a smoke shop, in addition to the RIF-funded computer centers. This breadth of activities and separation from the main tribal organization make it difficult to focus on any single issue.
- Examination of the original RIF application indicated that many of the numerical targets for the goals provided previously were overly ambitious for a small, isolated community.
- Charles Seaton, the Executive Director, has a plan for the economic development of the Karuk tribal area—including Happy Camp, Orleans, Yreka, and the surrounding communities—into an eco- and cultural tourism destination, with white-water rafting, hiking, and other outdoor activities. Securing funds for this long-term goal is a major concern.
- In the short term, KCDC is primarily concerned with finding a source of funding to maintain the computer centers. RIF funding ran out in September 2014.

- KCDC provides services—including Head Start and the computer centers—to all residents of Happy Camp and Orleans, California, not only tribal members. A third computer center in Yreka, California, is currently operated by the Karuk Housing Authority and primarily serves native students.
- KCDC’s computer centers—operated and funded through the RIF grant—serve as a social gathering place for the community, tribal and nontribal members alike. During our interviews with Victoria Hayes and Bari Talley, the onsite administrators, we saw more than a dozen people enter each building and use the facilities.
- The computer centers, particularly the ones in more isolated Orleans and Happy Camp, are all located near schools and serve as an important afterschool location for local students.

D.3.18. Leveraging

KCDC was impressive in its leveraging, particularly in-kind donations and partnerships with other local and tribal organizations. Figure 9 is taken from KCDC’s application and matches what we heard through our interviews with KCDC and other tribal staff. The organization has had success in partnering with a variety of educational organizations—from colleges to local high schools—to provide access to volunteer labor, high-speed Internet, classroom and virtual instruction, and maintenance.

Our interviews and tours confirmed this leveraging ability. During our trip to Orleans to the second computer center, Ms. Talley introduced us to a Karuk language class that would be using the facilities and several local students who were studying at the computer center. During our tour of the Happy Camp, California, computer center, Ms. Hayes was busy trying to find other funding sources to keep the computer center afloat while coming up with ideas to meet the objectives in the original RIF application. These objectives from the original application appeared quite ambitious for such a small community, but KCDC is attempting to make headway on many of them.

KCDC has also been successful in securing a variety of smaller grants to augment the computer centers’ primary RIF funding. They have been awarded a Library Services Technology Grant from the state of California, as well as a Native Cultures Youth Grant from the First Nations Development Council. Although many of their leveraging opportunities are specific to federally recognized Indian tribes, they still have assembled an impressive number of partners and leveraged significant funding.

Figure 9: Karuk Tribe Leveraging

Happy Camp Computer Center	
Happy Camp Computer Center Volunteer, per year.	\$ 4,736
College of the Siskiyou proctor, per year.	\$ 6,832
Siskiyou Tech Contract total, per year, this provides for network administration, implementation and support of LAN/WAN, peripheral devices, infrastructure and school network upgrades.	\$ 7,202
Technology Coordinator, per year.	\$ 9,889
Happy Camp Computer Center and Distance Learning Classroom rent, per year.	\$ 22,932
Happy Camp High School (HCHS) maintenance for building and facilities repair is provided by HCHS and the Computer Center, per year.	\$ 7,872
T-1 line provided for our project by the school through Siskiyou Telephone, per year.	\$ 21,281
Equipment, computers and projectors, total.	\$ 5,000
Happy Camp High School provides Happy Camp Community Computer Center and Distance Learning Classroom with utilities, per year.	\$ 5,947
Total	\$ 91,691
Orleans Community Computer Center	
Rent at Panamnik, per year.	\$ 6,000
10 computers.	\$ 15,000
1 laptop.	\$ 1,000
1 server.	\$ 2,000
1 laser printer.	\$ 1,100
1 color DeskJet printer.	\$ 600
1 All-In-One fax/copier/scanner.	\$ 1,000
Software.	\$ 3,000
Network components.	\$ 2,500
Wireless bridge.	\$ 5,800
Scanner.	\$ 200
Vide Conferencing equipment.	\$ 16,000
Total	\$ 54,200

Figure 9 (cont.): Karuk Tribe Leveraging

Karuk Tribe Housing Authority Yreka	
The Yreka Mini Lab rent is \$150 per month totaling \$1,800 per year.	\$ 1,800
Karuk Tribal Housing Authority (KTHA) Yreka mini lab maintenance and repairs are provided by tribal maintenance staff at \$84 per month, for a total of \$1,008 per year.	\$ 1,008
KTHA provides Yreka Mini Lab Internet for \$250 per year.	\$ 250
Vide Conferencing Equipment totals \$16,000.	\$ 16,000
Total	\$ 19,058
College of the Siskiyou	
Vide Conferencing Equipment from College of Siskiyou is \$16,000 this is for Codec and Monitors, Document Camera, Printer/Fax Machine:	\$ 16,000
Total	\$ 16,000
Karuk Community Loan Fund	
KCLF, instructor Eddie Davenport will provide 6 classes; ie: Family Budgeting and Finance Homeownership – qualifications and obligations, Business Development – Entrepreneurship Training over 3 years @ \$ 1500 in kind contribution per class.	\$ 9,000
Total	\$ 9,000
Workforce Connection	
Workforce Connection provides "Job Connection" workshops via video conference. These services provide Job Connection provides individuals with comprehensive assistance on work search readiness, completing applications, resume building, and interviewing experience.	\$ 8,000
Total	\$ 8,000

D.3.19. Capacity Building

Capacity building is a challenge for all rural organizations, but KCDC has recently experienced significant turnover at the management level. As noted earlier, both the CFO and the Executive

Directors have been at the organization for less than 6 months, a significant factor in Mr. Seaton's case. Additionally, although both Mr. Seaton and Ms. Miller have the technical and business skills to operate KCDC at a high level, both are somewhat inexperienced in working with federal grants and with grant writing in general. Mr. Seaton's background is in business operations and Ms. Miller's is with the Karuk Tribal Housing Authority. Their primary stated concern was acquiring funding to keep the computer centers in operation after the end of the RIF grant in September 2014.

This case illustrates the importance of staff continuity to capacity building for rural nonprofits. In this case, KCDC has an extra burden. Many of their staff members leave KCDC for other positions within the tribal organization. Two of the three main personnel listed in their RIF application—Laura Olivas and Emma Lee Johnson—are still with the Karuk tribal organization but no longer with KCDC. The tribe has a significant need for anyone with the financial and grant-writing skills to operate a community development corporation, and it is a challenge to maintain skilled staff when there are more lucrative opportunities available in areas such as health care and housing.

The current KCDC staff, however, has the ability and the skills necessary to build the capacity of the organization over time and develop the economy of the Karuk aboriginal territory. Mr. Seaton has a variety of short- and long-term plans to improve the capacity of the organization. For example, he and other staff members were experimenting with operating a commercial layout and printing service. The Karuk Tribe sends to tribal members a monthly newsletter, as well as specialized mailings such as birthday and graduation cards. The tribe currently contracts this work out to a nontribal firm. Mr. Seaton believes that he and KCDC can provide this service for the tribe with the appropriate equipment. When we interviewed Ms. Hayes at the Happy Camp Computer Center, she showed us examples of what they might be able to produce. Other short- to medium-term ideas included becoming more involved with servicing the annual "fire camps" through a commercial kitchen and other services, such as contracting with the Forest Service to maintain trails and other resources.

Figure 10: KCDC Happy Camp Computer Center



For longer-term economic development, Mr. Seaton and KCDC wanted to develop the economic potential of the area’s natural environment through ecotourism and combine it with cultural tourism based around the Karuk culture. This area of northern California has experienced significant economic depression since the collapse of the timber industry, and although there is some traffic in outdoor sports in the area (for example, white-water rafting, mountain biking, and hiking), the economic impact is minimal and the infrastructure—lodging, activities, restaurants, supply stores—is lacking. For the long term, Mr. Seaton and KCDC would like to focus on developing ecotourism and cultural tourism in the Happy Camp/Orleans area. There are certainly many parts of that strategy that could be funded through a program such as the RIF.

Figure 11: Sasquatch Statue, Happy Camp Computer Center



D.3.20. Program Outcomes and Impact

Although the original RIF project application called for more jobs training and economic development, the computer centers have become as much social locations as economic ones. This is not to say that KCDC is not engaged in economic development and training—quite the opposite; but the centers also serve as a social hub of the towns of Happy Camp and Orleans. Both towns are very small and highly isolated. There are few businesses open and almost no place for people, particularly youth, to gather and socialize except the local bar. Drug use and truancy among youth are reportedly quite prevalent as well. The computer centers give all the people of the community, not just tribal members, an option for a place to meet and socialize.

In addition, the computer centers bring information and skills into a very isolated community. Many of KCDC's clients take distance learning courses, use the center to complete online certifications, or simply have access to things they would not have otherwise, such as computers and high-speed Internet. For example, a woman we met at the Happy Camp Computer Center had learned how to build her own Web site through instruction provided by Ms. Hayes. She was nice enough to share her Web site with us, a virtual vacation of Ireland:

<http://froggirl86046.wix.com/virtual-vacations>. Although other uses of the space may be more practical, we believe this simple Web site, built by an elderly woman with little computer experience before coming to the Happy Camp center, is an excellent illustration of the broader impact the RIF grant has had on the community.

Figure 12: Karuk Tribe People's Center



D.3.21. Conclusion

KCDC has used its RIF funds to have a substantial qualitative impact on the community, creating a place with the facilities and technology available for people to both socialize and learn. The organization illustrates the challenges of recruiting and retaining the key staff necessary to maintain and grow a rural organization's capacity. They also illustrate some of the challenges and opportunities unique to tribal organizations and CDCs. Time will tell whether the vision of the new staff members will be achieved, but they have the fundamentals they need to grow the organization and develop their community's economy.

D.3.22. Nogales Community Development Corporation

D.3.23. Overview

NCD requested FY 2010 RIF funding under the Category 1 Comprehensive grant component. NCD, along with seven partners, leads the Rural Innovation Consortium as the direct applicant agency, assuming fiscal responsibility and project coordination among the members. The funds requested in the grant application were \$1,999,177, and the project would leverage \$1,000,743

from NCD and the Consortium partners. The project would enable the Consortium to revitalize the downtown core (pop. 4,999) of the rural colonia of Nogales, Arizona (pop. 19,573) while helping low-income residents build assets to move out of poverty through the realization of specific goals over the 3-year period of performance. Although partners have provided a range of services countywide, they have not done so in a concentrated way for residents of the census tract. This grant would enable the partners to deliver targeted services to these residents by implementing a highly focused outreach strategy carried out by “promotores,” or lay outreach workers.

Services will be provided for—

- Affordable housing.
- Business development.
- Education.
- Other self-sufficiency supports.

D.3.24. Program Evaluation

NCD would contract with an experienced external evaluator to develop a comprehensive evaluation plan. NCD’s evaluator would assemble and manage an evaluation committee (the Consortium project oversight team) and train promotores in carrying out baseline and followup assessments. The evaluator will monitor and report quarterly and annual progress to ensure the project is completed on time and within budget. Table 5 lists the NCD staff interviewed.

Table 5: NCD Interviews

Name	Title and Affiliation	Date
Noemi Ghirghu	CPD Representative, Phoenix Field Office	April 7, 2014
Nils Urman	Acting Executive Director, Founding Board Member, NCD	April 8–9, 2014
Brigit Baez	Program Manager, NCD	April 8–9, 2014
Santos Yescas	Program Manager, NCD	April 8–9, 2014
Angelica Pacheco	Program Specialist, NCD	April 8–9, 2014
Clariza Gastelum	Program Coordinator, NCD	April 8–9, 2014
Susan Kunz	Chief of Health and Wellness Department, Mariposa Community Health Center	April 9, 2014
Arthur Espinoza	Executive Director, Nogales Community Food Bank	April 9, 2014
Larry Catten	Community and Corporate Training Coordinator, Cochise College	April 9, 2014
Belinda St. John	Workforce Investment Board of Santa Cruz County	April 9, 2014
Nilo Larriva	President, NCD	April 9, 2014
Lisa Henderson	Governor’s Office of Energy Policy, Former Member of Nogales Main Street Program	April 9, 2014
Angie Donelson	Independent Evaluation Consultant for NCD	April 9, 2014

CPD = U.S. Department of Housing and Urban Development, Office of Community Planning and Development. NCD = Nogales Community Development Corporation.

D.3.25. Key Findings

- NCD has experienced management turnover, recently losing their long-time Executive Director, Yvonne Delgadillo. Mr. Nils Urman, long-serving board member of NCD, is currently serving as Interim Executive Director.
- NCD began as a Main Street organization composed of local business owners with the goal of revitalizing the downtown area. This geographic goal of revitalizing the downtown area has continued as the organization has evolved and expanded into different service areas.
- NCD's current service lines (as they described them) are—
 - Training in business skills.
 - Financial literacy for individuals and families.
 - Micro-loan program for small business enterprises.
 - Financial planning, including Volunteer Income Tax Assistance (VITA) programs, individual development accounts, and other financial products.
- NCD has explored many lines of business since its beginning as a “Main Street” organization in 1995 and incorporation as a CDC in 2002.
 - This has included a housing rehab program that was abandoned due to the age and condition of many of the eligible homes.
- NCD is primarily engaged in direct services, as opposed to housing construction or rehab.
- Through this service orientation, NCD has developed an extensive network of partners throughout Nogales, Santa Cruz County, and the surrounding area. This includes formal partnerships with a local food bank, the Mariposa County Health Center, a local community college, and several others.
- NCD is currently involved in two major projects—
 - A \$10 million tax-credit purchase and rehabilitation of a downtown building into a mixed-use, senior-living facility.
 - Their RIF project, the purchase and rehab of a downtown building to serve as NCD's headquarters as well as offices and facilities for many other local service organizations.
- The RIF-funded project is approximately one-half complete. The building has been purchased, and NCD expected the renovations to begin summer 2014. They are committed to providing parking for the senior-living center from their RIF project site, so they expect to keep to that timeline.
- NCD has participated with several other organizations in a “downtown” survey of the needs of their service population. The findings have not been made publicly available yet, but we are attempting to get a copy of the preliminary findings.

- NCD has, through their RIF grant, formalized a loose association with other local service organizations into the Nogales Rural Innovation Consortium,³ which allows cross-referencing of clients and information and resource sharing between organizations.

D.3.26. Leveraging

NCD is most impressive in leveraging and partnerships. During our site visit, we spoke with representatives of six partner organizations (see table 5), including a local food bank, a local community college, a health center, and the local workforce investment board. The organizations, including NCD, have developed an umbrella group of local service organizations called the Rural Innovation Consortium, based on the RIF project and the future NCD headquarters.

The organizations attempt to take a more holistic approach to serving community members. They attempt to provide services in context and refer clients to organizations for needs they do not serve. For example, NCD's staff members serve as trainers, providing classes on financial literacy and other issues to individuals associated with the community college. The local food bank promotes the VITA tax classes through its distributions of produce to low-income families. The local WIB often refers clients to NCD for assistance with financial literacy and other supplemental training.

Most of this leveraging is in-kind and based on sharing information. Management and technical staff for the local service organizations meet regularly and exchange ideas and opportunities for collaboration. During our visit, all the partners we interviewed were highly supportive of the arrangement and praised the part NCD played in (a) coordinating the members of the Rural Innovation Consortium and (b) securing the funding for the new building that many of them would use. Many of the organizational representatives also commented on how the referral system helped them stretch their budgets by relying on the skills and services of other organizations within the community.

D.3.27. Capacity Building

NCD has extensive capacity to provide training and other services to its clients but seems less concerned with strategically expanding its operations. During our visit, we were frequently told how successful the organization had been at keeping its costs down by not hiring extra staff. In addition, the organization tended to tailor its approach to whatever issue was trending at the time. For example, many of their applications now tout healthy foods and nutrition to take advantage of the trend. Much of this comes from their association and frequent collaboration with other organizations as part of the Rural Innovation Consortium, but part of it also seems to be an organizational decision.

Where NCD does excel at capacity building is in staff development. Many of the staff members, listed in table 5, have multiple certifications as economic developers, financial counselors, housing counselors, VITA volunteers, and so forth. Figure 13 shows the "wall of certifications" immediately visible when an individual enters the NCD offices. Mr. Urman also indicated that he attempts to include a training budget in every grant NCD submits, believing that it is better to have fewer cross-trained staff members rather than larger numbers of specialists. This approach

³ This was how the staff of NCD and their partners referred to the organization during the site visit. In their application, the consortium was referred to as the Nogales Innovation Consortium Partnership.

has seemingly been successful because many of the staff members have been with the organization an exceptionally long time. Briggit Baez has been with the organization more than 10 years; Angelica Pacheco, more than 5 years. Many of the board members have long tenures as well, since before the organization incorporated as a CDC.

Figure 13: NCD Wall of Certifications



D.3.28. Program Outcome and Impact

As mentioned previously, Nogales is currently conducting a “downtown survey” of local needs and impressions about local service organizations. This survey comes out of their RIF program, and other organizations within the Rural Innovation Consortium are participating. We are eager to see the results of this survey and have communicated with Angie Donelson, the evaluation consultant brought on as part of the RIF grant, about getting access to the preliminary results.

In addition, NCD serves hundreds of community members through its VITA program and other financial and counseling services. NCD is currently organizing its own evaluation of its sign-in sheets as part of the RIF project, and we hope to get access to those data to count the number of “interactions” NCD has with the community. From our interviews with NCD staff and partners, however, it was obvious that NCD is having an impact on the community not only through education but through financial means by (a) allowing people to receive their Earned Income Tax Credit through their VITA Program and (b) offering a matching savings bond to people who receive a tax refund.

NCD's largest program outcome and community impact may be through organizing and serving as a hub for the Rural Innovation Consortium. The cross-referencing of clients and the leveraging of their skills and resources allow NCD to focus on its core service lines. When the headquarters site is completed, all the partner organizations will have a space they can use for expanding and housing some of their own operations. For example, the Maricopa County Health Center wants to hold screenings and health information sessions in the NCD building. These impacts are the hardest to measure but may have the most impact as multiple services build upon and reinforce each other.

Figure 14: Exterior of Future NCD Headquarters



D.3.29. Conclusion

NCD has developed a strong network and partnerships with other local service providers. This leveraging of resources and activities may be its most lasting impact on the community. NCD has built its capacity through staff training and expanding its board and offerings, but it has tended to chase the latest trends in its search for funding and may need to build some self-sufficiency into its organization going forward. Finally, NCD's RIF project is more than halfway completed and should be a major benefit to the local nonprofit community and its clients when it is completed. Recent staff turnover, however, has slowed these projects considerably.

Figure 15: Interior of Future NCD Headquarters



D.4. General Preliminary Findings

- Field Office staff would like to be consulted during the application review process.
- Grantees are eager to discuss their organization and their projects.
- Entrepreneurship and experience are important to successful grant implementation.
- Staff and leadership continuity are important factors in grantee capacity and success.
- Organizations will not dissolve without the RIF, but they will innovate less.
- There is no one “standard” RIF/RHED project; flexibility is a key aspect of the grants.
- A major administrative hurdle continues to be learning and using Disaster Recovery Grant Reporting.

Appendix E: Structured Interview Instruments

E.1. Rural Housing and Economic Development (RHED) Grantee Telephone Interview Instrument

E.1.1. Section I: General Information

Grantee Entity: (Organizational entity submitting grant application and winning grant award.)

Respondent: (Organizational official currently responsible for managing RHED grant activities or follow-up to grant activities. Additional staff may participate in interview if requested. Confirm positions and names at beginning of interview.)

Date of Interview: (mm/dd/yy)

Project Team Interviewer: _____

E.1.2. Section II: Grant Use and Capacity Building

1. For any RHED grant, were the grant funds used in any manner that differed from your application? Please describe differences.

2. Have the number of your FTEs changed due to the funding you received via any RHED grant?

Yes

No

If yes, to what extent do you think any RHED grant contributed to your organizational growth?

- a. Growth attributed almost solely to RHED.
- b. Growth attributed largely to RHED.
- c. Growth somewhat attributed to RHED.
- d. RHED one of many factors leading to growth.

If staff has decreased since the completion of your RHED grant, what factors led to the decrease?

3. An often-used measure of an organization's basic financial strength is assets divided by liabilities. How would you characterize your financial strength today compared to when you received your first RHED grant?
 - a. Financial strength is better than when grant was awarded.
 - b. Financial strength is about the same as when grant was awarded.
 - c. Financial strength is worse than when grant was awarded.

4. How would you characterize the impact of your RHED grants on your organization's financial strength? Did any RHED grant help your organization improve your financial strength in any way? If so, how?

5. Did your RHED grant(s) help your organization move into areas of activity where you had not previously been active?

Yes

No

If yes, what were the new areas of activity?

If yes, how did the RHED program help your organization to move into this/these new area(s)?

6. In your opinion, how important were your RHED grant(s) in enabling your organization to address the issues—such as high unemployment, low education levels, etc.—that your organization listed in your grant application?

7. Did your organization consider any other grant sources to address the issues you included in your application?

Yes

No

Unsure

If yes, what other sources?

E.1.3. Section III: Grant Application and Management

1. How would you characterize the current status of your RHED-funded project(s)?

2. How would you characterize the status of your RHED-funded project(s) relative to the original schedule from your application?
- a. Completed ahead of schedule.
 - b. Completed on schedule.
 - c. Still in progress.
 - d. Completed behind schedule.
 - e. Experienced significant delays or project was not completed.

If any of your RHED project(s) were not completed as scheduled or failed to be completed, what barriers did you encounter when implementing the project?

3. How would you characterize the impact of the RHED grant(s) on your organization's overall technical capacity? Has administering your RHED grants increased your organization's ability to implement certain types of projects?

4. How would you characterize the impact of the RHED grant on your organization's overall administrative capacity? Has it improved your organization's ability to handle federal grants as well as other sources of funding?

5. Did you in any way see the RHED grant as complementary to funding you were receiving or could receive from other federal agencies?

Yes

No

E.1.4. Section IV: Leveraging

1. In your original grant application, you indicated (*retrieve from application*) as a source(s) for obtaining leveraged fund support for your RHED project(s). Is this the funding source you actually used at project start-up?

Yes

No

If no, why were you were unable to access those planned-for funds?

2. At project start-up, were you able to put in place any additional leveraged funds other than those mentioned in your grant application?

Yes

No

If yes, please specify the additional source(s) and amounts of funding.

Also, if yes, did this additional funding allow you to expand or qualitatively enhance your project design?

