

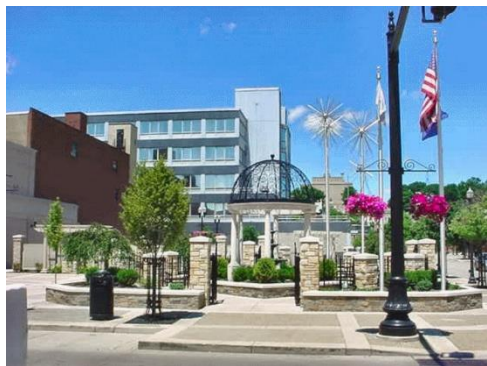
## Appendix C: Engagement Spotlights



### Exciting things are happening in New Castle, Pennsylvania!

With technical assistance from Local Initiatives Support Corporation (LISC), New Castle recently completed the Capacity Needs Assessment (CNA) phase of the HUD DCTA program. The CNA revealed that New Castle was already making great strides to facilitate economic and community development through stronger partnerships, coordinated planning, and increased staff capacity. City leaders are acknowledging issues and taking action with initiatives designed to enhance the vitality of the area by using a transformative approach focused on relationship-building and collaboration.

“New Castle seems to be in a renaissance period and is seeing the fruits of its labor over the past 10 years,” said Mayor Chris Frye. Although originally from Virginia, Mayor Frye says, “New Castle became my home.” The mayor is proud of the progress he sees. A higher level of communication and collaboration among the city, county, and regional areas, along with more coordination with local and regional non-profit organizations provides a solid foundation for the work ahead. Residents and civic leaders are building strong relationships, supporting each other’s needs, and working closer together as a community to achieve mutually beneficial results. This is putting New Castle on a path toward positive economic and community development outcomes and is capitalizing on partnerships such as Forward Lawrence, Recast City, and Pennsylvania’s Main Street Program.



Having recently revised its 5-year strategic plan, New Castle is in the final stages of receiving a Main Street designation from the Pennsylvania Downtown Center (PDC). This designation will open the door to Main Street Program technical assistance, board and committee support, and education, as well as access to funding opportunities through the Pennsylvania Department of Community and Economic Development (DCED).



As part of the Downtown Revitalization Initiative and in partnership with Recast City, New Castle is taking steps to revitalize downtown with light industry and expanded neighborhood assistance programming. Recast City helps communities invest in place in an inclusive and thoughtful way, focusing on short-term wins that build momentum for long-term economic growth. New Castle's Economic Development Recast Initiative recently launched with an inaugural meeting, and the work begins in October.

In addition to a diverse population, excellent food diversity, and a great park system, the riverfront is one of the community's greatest assets. New Castle's Riverwalk development is an initiative designed to increase recreation access to the riverfront and create an outdoor festive environment where people want to gather and spend time. The Downtown Concert series is growing in popularity, attracting crowds of 700-900 people for some concerts last year. In addition, a grant from the state Department of Conservation and Natural Resources will help fund construction of a boat launch, fishing pier and other access to the Shenango River in New Castle. In addition, in partnership with 10 Thousand Friends of Pennsylvania, New Castle started a neighborhood cleanup and beautification project in the City's south end.

New Castle is growing too! The city has been identified as a hot spot for remote workers seeking less-urban areas where single-family homes are less expensive and offer more space. In December, a [New York Times article](#) highlighted New Castle as one of the nation's most popular areas for people between the ages of 21 and 40 years, citing data from Ellie Mae that showed this group accounted for a huge portion of home purchase loans in the area. A [New Castle News story](#) in February referenced the article, explaining the designation of New Castle as a "Zoom" town and how the popularity is increasing for communities like New Castle that enjoy a lower cost of living. The buzz generated by the New York Times article is sparking new interest from outside parties looking for places with high potential and growing populations



Mayor Frye has engendered cooperation among multiple sectors and is leading the charge to revitalize the Blueprint Communities Council. With the DCTA team's assistance, City leadership is forging stronger partnerships between city government and local civic leaders to move community development goals forward. With the CNA complete and the direct technical assistance phase of the DCTA program kicking off, New Castle leaders and partners are engaged and ready to build on New Castle's assets, strengthen partnerships, expand community engagement, attract new investors, and lead the way for innovation and positive growth for years to come.



## Hannibal, Missouri - DCTA Engagement Spotlight

City Approved 3/31/22

Exciting things are happening in [Hannibal, Missouri!](#)

In the last year, the City of Hannibal, MO applied for and has received technical assistance (TA) from the Local Initiatives Support Corporation (LISC) on a variety of topics including affordable housing and economic development. The TA was made possible through the Department of Housing and Urban Development's (HUD) Distressed Cities Technical Assistance and Persistent Poverty (DCTA) program. Activities supported by DCTA have covered the gamut, including infrastructure, economic development, capacity building, and affordable housing.