Yes

No

If yes, what changes did you make in your project design?

3. Did winning any RHED grant enable you to access funding sources that you otherwise may not have been able to access?

Yes

No

If yes, please specify the new sources, and explain how successful you have been in obtaining funds from one or more of these sources.

4. How would you characterize the impact of your RHED grant(s) on your ability to leverage funds for ongoing or future projects?

a. Has significantly increased the range of funding options open to us.

b. Has somewhat increased the range of funding options open to us.

c. Has had minimal impact on our ability to obtain additional funding.

E.1.5. Section V: Partnering-Linkages

1. How many formal partnerships (characterized by exchange of resources and/or signed agreement) were created primarily because of your RHED grant(s)?

2. How important was securing a RHED grant in establishing these partnerships?

a. Could not have had relationship without RHED.

b. RHED was very important in establishing relationship.

c. RHED was a factor in establishing relationship.

d. RHED was not important in establishing relationship.

3. Will your organization be able to build upon the linkages established on the RHED project for further collaboration?
 - a. Already involved in further collaboration.
 - b. Further collaboration has been planned but not implemented.
 - c. There has been no further collaboration since our RHED grant was completed.
4. Overall, how would you characterize the impact of your RHED grant(s) in enabling you to establish productive working relationships with other groups in your community? Has it helped you establish new partnerships with other local organizations?

E.1.6. Section VI: Program Outcomes and Impact

1. What individuals or groups did you originally intend to target with your RHED project(s)? What outcomes did you expect for these recipients?

2. How would you characterize your progress toward achieving these outcomes for recipients?

3. Did your organization use any indicators to measure the progress of your RHED-funded projects toward completion?

Yes

No

If yes, what data indicators have you used (are you using) to measure the progress of your RHED-funded projects toward completion?

4. Currently, how would you characterize the capacity of your organization to collect and analyze data for planning and management purposes?
 - a. High level of technical capability.
 - b. Adequate level of technical capability.
 - c. Marginal level of technical capability.
 - d. Less than adequate technical capability.

If you have a “high” or “adequate” level of capability, how important were your RHED grant(s) to improving your capabilities in this area?

- a. Extremely important.
- b. Somewhat important.
- c. Not important.

5. How would you characterize the overall impact of your RHED project(s) so far? How has it impacted the community as a whole?

6. When you received your first RHED grant, did your organization have a strategic plan or other statement of organizational goals?

Yes

No

7. If yes, how did you integrate your RHED project(s) into this plan? How did your RHED project(s) support your organization’s overall goals?

E.1.7. Section VII: Conclusion

Overall, what has your impression been of the RHED program? Do you have anything to add about your experience that we have not covered here?

E.2. Rural Innovation Fund (RIF) Grantee Telephone Interview Instrument

E.2.1. Section I: General Information

Grantee Entity: (Organizational entity submitting grant application and winning grant award.)

Respondent: (Organizational official currently responsible for managing RIF grant activities or follow-up to grant activities. Additional staff may participate in interview if requested. Confirm positions and names at beginning of interview.)

Date of Interview: (mm/dd/yy)

Project Team Interviewer: _____

E.2.2. Section II: Grant Use and Capacity Building

1. Were the RIF grant funds used in any manner that differed from your application? Please describe differences.

2. Have the number of your FTEs changed due to the funding you received via the RIF grant?

Yes

No

If yes, to what extent do you think the RIF grant contributed to your organizational growth?

- a. Growth attributed almost solely to RIF.
- b. Growth attributed largely to RIF.
- c. Growth somewhat attributed to RIF.
- d. RIF one of many factors leading to growth.

If staff has decreased since the completion of your RHED grant, what factors led to the decrease?

3. An often-used measure of an organization's basic financial strength is assets divided by liabilities. How would you characterize your financial strength today compared to when you first received your RIF grant?
 - a. Financial strength is better than when grant was awarded.
 - b. Financial strength is about the same as when grant was awarded.
 - c. Financial strength is worse than when grant was awarded.

4. How would you characterize the impact of the RIF grant on your organization’s financial strength? Did the RIF grant help your organization improve your financial strength in any way? If so, how?

5. Since you were awarded your RIF grant, has your organization moved into areas of activity where you had not previously been active?

Yes

No

If yes, what were the new areas of activity?

If yes, how did the RIF program help your organization to move into this/these new area(s)?

6. In your opinion, how important was the RIF grant in enabling your organization to address the issues—such as high unemployment, low education levels, etc.—that your organization listed in your grant application?

7. Did your organization consider any other grant sources to address the issues you included in your application?

Yes

No

Unsure

If yes, what other sources?

E.2.3. Section III: Grant Application and Management

1. What is the current status of your RIF-funded project?

2. How would you characterize the status of your RIF-funded project relative to the original schedule from your application?
- a. Completed as scheduled.
 - b. Ahead of schedule.
 - c. Progressing on schedule.
 - d. Progressing but behind schedule.
 - e. Have experienced significant delays implementing the project.

If your project is behind schedule or has had problems getting started, what barriers have you have encountered in implementing the project?

3. How would you characterize the impact of the RIF grant on your organization's overall technical capacity? Has administering your RIF grant increased your organization's ability to implement certain types of projects?

4. How would you characterize the impact of the RIF grant on your organization's overall administrative capacity? Has it improved your organization's ability to handle federal grants as well as other sources of funding?

5. Did you in any way see the RIF grant as complementary to funding you were receiving or could receive from other Federal agencies?

Yes

No

E.2.4. Section IV: Leveraging

1. In your original grant application, you indicated (*retrieve from application*) as a source(s) for obtaining leveraged fund support for your RIF project. Is this the funding source you actually used at project start-up?

Yes

No

If no, why were you were unable to access those planned-for funds?

2. At project start-up were you able to leverage any additional funds other than those mentioned in your grant application?

Yes

No

If yes, please specify the additional source(s) and amounts of funding.

Also, if yes, did this additional funding allow you to expand or qualitatively enhance your project design?

Yes

No

If yes, what changes did you make in your project design?

3. Did your winning the RIF grant enable you to access funding sources that you otherwise may not have been able to access?

Yes

No

If yes, please specify the new sources, and explain how successful you have been in obtaining funds from one or more of these sources.

4. How would you characterize the impact of the RIF grant on your ability to leverage funds for ongoing or future projects?

a. Has significantly increased the range of funding options open to us.

b. Has somewhat increased the range of funding options open to us.

c. Has had minimal impact on our ability to obtain additional funding.

E.2.5. Section V: Partnering-Linkages

1. How many formal partnerships (characterized by exchange of resources and/or signed agreement) were created primarily because of the RIF grant?

2. How important was securing the RIF grant in establishing these partnerships?

a. Could not have had relationship without RIF.

b. RIF was very important in establishing relationship.

c. RIF was a factor in establishing relationship.

d. RIF was not important in establishing relationship.

3. Will your organization be able to build upon the linkages established on the RIF project for further collaboration?
 - a. Already involved in further collaboration.
 - b. Further collaboration has been planned but not implemented.
 - c. Unsure if there will be further collaboration at this time.

4. Overall, how would you characterize the impact of your RIF grant on your ability to establish productive working relationships with other groups in your community? Has it helped you establish new partnerships with other local organizations?

E.2.6. Section VI: Program Outcomes and Impact

1. What individuals or groups did you originally intend to target with your RIF project? What outcomes did you expect for these recipients?

2. How would you characterize your progress toward achieving these outcomes for recipients?

3. Is your organization using any indicators to measure the progress of your RIF-funded projects toward completion?

Yes

No

If yes, what data indicators have you used (are you using) to measure the progress of your RIF-funded projects toward completion?

4. Currently, how would you characterize the capacity of your organization to collect and analyze data for planning and management purposes?
 - a. High level of technical capability.
 - b. Adequate level of technical capability.
 - c. Marginal level of technical capability.
 - d. Less than adequate technical capability.

If you have a “high” or “adequate” level of capability, how important has the RIF grant been in improving your capabilities in this area?

- a. Extremely important.
- b. Somewhat important.
- c. Not important.

5. How would you characterize the overall impact of your RIF project so far? How has it impacted the community as a whole?

6. Does your organization have a strategic plan or other statement of organizational goals?

Yes

No

7. If yes, how have you integrated your RIF project into this plan? How does your RIF project support your organization’s overall goals?

E.2.7. Section VII: Conclusion

Overall, what has your impression been of the RIF program? Do you have anything to add about your experience that we have not covered here?

Appendix F: Site Visit Field Reports

F.1. Chippewa Cree Site Visit Report

RIF Grantee: Chippewa Cree Tribe

Location: Water Resources Offices, Rocky Boy Indian Reservation, Box Elder, Montana

Dates: February 3–4, 2015

Site Visit Team: Richard Hilton and Wayne Mundy

F.1.1. Key Findings

- The original Rural Innovation Fund (RIF) application was driven by significant flooding in 2010 and the need to access developable lands to move improvements out of the flood area.
- The proposed RIF improvements conformed to the comprehensive master plan for the reservation's water systems.
- The funded project is still under construction.
- Subsequent flooding events in 2011 and 2012 adversely impacted both the timeliness and the finances of the project.
- Tribal leverage funds were used by the tribe in 2011 and 2012 to deal with immediate health and safety issues related to flooding at that time. This was done at the suggestion of the Federal Emergency Management Agency (FEMA), with the understanding that FEMA would reimburse the tribe once federal funding was available. The tribe still has not received total reimbursement.
- The grantee thought the initial training and long-term support needed to be better.
- The grantee felt there needed to be more onsite involvement of HUD staff so they better understood the issues related to moving the project forward quickly.
- The agencies involved with or impacted by RIF—that is, Indian Health Service (IHS), FEMA—needed better coordination.
- The system for disbursing grant funds needs to be improved.
- The “help desk” for the program, including disbursements, needs to improve and become more user friendly.
- The overall reservation water system, as designed and constructed, appears to be very efficient and cost effective. This is partly due to its gravity-fed nature, which eliminates the use of numerous pressure pumps and associated maintenance and replacement.

F.1.2. Site Visit Overview

On the first day, we met with key individuals related to the management and construction of the RIF improvements. An introductory meeting was held with Mr. Jonathon Eagleman, the Director for the Tribal Water Resources Department (TWRD). He gave us an overview and update of the project. We met with Dustin White, TWRD Drinking Water Coordinator, who was part of the initial team that drafted the RIF grant application. He provided significant background

information. We met with Wes Kirn, Construction Superintendent, and Dustin Sunchild, Project Representative, both of whom work for the Chippewa Cree Construction Company and are doing business with the TWRD construction force account crew. They provided detailed information on the specifics of the RIF improvements that have been constructed and that are currently under construction. We received copies of many backup documents, such as the master plans, construction plans, and budget information. Mr. Kirn took us to the construction site for the new storage tank, and we viewed the construction. We visited with the Housing Authority staff to discern the impact the project may have on their activities. The remainder of the afternoon was spent with Mr. Eagleman and Mr. Kirn viewing an operating storage tank (Parker School) and associated well/treatment area and the site of a proposed new well and storage area.

Figure 16: Water Distribution Pipes



On the second day, we met with Mr. Eagleman and Mr. Sunchild to review the previous day's information, and they provided some additional details related to the project. We then visited Larry Morrisette, CEO of the Chippewa Cree Construction Corporation, a Section 17b company under the tribe. He introduced us to two of his key staff members. We discussed the status of the Rocky Boys/North Central Montana Regional Water system construction and its ultimate impact on the reservation. The staff led us to the Lake Elwell/Tibor Dam area, where we viewed the improvements that are designed to supply the reservation with 10,000 acre feet of water annually via a pipeline to the reservation. We gained additional insight about the status and design of the project. We then went back to the TWRD office to meet with Mr. Eagleman for debriefing and final comments. Table 6 lists the Chippewa Cree staff interviewed.

F.1.3. Interview Table

Table 6: Chippewa Cree Interviews

Interviewee	Title and Affiliation	Date
Jonathon Eagleman	Executive Director, Water Resources	February 3–4, 2015
Dustin White	Drinking Water Coordinator (RIF Grant Writer)	February 3, 2015
Wes Kirn	Construction Superintendent	February 3, 2015
Dustin Sunchild	Project Representative	February 3–4, 2015
Ursula Rosette and Merlin Armstrong	Housing Authority staff	February 3, 2015
Larry Morrisette	Chippewa Cree Construction Corp., CEO	February 4, 2015
Gina [Unknown Last Name]	Chippewa Cree Construction Corp., Civil Engineer	February 4, 2015
Melvin Morrisette	Chippewa Cree Construction Corp., Construction Management	February 4, 2015

CEO = Chief Executive Officer. RIF = Rural Innovation Fund.

F.1.4. RIF Project Overview

The Chippewa Cree Tribe, on the Rocky Boy Reservation east of Box Elder, Montana, was awarded a RIF Comprehensive Grant to construct a water storage tank and associated 12-inch pipeline. The water storage tank is constructed of concrete and has a capacity of more than 500,000 gallons. The pipeline built under the grant is approximately 21,800 feet of 12-inch diameter C900 PVC pipe. It parallels an existing 6-inch water pipeline currently serving the residential units in the area.

The new storage tank will improve service to the residential areas, including the fire hydrants in the subdivisions. It will also provide service to the new health clinic currently under construction west of the tank's location. The additional capacity of the tank will provide the necessary water to the clinic for the certification of all of the clinic's systems, including fire suppression.

The water pipeline was designed to integrate into the core water system being constructed from the Lake Elwell/Tibor Dam under the Rocky Boy's/North Central Montana Regional Water system. This project is part of a Compact agreement between the federal government, the state of Montana, and the Chippewa Cree Tribe. Both the RIF improvements and the core system are all part of a comprehensive master water plan for the reservation.

The RIF project employs about 20 to 26 construction staff during the construction. The majority of the staff members are tribal members. This employment is critical to the economy of the reservation. The project will improve the health of the overall community by providing adequate water for more than 200 existing residential users and about 250 residential building sites. The pipeline also enhances the fire suppression efforts on the existing fire hydrants by providing a larger source of water for immediate use in firefighting. It is a critical factor in providing adequate water to allow certification of the new health clinic under construction. It will also provide adequate water for additional commercial and tribal development on vacant land along the new pipeline.

The entire reservation's water system is extremely efficient. It consists of numerous water wells that provide water to storage tanks located at elevations well above the developed areas of the reservations. Additional storage tanks and the associated piped water distribution system are all gravity fed. This design is very energy efficient and minimizes maintenance issues. The only pumps that need to be replaced are the deep well pumps—not larger pressure pumps that cause pressure loss when they quit. The RIF grant improvements continue to fit into this master plan for the water delivery systems.

Figure 17: Water Resources Department Building



F.1.5. Current Status of Project

The new 12-inch water pipeline has been constructed as planned and is prepared to serve the area once it is hooked up to the new storage tank, which is still under construction. It currently is a charged water line using water from an existing old storage tank adjacent to the new storage tank. The TWRD anticipates the new 500,000-gallon water storage tank to have been completed and connected to the new 12-inch water line by September 2015.

F.1.6. Barriers to Implementation

In June 2010, a major flood affected the Rocky Boy Reservation. The grant was awarded based on the need to improve the water system and move infrastructure and buildings out of the floodplain. The reservation experienced additional flooding in 2011 and 2012, which slowed the progress on the grant because resources were allocated to deal with immediate needs during those flood periods.

The tribe felt that the training was not adequate to properly implement and administer the grant. The draw process was not as smooth as experience in other grant programs. This, combined with HUD staff not understanding the process or not being able to convey the process adequately, caused delays in processing requests for funds.

The tribe felt they were always explaining the issues and process to HUD staff over the telephone. They suggested that HUD staff actually visit the project to get a better understanding

of the issues faced during the construction, such as the need to sole-source certain procurements. The tribe specifically stated they felt there were poor responses from the HUD “help desk” when responding to questions. This definitely needed to improve.

The tribe felt there was an overall lack of understanding of how this project is part of the larger water system master plan.

FEMA was assisting in the recovery efforts for the flooding in 2010, 2011, and 2012. FEMA funding was slow in developing, so the tribe used some of its funds, which were to be reimbursed by FEMA as its funding came through. Unfortunately, the FEMA funds have been slow to materialize and, as a result, they still need to reimburse the tribe nearly \$700,000. Some of these funds, when received, will be used for the cost of construction on the new water storage tank.

F.1.7. Management Structure of RIF Project

The tribe has assigned the TWRD the responsibility for administering the grant and completing the related construction. The Director of the Department reports to the Water Resource subcommittee of the Business Committee, and they report to the Tribe Business Committee (Tribal Council). The TWRD administers the design, construction, and maintenance of the water distribution systems and is responsible for the billing to the more than 1,000 users. There are 7 to 9 administrative staff and 20 to 26 construction staff. The TWRD uses the force-account method on its construction projects. They have had one construction crew dedicated to the construction of the improvements funded by this grant. The construction crew operates under the name of “Chippewa Cree Construction Corporation” but is not formally incorporated. It is seen as part of the TWRD at this time. The crew is hoping to incorporate at some point in the future. Mr. Kirn is the Construction Superintendent. Mr. Sunchild provides project financial support and handles some of the procurement process.

F.1.8. Placement of RIF Project(s) in Grantee’s Overall Mission

The RIF grant was a direct response to a significant flood event that occurred on Rocky Boy in June 2010. The tribe has an extensive public water system that serves the majority of the development on the reservation. It also has an extensive nonpotable system to serve the irrigation and agricultural needs of the reservation. Both were seriously damaged during the main flood event in 2010 and the subsequent lesser flood events in 2011 and 2012.

Because of the flood damage, the tribe wanted to move as much development as they could from within the known flood areas. To do so, they needed to expand the water service to the high ground in the Middle Fork Dry Creek area. This is the area identified for installation of a 500,000-gallon water storage tank and installation of an associated 12-inch pipeline funded by the RIF grant. This system is part of the overall strategy for providing water to the reservation. An integral part of this strategy is the design and construction of the Lake Elwell/Tibor Dam Core Water System, which will provide 10,000 acre feet of water to the tribe annually based on a 2002 Compact agreement with the federal government, the state of Montana, and the Chippewa Cree Tribe. This core system consists of a 36-inch water pipeline that will hook into the existing water lines on the reservation, including the RIF-funded improvements that were designed with this future use in mind.

The improvements under the RIF will allow adequate water service to a new health clinic that is under construction, including a fire management system required for the clinic to operate. The improvements will also improve service to the existing users in the area along the new pipeline, including residential units, the Stone Child College buildings, and other commercial buildings.

F.1.9. Leveraging and Partners Overview

The tribe has agreed to provide more than \$1.3 million as leverage for this project. The tribe has used some of the funds designated for leverage during the response to the 2011 and 2012 floods, with the understanding they would be reimbursed for these expenditures by FEMA.

Unfortunately, FEMA has not had adequate funds to reimburse about \$700,000 of tribal funds, some of which could be used to complete this project. Currently, the tribe is identifying other, unencumbered tribal funds for this project so it can move forward for timely completion.

F.1.10. Major Partners

Partners on the RIF grant have been the Chippewa Cree Business Committee, the TWRD subcommittee, the TWRD administrative and management staff, the TWRD construction staff doing business as the Chippewa Cree Construction Company, FEMA, Chippewa Cree Construction Corporation (17b corporation), Rocky Boy's/North Central Montana Regional Water System, and Indian Health Service (IHS)—related to the water needs of the new clinic.

F.1.11. Leveraged Support Obtained by Grantee

Tribal funds were used as leverage to the project. Unfortunately, the tribe needed to use some of the funds during the 2011 and 2012 timeframe to address immediate health and safety issues caused by the new flooding. FEMA reportedly was not able to access federal funds due to budget issues and requested that the tribe use their funds, with the intent that FEMA would reimburse those tribal dollars once they received their funding. FEMA has not been able to fully reimburse the tribe as quickly as intended due to their budget issues on a national level.

F.1.12. RIF Enhancement of Leveraging Capability of Grantee

The tribe is currently evaluating other sources of tribal funds and transfer of adequate funds to ensure the timely completion of the RIF grant by September 2015. It appears the tribe will make that funding available.

F.1.13. Other Funding Sources

The RIF grant did not have any additional funding sources for the work completed under the grant. The tribe will be using IHS funding for the water hookup for the new health clinic, however. The tribe also received Indian Community Development Block Grant funding for other water system-related improvement related to the flood damage.

F.1.14. Capacity Building and Community Impact Overview

F.1.15. RIF Impact on the Internal Capacity of the Grantee

The grantee experienced a growth in capacity during the construction phase, as they were able to have two additional employees gain heavy equipment operator certifications. They were also able to keep 20 construction staff members working specifically on the grant project. More important, they were able to grow the capacity of their water systems with the charging of the new water line to supplement the existing 6-inch main that was already in service.

F.1.16. RIF Impact on the Broader Community

The grant has allowed the community to identify suitable grounds well outside any floodplain for future development, and the RIF will provide a water delivery system to those grounds. Combined with construction related to the Rocky Boy's/North Central Montana Regional Water System, this will provide ample water to meet the future water needs of the reservation. It will provide an adequate and safe water source for about 200 existing houses within the service area and more than 200 anticipated housing units. In addition, it will improve the water supply to fire hydrants throughout the service area, making fire protection easier.

F.1.17. Grantee Experience and Followup

F.1.18. Grantee Perceptions of RIF's Importance/Impact

The grantee experienced a significant flooding event in June 2010 that caused damage to its infrastructure, including dams, bridges, water lines, sewage lagoons, and numerous other structures. The tribe saw the grant as a way to provide water services in an area that was experiencing a water shortage. This area provides acreage out of the floodplain for future development. An example is the health clinic that was damaged during the flood and had to be replaced. The site for the new clinic was served by an existing 6-inch water main, but it did not provide adequate water to meet the certification and operation of the new clinic. The grant provided funding to construct the infrastructure necessary to meet the certification needs of the clinic while improving service to all of the existing users of the system in the area. The grant was very important in the development and execution of the tribe's long-term master water system plans.

F.1.19. Grantee Experience With Rural Housing and Economic Development (RHED) and RIF Comparison

The tribe apparently did not have a previous RHED grant. They are very interested in the possibility of a future RIF grant and would apply given the opportunity.

F.1.20. Followup Data To Be Collected Related to Outputs and Impacts

None are known at this time.

F.1.21. Summary of Documents/Data Obtained or Reviewed During Site Visit

1. On-Reservation Master Plan, updated December 2010.
2. Construction Plans for Bonneau Water Storage Tank, in detail.
3. Bonneauville Water/Tank financial spreadsheet reflecting expenditures and sources.
4. Chippewa Cree Health Complex and Community Recovery Master Plan, schematic.
5. Construction schedule for completing storage tank, with cost estimate.
6. Copy of letter to HUD requesting grant extension to September 26, 2015.
7. Construction Plans for Bonneau 12-inch pipeline, in detail.

F.2. Choctaw Site Visit Report

RIF Grantee: The Choctaw Nation, Office of Career Development

Location: Initial interviews in Durant, Oklahoma, Capital of the Choctaw Nation; subsequent interviews in other localities in the 10-county Choctaw Nation area in southeastern Oklahoma

Dates: November 24–25, 2014

Site Visit Team: Richard Hilton and Doray Sitko

F.2.1. Key Findings

The core activity funded by this RIF grant is a staff position and associated programmatic activities operating within the Choctaw Nation’s Office of Career Development. The title of the funded position is “Native American Business Resource Coordinator,” and the entity established within the Choctaw Nation’s Office of Career Development is known as the Choctaw Native American Business Resource Center (CNABRC). The objective of this position is to facilitate and promote business activities of small and startup entities owned or operated by Native Americans. Clients are primarily members of the Choctaw Nation, but Native Americans of other tribes are eligible if they are operating a business within the bounds of the Choctaw Nation.

This position and program do not operate in isolation. In many respects, the funded position provides a “missing link” in a network of education, training, and business support services available to Native Americans residing within the bounds of the Choctaw Nation. The Choctaw Office of Career Development operates essentially as a one-stop workforce development entity that provides supplemental education services, referrals to other social service programs, and assistance to individuals in obtaining job training and skill trades certifications. A regional nonprofit, REI Oklahoma, offers support programs in financial education, mortgage down payment assistance, business lending, and assistance in business planning (REI can offer its services to both Native Americans and non-Native American individuals, on or off tribal areas). The Choctaw Nation also funds an “Asset Growth” program that provides business support services (such as marketing and product placement guidance) to entities that have reached some level of stability. This latter program is part of an overall Choctaw strategy *to lessen the reliance of the Nation on its gaming revenues.*

The Choctaw Nation was the prime on the RIF grant application, with REI listed as the major partner on the initiative. Because of the grant award, the Office of Career Development was able to fund the aforementioned Resource Coordinator position, and REI established the partnership with CNABRC. Stated goals were to conduct a minimum of 10 outreach activities related to economic development and entrepreneurial opportunities, provide technical assistance and training support to a minimum of 120 Native American clients, support a minimum of 40 businesses, and create a minimum of 80 jobs. Data supplied during the site visit indicated 54 outreach activities completed, 272 individuals receiving training, 76 existing businesses and 38 new businesses assisted, and 87 jobs created. These objectives have been met even though the period of performance was extended to September 2015.

During the period of performance of the grant, staff members from the REI Center and the person in the coordinator position have essentially worked as a team, conducting the range of activities described. REI staff members appear to have been more directly involved in

providing access to capital, either direct or indirect. The Career Development/REI team also provided a range of ongoing business development and operation support services, including—

- Development of business plans.
- Guidance on needed certifications and regulatory compliance.
- Identification of business partners.
- Assistance in marketing strategies and branding.
- Assistance in placing products in venues operated by the Choctaw Nation.
- General assistance for Choctaw products/ and services.

At the time of the site visit, the support services provided by the Career Development/REI partnership represented an ongoing resource available to the individuals previously receiving support. As a result, businesses that had previously received support can call on the Career Development Coordinator or REI staff to provide support on an as-needed basis (for example, assistance in documentation necessary for a loan application). The number of individuals and businesses assisted should thus be considered an ongoing client base, with the numbers likely to increase by the end of the grant performance period.

It appears highly likely that both the Choctaw Nation and REI will find some source of funds *to continue the services provided under the RIF grant award.*

F.2.2. Site Visit Overview

The site visit began with a group discussion held at the headquarters of the Choctaw Office of Career Development. Lead participants in the discussion were the CNABRC, the Choctaw Director of the Office of Career Development, a senior REI representative, and a former REI staff person who had worked on grant-supported activities while at REI’s Native American Business Resource Center. This discussion served to identify the main “players” in the range of activities that had been supported by the RIF grant and to place those activities within the broader scope of strategic economic development goals set by the government of the Choctaw Nation.

This opening discussion was followed by visits to three facilities within or close to Durant. One was the headquarters of REI, which included not only administrative offices but also warehouse space that has been made available as in-kind support to several startup businesses. The next visit was to the recently reopened Choctaw Welcome Center, which is on the Texas-Oklahoma border on the main highway from Durant to the Dallas, Texas metropolitan area (about 80 miles away). This former state highway welcome center is now leased by the tribe. The Center was an example of initiatives undertaken by the tribe and REI to find more highly visible retail outlets for Choctaw-produced products. The final facility visit was to the offices of the Choctaw Asset Growth program, which provides ongoing business support to Choctaw-operated businesses.

The remaining time of the site visit was devoted to visits to a number of Native American-operated businesses that have received grant-supported services and remain in the client base of the grant-supported program. The businesses were selected to demonstrate the wide variety of programs receiving services and the large service area covered by grant-supported programs. During these visits, the site visit team was accompanied by the Choctaw Native American Business Coordinator and the former REI Native American Business Resource Center staff

person (now a Choctaw employee in a related program division). These were the two individuals with the most hands-on experience in providing grant-supported activities, thus the site visit team was able to hold ongoing discussions with them regarding various aspects of program operations.

The business operations visited during the course of the site visit included—

- A specialty metals manufacturer.
- A chiropractic office.
- An automobile car washing, detailing, and customizing center.
- A manufacturer of pecan oil and related pecan products.
- A colocated occupation drug testing service and certified welding school.
- A sole proprietor sawmill and wooden furniture operation.
- A university-based example of a symbiotic aquaponic horticulture system developed for commercial use.

See figures 18, 19, 20, and 21 for examples of the machines, locations, and businesses funded by the grant.

Figure 18: Welding and Industrial Center



Figure 19: Wooden Furniture Operation



Figure 20: Pecan-Related Products



Figure 21: Choctaw Nation Business Development



F.2.3. Interview Table

The individuals listed in table 7 were the primary institutional informants who held discussions with the site visit team. We have not listed the business owners and operators who met with the site visit team at the business locations listed in section F.2.2 (including a specialty metals manufacturer, a manufacturer of pecan oil and related pecan products, a sole proprietor sawmill and wooden furniture operation, and several other local businesses).

Table 7: Choctaw Nation Interviews

Interviewee	Title and Affiliation	Date
Jill Reyna	Choctaw Native American Business Resource Coordinator, Choctaw Nation of Oklahoma, Office of Career Development	November 24–25, 2014
Dr. Ken English	Director, Choctaw Nation of Oklahoma, Office of Career Development	November 24, 2014
Billy Hamilton	Formerly Staff Associate, Native American Business Resource Center, REI Oklahoma	November 24–25, 2014
Sherry Harlin	Business Development Director, REI Oklahoma	November 24, 2014

F.2.4. RIF Project Overview

F.2.5. Barriers to Implementation

In its original application, the grantee had indicated that the major barriers were a lack of coordination between business support services of the Choctaw Nation and limited public knowledge about the types of services that were available. These problems were exacerbated by the large service area and rural nature of much of the service area. The impression of the site visit team was that these problems had been largely addressed successfully at this point in program implementation. The number of businesses serviced and the apparent high level of communication between business owners and the project staff are indications of this success. In

addition, the project team observed that one of the activities of the CNABRC Coordinator was to provide outreach activities to outlying communities, both in person and via technologies such as phone and Internet. Both Choctaw Nation and REI host websites with information about the services available, online at <http://choctawcareers.com/nabrc/> and <http://reinabc.org/>.

F.2.6. Management Structure of RIF Project

As described previously, the project implementation has essentially been as a partnership between a coordinator/facilitator in the Office of Career Development and the Native American Business Resource Center within REI. The input received during the site visit indicated that this partnership has worked effectively and seamlessly. Referrals between organizations were evident by the description of program involvement as described to the project team by the beneficiaries.

F.2.7. Placement of RIF Projects in Grantee's Overall Mission

The RIF grant should be considered one element in an overall strategic goal of the Choctaw Nation (that is, reducing reliance on gaming activities as the economic base of the nation) and in executing the vision of the Choctaw Nation, "to achieve healthy, successful, productive, and self-sufficient lifestyles for a proud nation of Choctaws." The activities of the grant are largely modeled on the business development activities undertaken by the Chickasaw and Cherokee Nations.

F.2.8. Leveraging and Partners Overview

F.2.9. Major Partners

The REI group was listed as the primary partner in the grant application, and by all indications it has remained the main partner for the Choctaw Nation during the operation of the grant. Other Choctaw Nation partners listed are as follows: Choctaw Asset Building, Choctaw Nation Preferred Supplier Program, Choctaw Business Development, and Choctaw Store. Non-Choctaw partners include the Oklahoma Bid Assistance Program, Oklahoma Small Business Development Center, and Citizen Potawatomi Nation's Community Development Corporation.

F.2.10. Leveraged Support Obtained by Grantee

As indicated by the grant application, traditional leveraging was not an objective of this grant. There was no perceived need to leverage funds outside those that can be provided by the general fund of the Choctaw Nation (that is, institutional development within the Choctaw Nation was not a core objective). In terms of leveraging, the objective was to facilitate access to funding on the part of individual Native American business owners residing within boundaries of the Choctaw Nation. To some extent, this type of leveraging support was already available from REI, directly or through referrals to other lending sources (for example, Citizen Potawatomi Nation's Community Development Corporation, traditional lending institutions). All indications are that the grant-funded services have been successful in facilitating access to business funding for a high proportion of the program's client base.

F.2.11. RIF Enhancement of Leveraging Capability of Grantee

This outcome is not directly applicable, as mentioned previously.

F.2.12. Other Funding Sources Mentioned

The Choctaw institutional representatives did not mention any specific sources (outside the nation's general funds) that they would use to continue operations, although they indicated a general tendency to actively monitor grant opportunities available and a hope that the RIF grant would be available again in the future.

F.2.13. Capacity Building and Community Impact Overview

F.2.14. RIF Impact on the Internal Capacity of the Grantee

As indicated in the discussion in section F.2.5, the major objective of the grantee seems to have been to develop a capability for hands-on support of startup and new businesses within the Choctaw Nation area. This seems to have been successfully completed, and linkages have been established with the small business community. It was less clear how the Office of Career Development planned to maintain this resource after the ending of the grant.

F.2.15. RIF Impact on the Broader Community

As already indicated, the grantee has collected data documenting its activities, including data on the number of jobs created at the businesses to which the program has provided some support. As with most data of this type, one cannot assume a direct causal relationship, but the numbers are impressive. The site visit team received no indication that the grantee had administered any type of client satisfaction survey (for example, how important or critical the services were to the success of a business). A survey of this type might be something the grantee would consider administering in the last year of the grant.

A long-term indicator of impact would be the growth of the nongaming business sector as employers of tribal members.

F.2.16. Grantee Experience and Followup

F.2.17. Grantee Perceptions of RIF's Importance/Impact

As a funding opportunity, the grantee perceived the RIF as being extremely useful in its situation. The fairly flexible requirements of the grant allowed the CNABRC to submit an application for a program design that the applicants knew would be relatively unique and successful in the existing context of the nation and its offerings to tribal members.

F.2.18. Followup Data To Be Collected Related to Outputs and Impacts

A suggestion for possible followup data was previously provided.

F.3. Community Students Learning Center Site Visit Report

RIF Grantee: Community Students Learning Center (CSLC)

Location: Lexington, Mississippi

Dates: December 11–12, 2014

Site Visit Team: James Hedrick and Lindley Higgins

F.3.1. Key Findings

- CSLC has spent nearly all the RIF grant funds and is close to completing all projects funded.
- The multifaceted program developed by CSLC addresses both the housing and economic development needs of Lexington, Mississippi and Holmes County, Mississippi.
- CSLC has built significant internal capacity since receiving the RIF grant.

F.3.2. Site Visit Overview

All meetings were held on December 11 and 12, 2014 in Lexington, Mississippi. The team met with a number of CSLC staff members, who provided an overview of the various components of the programs funded by the RIF grant. Additional meetings with partners such as BankPlus took place at the CSLC offices, either by phone or in person. The team also visited the business incubator down the road from CSLC's main office. The team then went to the site of the new construction project, Faith Hill, before going to Greenwood to meet with partners there. The second day, the team met with staff again at CSLC's main office. Later in the day, the team visited one of the rehabbed homes and joined a town gathering.

Figure 22: CSLC Headquarters



F.3.3. Interview Table

Table 8: CSLC Interviews

Interviewee	Title and Affiliation	Date
Beulah Greer	Executive Director, CSLC	December 11–12, 2014
Gail Brown	Project Director, CSLC	December 11–12, 2014
Leslie Greer	Founder/CEO, CSLC	December 11–12, 2014
Willie Griggs	Construction Manager	December 11, 2014
David Johnson	BankPlus	December 11, 2014
Debra McGee	BankPlus	December 11, 2014
Mark Oulette	BankPlus	December 11, 2014
Cherisee Meeks	Grantee, Business Incubator, OfficeStar Administrative Consulting, LLC	December 11, 2014
Gladys Flaggs	Mississippi Valley State University, Community Service Representative	December 11, 2014
Torris Williams	Director, WIN Job Center, Greenwood, Mississippi	December 11, 2014
Kendra Smith	Former CSLC Job Training Specialist	December 11, 2014
Kati Wilson	Holmes County School District, Deputy Superintendent	December 11, 2014
Destiny Smith	Owner/Operator, Stylups	December 11, 2014
Willie March	Sheriff, Holmes County	December 12, 2014
James Young	President, Holmes County Board of Supervisors	December 12, 2014

CEO = Chief Executive Officer. CSLC = Community Students Learning Center.

F.3.4. RIF Project Overview

The program’s components include—

- Job training with the Mississippi Department of Employment Security’s WIN Job Centers to help place people into jobs, including developing resume and interview skills.
- Business incubator to build small business entrepreneurship, including a partnership with BankPlus.
- Housing rehabilitation with five homes brought up to standard (more than 100 homeowners applied).
- New housing construction, which developed five high-quality single-family homes and helped buyers to qualify.

CSLC sees some potential for job training efforts because of a Nissan plant nearby and has helped locals get jobs there. CSLC has served more than 140 adults and 90 teens with job training services; goals for these outputs were 100 and 50, respectively.

The business incubator was determined to be important from both an employment and an economic development perspective. “Small businesses are the livelihood of the community,” according to Mr. Greer, as they can trigger development. A single business can generate 15 jobs. BankPlus, an important CSLC partner, provided a business seminar through its Business-Plus program, and more than 20 people took the course. Cherisee Meeks, a grantee through the

business incubator, was operating her administrative consulting business during our site visit and commented that her entrepreneurship would not have been possible without assistance from the CSLC business incubator.

Figure 23: CSLC Business Incubator



The housing rehabilitation program is important to Holmes County because so many of the homes are distressed. Flooring and roofing are the primary problems, but substandard homes lacking electricity or water are also prevalent. Good housing is important to improving many social ills, including education- and health-related issues.

The Faith Hill development is five new homes in a new development, just outside Holmes County. The five homes are three-bedroom, single-family dwellings. Construction is complete on the subdivision, which is approximately 10 to 12 minutes from Lexington, although finding qualified homebuyers has been difficult for CSLC due to local poverty and a lack of familiarity with and access to financing options.

Figure 24: Entrance to Faith Hill Development



Figure 25: Faith Hill Development



Housing rehab has progressed as well, meeting the original goals, although need far outstrips resources, as evidenced by the more-than-100 applications for repair received by CSLC.

Figure 26: Housing Rehab Recipient



The primary barriers to successful implementation include the extreme poverty present in Holmes County, with a poverty rate in the target area that is three times the national rate. The catalytic potential of the grant is limited by the lack of economic strength throughout the area and is exacerbated by Lexington's distance from other population centers.

CSLC has made significant progress for an organization originally devoted to educational opportunities for local students. It has significantly expanded its operations into economic development and housing through the RIF program and has broadened its funding options and internal capacity.

F.3.5. Leveraging and Partners Overview

In the application, CSLC had a large number of partners to provide needed leverage. Although some partners did not meet their commitments, CSLC was able to replace them with new partners after the grant was approved. Most of the original partners came through, however, and some did more than they committed to, with the leverage amount totaling approximately the same as projected in the application. Much of the leverage came from donated time that was translated into value by using hourly rates.

BankPlus is an important CSLC partner, providing leverage through the Federal Home Loan Bank's Affordable Housing Program in the amount of \$308,000, helping 44 families realize homeownership. The award-winning BankPlus CreditPlus Program helped increase credit scores

of program participants so they could qualify for a loan. Some participants had credit scores increase by more than 100 points, with the average being 43-point increases. About 16 percent of BankPlus customers have no credit score. BankPlus wants to continue its partnership with CSLC because it uses its funds well.

F.3.6. Capacity Building and Community Impact Overview

The RIF grant has allowed CSLC to build its capacity significantly, making it a much stronger organization. For example, the organization has—

- Developed the ability to manage construction projects, both new construction and rehab.
- Obtained a business incubator certification from the National Business Incubator Institute.
- Upgraded its financial systems, including moving its software from Excel to QuickBooks.
- Earned housing counseling certification by its staff.
- Increased the size of its board.
- Joined the VISTA program, using 15 AmeriCorps volunteers.
- Experienced greater visibility with increased media exposure.
- Built and furnished additional physical space with the business incubator building.
- Honed its data analysis and reporting capability.

The capacity CSLC has built has some sustainability as well, with program income coming in from incubator services and home sales.

Estimating CSLC's impact on the local community is difficult. A number of outputs have been produced, often in greater number than the original goal. In a community of such extreme distress, however, it is difficult to see whether any outcomes were achieved through this work.

F.4. Organized Village of Kake Site Visit Report

RIF Grantee: The Organized Village of Kake

Location: The Village of Kake, Alaska

Dates: December 2–3, 2014

Site Visit Team: Richard Hilton and Wayne Mundy

F.4.1. Key Findings

This RIF grant had one core objective: the development of a *commercial oyster farming operation* at the Organized Village of Kake, Alaska. The project was to have two basic steps. The first was the development of a sufficiently large population of oysters to enable a locally based farm to go commercial. It normally takes 4 to 5 years for a batch of young oysters (“spat”) to become a viable commercial product. The project design called for the farm to have a viable supply of market-ready oysters; thus, the plan called for a supply of market-ready oysters to be available for sale in 2015.

In addition, the project plan called for a cadre of oyster farmers to be trained over the course of the 4 to 5 years that the first batch of oysters was in development. The training for these individuals was to be conducted on site at the oyster farm put in place in a cove close to Kake. A senior mentor with considerable experience in the operation of commercial oyster farms was to provide the training.

The concept of the oyster farm seemed to be a good fit as an organized economic development project for Kake. There are a large number of such entities within the Alexander Archipelago. In addition, there was an existing private-sector farm operating out of Kake. The general area thus was suitable for production of commercially viable oysters, and there was a cadre of experienced professionals in the local communities.

The governing Council had discussed for some time the possibility of supporting development of a farm. A commercial farmer in the region, however, brought the project concept that was submitted as the RIF proposal as a package. Both this individual and the Council knew of the RIF opportunity, and the proposal was submitted by the Council. This individual subsequently served as the “mentor” on the Kake farm for most of the grant’s timeframe. *Informants at the Village of Kake indicated that they had little or no input into the design of the project as presented in the grant application.*

The original project design envisioned the mentor (being paid as a consultant) supervising and training four individuals as they farmed the oysters over the 4- to 5-year timeframe needed to develop a commercial crop. At the end of this period, the trainee workers would have enough experience to become independent farmers, and the floating platform and associated equipment would be an existing resource. In addition to payments made to the consultant, other direct costs associated with the grant included the purchase of the platform and associated equipment, hourly wages paid to the trainee workers during 8 to 9 months of annual daily work on the farm (oyster farms are normally quiescent during the winter months), purchase of spat, and other operational costs, such as boat fuel to get the crew to the platform every day.

Input from the Kake informants indicated that actual program operations did not totally conform to this plan. There were startup problems in Year 1 of the grant, and the mentoring process did not begin seriously until Year 2 of the grant. Even during that year much, if not most, of the mentoring was done at the existing private-sector farm in Kake while the grant-funded platform was being put in place. More important, the Kake informants indicated that in Years 2 and 3, there was considerable turnover among the trainee workers at the farm. From their perspectives, these individuals saw the work at the farm solely as an hourly job and not a skill-building training program that would enable them to move on as independent producers. The Kake informants indicated that only in Year 4 of the grant (recently concluded at the time of the site visit) had the program produced a cadre of four individuals who viewed the program as a training and business opportunity.

At the time of the site visit, the oyster farm was fully operational (though about to be closed down for the winter). The existing supply of developed oysters was about 350,000 (somewhat less than planned—to be explained below). Some of these oysters are already commercially viable, and the workers at the farm are responding to small orders made by individuals in the village. At the time of the site visit, however, no broader marketing plans had been developed.

Data obtained during the site visit indicated that the operation was at a turning point. The village's agreement with the mentor was terminated in September 2014. By all indications, there had been some dissatisfaction with his approach to the mentoring function ("he acted more as a supervisor and not as a trainer"). The mentor was out of the country and not available for an interview during the site visit. Thus, the four individuals who worked on the farm during 2014 will have responsibility for moving the entity forward. At the time of the site visit, these individuals had not proceeded as four independent business entities or as some sort of corporate entity. There was general agreement that a decision on this matter had to be made by April 2015. One possibility was to funnel marketing efforts through the existing commercial farm in the village.

Whatever form the business operation of the farm takes in 2015, the existing conditions indicate that the overall farm operation will be only marginally viable for the next several years. The optimal projections for income in 2015 would be about \$75,000. To continue operations, the entity would need to spend \$25,000 to \$50,000 for additional spat. There would be additional operational expenses of \$15,000 to \$20,000. This obviously leaves little for profit or wages. In 2015, there will be no grant funds available for hourly wages.