The capacity needs assessment portion of the TA revealed that the City of Hannibal and its partners were already making strides to facilitate economic and community development but needed help to enhance its capacity to use federal funding. In June 2021, shortly after the start of the direct TA phase of the DCTA program, Hannibal's City Council approved the establishment of a new downtown community improvement district. Ultimately, the district partners hope to improve stormwater, sewer, and sidewalks by creating a revolving loan fund and grant fund for different enterprises. Hannibal Regional Economic Development Council (HREDC) Executive Director Corey Mehaffy said a fund would help the City "engage our special counsel for economic development, begin having some more public meetings, explain the program to people and start talking about petitions that people will need to be able to put their properties in the district."



In addition to infrastructure work, DCTA has supported Hannibal's pursuit of economic development. As part of the TA, the City of Hannibal received assistance in pursuing the Kiva program, in partnership with the HREDC, as a tool to support local businesses and city residents in Hannibal. Kiva brings microlending options that operate similar to a crowd-funding account for entrepreneurs that may not fit a traditional or commercial loan situation. As the City's partner, HREDC will be able to make character-based 1- to 3-year loans up to \$15,000 for microenterprises. HREDC will be the local trustee and will seek to endorse funding for at least five (5) local Hannibal, MO businesses in 2022. Click [here](#) to see local media coverage about the Hannibal program, and [here](#) for more information about HREDC's Kiva microlending.

LISC TA has also assisted the local team to study and pursue National Main Street status. The DCTA team is working with to organize local economic development entities, such as HREDC, the Hannibal Chamber of Commerce, Historic Hannibal Marketing Council (HHMC) and local businesses, to explore a restart of the Main Street Initiative. A small business focus group meeting was held last October, and Hannibal is taking incremental steps to bring more stakeholders to the table before formally applying to the Missouri Main Street program.



One of the core goals of the DCTA program is helping cities build their capacity to achieve their goals. One way the Hannibal Team is seeking to build capacity is by applying for an AmeriCorps member to support the City's economic development program. Tasks will include organizing community meetings for outreach through civic organizations, local Chambers of Commerce, and economic development organizations, and helping the City evaluate needs and gaps in business assistance. The job description also includes organizing community events geared toward downtown revitalization by increasing volunteer engagement in the community and establishing a comprehensive volunteer mentor program, among other duties. Hannibal hopes to seek more AmeriCorps assistance later in 2022 to support its affordable housing strategy.



Affordable housing is a high priority for Hannibal, so the DCTA team helped Hannibal identify capacity needs and develop a housing strategy. Part of that strategy is to increase activity of the USDA Rural Development Housing Rehab Programs by further partnering with the Northeast Community Action Corporation (NECAC). These loans assist homeowners with the rehab of existing homes. The DCTA team encourages working with nonprofits such as NECAC and for-profit developers. It has been advising the City and developers on a combined 65-unit rental project including single family, infill construction on scattered lots and the conversion of the abandoned St. Elizabeth's Hospital to senior apartments. The team is working to assist in filling funding gaps and is bringing in LISC experts to discuss various options and share materials for working with both nonprofit and for-profit developers. Hannibal's City Manager, Lisa Peck said that she is "thrilled to have the opportunity to work with LISC and the TA providers and is grateful for the knowledge and assistance gained through the DCTA program."





## Coamo, Puerto Rico - DCTA Engagement Spotlight

DCTA investments are bringing new life to Coamo, Puerto Rico!



In October of 2019, the Municipality of Coamo in the Commonwealth of Puerto Rico requested technical assistance (TA) through the Department of Housing and Urban Development's (HUD) Distressed Cities and Persistent Poverty Technical Assistance (DCTA) Program. The Municipality of Coamo requested HUD TA to assist with economic revitalization, affordable housing development, and disaster recovery and resilience.

To learn more about the DCTA Program, visit [https://www.hud.gov/program\\_offices/comm\\_planning/cpdta/dcta](https://www.hud.gov/program_offices/comm_planning/cpdta/dcta).

The Municipality of Coamo is a town founded in 1579 in the south-central region of Puerto Rico. Coamo is famous for its thermal springs, the Coamo Thermal Baths, once described by natives of Ponce de León as the fountain of youth. The town is a trading center for machinery, aircraft radio components, machines, and clothing. The surrounding areas produce corn, mangos, oranges, and plantains.



Coamo is made up of 11 barrios (wards/districts) with a population of approximately 34,670 residents in 2020. The population of Coamo decreased by about 14% between the 2010 and 2020 Census.<sup>i</sup> Some of this emigration occurred after Hurricanes Irma and Maria devastated Puerto Rico in 2017. After Hurricane Maria, FEMA's Individuals and Households Program (IHP) data<sup>ii</sup> estimated 261 rental units in Coamo had moderate to severe damage, and 54 owner-occupied homes in Coamo had more than \$30,000 worth of damage. A number of commercial buildings were also severely damaged.