As it begins its last year of grant operations, this site has successfully completed construction of a fully operational oyster farm (the farm includes mechanized equipment that greatly enhances the efficiency of maintenance operations), an available supply of commercially viable oysters, and a cadre of individuals trained in the farming of oysters. There was general consensus among all informants that these positive accomplishments will need to be supplemented by some additional steps. First, the training individuals will have to agree on their group or individual business status as operations begin in the 2015 operational year. Second, the individuals/group will need to find a source of bridge financing that will enable them to reach a self-sustaining operational status in 2 to 3 years. The bridge financing will need to be supplemented by some training in the areas of overall business planning, branding, and an effective marketing strategy. There are several viable marketing opportunities available to the operation (for example, during

the summer, some small tour ships dock at Kake). Some of these options were discussed during the site visit; however, at the time, no group or individual was in a position to develop a targeted marketing strategy.

F.4.2. Site Visit Overview

The site visit commenced with an informal interview with the Director of Program Operations for the Village of Kake, Mr. Gary Williams. This individual has been in this position for more than 15 years and was involved in the original decision to submit the RIF grant application. Most important, of all the informants at the site, he was the only individual who had direct experience of all aspects of grant submission and implementation. Mr. Williams was not available for supplemental conversations during the site visit; however, the team was able to hold a closeout conversation with Mr. Williams at the Juneau, Alaska airport on the morning of December 5.

A long discussion with Mr. Adam Davis, the Community and Economic Development Coordinator of the village, followed the initial conversation with Mr. Williams. Mr. Davis is the village official who has had direct administrative responsibility for management of the RIF project since late 2013. He clearly indicated, however, that because he had not been managing the project since its beginning, he could not provide detailed information about the earliest years of grant activities.

A clear impression left by the interviews with both Mr. Williams and Mr. Davis was that for the first 3 years of the grant, *the external mentor largely had control of the project, and the village staff had some difficulty in providing effective oversight*. They also noted that because the mentor had brought the application package to them virtually completed, they felt “locked in” to the approach he had presented in that application.

The opening discussion with Mr. Davis was followed by the site visit team taking a trip, by boat, to the site of the oyster farm. This is about a 1.5-mile trip along the coast of Kupreanov Island to Stedman Cove (there is virtually no habitation on the island outside the village of Kake). The farm is on three floating platforms about one-fourth of a mile from the nearest beach. The oyster population is maintained in submerged containers. Equipment onboard the platforms includes generator-powered sorting and lifting machinery. During the 7- to 8-month growing season, the principal job of the work crews is to continually sort the oysters to ensure that the entire population receives sufficient nutrients. The site visit team was able to hold discussions with two trainees during this visit, particularly focusing on their perception of the effectiveness of the mentoring process.

This visit was followed by a long afternoon discussion with Mr. Davis, in which the main focus was possible marketing opportunities for the oyster product. The team also discussed the type of business-planning decision that the four trainees would have to make.

On the morning of the second day of the site visit, Mr. Davis facilitated a telephone interview with Dr. Charles Carreear. Dr. Carreear had conducted economic development research for the Council, including a household survey in 2010. He provided the site visit team with an assessment of the economic and cultural context in which the business development of the oyster farm would have to proceed.

The final interview of the site visit in Kake was with another of the individuals who had been a trainee during Year 4 of the grant. This discussion focused a great deal on the next steps the trainee had to undertake, including what form of business entity they might want to establish going forward. This interview also focused heavily on the informant's belief that projects of this type needed to include business training as a matter of course.

See figures 27, 28, and 29 for images of the oyster operation.

Figure 27: Oyster Harvest



Figure 28: Mature Oysters



Figure 29: The Only Way To Get to Kake



F.4.3. Interview Table

The individuals listed in table 9 were the primary institutional informants who held discussions with the site visit team.

Table 9: Organized Village of Kake Interviews

Interviewee	Title and Affiliation	Date
Gary Williams	Executive Director, Organized Village of Kake	December 3 and 5, 2014
Adam Davis	Community and Economic Development Coordinator, Organized Village of Kake	December 3–4, 2014
Dr. Charles Carreear	Formerly of the University of Oregon, Consultant to the Organized Village of Kake	December 4, 2014, via telephone
Hank Kopsy	Oyster farm trainee	December 4, 2014

F.4.4. RIF Project Overview

F.4.5. Current Status of Project

In essence, the project conforms to the original design submitted in the grant application. The grantee has in place the necessary infrastructure and stock for a commercial oyster farm and has also trained a cohort of individuals who have the ability to maintain the farm.

F.4.6. Barriers to Implementation

The project seems to have encountered several significant barriers that have impeded fully successful completion of the project. As mentioned previously, there was some difficulty in the startup phase of the project in Year 1 of the grant. The site visit team was not able to obtain details about the factors affecting the startup, but input from all the respondents indicated that the planned farm was not fully operational until Year 3 of the grant. A more significant barrier was a problem encountered between Year 3 and Year 4 of the grant. In oyster farming, some of the mature oysters are put into placements on a beach during the “down” winter months to continue to receive necessary nutrients. Apparently, between Year 3 and Year 4 of the program, the senior mentor consultant made a serious error in the placement of these oysters. Between 30 and 50 percent of the existing stock was lost. This error reduced the size of the oyster stock that the farm will be able to bring to market in 2015. In addition, the oyster farm entity will incur additional future costs because of the need to purchase larger amounts of spat to make up for this loss.

As the project enters 2015, another barrier the project will encounter is the lack of business and financial training for the staff of the farm. All the respondents agreed that the training during the implementation of the project was too focused on hands-on maintenance, whereas important skills, such as financial planning and market strategies, were generally ignored. The village has provided some generic business training for the staff of the farm, but the results were not entirely satisfactory. There was general agreement that the farm staff members will need to significantly upgrade their business skills if the farm is to prove sustainable.

F.4.7. Management Structure of RIF Project

As indicated previously, for most of the implementation period, the consultant hired as a mentor apparently ran the program with minimal oversight. This situation changed with the hiring of Mr. Davis within the last year. The arrangement with the mentor was concluded in September 2014.

At the time of the site visit, Mr. Davis and the staff of the farm seem to have developed a cooperative management approach, which will be invaluable as they make their crucial management decisions in the upcoming months. Mr. Williams and Mr. Davis will work as the farm staff's liaisons with the Council as they seek additional resources.

F.4.8. Placement of RIF Projects in Grantee's Overall Mission

The Village of Kake has endured a long period of economic depression since the closing of its large cannery in the 1980s. Official unemployment figures have always been above 50 percent. Apart from retail and service industries, the only operating business entities are the aforementioned oyster farm and a small duffel bag manufacturer. Although there is an obvious need for economic development, the community also is strongly opposed to any type of development that would significantly change the local environment and ecosystem. There is little community sentiment favoring a major investment in tourist activities.

The oyster farm option seemed a viable economic entity that would not have a severe impact on the existing community structure. In addition, the farm would build on skills already available in the workforce. Another advantage of the oyster farm strategy is that it would enable some individuals to have a stake in the project while being able to continue other types of employment, such as small-scale commercial fishing or employment with one of the village social service agencies.

F.4.9. Leveraging and Partners Overview

F.4.10. Major Partners

At the time of the site visit, the grantee had not obtained significant partnership support for the project. The mentor supplied the major original source of partnership. The grantee recognizes the need to broaden the range of support at this stage of project implementation. One obvious line of support will be the existing oyster farm in Kake. Particularly helpful would be access to the marketing linkages developed by that business.

With the facilitation of the village administration, the operators of the farm will also be seeking technical training and support for business planning and computer systems.

F.4.11. Leveraged Support Obtained by Grantee

To date, the farm operation has not used external funding. As mentioned previously, whatever business formation continues operation of the oyster farm will need to obtain financing, probably within the next 6 months. The project team discussed several options with the village representatives. The most likely source of external funding would be a state-coordinated loan program designed to support commercial fishery operations.

F.4.12. RIF Enhancement of Leveraging Capability of Grantee

This is a difficult factor to assess because no attempt has been made to obtain external funding. The village administration obviously has an existing capability to seek funding and that will remain constant whatever the final status of the farm project.

The farm project needs to establish a structure to prove its ability to find and obtain external funding to maintain operations. This ability will have to be demonstrated in 2015.

F.4.13. Other Funding Sources

The chief external funding source mentioned was the state-coordinated loan program. The village Council almost certainly will not subsidize farm operations, and the grantee representative will not seek grant funding to maintain farm operations.

F.4.14. Capacity Building and Community Impact Overview

F.4.15. RIF Impact on the Internal Capacity of the Grantee

The greatest immediate impact of the project is the farming skills obtained by the final cohort of trainees. That technical skill enhancement, however, needs to be supplemented by additional business planning and operations training. These are skills that are apparently in low supply in the population, and such training would have significantly enhanced the skill level of the community.

F.4.16. RIF Impact on the Broader Community

Given the small size of the private-sector economy in Kake, the eventual sustainability of the farming operation would have a significant economic impact. In addition to the income derived from direct sales, there would also likely be job and income growth, such as from sales to tourists and from jobs involved in marketing the local product.

F.4.17. Grantee Experience and Followup

F.4.18. Grantee Perceptions of RIF's Importance/Impact

As a funding opportunity, the RIF was perceived by the grantee as extremely useful in its situation. The fairly flexible requirements of the grant allowed the grantee to submit an application for a program design that the applicants knew would be relatively unique.

F.4.19. Grantee Experience With RHED and RIF Comparison

Not applicable.

F.4.20. Followup Data To Be Collected Related to Outputs and Impacts

The site visit team intends to conduct a supplementary telephone interview with the operator of the existing oyster farm in Kake.

F.4.21. Summary of Documents/Data Obtained or Reviewed During Site Visit

The results of a household survey conducted in Kake in 2010 follow.

F.4.22. Summary Kake Household Survey

Comprehensive Economic Development Strategy (CEDS) Committee: Results and Analysis of the 2009 Kake Household Survey

In 2003–04, in response to the crisis situation in the local economy, Kake’s key governmental and civil society organizations came together in a partnership to rebuild the economy. They formed the CEDS Committee, a community-wide collaboration that has led to numerous accomplishments over the past 5 years, such as reconstruction of the dam, expansion of the medical clinic, acquisition of certified police personnel, and funding for construction of a new multiuse dock.

To more fully understand Kake’s assets, weaknesses, and opportunities, the CEDS Committee commissioned a household survey to collect information and opinions from Kake residents. Here are some highlights of the results.

The things we most need to preserve in our community (most frequent responses):

- Tlingit culture (49%).
- Tlingit language (21%).
- Subsistence lifestyle (17%).
- Totem pole (restore it) (14%).

The things we need to change (most frequent responses):

- Improve the town’s physical appearance (21%).
- Demolish old and abandoned buildings (16%).
- Increase the amount and availability of employment (15%).
- Space for youth to congregate and have organized activities (14%).

Opportunities and Assets (most frequent responses):

- Tourism (24%).
- Fishing (23%).
- Natural beauty and resources (19%).
- Location (11%).
- Tlingit culture (11%).
- Subsistence lifestyle (11%).

Local Economic Conditions

Have friends/relatives who had to leave Kake because of (multiple responses allowed):

- Lack of employment opportunity (91%).
- High cost of fuel (69%).
- High cost of electricity (64%).

Have friends/relatives who would be willing to relocate back to Kake: 78%.

Would be interested in starting a business in Kake: 54%.

Barriers to starting a business in Kake:

- Financing (95%).
- Lack of management training/experience (60%).
- Lack of marketing training/experience (54%).
- Small customer base in Kake (35%).
- Lack of technical skills (25%).
- Lack of skilled workforce in Kake (22%).

Would be interested in some type of business training or development: 48%.

Desired Health/Wellness Facility Features/Services

- Regular dental care (17%).
- Have exercise equipment available (15%).
- Resident physician (11%).
- Swimming pool (9%).

Demographics

- 70.5% of responding households are headed by an enrolled member of the Organized Village of Kake.
- 44% of those in responding households are working aged—between 18 and 64.
- 84% of the responding households have at least one person in the workforce—someone who is self-employed, working, and/or actively looking for work.
- 61% report having at least one household member who is unemployed and actively looking for work.
- 91.3% of all households in Kake are low or moderate income; those households include 85.98% of all people living in Kake.

F.5. Keweenaw Bay Indian Community Site Visit Report

RIF Grantee: Keweenaw Bay Indian Community (KBIC)

Location: Baraga and Marquette, Michigan

Dates: December 3–5, 2014

Site Visit Team: James Hedrick and Lindley Higgins

F.5.1. Key Findings

- The RIF grant allowed for the creation of a corporation that is building the grantee’s capacity to act as a driver of economic development for the tribe by building a legal framework for future businesses.
- The grant has provided a basis for developing a solar panel installation business that could employ tribal members.

F.5.2. Site Visit Overview

All meetings were held on December 4 and 5 in Baraga, Michigan and Marquette, Michigan. Meetings scheduled for December 3 had to be canceled because the flight to Hancock Airport was not able to land and returned to Chicago. The December 4 meeting was held at the KBIC Office of Planning and Development in Baraga with Gregg Nominelli, an economic developer with KBIC and the interim CEO of Aanikoosing, Inc. On December 5, the team drove to Marquette to see the gas station under construction and to meet with Mr. Nominelli and Dale, the construction manager for the project.

F.5.3. Interview Table

Table 10: KBIC Interviews

Interviewee	Title and Affiliation	Date
Gregg Nominelli	Economic Developer, KBIC; Interim CEO, Aanikoosing, Inc.	December 4–5, 2014
Dale [Surname unknown]	Construction Manager	December 5, 2014

CEO = Chief Executive Officer. KBIC = Keweenaw Bay Indian Community.

F.5.4. RIF Project Overview

The KBIC grant was used to create a corporation and build a gas station/convenience store. The corporation, Aanikoosing, is in place and the gas station, the corporation’s first business, is under construction.

Figure 30: Gas Station Under Construction



Barriers to implementation do not seriously threaten the execution of the activities proposed in the grant. The corporation is developed, and the gas station is nearly complete. It may be difficult, however, for the corporation to take the next step of developing job-creating industry for the KBIC. The tribe is focused on renewable energies and is currently examining the potential for creating a solar panel installation business.

The tribal council oversees the corporation and is the responsible party for the grant. The corporation is responsible for building the gas station and exploring other business opportunities for the tribe. The council holds two of five seats on the corporation's board, allowing the corporation some measure of independence and fewer entanglements with tribal politics.

The grantee's mission is to provide economic development opportunities to the KBIC. The grant supports that mission directly through the creation of the corporation and the gas station, which will provide 17 full-time-equivalent positions, and indirectly through future economic development that the corporation may foster.

F.5.5. Leveraging and Partners Overview

An Indian Community Development Block Grant of \$600,000 provided most of the matching funds for the grant, with an additional \$200,000 coming from the tribe. The tribe also purchased the land on which the gas station is being built for \$1.5 million; the tribe is leasing the land to the corporation for \$1 per year.

Much of KBIC’s partnerships involved its development of its solar panel installation capacity, a key aspect for the future of Aanikoosing. Much of the planning for an economic focus on renewable energies came from collaborations with the U.S. Department of Justice, the U.S. Department of the Treasury, and the U.S. Department of Energy in 2008 and 2009. These agencies provided funding for planning and feasibility studies. KBIC is also partnering with Michigan Technical University in Marquette on solar panel installation.

A \$60,000 grant from the U.S. Department of Agriculture and \$30,000 from the Michigan Economic Development Corporation aided progress toward this business by paying for the installation of solar panels on the Commodity Foods warehouse. Although not a business transaction, it did provide some experience for the tribe.

The Nebraska Winnebago provided technical assistance to the corporation, helping KBIC create a business model based on Ho-Chunk, Inc. Ho-Chunk was developed with the assistance of Harvard Business School and assisted KBIC in understanding the legal basis of tribal corporations in 2008.

Table 11: RIF Grant Leverage, KBIC’s Aanikoosing, Inc.

Source	Description	Value
HUD	Indian Community Development Block Grant	\$600,000
KBIC Tribal Council	Tribal Funds	\$200,000
Total Leverage		\$800,000

HUD = U.S. Department of Housing and Urban Development. KBIC = Keweenaw Bay Indian Community. RIF = Rural Innovation Fund.

F.5.6. Capacity Building and Community Impact Overview

The internal capacity of the grantee was significantly enhanced. By creating the corporation, the tribe learned how federal laws governing the tribe interacted with state laws, the legal necessities of corporations, and what mechanisms and procedures were needed to comply with laws and codes.

The community impact of the grant could be extensive, with 17 full-time-equivalent jobs created, more than \$1 million a year expected in revenue from the gas station, and additional business opportunities available on the land purchased by the tribe.

F.6. Oglala Sioux Housing Authority Site Visit Report

RIF Grantee: Oglala Sioux Housing Authority (OSHA)

Location: Pine Ridge Reservation, Pine Ridge, South Dakota

Dates: March 9–10, 2015

Site Visit Team: James Hedrick and Lindley Higgins

F.6.1. Key Findings

- The \$2 million RIF Comprehensive Grant was used to create 18 homes that are energy efficient and located near existing infrastructure.
- The RIF grant allowed for the development of Lakota Property Management and a system that creates incentives for home maintenance and rent collection; this could improve chances for low-income housing tax credit acquisition.
- OSHA is currently analyzing the comparative energy efficiency of different homes they manage.

Figure 31: Oglala Sioux Housing Authority Headquarters



F.6.2. Site Visit Overview

All meetings took place on March 9 or 10, 2015, at the Pine Ridge Reservation of the Oglala Lakota tribe. Introductory and exit meetings were held with OSHA staff listed in table 12, and informal interviews were held at different times with residents of the homes. A brief meeting was also held with Nick Tilsen, Executive Director of the Thunder Valley Community Development Corporation (CDC), a partner of the Housing Authority that also constructs homes on the Pine Ridge Reservation.

Figure 32: Thunder Valley CDC



Vince Martin and Gilbert Ecoffey were our primary informants, and they provided us a tour of the reservation, OSHA operations, and several of the constructed homes. Many of the RIF houses were in communities previously built with tribal funds over the past several decades to take advantage of existing infrastructure and resources, such as educational and recreational opportunities.

Figure 33: Vince Martin, Gilbert Ecoffey, and Lindley Higgins at Construction Site



We also had the opportunity to see several other tribal institutions, such as the Oglala Lakota College, the Prairie Wind Casino, and the local Head Start program.

F.6.3. Interview Table

Table 12: OSHA Interviews

Interviewee	Title and Affiliation	Date
Ernie Little	Development Coordinator, OSHA	March 9, 2015
Rodney Clark	Project Manager	March 9–10, 2015
Lorrain Little	Administrative Coordinator	March 9, 2015
Vince Martin	Chief Operating Officer, OSHA	March 9–10, 2015
Doyle Pipe on Head	Contract Manager	March 9, 2015
Gilbert Ecoffey	Project Inspector	March 9–10, 2015
Dale Bear	Accountant	March 9, 2015
Donna Lamont	Property Manager	March 9–10, 2015
Nick Tilsen	Executive Director, Thunder Valley CDC	March 9, 2015

CDC = Community Development Corporation. OSHA = Oglala Sioux Housing Authority.

F.6.4. RIF Project Overview

The study team met with OSHA on Monday and Tuesday, March 9 and 10, 2015, at their offices on the Pine Ridge Reservation. The first morning was used for a broad discussion with staff members about the projects, particularly the energy efficiency of the homes. The team then visited nearly all the homes, with walkthroughs of both in-construction and completed homes. Additional homes were visited on the second day, with final closeout discussions at OSHA's office focusing on organizational effects of the grants.

Figure 34: Completed and Occupied RIF Homes



OSHA is chartered by the Lakota Tribe and has used the RIF grant to build 18 homes on the Pine Ridge Reservation. The homes were built in nine different communities, two homes per community, to spread the effect across the reservation. The reservation is in great need of quality housing, with many people living in substandard and overcrowded housing.

Figure 35: An OSHA Housing Community



F.6.5. Leveraging and Partners Overview

OSHA provided \$1 million in Native American Housing and Self Determination Act (NAHASDA) funding to leverage the \$2 million grant. The housing authority receives approximately \$10 million in NAHASDA funding each year.

OSHA partners include EnviroTech, a construction company focused on energy-efficient homes; Thunder Valley CDC, which is building a planned development where two of the OSHA homes have been built; Partnership for Housing, which does homeownership counseling; and Oglala Lakota College, which is providing the housing counseling and financial education.

F.6.6. Capacity Building and Community Impact Overview

The project provided high-quality homes for 18 families in one of the poorest counties in the United States. Pine Ridge suffers from much substandard and overcrowded housing, with as many as 20 people living in a home. The grant also paid for some infrastructure improvements that will allow for additional construction in the future. In addition, work on local infrastructure has improved records on where pipes and sewers are located. With no central planning office, many records on the location of major infrastructure developments were inaccurate or missing. These inaccuracies were identified and catalogued during the construction process, and these once-dispersed records are now being kept in a central location.

The homes are highly efficient from an energy usage standpoint. There is passive solar heating and retention in the winter, and design enhancements improve insulation in both the hot and cold seasons. The homes run east to west, with most windows on the south side to bring in the most light. They have “air recovery systems” to keep air moving through the home. OSHA is doing an analysis of heating and cooling costs across a number of home types, including one of the new homes fitted with donated solar panels. The homes are “tight fit” to make them more energy efficient.

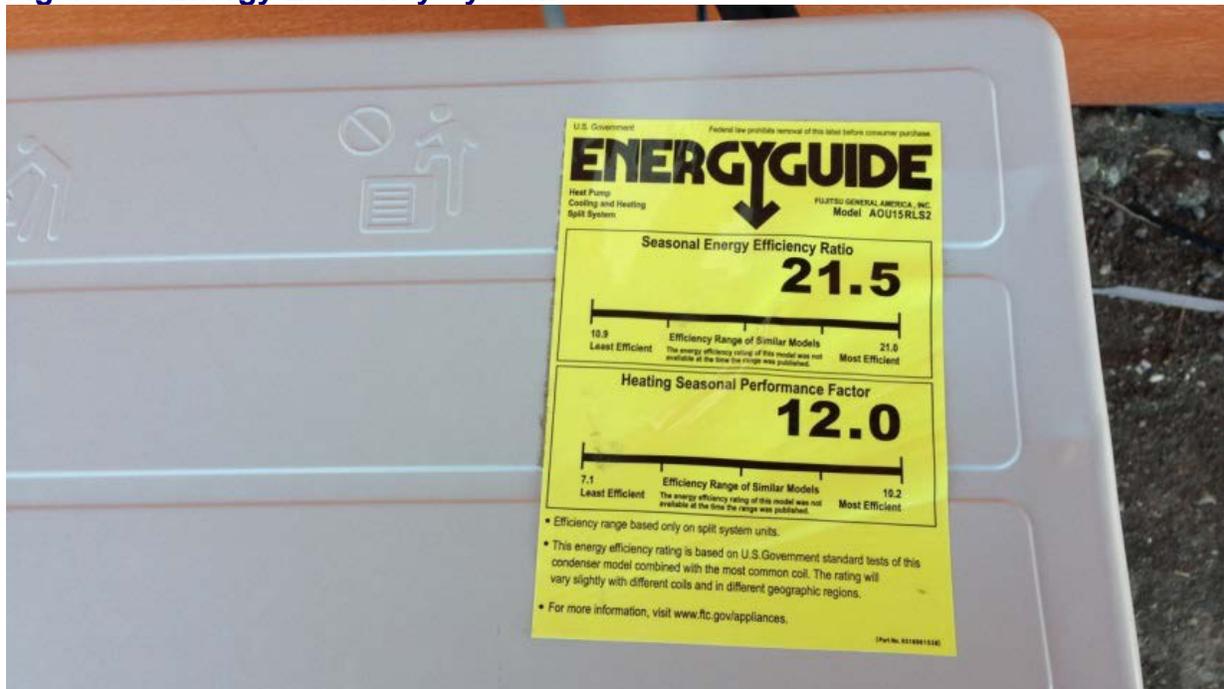
Figure 36: Energy Efficiency in Design



Figure 37: Energy-Efficient Heating and Cooling Systems



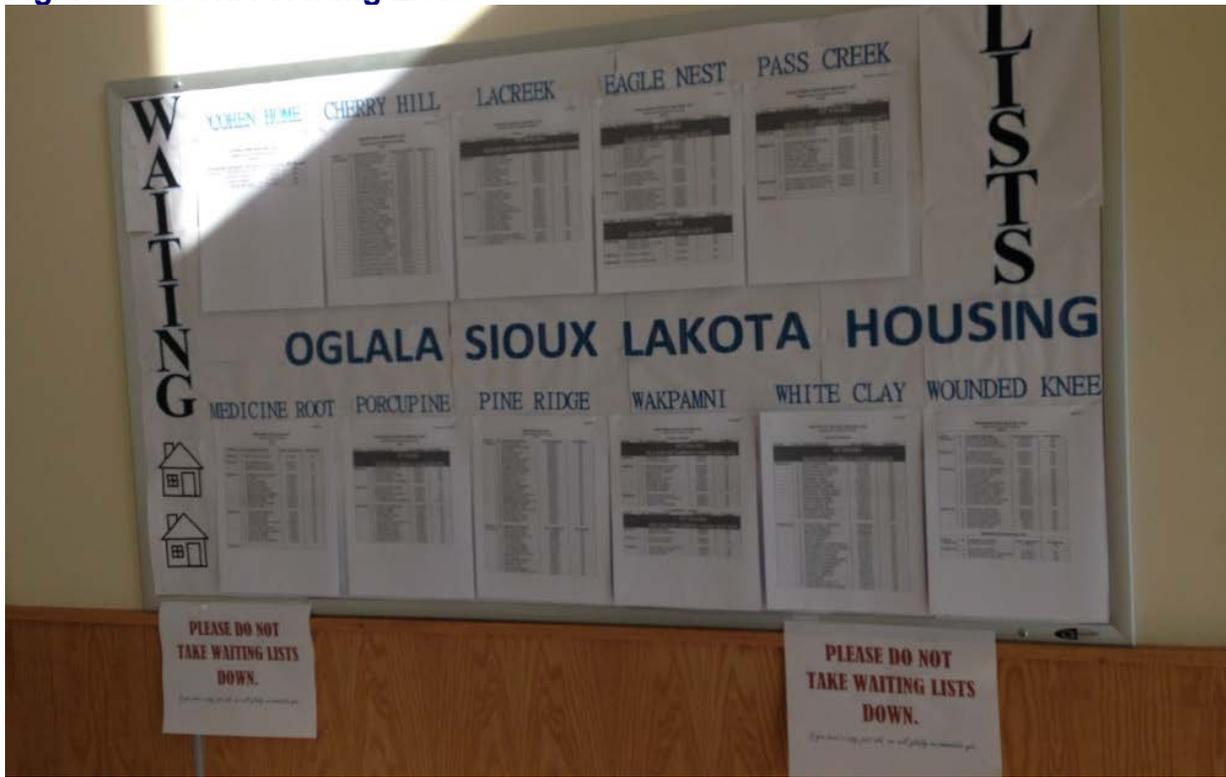
Figure 38: Energy Efficiency Systems



OSHA's organizational capacity was enhanced significantly with the creation of Lakota Property Management. Because the RIF homes are higher quality than much of the existing housing, their residents will pay higher rent, take financial education, and be required to attend housing counseling courses. They also have more stringent rules for staying in the homes, such as having to pay rent through direct deposit, with the potential of being evicted within 10 days of not paying rent. The homes are geared more toward middle-income (a relative term on the reservation) households. The homes have more in-home amenities: appliances, yards, fences, and so forth. The new Lakota Property Management will allow the housing authority to exercise more stringent control over the management of the properties and provide more freedom to impose sanctions on residents when necessary.

OSHA hopes to change the attitude of people on the reservation that housing is an entitlement that residents need not maintain. The grantee hopes to (a) find that the RIF homes will be better maintained by their residents, (b) minimize vacancies, and (c) improve rent collection. OSHA expects that this new approach will improve its finances and extend the life of the homes. The improved financial situation for OSHA makes the acquisition of tax credits more likely, and improved rent collection will make future tax credit projects more viable.

Figure 39: OSHA Waiting Lists



F.7. PathStone, Inc., Site Visit Report

RIF Grantee: PathStone, Inc.

Location: Poñce and Castañer, Puerto Rico

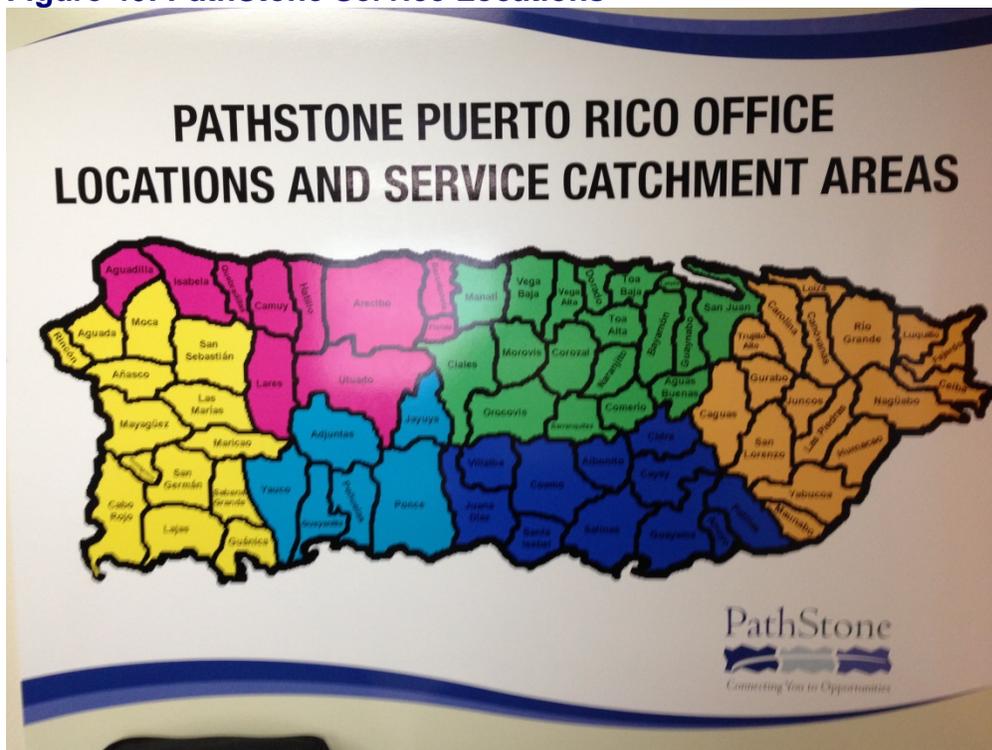
Dates: December 15–17, 2014

Site Visit Team: James Hedrick and Mark Stewart

F.7.1. Key Findings

- Puerto Rico has very little nonprofit infrastructure. PathStone is one of very few housing/economic development nonprofits operating on the island.
- PathStone has productively integrated the RIF project—focused on economic development and housing for coffee growers in the Castañer region—with numerous other supportive and social services.
- The demand for training in soft skills—interviewing, resume development, and so forth—for workers continues to be a theme throughout our RIF visits.
- The comprehensive approach allowed PathStone to hire additional staff and integrate a number of programs, leveraging funds from other organizations and providing a variety of services without interruption to clients.
- Flexibility is a key aspect of the RIF funding. There are few funding opportunities that provide the money to “fill in the blanks” throughout a large-scale, multifunctional housing and development organization.

Figure 40: PathStone Service Locations



F.7.2. Site Visit Overview

The site visit began with an orientation to the organization and the RIF project at the PathStone Housing office in Ponce, Puerto Rico. Day 1 (December 15, 2014) consisted primarily of discussions with PathStone staff at their offices and tours of local offices and nearby housing developments, including Portal de San German. Day 2 consisted of morning meetings and interviews with staff, as well as meetings with clients and beneficiaries of PathStone programs. Afternoon activities included visits to clients of PathStone Enterprise Center, Inc., a PathStone program that lends to small businesses. These clients were part of the Route 123 attraction developed as part of the PathStone RIF grant. The Route 123 attraction was meant to bring agritourism, development, and attention to Puerto Rico’s coffee growers and affiliated businesses.

F.7.3. Interview Table

Table 13: PathStone Interviews

Interviewee	Title and Affiliation	Date
Javier Zapata	Director, RIF Program	December 15–16, 2014
Lee Beaulac	Consultant, past Director of Public Affairs, and Senior Vice President of Community and Economic Development for PathStone	December 15–16, 2014
Laura Colon	PathStone Employee	December 15–16, 2014
Kevin Colon	Business Development Office (RIF)	December 15–16, 2014
Jeff Lewis	Senior Vice President of Planning and Research	December 15–16, 2014
Luayda Ortiz	Director, Training & Employment	December 15–16, 2014
Miriam Sierra Burgos	Owner, Restaurante Alborada, PathStone Enterprise Center loan recipient	December 16, 2014
Juan Jose Pons	Owner, Hacienda Pons	December 16, 2014
Pedro Bengochea	Finca Bartolo	December 16, 2014
Dr. Norma Pena	Junta de Planificacion (Planning Board) Member—Commonwealth of Puerto Rico	December 16, 2014
Gessellie Caraballo	RIF Workforce Training Recipient, PX2—Security Guard	December 16, 2014

RIF = Rural Innovation Fund.

F.7.4. RIF Project Overview

PathStone developed a comprehensive project to address the needs of the rural Castañer area of western Puerto Rico, combining—

8. Training and employment services for residents.
9. Training and resources for rural growers (primarily coffee).
10. Financial and technical assistance for local microenterprises.
11. Development of agritourism in the region (primarily coffee).
12. Creation of affordable housing.

The target area for the PathStone project included Puerto Rico’s historical coffee-growing region, referred to by the organization as the Ruta 123 corridor. The primary focus was economic development through encouragement of agriculture tourism by supporting existing local businesses and entrepreneurs through technical assistance and planning. The study team visited several local businesses along the route, including haciendas roasting coffee, growers and product developers, and hospitality businesses such as restaurants and cafes.

PathStone also worked with partners and existing programs to create affordable housing in the region, either through sweat-equity programs or subsidized rental properties. We met with recipients of housing through PathStone during the visit at San German, a 56-unit site, and a self-help housing program in the Castañer region.

PathStone had also used RIF funds to leverage additional monies for workforce training programs, developing training programs for youth and adults. The youth training program, in particular, was developed because of the addition of RIF funding. Interviews with recipients indicated that PathStone was seen as more “egalitarian” and willing to accept any applicants.

Overall, the most innovative aspect of PathStone was the development of the Ruta 123 corridor, a major planning and investment project in local businesses meant to spur tourism as well as local economic development. Additionally, PathStone has developed a strong web of interlocking programs for its participants. It was an excellent example of leveraging funds and programs from different organizations—municipal, state, federal, and other—to create a comprehensive set of services for workers of all ages and businesses of all sizes.

F.7.5. Current Status of Project

PathStone’s project is on schedule, and the organization has achieved many of its project milestones—even surpassing several, particularly with regard to workforce training.

F.7.6. Barriers to Implementation

No barriers to implementation were identified, although PathStone reported difficulties working with several of the Commonwealth Departments, particularly the Department of Housing of Puerto Rico.

F.7.7. Management Structure of RIF Project

PathStone operates its RIF project locally, with support from the PathStone Headquarters in Rochester, New York, as needed. It has also developed a long list of local, commonwealth, and federal partners surrounding its RIF program.

F.7.8. Leveraging and Partners Overview

PathStone has developed a broad, interconnected series of partners for different aspects of their RIF Program. Several partners are involved in the workforce training, several in the development of the Ruta 123 tourism corridor, and several in the microenterprise program. Table 14 lists leveraging partners based on the PathStone application as well as our site visit and discussions with staff.

Table 14: RIF Grant Leverage, PathStone Corporation

Source	Description	Value
PathStone Enterprise Center	\$500,000 for housing predevelopment costs and \$50,000 for microloans.	\$550,000
Pontifical Catholic University Puerto Rico	Professional resources and in-kind contributions of community planning charrettes, student intern assignments for research in the area of regional marketing and community organizing, creation of a GIS system, investigation of economic growth potential.	\$617,650
HOME Funds and Banco Popular	For the construction costs associated with 10 single-family housing units (Vistas de Castañer) in the Castañer zone.	\$790,000
Enterprise Community Partners	To support a Rose Fellow placement with PathStone in Puerto Rico. Juan Calaf is an architect assigned as a Rose Fellow to work with PathStone on housing design, green building, and site development for multifamily and single-family housing.	\$50,000
National Council of la Raza	For Housing Counseling Services.	\$10,000
Total Leverage		\$2,017,650

GIS = geographic information systems.

Figure 41: Outdoor Play Area, PathStone Housing



F.7.9. Major Partners

- Catholic University Architectural School.
- Enterprise Community Foundation.

- Banco Popular de Puerto Rico.
- Center for the New Economy.

F.7.10. Leveraged Support Obtained by Grantee

PathStone was able to secure and leverage all funds needed for its RIF activities. The RIF program provided the opportunity for PathStone to hire new staff with experience and demonstrated capacity to administer housing programs. The results moving forward with the projects and completing them successfully have increased the reputation of the organization and the capacity to compete and rank well on the proposals.

F.7.11. RIF Enhancement of Leveraging Capability of Grantee

PathStone possessed considerable leveraging ability before the RIF grant. The grantee brought that expertise into the project. The RIF project allowed the PathStone staff to show other funding sources that they had operational funds for a significant period of time—3 to 4 years. This allowed them to argue that PathStone was a good investment for other funders, including state-level organizations and private sources. According to our discussions with PathStone staff, nonprofit organizations in Puerto Rico have difficulty accessing funds for operational expenses, which dramatically affects their internal capacity. The RIF funds allowed PathStone to solidify its staffing and operations across multiple divisions and improve its internal capacity.

F.7.12. Other Funding Sources

- Puerto Rico Housing Finance Authority—HOME and Tax Credits Programs.
- U.S. Department of Agriculture Rural Services—514, 516, 502 Programs.
- Federal Home Loan Bank of New York—Affordable Housing Program.
- Housing and Human Development Trust Fund.
- NeighborWorks America.
- U.S. Department of the Treasury—Capital Magnet Fund.
- Housing Department of Puerto Rico—CRUV Fund.
- Banco Popular de Puerto Rico—Private Construction Loans.
- HUD—202 Program.
- Enterprise Community Foundation—Section 4 and Green Charrette Grants.
- U.S. Department of Labor—Farm Labor Housing Services Grant.

F.7.13. Capacity Building and Community Impact Overview

F.7.14. RIF Impact on Internal Capacity of Grantee

PathStone has some of the best internal capacity we have seen throughout our site visits. This capacity is reminiscent of the Southern Bancorp Community Partners (SBCP; see section F.9), another organization that functions as a partial subsidiary to an organization with a broader presence. PathStone hired several full-time employees as a result of the RIF grant award, including Kevin Colon in business development to operate the microenterprise program. Overall, the capacity of the organization is higher than it was before PathStone received RIF funds, through both the acquisition of training and skills and new hires.

F.7.15. RIF Impact on the Broader Community

PathStone seems to be one of the few broad-based nonprofits operating in Puerto Rico and, as such, is in an almost unique position to bring together funding organizations with clients and

businesses on the ground. The Ruta 123 project (flyer pictured in figure 42) is an example of how PathStone plays a role in providing the experience and background necessary to jumpstart large-scale projects that can affect whole communities and regions.

Figure 42: Ruta 123 Program Flyer



The flyer features the Ruta 123 logo at the top, which consists of a stylized 'W' in blue and green above the text 'RUTA123' and the tagline 'MÁS QUE UNA RUTA, ES CULTURA'. Below the logo is the website address 'www.ruta123.com'. The main image shows a hand holding a butterfly, with a small inset image of the Ruta 123 brochure. At the bottom, there are images of coffee beans and coffee bags.

JAVIER E. ZAPATA RODRIGUEZ, EDFP
 DIRECTOR, RURAL INNOVATION
 FUND - RUTA 123

¡Bienvenido a la Ruta 123! Puerto Rico ha sido reconocido mundialmente por sus playas, vida nocturna y variedad de entretenimiento. En adición, Puerto Rico cuenta con una gran diversidad de recursos naturales, históricos y culturales gracias a su profunda historia, enmarcada en una isla que, aunque geográficamente pequeña, es gigante en la variedad de experiencias que ofrece al turista. PathStone se siente orgulloso de presentarle el corredor Agro-turístico Ruta 123. La Ruta 123 la componen los municipios de Ponce y Adjuntas y la región de Castañer. Esta publicación resalta, respectivamente, sus mayores atracciones, hospedajes, gastronomía y varios tesoros escondidos esperando para su disfrute. Específicamente, Ponce ofrece una rica experiencia cultural con su variedad de museos, parques y estructuras de valor arquitectónico. Se resalta en el municipio de Adjuntas sus valiosos recursos naturales, paradores y gastronomía puertorriqueña. Por último, pero no menos importante, Castañer posee una profunda historia de la industria del café en Puerto Rico, aún viva y representada en las grandes haciendas cafetaleras, que en algunos casos, hoy en día procesan el café por el cual somos reconocidos mundialmente. La Ruta 123 es el resultado de una colaboración multisectorial y de empoderamiento entre diversos grupos incluyendo grupos de base comunitaria, organizaciones sin fines de lucro, pequeños y medianos comerciantes, agencias estatales y federales y la Academia. Le invitamos a que visite todo lo que la Ruta 123 tiene para ofrecer. Porque la Ruta 123, más que una ruta, es cultura.

Welcome to Route 123! Puerto Rico has been recognized worldwide for its beaches, nightlife and variety of entertainment. In addition, Puerto Rico has a great diversity of natural, historical and cultural resources through its deep story, set on an island that although geographically small, is huge in the variety of experiences offered to tourists. PathStone is proud to present the Agro-tourism Route 123. Route 123 travels the towns of Ponce, Adjuntas and the Castañer Region. This publication highlights, respectively, the main attractions, inns, dining and several hidden treasures just waiting for your enjoyment. Specifically, Ponce offers a rich cultural experience with its variety of museums, parks and structures of architectural value. Adjuntas stands for its valuable natural resources, hosts and Puerto Rican cuisine. Last but not least, Castañer has a deep history of the coffee industry in Puerto Rico, still alive and represented in large coffee plantations, which in some cases nowadays processes the coffee for which we are globally recognized. Route 123 is the result of a multi-sectoral collaboration among diverse groups including community-based groups, nonprofit organizations, small and medium local businesses, state and federal agencies and the Academy. We invite you to visit all that Route 123 has to offer. Because Route 123, more than a route, its culture.

ROUTE 123 3

F.7.16. Grantee Experience and Followup

F.7.17. Grantee Perceptions of RIF’s Importance/Impact

The key theme around the grantee’s perception of RIF is again “flexibility.” PathStone staff continually emphasized the importance of the flexibility that the RIF program gave them and how the structure of the program allowed them to conceive of a broad, comprehensive program, in contrast to the tight focus of many federal funding sources.

F.7.18. Grantee Experience with RHED and RIF Comparison

Not applicable. PathStone did not receive previous RHED funds in Puerto Rico.

F.7.19. Followup Data To Be Collected Related to Outputs and Impacts

PathStone provided substantial followup documents, including annual reports and other information.

F.7.20. Summary of Documents/Data Obtained or Reviewed During Site Visit

13. PathStone 2013 Annual Report.
14. PathStone Site Visit Agenda.

15. Ruta 123 Microenterprise Program Flyer.
16. PathStone “Strengthening Families, Revitalizing Communities” Program Flyer.
17. PathStone Technical Application for Additional Project Funds.
18. Strategic Housing Issues for PathStone in Puerto Rico: Update to 2007 Plan (May 10, 2010).
19. 2014 Update—PathStone Puerto Rico Housing Business Planning Interviews Summary.
20. Loans Closed by PathStone Enterprise Center using HUD RIF Funds: List and Descriptions.
21. Coffee Cultivation and Economic Development in the Castañer Region—Research funded by PathStone using RIF funds. Center for a New Economy Report.
22. Puerto Rico—Model Forest Law (Spanish).

F.8. Portable Practical Educational Preparation Site Visit Report

RIF Grantee: Portable Practical Educational Preparation (PPEP)

Location: San Luis, Arizona, Yuma, Arizona, and PPEP headquarters in Tucson, Arizona

Dates: November 18–21, 2014

Site Visit Team: Alex Thackeray and Lindley Higgins

F.8.1. Key Findings

- HUD’s RIF grant allowed PPEP’s YouthBuild Program to double in size and more than double the impact on community and residents.
- Partnerships with nonprofits and government agencies were significantly enhanced because of the increase in program scale that occurred because of the RIF grant.
- The increase in activity and enhancement in partnerships has helped to make the program more sustainable, with increased visibility and impact.
- Projected leverage was approximately 60 percent of the total grant; total actual leverage will not be known until the program closes.