To determine the needs of the municipality, the DCTA provider, Local Initiatives Support Corporation (LISC), conducted a capacity needs assessment (CNA) to direct the scope of subsequent TA. The CNA revealed that declining post-disaster revenues due to a loss of residents made it challenging to provide essential services. The CNA helped reveal auditing and financial management issues that could be corrected to maximize federal and Commonwealth funding, and ways in which Coamo could improve operations and partnerships to its economic development and housing goals.

In 2018, the Municipality applied for more than \$21 million in Community Development Block Grant-Disaster Recovery (CDBG-DR) funding from the Puerto Rico Department of Housing (PRDOH). Grants began to support recovery planning, infrastructure, and several housing and commercial building projects, including those described below. With direct TA provided by the DCTA program, Coamo staff began to build capacity for effectively managing this substantial increase in federal recovery funds and meeting compliance requirements.

The LISC TA team worked with Coamo staff to review and improve financial management policies and procedures to improve federal grant compliance, including requirements of the CDBG-DR program. In addition, financial management tools and templates were developed by TA team experts who then conducted cohort training sessions with Coamo and three other PR municipalities on the effective use of the tools and templates in order to maximize federal revenues. These tools and templates will help Coamo maximize the revenue and reduce administrative costs.



To date, Coamo has received \$10.4 million in CDBG-DR funding through PRDOH's "City Revitalization Program." This funding is providing support for the rehabilitation and reconstruction of seven residential and commercial buildings and landmarks in Coamo's historic center (*casco urbano*). The TA team assisted Coamo staff with analyzing current conditions and planning strategies to complete an 18-unit affordable, HOPE VI Main Street for-sale housing project. While eight of the units have been completed, many buyers do not qualify due to their income and the small loan sizes needed. TA identified financing options to mitigate these barriers and affirmatively market the houses more broadly to identify buyers that meet the program income limits and are able to get a mortgage loan.

To further help Coamo rebuild its housing stock, the DCTA team guided staff in developing an affordable housing strategy framework. The framework lays out Coamo's guiding principles for affordable housing development and provides an extensive set of guidelines and questions to consider in the development of a comprehensive housing strategy. The framework helped guide Coamo staff in their discussions with PRDOH about the development and marketing of the CDBG-DR-funded City Revitalization Program housing projects.

In addition to housing, economic development objectives began to take shape with the benefit of direct TA. Recommendations and guidance for the downtown revitalization program were provided to enhance the planned National Main Street Center assessment. The TA team helped organize a facilitated focus group meeting to determine the level of interest in forming a downtown business association that would promote the downtown district, as well as share ideas, collaborate on events, and seek technical assistance and funding to help businesses located in the downtown area. Many of the business owners are native to Coamo and remember a historically bustling business center. Although the focus group was comprised of only four small business representatives, participants are heartened by the Mayor's efforts in revitalizing the *casco urbano* (*urban center*) and agreed that more businesses would be interested in a collaborative and comprehensive effort to regain the bustling business center of the past.



The Municipality of Coamo has long supported local businesses. For example, Coamo provides the following types of assistance to help existing and new businesses.

- Tools and support to help businesses gain recognition from Brands of Puerto Rico, a branding effort for island products and promotional events,
- Business Incentive Grants of up to \$10,000 for new businesses,
- Administration of a CDBG-funded small business loan or grant program, and
- Maintenance of data on available commercial spaces and vacant spaces ready for reinvestment and rehabilitation, with methods for connecting new businesses and entrepreneurs with these spaces at a more affordable rental rate.

In support of microenterprises, the TA enabled the municipality to set up a Kiva loan and mentorship program with Causa Local, a local Kiva trustee. Kiva offers micro-lending options entrepreneurs that may not fit a traditional or commercial loan situation. Causa Local will be able to make character-based 24- to 36-month loans up to \$15,000 and provide technical assistance and mentoring for microenterprises. Click [here](#) for more information about Causa Local Kiva loans.

The TA team assisted the municipality with building staff capacity in a number of ways. This included retraining an existing staff person from Human Resources to Workforce Management, providing guidance on working with partners through procurement and memoranda of understanding, and introducing Coamo to potential partner nonprofits. With this expanded capacity, Coamo is better equipped to pursue their economic and housing development goals.

The results of the TA experience for Coamo have been very positive. Coamo's Federal Grants Director, Hector Rodriguez, said *"the municipality would like to thank the HUD DCTA Program. Through the program, we have established methods and strategies at the financial level, such as the application of marginal benefits in federal programs, at the economic development level by directing us in new ideas and efforts for the development of existing and new projects, and in the identification of external economic resources that benefit the municipality, citizens, and entrepreneurs."* With this assistance, the Municipality of Coamo is on an upward trajectory of growth with enthusiasm about the future.

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<sup>i</sup> U.S. Census Bureau, retrieved 7/18/22: [U.S. Census Bureau QuickFacts: Coamo Municipio, Puerto Rico](#)

<sup>ii</sup> FEMA, Enterprise & Coordination Information Management, Housing Assistance Program Data, 2/20/20