F.8.2. Site Visit Overview

All meetings were held on November 19 and 20, 2014, in Yuma, Arizona and San Luis, Arizona. PPEP Chief Administrative Officer Kari Hogan arranged the schedule of interviews, and she also attended all meetings and helped provide context for the meetings. Jesse Lopez, the YouthBuild Program Coordinator, also attended most meetings and site visits. After an initial discussion with Kari, we went to the Housing Authority of the City of Yuma and met with Executive Director Michael Morrissey and Cecilio Molina, Maintenance Supervisor, to discuss their partnership with PPEP for bathroom remodeling. We then drove to San Luis to meet with Gary Black, the Deputy Director of Comite de Bien Estar, Inc., another important PPEP partner, to discuss their self-help housing and housing rehabilitation partnerships. Executive Director Tony Reyes also joined the conversation. The day ended at PPEP’s San Luis headquarters, where we met with the students currently enrolled in the program, the construction supervisors, teachers, and PPEP staff.

The team returned to San Luis on the morning of November 20 to meet with representatives from the City of San Luis: Judge Rosendo Morales and Council Members Maria Ramos and Marco Pinzon. In addition, a YouthBuild graduate, Joel, attended the meeting. A wrap-up discussion was held with Kari, and the team then went to a number of sites where the students had worked, including an entire self-help housing neighborhood and a City of Yuma public housing development.

F.8.3. Interview Table

Table 15: PPEP Interviews

Interviewee	Title and Affiliation	Date
Kari Hogan	Chief Administrative Officer, PPEP	November 19–20, 2014
Jesse Lopez	Program Coordinator, PPEP	November 19–20, 2014
Michael Morrissey	Executive Director, Housing Authority of the City of Yuma	November 19, 2014
Cecilio Molina	Maintenance Supervisor, Housing Authority of the City of Yuma	November 19, 2014
Gary Black	Deputy Director, Comite de Bien Estar, Inc.	November 19, 2014
Tony Reyes	Executive Director, Comite de Bien Estar, Inc.	November 19, 2014
Rosendo Morales	Judge, City of San Luis	November 20, 2014
Marco Pinzon	Council Member, City of San Luis	November 20, 2014
Maria Ramos	Council Member, City of San Luis	November 20, 2014

PPEP = Portable Practical Educational Preparation.

F.8.4. RIF Project Overview

PPEP applied its RIF grant of \$1,577,840 to its existing YouthBuild Program. PPEP’s YouthBuild provides an opportunity for young people to work toward their general educational development (GED) high school equivalency certification while earning money working construction. The program begins with 20 to 24 youth who have applied, been accepted, and successfully made it through “mental toughness” training for 2 weeks to ensure they have the attitude to complete the program. The youth split their time between the classroom, where they study English and GED material, and the job sites. Since the RIF grant, the students have worked on remodeling bathrooms (figure 43), rehabilitating homes that are later sold, and helping people build their self-help homes (figure 44). The program provides not only GED funds and wages but additional funds for scholarships, home improvement skills, certifications such as CPR, and a feeling of confidence that can only come from success and personal progress.

Figure 43: Bathroom Rehab

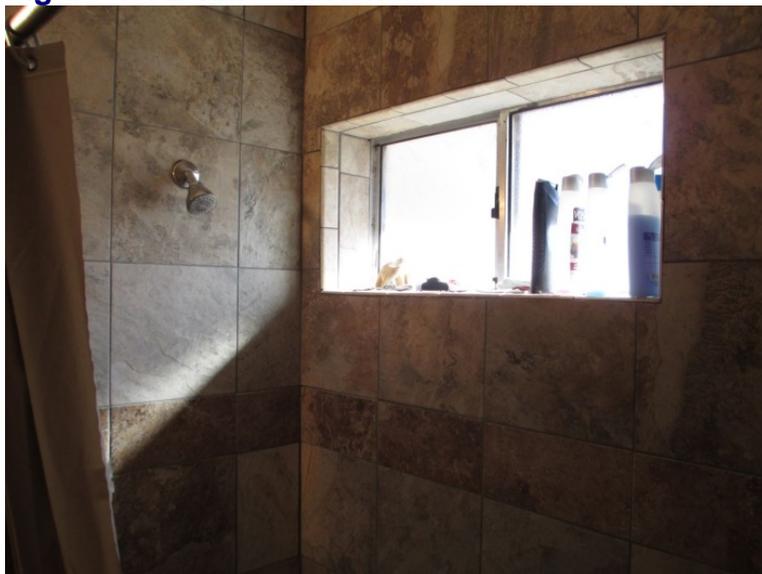


Figure 44: PPEP Self-Help Home



PPEP's YouthBuild has had an attendance rate of more than 95 percent until recently; a number of students have missed classes because they got discouraged after not passing portions of the GED exam. In general, 75 to 80 percent of the students earn their GED; PPEP's goal is 85 percent, whereas the national average is 70 percent. In the most recent group of 12 graduates, 9 are in college and 3 are working.

The current class is scheduled to finish in December 2014, though PPEP continues its relationship with the students for another year. Of the nine homes projected to be completed under the grant, seven are done and two are under way. In addition, 56 of the 70 bathroom remodeling projects have been completed, with the remaining 14 to be done by early 2015.

YouthBuild is in its final year of funding through the RIF grant, but the program should continue at its larger size. PPEP staff members believe they will be able to secure grants from other funders, federal and nonfederal, that will allow them to keep the program going at the 20- to 24-student level. PPEP is seeking a no-cost extension of the RIF grant because it can continue to leverage funding (AmeriCorps and the City of San Luis) with the grant.

Barriers to implementation are few. The program has been in place for 13 years and has increased its visibility, which will enhance its fundraising capacity. The waiting list for students is long, and local support and partnerships are strong.

YouthBuild is one of many programs offered by PPEP across Arizona. The organization has 538 employees, of whom 438 are full time; its annual budget is approximately \$25 million. Kari Hogan is on the executive staff of PPEP and oversees the program from Tucson. Jesse Lopez is the local PPEP staff person in charge. Several local staff members work full time on YouthBuild as construction supervisors and instructors, while other local staff members, such as job-placement and administrative staff, work on other programs as well. PPEP operates a number of charter schools across Arizona, including one in San Luis.

YouthBuild fits in well with PPEP's overall mission of creating economic and educational opportunities in rural Arizona. Its programs complement one another, much as YouthBuild complements its San Luis charter school.

F.8.5. Leveraging and Partners Overview

The primary partners for the YouthBuild Program are Comite de Bien Estar, the Housing Authority of the City of Yuma, and the City of San Luis. Much of the building done by YouthBuild participants is with the Comite de Bien Estar, a nonprofit NeighborWorks Network member that builds homes in the San Luis area and manages about 250 rental units. The partnership with YouthBuild allows the organization to reduce the cost of its housing and reach lower-income households. Comite de Bien Estar provides \$1,000 to YouthBuild for each home completed.

The students assist self-help housing participants to complete the requisite number of hours they need to qualify for their homes. Putting in the hours for self-help housing is difficult for fieldworkers because of the long hours they work and commute, often 12 to 14 hours a day combined. Many of the participants were getting far behind in their hours, but *since the RIF grant, the self-help program has stabilized, and participants, with student help, have caught up on their hours.*

The Housing Authority of San Luis provides the remodeling opportunity and training for YouthBuild. The housing authority has saved funds that it can put into its maintenance, improving the quality of the housing it provides. The City of San Luis provides funding support to YouthBuild, which in turn participates in service projects for the city, such as picking up highway trash, building structures on which the fire department can practice, and helping with public events put on by the city.

Leveraged support for the YouthBuild Program has come from the City of San Luis and AmeriCorps in the form of direct donations, totaling about \$200,000 over 3 years. Comite de Bien Estar provides construction supervisors and building material valued at \$60,000 per home built. Each remodeled bathroom is worth about \$1,300 to the housing authority. In addition, much leverage is created through in-kind donations. Table 16 summarizes the various types of leverage the RIF grant has realized through PPEP.

Table 16: RIF Grant Leverage, PPEP YouthBuild Program

Source	Description	Value
Comite de Bien Estar	Construction supervision, building materials, and land for 9 homes (7 completed) at \$77,000 per home.	\$693,000
Housing Authority of Yuma City	70 bathrooms remodeled (56 complete) at \$1,300 per bathroom	\$91,000
City of San Luis	Direct financial support for 3 years	\$78,000
AmeriCorps	Direct financial support for 3 years	\$128,000
Housing America	Direct financial support	\$28,000
PPEP, Comite de Bien Estar partnership	Rehabilitation of homes for affordable resale: 8 homes at \$8,000 per home	\$64,000
Total estimated leverage		\$1,082,000

PPEP = Portable Practical Educational Preparation. RIF = Rural Innovation Fund.

Additional leverage comes from scholarships earned by students from the Farmworkers Jobs Program, about \$6,000 per student; AmeriCorps scholarships; and training provided to students by the City of San Luis.

F.8.6. Capacity Building and Community Impact Overview

YouthBuild’s capacity increased significantly because of the RIF grant. The size of the program increased from 10 students to 20 to 24 students. This increase has created a greater impact on the youth of San Luis and the region, giving them more educational and occupational opportunities. The grant has increased PPEP’s impact on affordable housing in San Luis and Yuma by expanding YouthBuild’s construction work to include self-help housing, rehabilitation, and remodeling. The construction skills learned by the students expanded. The visibility of PPEP and the YouthBuild program increased in the San Luis-Yuma area, with more stories in the Spanish-language press.

The impact on PPEP’s capacity was minimal. The organization was large before the grant award, which represented only a small portion of their budget. The grantee could not say enough about the importance of the grant, however, and how much it increased the impact of the YouthBuild program and enhanced its partnerships. The grantee thought the grant process was acceptable, other than the reporting through the Disaster Recovery Grant Reporting (DRGR) System, and would only change the allowance for PPEP to build a training facility that would allow education on construction skills, such as weatherization.

Figure 45: Owner-Occupied and Solar Home



Figure 46: Lots for Future Construction



F.9. Southern Bancorp Community Partners Site Visit Report

RIF Grantee: Southern Bancorp Community Partners (SBCP)

Location: Helena-West Helena, Arkansas

Dates: December 8–9, 2014

Site Visit Team: James Hedrick and Lindley Higgins

F.9.1. Key Findings

- The RIF grant was used to create multiple programs that form a comprehensive approach to the revitalization of Helena-West Helena as a rural city along the Mississippi River.
- SBCP significantly increased its capacity after receiving the grant and expanded its reach and operations.
- SBCP had created one of the most comprehensive RIF projects we observed, with programs that included place-based revitalization in downtown Helena, hiring incentives for local businesses, and housing components.

Figure 47: Buildings in Downtown Helena Targeted for Future Redevelopment



F.9.2. Site Visit Overview

All meetings were held on December 8 and 9, 2014, in Helena, Arkansas. The team met with a number of SBCP staff members, who provided an overview of the various aspects of the RIF grant programs. Our primary informants were Dustin Choate, Brooke Gerber, and Nancy Sullivan. The study team interviewed representatives from the local chamber of commerce and the Teach for America program, both partners of SBCP. In the afternoon, site visits were made to grantees along a six-block stretch of Cherry Street in Helena's downtown. These grantees included homeowners and business owners who received funds from the RIF project.

On Tuesday, the team conducted additional interviews and site visits, including a tour of Norac Additives (<http://noracadditives.com/>), a local chemical company that has used the Helena Jobs Incentives. Additionally, the site visit team toured the Helena Enterprise Center, a business incubator funded through the RIF grant, as well as a variety of other local businesses and organizations that had directly benefited from and contributed to the SBCP project.⁴

Figure 48: Handworks—A Subrecipient of RIF Funds Through SBCP



⁴ Those businesses and organizations included a community garden, a design firm, a local jewelry/clothing store (Handworks), a restaurant, and a pop-up coffee shop.

F.9.3. Interview Table

Table 17: SBCP Interviews

Interviewee	Title and Affiliation	Date
Nancy Sullivan	Senior Grant Development Officer, SBCP	December 8–9, 2014
Douglas Friedlander	Executive Director, Phillips County Chamber of Commerce	December 8, 2014
Dustin Choate	Community Development Officer, SBCP	December 8–9, 2014
Vida Fielder	Housing Counselor, Southern Bancorp	December 8, 2014
Brooke Gerber	Project Consultant, SBCP	December 8–9, 2014
Matt Inman	Grantee, Homeowner/Business Developer	December 8, 2014
Terrance Clark	Grantee, Thrive	December 9, 2014
(Various)	Norac Additives	December 9, 2014
Julia Malinowski	Helena Advertising and Promotions Commission	December 9, 2014
(Various)	Downtown Helena Redevelopment Partners	December 8–9, 2014

SBCP = Southern Bancorp Community Partners.

Figure 49: Signage for Helena Entrepreneur Center, With Current Tenants



F.9.4. RIF Project Overview

SBCP has five components.

23. The *Helena Start-Up Challenge* is an 8-week business startup class. Starting a business is especially challenging in this area, and the goal was to move businesses toward start or growth more quickly. Participants were provided \$15,000 or \$25,000 grants. The 2013 winner, Shel Wes, created a new industrial product that allows sanders to work more effectively on a curved surface, a project that includes both intellectual property and manufacturing and won multiple awards at the Specialty Equipment Marketing Association awards in 2013 (<https://www.sema.org/sema-eneews/2013/45/2013-sema-show-new-product-award-winners>). Bella, a woman's boutique on Cherry Street in downtown Helena, was also awarded funds in 2013. In all, six awards were made and businesses started.
24. The *Helena Jobs Incentive* targeted existing businesses, providing incentives of \$2,500 to \$7,500 per job created. The money provides capital for business expansion that includes hiring. The jobs had to be of a certain quality, and a community stakeholder panel—including a local banker, an attorney, and a local academic—was assembled to evaluate applications. Three businesses were provided \$194,500 for the creation of 36 new full-time jobs, 22 of which have been filled as of this date. An additional \$48,000 was just approved to create 10 more jobs that will begin in early 2015.

Figure 50: Norac Additives—A Jobs Incentive Recipient



25. *Riverside Renewal Program* provides matching funds for the development of commercial and residential property in downtown Helena. There are many buildings available downtown, but they need a significant amount of work. Grants were up to \$100,000. The program received 11 applications, of which 9 received grants. Five properties are under construction, with an additional four in environmental review. The grants totaled \$722,000 for projects totaling \$2 million in investment. Eight commercial and seven residential spaces will be developed under this grant, with the residential units above the commercial properties.

Figure 51: Downtown Helena, Arkansas (Cherry Street)

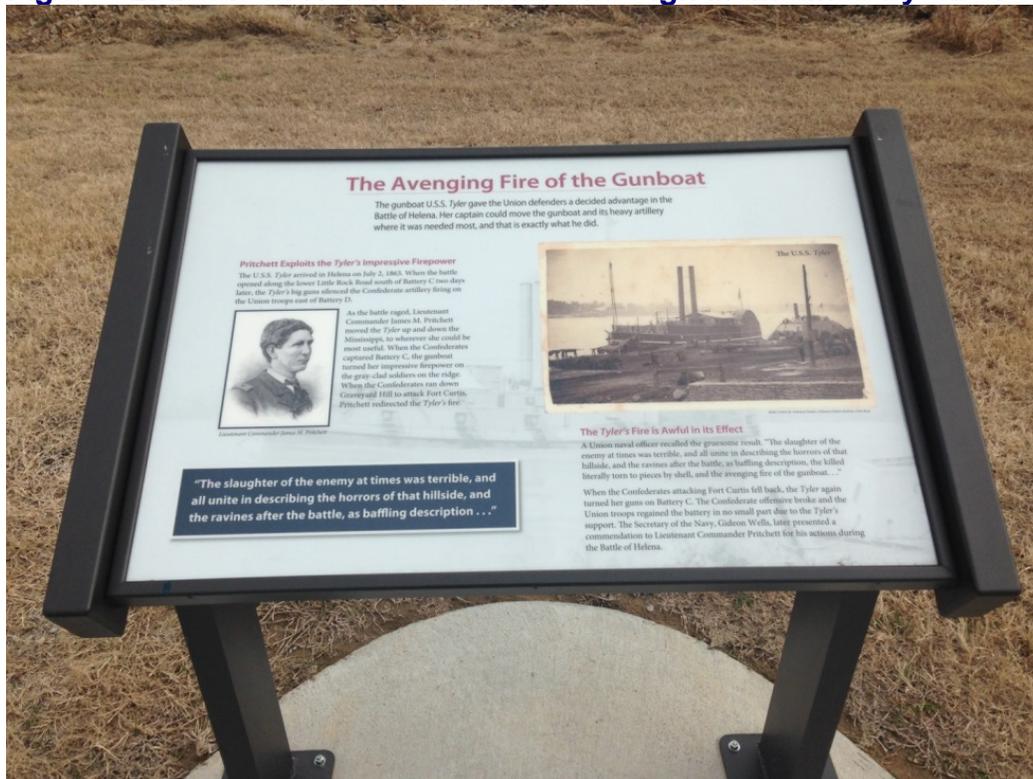


No formal market study was done, but the SBCP staff members have considerable local knowledge due to working in the local area for years. A retail leakage study did show, however, that most local spending went outside the county. The primary local economic driver had been agriculture, but that industry has diminished significantly. About one-half the population left Helena-West Helena, causing businesses to close and amenities to disappear amid several decades of declining population and economic depression.

Tourism, particularly Civil War, delta blues, and recreational tourism, holds the most promise for revival, and SBCP has been involved in updating and maintaining several local Civil War battlefield sites. Southern Bancorp purchased and cleared many (about 360) properties in Helena and also helped develop 32 acres of Civil War battlefield sites. The presence of the bank has had a major impact on the availability of capital and the access to financial services in Helena-West Helena and the surrounding areas.

The Helena-West Helena area also holds multiple festivals per year, including the King Biscuit Blues Festival, which offer a moderate—if infrequent—source of economic stimulus to the downtown revitalization area each year. Riverboats also put in at Helena occasionally for tourists and riders, offering another source of potential customers for local businesses.

Figure 52: Battle of Helena Civil War Site Sign Maintained by SBCP



26. The *Community Champion Home Buyer Program* facilitates lending for people with poor credit, much of it commercial lending, and has provided 11 loans valued at \$1.1 million. The availability of these loans is not advertised; rather, those who go to the bank looking for a loan but do not qualify are directed to the program and receive some credit counseling to make them more loan ready. Much of Southern Bancorp and SBCP lending is U.S. Department of Agriculture funded, leveraging other funds. The bank uses Rural Business Enterprise Grant and Rural Business Opportunity Grant funds to leverage loan funds.
27. The *Individual Development Accounts (IDA) and homebuyer credit counseling* match has created 196 new IDAs and 123 IDA-related purchases, with total savings of \$139,100. The RIF grant allowed the bank to remove many of the restrictions from the previous IDA program, which used Temporary Assistance for Needy Families (TANF) money that had a requirement for dependents to be in the home. The RIF-funded IDAs can also pay for home repairs that the TANF-funded programs could not. Roof, window, and flooring repairs are commonly needed in local homes. The repair contractors feel confidence in program participants, and the program staff members have contractors they feel they can recommend. *Assets for Independence* uses money from the U.S. Department of Health and Human Services that is also used for IDA matching and can be used for education and home purchase.

Barriers to implementation include the extreme poverty and vacant property problems present in Helena-West Helena. The site visit team noted that a large number of homes in Helena-West Helena were vacant, as were a high percentage of the businesses, including along Cherry Street,

the focus of downtown revitalization. Although the effort has created some jobs, interviewees reported that unemployment remained high in the area. In addition, one employer stated that he had trouble filling the positions created in the job incentives program because of the lack of qualified applicants, even for the nonskilled positions.

The grantee’s mission fits in very well with the RIF grant, creating economic opportunity and affordable housing in Helena-West Helena, and SBCP created one of the most truly *comprehensive* RIF grant programs that we observed during our site visits.

F.9.5. Leveraging and Partners Overview

SBCP will partner with Southern Bancorp, one of the nation’s largest rural development banks; Southern Good Faith Fund; Phillips Community College-University of Arkansas (PCCUA), managers of the Small Business Incubator and provider of extensive career and job-related training programs; the Phillips County Chamber of Commerce; Helena-West Helena Advertising and Promotions Commission; and Main Street Helena. SBCP and its partners will provide leverage funding and in-kind services totaling \$2,748,143.

SBCP has offered \$1.5 million in revolving loan fund capital and \$134,043 in staff time and supplies. Southern Bancorp provided \$300,000 in lending capital for home renovation and mortgage loans in addition to donating an estimated \$70,000 in loan underwriting fees for up to 20 loans. PCCUA leveraged \$376,000, including an existing grant for \$186,000 for incubator development and operation expenses and an additional \$140,000 in estimated in-kind staff time, incubator office space and utilities, and other support. The Phillips County Chamber of Commerce committed \$25,000 in staff time, and Main Street Helena offered \$6,000 in staff time. Southern Good Faith Fund committed to provide \$120,000 in IDA-matched savings in addition to free tax preparation services with an estimated value of \$254,100 and an estimated \$13,000 in energy assistance over the grant period.

Since the RIF grant, SBCP has been able to leverage additional grant funds, as well as compete for funding for which it previously would have been ineligible.

Table 18: RIF Grant Leverage, SBCP

Source	Description	Value
Southern Bancorp	Lending capital for home renovation and mortgage loans	\$370,000
PCCUA	Incubator development and operation expenses; in-kind staff time	\$516,000
Phillips County Chamber of Commerce	In-kind staff time	\$25,000
Main Street Helena	In-kind staff time	\$6,000
Southern Good Faith Fund	IDA matched savings, tax preparation services, and energy assistance	\$387,100
Total leverage⁵		\$1,304,100

IDA = Individual Development Accounts. PCCUA = Phillips Community College-University of Arkansas. RIF = Rural Innovation Fund. SBCP = Southern Bancorp Community Partners.

⁵ Figure does not include direct SBCP non-RIF contribution.

F.9.6. Capacity Building and Community Impact Overview

F.9.7. RIF Impact on Internal Capacity of Grantee

The internal capacity of the grantee was significantly enhanced. For example, before award of the RIF grant, SBCP did not have much experience with environmental reviews. The grant built staff capacity and a reputation with HUD for its capacity. SBCP helped HUD develop training on how to reduce review time. SBCP enhanced its guidelines for managing federal grants and for how to develop a rubric and scoring mechanism for awarding grants. SBCP is applying this learning to new projects outside RIF.

RIF was a much larger grant than SBCP had received before, the largest having been \$300,000. Receipt of the grant improved the reputation and capacity of SBCP, making the organization more attractive to other funders, both public and private. Past grants did allow SBCP to develop systems for reporting outputs and other compliance needs. The organization has developed platforms—such as VistaShare—that assist with compliance.

The RIF grant has helped SBCP attract talented staff. SBCP also has better documentation of how to undertake program implementation and compliance because of the documentation of procedures. The organization is more conscientious about its public communications: The large grant and complex array of programs require clear communications because of the expectations created. Applicants need to understand program requirements, something particularly important in a small community.

F.9.8. RIF Impact on the Broader Community

The community impact of the diversified, comprehensive project with a plethora of partners is difficult to quantify. The area is severely depressed, and the local infrastructure was designed to support a larger, more compact population than currently resides in Helena-West Helena. Recent business development has focused on the major state highways, bypassing the downtown area. Major anchor tenants, however, such as a charter school and Teach for America in the downtown area, have benefited the revitalization effort and spurred development supported by the RIF funding. The flyer in figure 53 shows a business space for lease in downtown Helena-West Helena that has served as a pop-up coffee shop and restaurant in the past year, evidence of impact from the RIF grant.

Additionally, particularly compared with other places the site visit team observed, the Helena-West Helena project and partners were staffed by younger professionals. Our informants, the leaders of the business incubator, the design firm, the festival organizers, the community garden, and several other projects consisted of young professionals in their mid-to-late 20s. In rural America, out-migration and retention of qualified staff are of major concern. At least symbolically, SBCP has succeeded in retaining and recruiting youth to the Helena-West Helena community.

Figure 53: Flyer for Downtown Business Location

FOR LEASE

421 CHERRY STREET

- 2,800 Square Feet
 - Complete Renovation
 - Two Restrooms
 - Kitchen / Office
 - Attic Space
 - New Plumbing, Central Air & Electricity
- More renovations include: cornice topper, rear loading dock & new storefront paint*



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F.9.9. Grantee Experience and Followup

F.9.10. Grantee Perceptions of RIF's Importance/Impact

SBCP was extremely positive about the RIF grant and wanted to see it continued. The staff emphasized the flexibility and comprehensive nature of the funds, identifying the difficulty in

finding significant funds through other funding sources that could have been used in so many different ways. They believed that the comprehensive approach had a synergistic effect, increasing the impact of each dollar by compounding their effort. SBCP staff also indicated that leveraging funds was easier with a comprehensive approach, particularly with private funding sources—something they are familiar with as an affiliate of a private corporation. Private funders can “pick and choose” which areas to fund, and variety allows SBCP to approach different institutions and organizations to leverage funding for specific projects.

F.9.11. Summary of Documents/Data Obtained or Reviewed During Site Visit

The following were all scanned, uploaded to RIF study team servers, and reviewed by the site visit team. They may be included in appendixes or other documents accompanying the final report.

28. Flyer—421 Cherry Street for lease.
29. Banking in Rural America.
30. Cherry Street Fair flyer.
31. Community Champions—Presented by Southern Bancorp.
32. Discover the Heart & Soul of the Delta—Tourist advertising.
33. Helena—A Natural Destination: Tourist Advertising.
34. Various Summaries of the Helena Jobs Incentives, Helena Start-Up Challenge, the Riverside Renewal Project, and other project descriptions provided to various funding sources and interested parties.

Figure 54: Awards for Shel Wes Tools & Body’s Contour Sander



Figure 55: Flyer, Helena Start-Up Challenge, Organized by SBCP and Partners



F.10. San Felipe Public Housing Authority Site Visit Report

RIF Grantee: San Felipe Pueblo Housing Authority (SFPHA), New Mexico

Location: Pueblo of San Felipe, New Mexico

Dates: January 16–17, 2015

Site Visit Team: Richard Hilton and Shireen V. Riazi Kermani

F.10.1. Key Findings

- The RIF grant allowed for the construction of 14 single-family homes for low- to moderate-income tribal members.
- Thirteen of these homes are part of a larger planned development, Black Mesa View, that combines multiple funding sources, including grants, loans, and in-kind leverage. The 14th home was constructed on a scattered site at the request of the homeowner and with the permission of HUD.
- The 14 RIF homes are homeownership units, and each purchaser is a first-time homeowner.
- The grant also provided for the employment and promoted classification of 35 tribal members as a part of the force account crew who help construct the homes.
- SFPHA acts as the lender for the mortgages and, because the RIF is a grant, these mortgages are program income for SFPHA. This program income is approximately \$420 to \$600 per month per home.
- The new homes are helping to reduce overcrowded living conditions on the reservation.
- The homes have been constructed “green” and are solar passive as a utilities-saving benefit to the tribal members/new homeowners.
- The homes have access to a public gas line, which offers a healthier cooking experience than some of the older reservation homes that use wood-burning stoves for cooking. Additionally, it is easier for members to budget for the small monthly gas payment instead of the larger lump sum that would be needed to fill a propane tank.

F.10.2. Project Summary and Organizational History

The total amount of this grant (\$1,660,000) was devoted to construction of new single-family housing on trust land of the San Felipe Pueblo in New Mexico. At the time of the site visit, RIF funds had been used to construct 14 homes, all of which were completed and occupied at the time of the site visit (the RIF application had anticipated only 12 completions). Thirteen of the homes were constructed within Black Mesa View rental subdivision, on which the SFPHA and other homebuilders have been building single-family homes since 2011. One of the RIF-supported homes was constructed apart from the subdivision on land that had been traditionally allotted to an enrolled pueblo family.

The RIF covered all aspects of the actual house construction, including materials and labor. Much of the construction and landscaping was performed by staff of the SFPHA, a Tribally Designated Housing Entity. The design of individual homes proceeded according to now-standard procedures of the SFPHA. Mr. Brennan Valencia, the Assistant Project Manager, has

his Associate of Architecture degree and is able to use CAD software to customize the homes for the new homeowners based on their individual needs. SFPHA saves time and money by doing this inhouse. Homes financed by the RIF grant range from two- to five-bedroom structures. There are two predominant styles: the typical suburban “ranch” style and the flat-roofed adobe structure common in much of the Southwest. Although these are the generic styles, the completed structures are in no way identical, and each structure has some individual features that distinguish the home from its immediate neighbors.

Save for the one home on allotted land, all of the structures constructed with RIF funds are situated next to each other on a residential street within the subdivision. At the time of the site visit, all of the homes were occupied and seemed well maintained. Figure 56 illustrates RIF use with the Indian Community Development Block Grant (ICDBG) program.

Figure 56: Subdivision With Homes Funded Through RIF and ICDBG



According to the key informants at SFPHA, the timing and size of the RIF grant provided two great benefits. First, it was the first opportunity that the construction crews of the SFPHA had to complete construction of new homes clustered in a single subdivision, including all infrastructure and landscaping. This enhancement of the staff skills continues to benefit the SFPHA as it continues construction in the subdivision (to be discussed in more detail subsequently).

The use of the RIF funds also benefits the long-term financing and ownership objectives of the SFPHA. The SFPHA has chosen to make the newly constructed homes available only to households that would qualify for mortgages under parameters such as those set by HUD’s

Office of Native American Programs (ONAP) Section 184 program. Although RIF homes are not funded with Section 184 funds and are financed by SFPHA, Section 184 funds are used elsewhere in the subdivision. The homes in the new subdivision are projected to be owner-occupied homes and not subsidized low-income rental units. The SFPHA operates a financial education and assessment service that assists households in meeting the necessary standards for homeownership. The SFPHA has established a benchmark of 15 to 17 percent of monthly income to be devoted to servicing a mortgage (this relatively low benchmark was established to enable households to meet the significant religious and social commitments associated with tribal membership at the pueblo). The advantage of using the RIF funds for construction of some housing units means that the SFPHA is the original owner of those units “free and clear,” and thus the mortgage payments from the households are free and clear programmatic income for the SFPHA.

As the preceding summary indicates, the use of the RIF vehicle by the SFPHA needs to be understood in the context of the overall development strategy. The SFPHA has existed as a separate entity only since its founding in 2000. At that time, the All Pueblo Housing Council operated housing programs for all of the New Mexico pueblos under previous “1937 Act” provisions. Separate housing authorities were established at individual pueblos to take advantage of the provisions of NAHASDA. The Financial Manager and the Executive Director have been in their positions since 2001 and 2002, respectively, and have been able to provide continuity for an overall housing development strategy.

Long-term objectives for the newly established entity were set by a strategic vision that was established by community elders in the 1990s. The core objective was the construction of 150 to 200 single-family homes to largely replace previously built HUD homes constructed in the late 1960s and early 1970s. Much of this housing was in poor condition and would require substantial investments to rehabilitate. No specific implementation strategy was associated with this vision.

The first few years of the independent SFPHA were largely devoted to rehab efforts using both NAHASDA grant funds and funding from several grants through the ICDBG program. More than 200 units were rehabbed in the 2004-to-2009 timeframe. Resources to implement the long-term strategic vision began to become available in 2009. One was the availability of funds from the federal stimulus legislation of the winter of 2009. The second was the participation of the SFPHA as a partner on a RHED grant that was awarded to a local nonprofit organization.

The stimulus funds enabled the SFPHA to complete an environmental review and also to install water and utility connections for the 100-acre parcel that has become the new residential subdivision. At the same time, the SFPHA obtained a Master Lease from the Bureau of Indian Affairs (BIA) to devote this portion of the pueblo trust land to housing and a limited amount of retail construction. Thus, the stimulus funds enabled the SFPHA to install all necessary water and utility infrastructure for a subdivision that will eventually contain 150 residential structures in addition to retail.

The RHED grant of which the SFPHA was a partner was designed to purchase and then to locate modular housing units. These modular units were the first houses to be installed in the newly serviced subdivision acreage (in 2011).

The RIF-constructed units were the second tier of housing units on the subdivision acreage. As mentioned, these were the first units for which staff of the SFPHA had full responsibility for preparation of the individual acreages and construction of the residential structures.

The construction of the RIF units in 2013 has been followed by construction of successive tiers of new homes in the subdivision, with more than 70 homes now completed or nearing completion. One ICDBG grant has been used to construct some homes, but the primary financing mechanism now used by the SFPHA is a combination of Title VI loans used for construction of homes and individual household “184” loans used to retire the Title VI loans. The 184 cash flow then is used to convey the home to the mortgagee household. In essence, the SFPHA acts as the 184 lender to individual households at the pueblo and uses the 184 income to retire a Title VI loan (and subsequently to obtain additional Title VI loan funds for additional construction).

At the time of the site visit, the SFPHA had plans to build approximately an additional 70 residential units on the Master Lease acreage, as well as 5 to 10 retail/commercial structures within the subdivision (currently, there are virtually no retail outlets within the boundary of the pueblo). Informants at the SFPHA estimated that when the subdivision complex is complete, a need will exist to construct about 100 additional units to meet unmet housing needs at the pueblo.

F.10.3. Site Visit Overview

The site visit and interviews over the 2 days were primarily held at the SFPHA and in the office of the Executive Director. The first day, the site visit team interviewed the Executive Director, Mr. Isaac Perez; the Financial Manager, Ms. Brenda Rico; the Project Manager, Mr. Randy Tenorio; and the Assistant Project Manager, Mr. Valencia. The site visit team was also able to visit the development site and other tribal housing for a brief tour with three of the staff members, including the Executive Director. The staff had planned appointments for the late afternoon, so the site visit team returned for a longer tour of the same housing independently to take photos.

The second day, the site visit team continued to interview the Executive Director and the Financial Manager, clarifying information, asking new questions, and requesting materials and documents. In addition, the Programs Manager, Ms. Danielle Valencia, was available for an interview. The Executive Director was pulled away for a meeting with the Governor during the interview with Ms. Valencia. Upon his return, the last interview of the day was held via a telephone conference call with Ms. Leticia Rodriguez, Albuquerque Southwest Office of Native American Programs Grants Management Specialist, and included the Executive Director. As the Executive Director had more work to direct in the afternoon, the site visit team conducted a second independent tour of the development site for more photos.

Almost all of the discussions during the site visit were held in the offices of Mr. Perez. Ms. Rico also participated in most of the discussions during the first day of the site visit. Both of these individuals have been employed by SFPHA for more than 10 years and were able to provide valuable contextual information regarding the use of the RIF grant.

At midday on the first day of the site visit, these individuals were joined by Mr. Tenorio. The site visit team was also able to have a brief discussion with Mr. Valencia, the lead architectural and housing design specialist of the SFPHA who works directly with household members on the design of their prospective homes.

During the afternoon of the first day of the site visit, Mr. Perez and Ms. Rico took the site visit team on a tour of the new residential suburb. During this tour, the site visit team was able to view each of the homes that had been constructed with RIF grant funds. The site visit team also had the opportunity to view a high proportion of the older housing within the pueblo, both units that had been rehabbed and those that still required significant rehabbing or maintenance upgrades.

On the second day of the visit, the ongoing discussion continued in Mr. Perez’s office. During this session, the team was joined by Ms. Valencia. In her capacity as Programs Manager, Ms. Valencia has responsibility for interviewing prospective SFPHA homeowners, instructing them about their responsibilities as prospective homeowners, and generally facilitating the process of getting households placed in the newly constructed units.

At the end of the site visit, the site visit team requested a number of data items, including the number of labor hours SFPHA staff devoted to the construction of the RIF-funded homes. In addition to these data, Ms. Rico said that she could provide data on any job promotions these staff were granted while they were working on the RIF-funded homes. These data items were to be sent later to the site visit team.

F.10.4. Interview Table

The individuals listed in table 19 were the primary institutional informants who held discussions with the site visit team.

Table 19: SFPHA Interviews

Name	Title and Affiliation	Date
Mr. Isaac Perez	Executive Director	January 15–16, 2015
Ms. Brenda Rico	Financial Manager	January 15–16, 2015
Mr. Randy Tenorio	Project Manager	January 15, 2015
Ms. Danielle Valencia	Programs Manager	January 16, 2015
Ms. Leticia Rodriguez	Albuquerque Southwest Office of Native American Programs Grants Management Specialist	January 16, 2015, via telephone

SFPHA = San Felipe Public Housing Authority.

F.10.5. RIF Project Overview

This was the first RIF grant for SFPHA. They had been previously been a part of and benefited from two RHED grants as a partner organization. The original RIF grant application called for the construction of 12 single-family homes for low- to moderate-income tribal families. By using their tribal force account, SFPHA saved enough money to allow the construction of 2 additional homes, for a total of 14. Thirteen of the homes are a part of a larger planned subdivision development, Black Mesa View. The subdivision is proposed to have 150 units plus commercial development. The construction of the 14 RIF units concluded in August 2014, and all the units are currently occupied. The RIF homes are constructed “green” and solar passive. The units are not rentals. Instead, these RIF units, and most of the planned development, are creating new homeowners. SFPHA staff estimate that they have approximately 70 more units to complete in the subdivision.

Figure 57: RIF Home



The Executive Director, Mr. Perez, estimates that SFPHA can turnkey a home for approximately \$108,000 to \$125,000. They also custom-design the homes for the new homeowners using the in-house talent and knowledge of the Assistant Project Manager, Mr. Valencia, who has an Associate of Architecture degree and uses CAD software.

The RIF homes were a part of the second phase of the subdivision and a great learning experience for the force account crew. The first phase of construction included modular units and was partially funded by one of SFPHA's partner RHED grants. The force account crew was not used for this first phase; however, they were the primary construction crew for the RIF homes and continue to be for the other homes currently being constructed in Black Mesa View, all while using other funding resources. Although the crew had previously completed some scattered site construction, the Project Manager, Mr. Tenorio, noted that the construction of the RIF homes was the first time the crew had completed a planned cluster project of this scale from the ground up, including infrastructure. The force account crew for the RIF homes employed 35 tribal members, and Mr. Tenorio also runs an apprentice/mentorship program for the crew members. He estimates that the crew members are able to move up in labor classifications in about 6 months of applied work.

SFPHA became a Tribally Designated Housing Entity in 2000 after a larger pueblo housing authority was dissolved and redistributed during the early days of NAHASDA. Mr. Perez stated that this subdivision has been planned since the late 1990s, before he even started with SFPHA in April 2002. The tribe wanted a communal living development that did not impose on their traditional village. The plan for the subdivision is 150 homes, 15 of which will be elder housing. The plan currently incorporates commercial development, which they believe will attract business from other pueblos because commercial development is generally lacking in the area.

These new homeowners were chosen from a list of approximately 140 persons who are eligible for the housing but who SFPHA also had to make sure were qualified and able to afford the payments. The loans are at 3 percent, amortized for 30 years, and include homeowner's insurance through Amerind Risk Management. Ms. Rico stated that SFPHA usually approves residents at 15 percent income level rather than 30 percent, taking into account the cultural festivals and obligations.

SFPHA also applied for and was awarded HOME funds from the New Mexico Mortgage Finance Authority. These funds are to be used by each RIF homebuyer as downpayment assistance. Each new homeowner received \$14,999 in downpayment assistance.

Black Mesa View is also mixed income. Tribal members have the option to pay for and build their own homes, and a few have taken up this option. The sidewalks, utilities, and planned commercial development are a draw for the members. Additionally, the subdivision is within easy walking distance of the San Felipe Elementary School.

F.10.6. Current Status of Project

The construction and administration of the project are completed as of August 2014. SFPHA has requested to close out the grant through the Disaster Recovery Grant Reporting (DRGR) system.

SFPHA was able to construct two more single-family homes than they had planned in the application. The planned number was 12; the constructed number is 14.

F.10.7. Barriers to Implementation

SFPHA experienced a lot of problems with DRGR at the beginning of the grant administration. The Executive Director divulged that receipt of funds was delayed, especially at the beginning. During the telephone conference call with Ms. Rodriguez, she mentioned that the approval process through DRGR involved extra steps that complicated and slowed the drawdown. Although she would issue a release of funds, HUD Headquarters would call to request that she approve each drawdown, which was also difficult because she did not have authority to view the drawdown request in DRGR.

As a result of this delay, SFPHA had to hold checks for payments, and construction slowed.

Additionally, the environmental review process was difficult. SFPHA staff estimate that they had to complete four environmental reviews to complete the RIF project. One of the examples they gave was that they had already applied for a Master Lease through the Bureau of Indian Affairs (BIA) and had already paid for and cleared an environmental review for BIA using funds awarded through the American Recovery and Reinvestment Act (ARRA). The RIF project required a Part 58 to be completed, however, so the process had to be repeated and paid for again.

F.10.8. Management Structure of the RIF Project

The grant was awarded to and managed by SFPHA. The RIF project was implemented essentially as a standard operational component of the SFPHA. Save for some minor subcontracting for items such as electrical wiring installation, this was entirely an in-house effort. Partnerships were not a significant element of project implementation.

It should be noted that the implementation of the RIF grant benefited from the continuity of management of SFPHA. As noted, both the Executive Director and Financial Manager of SFPHA have been in their current positions for more than 10 years. In addition, the Board of SFPHA has remained virtually constant during the same period of time.

F.10.9. Placement of RIF Projects in Grantee's Overall Mission

The Mission Statement of SFPHA is "Providing quality housing services by building and renovating homes to fit the traditional and cultural customs for the Tribal members of the Pueblo of San Felipe." The RIF grant provided the continuance of and enhancement of this mission. The Black Mesa View subdivision is the first large-scale development for SFPHA, and the RIF grant provided 13 of the 150 planned housing units plus 1 scattered site unit.

In addition, the Executive Director expressed that his goal is to create a sustainable housing authority that can support itself. By using the RIF grant for homeownership units and acting as the lender to the 14 new homeowners, SFPHA is receiving these mortgage payments as program income. This program income can be used to invest in and plan for future development, as well as to maintain current housing, enabling a sustainable and self-sufficient housing authority.

As mentioned in the Key Findings section, the construction of the RIF-funded homes was a significant component of a strategic vision of pueblo officials and community elders. All information, including observations by the site visit team, indicated that before the implementation of the vision, a high proportion of the housing at the pueblo was substandard. This included the housing that had been constructed with HUD funds in the 1960s and 1970s. SFPHA's annual NAHASDA grant (approximately \$500,000 to \$600,000 annually) would allow for the construction of only two to three new units per year. The current management of SFPHA made an early decision that only some form of leveraged funding would enable it to address the pueblo's housing needs in any significant fashion.

The RIF grant opportunity was one of several leveraging opportunities SFPHA has taken advantage of as it has moved to implement the vision.

F.10.10. Leveraging and Partners Overview

Specific to the RIF project:

- A \$2 million 2009 ARRA grant was used for infrastructure in the development, including 13 of the 14 homes funded by RIF (1 RIF home is off site). This includes water, sewer, natural gas, and power/data lines.
 - o The gas line tie-in was the first for the tribe, and now the tribe is paying to extend the gas to other homes and put in the service lines and gas appliances. Gas stoves are replacing the traditional wood-burning stoves.

- The tribe donated the 100 acres being used for the subdivision. Based on a market value analysis using a nontribal development close to Black Mesa View, SFPHA estimates the value of the 100 acres to be \$9 million. The acreage for the 13 RIF homes built in the subdivision is 5.24 acres.
- The tribe has also built a wastewater treatment facility to be used by the subdivision. It received a loan for \$12 million from the New Mexico Finance Authority and has an annual contract of \$150,000, with two full-time contractors to maintain it.
- SFPHA applied for and received HOME funds from the New Mexico Mortgage Finance Authority to be used by each RIF homebuyer as downpayment assistance. Each received \$14,999 in downpayment assistance.

F.10.11. Major Partners

- Pueblo of San Felipe
- New Mexico Mortgage Finance Authority/HOME Funds

As indicated, SFPHA employed few external partners to implement the RIF project. SFPHA, as a semi-independent body, maintains a close partnership with the formal government of the pueblo (SFPHA crews were used to construct the government administrative building at the pueblo). The tribal government is an ongoing partner in the sense that it can direct resources to the housing program, and it also maintains an active interest in administration of housing programs.

F.10.12. Leveraged Support Obtained by Grantee

SFPHA used the full market value amount of the 100 acres, \$9 million, as the leverage in their RIF application. The RIF homes are on only 5.24 acres of this full development acreage.

The following additional leverage in receipt was not included in the original application.

- A \$2 million 2009 ARRA grant was used for infrastructure in the development, including 13 of the 14 homes funded by RIF (1 RIF home is on a scattered site.) This includes water, sewer, natural gas, and power/data lines.
- The tribe has also built a wastewater treatment facility to be used by the subdivision. It received a loan for \$12 million from the New Mexico Finance Authority, and has an annual contract of \$150,000, with two full-time contractors to maintain it.
- SFPHA applied for and received HOME funds from New Mexico Mortgage Finance Authority funds to be used by each RIF homebuyer as downpayment assistance. Each received \$14,999 downpayment assistance.

Figure 58: RIF Home



Another major leveraged resource obtained by SFPHA that supports the RIF-funded housing is a \$12 million water treatment plant financed by the pueblo government. This unit supports the entire new residential subdivision, not just the RIF-funded units. The pueblo government provides ongoing support for this facility by supporting the 24-hour staff needed to operate the facility effectively.

Figure 59: Wastewater Treatment Building



F.10.13. RIF Enhancement of Leveraging Capability of Grantee

The RIF grant seems to have indirectly improved the leveraging capability of SFPHA. As the previous summaries indicate, SFPHA has been seeking nontraditional ways to finance and expand its housing program almost from the beginning of its existence as an independent entity. The management of the RIF project enhanced the financial capability and hence the capability of obtaining external funding in a number of ways. First, the experience of constructing the RIF-funded homes from the ground up demonstrated the ability of SFPHA to effectively manage projects of this size and complexity and thereby improved its chance of obtaining financing from other sources. Second, the internal management of the individual mortgages for the RIF-funded homes was a major step in enhancing SFPHA's capabilities as a community-based financing institution that can work effectively with community members, who often may feel uncomfortable dealing with private-sector financial institutions.

F.10.14. Other Funding Sources

SFPHA has aggressively used the ONAP-supported Title VI and Section 184 vehicles to promote both construction of new units and the facilitation of individual mortgages for community members. To date, Bank of America has been the preferred source for the financing vehicles. SFPHA continues to pursue opportunities to work with other private-sector lenders, however. In addition, the organization continues to actively pursue ICDBG grant opportunities.

List of funding sources used toward the full Black Mesa View subdivision—

- ARRA (infrastructure).
- RHED (some of the ground-floor work for 28 modular units).
- RIF (construction).
- ICDBG (two grants: construction of homes and downpayment assistance for the 28 modular units).
- Title VI (construction).
- Section 184 (homeowner loans).
- BIA (construction of two homes for very low-income members).
- Enterprise Foundation (capacity-building grant).
- New Mexico Mortgage Finance Authority/HOME Funds (downpayment assistance).

F.10.15. Capacity Building and Community Impact Overview

F.10.16. RIF Impact on Internal Capacity of Grantee

The RIF grant had several direct impacts on the long-term capacity of SFPHA. First, there was the enhancement of the construction and construction management skills of SFPHA operations staff. This skill enhancement continues to be evident in the skills these staff members have shown in continuing the construction associated with the overall development of the residential subdivision. In addition, the skill level of these staff members is at such a high level that the tribal government uses them for its own construction projects, such as the recently completed administration building.

Perhaps less noticeable is the impact of the RIF grant in the ongoing skill enhancement of SFPHA to operate as a major financial entity for the pueblo population. A significant proportion of the pueblo population is still not fluent in English and has limited contact with external entities. The ability of SFPHA to become a middleman between this population and external financial entities represents a major resource enhancement for the pueblo, and RIF seems to have been a significant element in this development.

F.10.17. RIF Impact on the Broader Community

The most immediate impact of the RIF grant was the direct economic benefit derived from the wages distributed for the construction of the RIF-funded housing units. SFPHA agreed to supply data on the number of hours needed for the construction and the skill enhancements achieved by SFPHA staff through the RIF project. Within the context of a tribal community, the use of tribal labor and management was an important outcome, as opposed to many cases in which project funds are actually distributed to nontribal entities.

The skill enhancement (both technical and managerial) associated with the RIF project seems to be an enhanced ability of the pueblo community to implement projects inhouse and thus retain a much higher proportion of funds from grants and other sources.

F.10.18. Grantee Experience and Followup

F.10.19. Grantee Perceptions of RIF's Importance/Impact

Administratively, the grantee found the RIF process relatively easy to implement and the local HUD staff to be supportive. The grantee noted that some tribal entities did not apply for a RIF grant because the administrative procedures were different from those associated with ONAP programs (the RIF is administered from a different office within HUD). The grantee also noted that on several occasions, there were some delays in drawdowns because the drawdown request was sent to HUD headquarters but approval had to be obtained from regional HUD staff.

From a substantive point of view, the grantee viewed the RIF grant as an extremely simple construction loan vehicle. It was a major component in its overall housing development strategy.

F.10.20. Grantee Experience With RHED and RIF Comparison

As a partner on a previous RHED grant, the grantee had only limited experience with the administrative aspect of the RHED. The project experience gained through the RHED project, however, was of significant importance in enabling the grantee to effectively implement the RIF grant and continue with its ongoing housing construction activities.

F.10.21. Followup Data To Be Collected Related to Outputs and Impacts

As mentioned, SFPHA will be supplying the project team with employment and skill enhancement data for staff employed on the RIF-funded construction project.

Awaiting: Documentation from Ms. Rico regarding the force account crew, hours, and classifications.

F.10.22. Summary of Documents/Data Obtained or Reviewed During Site Visit

SFPHA staff supplied the site visit team with a copy of the pueblo's 2014 Comprehensive Plan. These are selected elements of that plan:

1. Tribal Community Development Plan (hard copy).
2. Drawing of the Black Mesa Subdivision (uploaded to the server).
3. Plat map/legal descriptions of all 14 RIF lots (hard copies scanned and uploaded to the server).
4. Two newsletters (hard copies scanned and uploaded to the server).

F.11. Taos Pueblo Site Visit Report

RIF Grantee: Taos Pueblo Housing Authority (TPHA), New Mexico

Location: Pueblo of Taos, New Mexico

Dates: March 30–31, 2015

Site Visit Team: James Hedrick and Alex Thackeray

F.11.1. Key Findings

- The TPHA RIF project focused on preservation of traditional adobe pueblo dwellings. These dwellings are still used as part-time or full-time residential units and represent a significant portion of the tribe's housing stock.
- The preservation project takes place in a unique United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage Site, with historical and cultural significance.
- An early project was inefficiently managed, and there has been considerable staff/Board turnover.
- Current project staff are engaged in making TPHA operations more efficient and broadening their funding base for future sustainability.
- TPHA expects to meet the original RIF project goal of 52 rehabbed mixed-use units by September 2015.

Figure 60: 1940s Newspapers Recovered From a Previous Restoration



F.11.2. Site Visit Overview

The site visit and interviews took place on March 30 and 31, 2015, in Taos, New Mexico, and the nearby Taos Pueblo. TPHA Executive Director Tammie Mirabel and TPHA Preservation Project Manager Tony Duran were our primary contacts, although we met with several other members of the pueblo community and the tribal government. The site visit team was able to visit both the production site where TPHA created the adobe bricks, vigas and latillas (wooden support beams), and other construction materials and the Taos Pueblo site to observe the rehab/preservation projects, both completed and in progress.

Figure 61: Materials Production Site, Right: Vigas, Left: Latillas



Figure 62: Materials Production Site, Adobe Bricks



The site visit team was impressed with the organizational capacity and energy of the new staff. TPHA has experienced considerable staff and Board turnover, and all senior staff and the Board president have come on board within the past year. Obviously, this has delayed the RIF-funded preservation project, although TPHA expects to have completed their required number of rehabilitated units by September 2015.

Other issues have delayed the TPHA project as well, most notably the creation of a new Federal Emergency Management Agency (FEMA) floodplain map early in the project history. This new map of the Red Willow Creek floodplain changed certain elevation estimates and left many of the targeted preservation units within the floodplain. Using the federal funds would have required purchasing expensive flood insurance to include them in the preservation process.

In addition to delays and staff turnover, the early phases of the TPHA preservation project were inhibited by inefficiency and mismanagement. Current staff members have reduced inefficiency and improved internal controls for both finances and staff and have retaken control of their accounts payable and receivable from the tribal offices. They have also made progress in incorporating a Section 501(c)(3) nonprofit to pursue private-foundation funding for continued preservation work and in creating a limited liability company (LLC) to improve marketing for Taos Pueblo-branded products, including construction materials developed and produced as part of the RIF grant.

Overall, the project has taken steps toward completing its original preservation objectives and has recovered from significant internal and external obstacles.

F.11.3. Interview Table

The individuals listed in table 20 were the primary institutional informants who held discussions with the site visit team.

Table 20: Taos Pueblo Interviews

Name	Title and Affiliation	Date
Ms. Tammie Mirabel	Executive Director, TPHA	March 30–31, 2015
Mr. Tony Duran	Preservation Project Manager, TPHA	March 30–31, 2015
Ms. Shawn Johnson	TPHA Housing Accountant	March 30–31, 2015
Ms. Helena Rose Concha	Tribal Controller	March 30–31, 2015
Mr. Floyd Gomez	TPHA Board President	March 30–31, 2015
Ms. Shawn Duran	Tribal Programs Administrator	March 30–31, 2015
Mr. Edwin Concha	Tribal Lieutenant Governor	March 30, 2015
Mr. Timothy Lujan	War Chief Staff Member	March 30, 2015
Mr. Robert Palmer	Tribal CFO	March 31, 2015
Mr. V. Michael Romero	Director, Taos Pueblo Education and Training Division	March 31, 2015

CFO = Chief Financial Officer. TPHA = Taos Pueblo Housing Authority.

F.11.4. RIF Project Overview

TPHA received \$799,997 for the Taos Pueblo Preservation Project (TPPP). The overall project is a 9-year program intended to rehabilitate 320 traditional housing units, of which 52 are multiuse spaces financed by the RIF grant. The project includes construction and language training for the workers and home maintenance training for the homeowners. New TPHA staff and Board members have added policies and procedural updates for finance and labor management, and they have produced legal documents for creating a Section 501(c)(3) organization and an LLC to sustain ongoing preservation efforts and to manage branding and marketing for Taos Pueblo products.

The project has experienced significant delays as a result of both internal and external forces. Initially, an updated FEMA floodplain map delayed rehabilitation of many units that were determined to be in the Red Willow Creek floodplain due to new elevation estimates.⁶ This required modification of the original project plan because several units originally selected for rehabilitation were removed from the program to avoid having to purchase expensive flood insurance. In addition, staff turnover delayed the project, but the new staff members, including Tammie Mirabel and Tony Duran, have improved the management and organization of the project and believe they will complete construction by target dates.

⁶ An updated floodplain map was provided to the site visit team and will be included in a report appendix.

Figure 63: Taos Adobe Pueblo



Priority in rehabilitation was based on resident need (for example, seniors) and unit use for cultural activities. The RIF grant was important to TPHA's preservation efforts because the traditional pueblo homes do not have running water or electricity. In fact, these conveniences are prohibited in the Old Village of Taos Pueblo, therefore the units are ineligible for many typical housing programs.

Leveraging was minimal for the original RIF project plan and came primarily from the tribal government, which contributed \$132,000 for the project, and the War Chief's office, which manages land use for the pueblo and contributed approximately \$451,504 in in-kind construction materials (for example, vigas, latillas, and adobe) for the project, harvested from tribal land. TPHA's future plans include expanding their financing sources by applying for state, federal, and private grants.

F.11.5. Current Status of Project

The project is in progress, with an expected completion date of September 2015. This date represents the completion of the RIF-required rehabilitated units, but the overall TPPP will continue, using other funding sources. Some rehabilitation was scaled back due to delays, and although 52 units will be rehabilitated, the rehabilitation will be less extensive than originally planned. For example, some units may receive primarily roof work, and homeowners will be responsible for interior rehabilitation. Finally, in consultation with HUD, some production was scaled back due to delays (for example, 80,000 adobe bricks made instead of 120,000), and resources were moved to construction and rehabilitation.

F.11.6. Barriers to Implementation

Barriers to implementation included primarily staff turnover and the FEMA floodplain issues. Delay in funds and a lack of internal policies and procedural controls also affected implementation. These issues seem to have been overcome, but the Taos Pueblo, given its unique status as a UNESCO World Heritage site and one of the oldest continually inhabited areas in the United States, has other barriers. A lack of running water, electricity, and other infrastructure development within the units limits the pueblo's access to housing funds, most of which require these infrastructure developments that are prohibited in this historic structure. This barrier was influential in the decision of TPHA and the pueblo to establish a Section 501(c)(3) nonprofit to pursue outside private-foundation funding to address the need in the pueblo.

Figure 64: Interior Adobe Renovation



Such a unique housing site attracts media interest and attention, however. For example, Mr. Tony Duran was interviewed for the PBS Show “10 Homes that Changed America” (<http://interactive.wttw.com/blog/10-changed-america/taos-pueblo>) about the unique nature of the pueblo. Outside interest such as this and the attention from UNESCO and the World Monument fund—combined with the ineligibility for many mainstream government housing programs—may have influenced the pueblo's decision to form a Section 501(c)(3) nonprofit and LLC to pursue other funding options.

F.11.7. Management Structure of RIF Project

The grant was awarded to the TPHA, which handles day-to-day management of the award under the TPHA Board of Directors and the tribal government. The RIF project was implemented as part of the ongoing TPPP, a major effort to preserve the unique housing site. Laborers and construction supervisors were recruited from the pueblo itself, and many had experience with the unique form of adobe construction practiced at the pueblo.

Staffing issues and inefficient management affected the early stages of the project, but the recent acquisition of new staff and a new Board have improved TPHA's overall capacity. Actual staff size has been reduced from 45 employees to 15 current employees.

Figure 65: Adobe Wall, Completed Renovation (Right) and Awaiting Renovation (Left)



F.11.8. Placement of RIF Projects in Grantee's Overall Mission

The RIF project fulfills a section of the overall TPPP. The 9-year plan calls for the rehabilitation of 320 adobe pueblo units, of which 52 are funded by the RIF grant. Unlike more traditional housing authorities, even tribal authorities, the TPHA is primarily concerned with the preservation and rehabilitation of a unique cultural and historical site. According to our interviews, they have not built a house since 1989. This preservation mission is central to TPHA, and the RIF project was a significant source of funding for the project. It allowed them to preserve traditional pueblo units that would not be eligible for funding under other programs due to restrictions on infrastructure such as running water and electricity.

F.11.9. Leveraging and Partners Overview

Specific to the RIF project:

- Taos Pueblo War Chief's Office: In-kind contribution of construction materials—approximately \$451,000.
- Taos Pueblo Tribal Government: \$132,000 from tribal appropriations and the World Monument Fund.

F.11.10. Major Partners

- Pueblo of Taos.
- War Chief's Office.

As indicated, TPHA employed few external partners to implement the RIF project. SFPHA, as a semi-independent body, does maintain a close partnership with the formal government of the pueblo. The tribal government is an ongoing partner in the sense that it can direct resources to the preservation program. Other nascent partnerships have been developing between TPHA and the Taos Pueblo Education and Training Division to assist with the training and instruction of the work crews hired through the TPPP.

F.11.11. Leveraged Support Obtained by Grantee

TPHA estimated approximately \$625,104 in leveraged funds, mostly through in-kind contributions by the Taos Pueblo War Chief's office. This contribution was traditional construction materials harvested from tribal land managed by the War Chief's office.

F.11.12. RIF Enhancement of Leveraging Capability of Grantee

The RIF grant does not seem to have directly affected the leveraging capability of the TPHA. Most leveraging for the RIF project came directly from the tribe through in-kind contributions and funds devoted to the Taos Pueblo as a historical site. Current staff members are concerned with the sustainability of relying on federal grant funding, however, and are actively pursuing external private funding sources by establishing a Section 501(c)(3) nonprofit to apply for foundation grants.

Additionally, Mr. Duran, TPHA RIF Project Manager, and Mr. Floyd Gomez, TPHA Board President, are active members of language preservation organizations in New Mexico and are pursuing funding through those organizations.

Also, the TPHA is developing plans for an LLC to handle marketing and branding of pueblo crafts to encourage sustainability.

Although the RIF grant has not had a direct impact on leveraging, it has encouraged the pueblo staff to increase their capacity to pursue alternative funding sources to continue their preservation program.

F.11.13. Other Funding Sources

Other funding sources mentioned were minimal, primarily in-kind contributions and matching funds from tribal sources.

Funding sources used toward the TPPP—

- Tribal appropriations.
- World Monument Fund (annual preservation funding).
- New Mexico Small Business Development Center.

F.11.14. Capacity Building and Community Impact Overview

F.11.15. RIF Impact on Internal Capacity of Grantee

The RIF grant had minimal direct impact on the internal capacity of the grantee. Poor management and inefficiency led to staff changes overall and wholesale changes to the TPHA Board of Directors during the grant. Recent developments have actually led to a significant decrease in staff, from approximately 45 earlier in the grant to 15 currently.

Figure 66: Ongoing Adobe Construction



Capacity has increased, however, if measured in the skills and capability of the staff present. The RIF project staff have completed their production requirements (that is, adobe bricks, vigas, and latillas) and are on schedule to complete rehab and repair of 52 units September 2015. In addition, the RIF grant has spurred development of external organizations—a Section 501(c)(3) nonprofit and an LLC—to expand TPHA’s ability to compete for grant funding and to market Taos Pueblo-branded products, including their construction surplus of adobe to surrounding pueblos.

F.11.16. RIF Impact on the Broader Community

The most immediate impact of the RIF grant was the direct benefit to those residing in the traditional pueblo structures. Many crumbling buildings had been repaired, and other residents have received roof repairs and other updates to their homes. Adobe construction requires considerable physical labor, and many targeted residents, particularly seniors, would not have been able to undertake the repairs themselves.

In addition, the pueblo structures are all interconnected. One home's roof may be the floor of another residence. Likewise, walls are often shared, and many of the residences share common structural pieces. Repair to a single residence may reinforce multiple abutting dwellings. In this way, the rehabilitation/preservation project has a broad impact throughout the traditional community.

Finally, all laborers and construction supervisors were recruited from the pueblo, and many young workers were learning adobe-construction techniques from community elders, passing an important cultural skill down to future generations.

F.11.17. Grantee Experience and Followup

F.11.18. Grantee Perceptions of RIF's Importance/Impact

RIF was exceptionally important to the grantee, because of both the size of the grant and its flexibility. There are not many grants that allow for rehabilitation or preservation of structures lacking many modern conveniences, such as running water and electricity. The Taos Pueblo is a traditional village, meaning that many modern conveniences are prohibited, which ensures the preservation of the culture and the structure but violates the regulations of many housing funding programs.

F.11.19. Grantee Experience With RHED and RIF Comparison

Not applicable.

F.11.20. Followup Data To Be Collected Related to Outputs and Impacts

No followup data are to be collected at this time. TPHA supplied considerable documentation of policies and procedures updates, maps of the rehabilitated residences and floodplain, and other documents of its project.

F.11.21. Summary of Documents/Data Obtained or Reviewed During Site Visit

TPHA staff supplied the site visit team with—

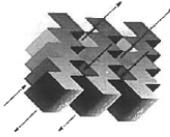
35. A copy of update time sheets, incident reports, supervisor logs, and so forth.
36. Maps of the updated floodplain.
37. Maps of the rehab sites.
38. A TPPP organizational chart.
39. A TPPP Gantt chart and schedule.
40. A copy of the Preservation Program Agreement signed by TPHA, the homeowner, and the tribal government.
41. HUD correspondence concerning the floodplain amendment.

42. Information on the Employment and Training Administration program.
43. Draft business plan.
44. Draft marketing plan.
45. Draft implementation plan.

Figure 67: Taos Pueblo and Red Willow Creek



Appendix G: HDA Home Energy Rating Certificate



Home Energy Rating Certificate

41 THORNBERRY LN
CHAVIES, KY 41727



**5 Stars Plus
Confirmed Rating**

Uniform Energy Rating System

Energy Efficient					Energy Efficient				
1 Star	1 Star Plus	2 Stars	2 Stars Plus	3 Stars	3 Stars Plus	4 Stars	4 Stars Plus	5 Stars	5 Stars Plus
500-401	400-301	300-251	250-201	200-151	150-101	100-91	90-86	85-71	70 or Less

HERS Index: **56**

General Information

Conditioned Area: 1208 sq. ft. House Type: Single-family detached
 Conditioned Volume: 9644 cubic ft. Foundation: Enclosed crawl space
 Bedrooms: 3

Mechanical Systems Features

Air-source heat pump: Electric, Htg: 8.4 HSPF, Clg: 15.0 SEER.
 Water Heating: Heat pump, Electric, 2.35 EF, 50.0 Gal.
 Duct Leakage to Outside: 27.00 CFM25.
 Ventilation System: Exhaust Only: 90 cfm, 11.2 watts.
 Programmable Thermostat: Heating: Yes Cooling: Yes

Building Shell Features

Ceiling Flat: R-40 Slab: None
 Sealed Attic: NA Exposed Floor: R-26
 Vaulted Ceiling: NA Window Type: HDA SIM*
 Above Grade Walls: R-21 Infiltration Rate: Htg: 536 Clg: 536 CFM50
 Foundation Walls: R-1.1 Method: Blower door test

Lights and Appliance Features

Percent Interior Lighting: 100.00 Range/Oven Fuel: Electric
 Percent Garage Lighting: 100.00 Clothes Dryer Fuel: Electric
 Refrigerator (kWh/yr): 479.00 Clothes Dryer EF: 3.02
 Dishwasher Energy Factor: 0.00 Ceiling Fan (cfm/Watt): 0.00

The Home Energy Rating Standard Disclosure for this home is available from the rating provider.

REM/Rate - Residential Energy Analysis and Rating Software v14.3

This information does not constitute any warranty of energy cost or savings.
 © 1985-2013 Architectural Energy Corporation, Boulder, Colorado.

Registry ID: 714581133
 Rating Number: EEHM1047533
 Certified Energy Rater: BOB EIPERT
 Rating Date: 12-11-2013
 Rating Ordered For: NEW HOME OWNER

Estimated Annual Energy Cost

Confirmed Rating			
Use	MMBtu	Cost	Percent
Heating	8.3	\$208	25%
Cooling	2.7	\$67	8%
Hot Water	5.1	\$129	15%
Lights/Appliances	13.5	\$339	40%
Photovoltaics	-0.0	-\$0	-0%
Service Charges		\$96	11%
Total	29.6	\$840	100%

This home meets or exceeds the minimum criteria for all of the following:

- EPA ENERGY STAR Version 3 Home
- 2003 International Energy Conservation Code
- 2004 International Energy Conservation Code
- 2006 International Energy Conservation Code
- 2009 International Energy Conservation Code

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