

Evaluation of the Rural Innovation Fund

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Overview

- “The focus of the evaluation will be to determine if the higher level of resources provided under the RIF...has permitted grantee organizations to more effectively leverage the funding provided, work with a larger variety of additional funders with greater impact, and sustain a higher level of operations in the long term.”

Overview

Objectives

- Compare effects of large and small grants, both within RIF and with prior program: RHED
- Leverage analysis
- Descriptive analysis

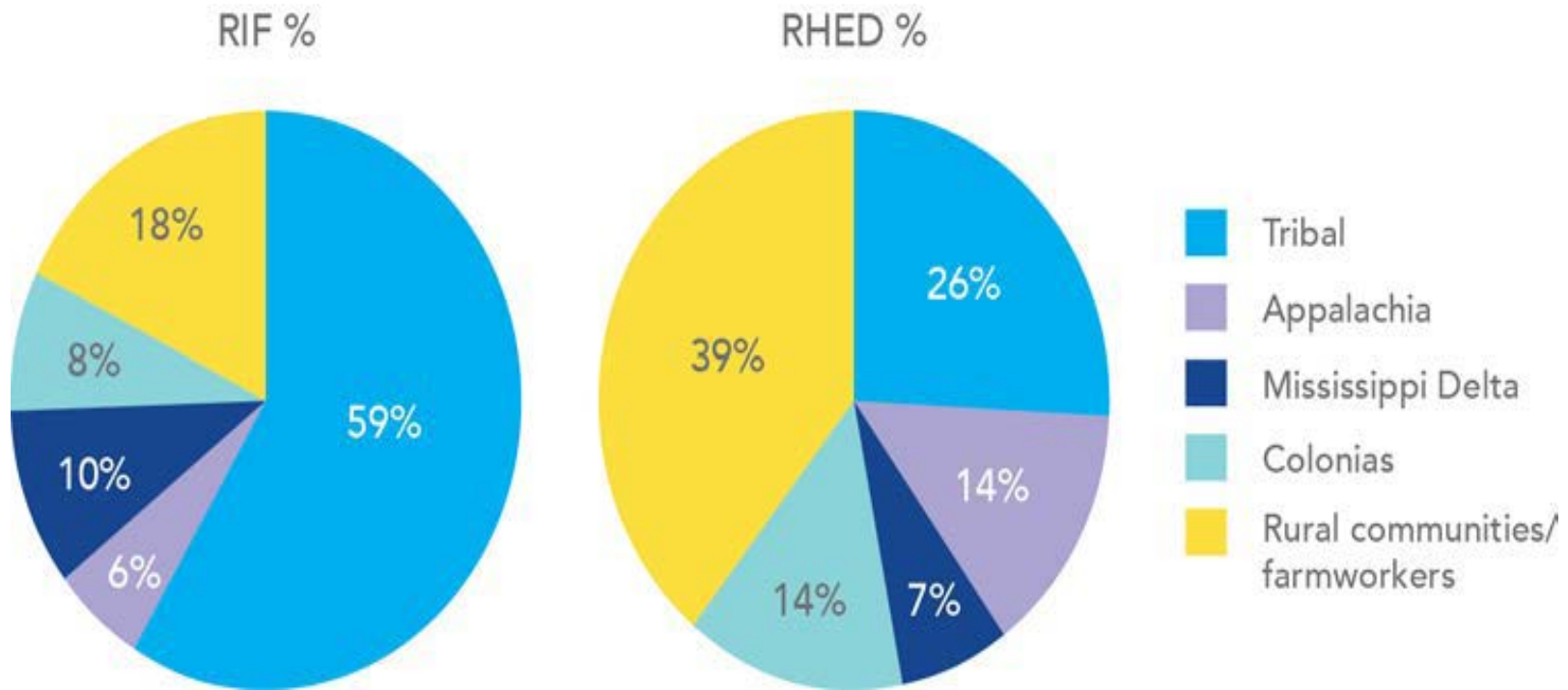


Rural Housing & Economic Development (RHED)

- Ran from 1999 to 2009
- Providing almost 950 grants, ranging from \$100,000 to \$600,000
- Project type:
 - Half went to housing development and rehab projects
 - Almost one-quarter were for commercial or business development
 - About 15% for lending

RIF/RHED Grant Distribution

By geographic type of organization



Data Collection Methods Overview

- Site Visits to RIF Grantees
 - 15 total
- Telephone Interviews w/RIF & RHED Grantees
 - 36 RHED & 44 RIF Interviews
- RHED & RIF Program Files
 - 141 RHED files and 51 RIF Files
- Stakeholder Meetings/Focus Groups
 - 4 occasions

Major Findings

- Leverage:
 - Organizations with larger budgets (+/- \$1M) had higher leverage rates
 - Tribes had lower leverage rates
 - Leverage rates were greater for single-purpose grants
- 60% of projects included energy efficiency
- 40% of projects included housing counseling
- Very little use of mixed financing (e.g., LIHTC)

Selected Case Studies

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Selected Case Studies

- Southern Bancorp Community Partners: Helena, Arkansas
- Community Students Learning Center: Lexington, Mississippi
- Macon Ridge CDC: Vidalia, Louisiana
- Portable Practical Educational Preparation: San Luis, Arizona
- Oglala Sioux Housing Authority: Pine Ridge, South Dakota

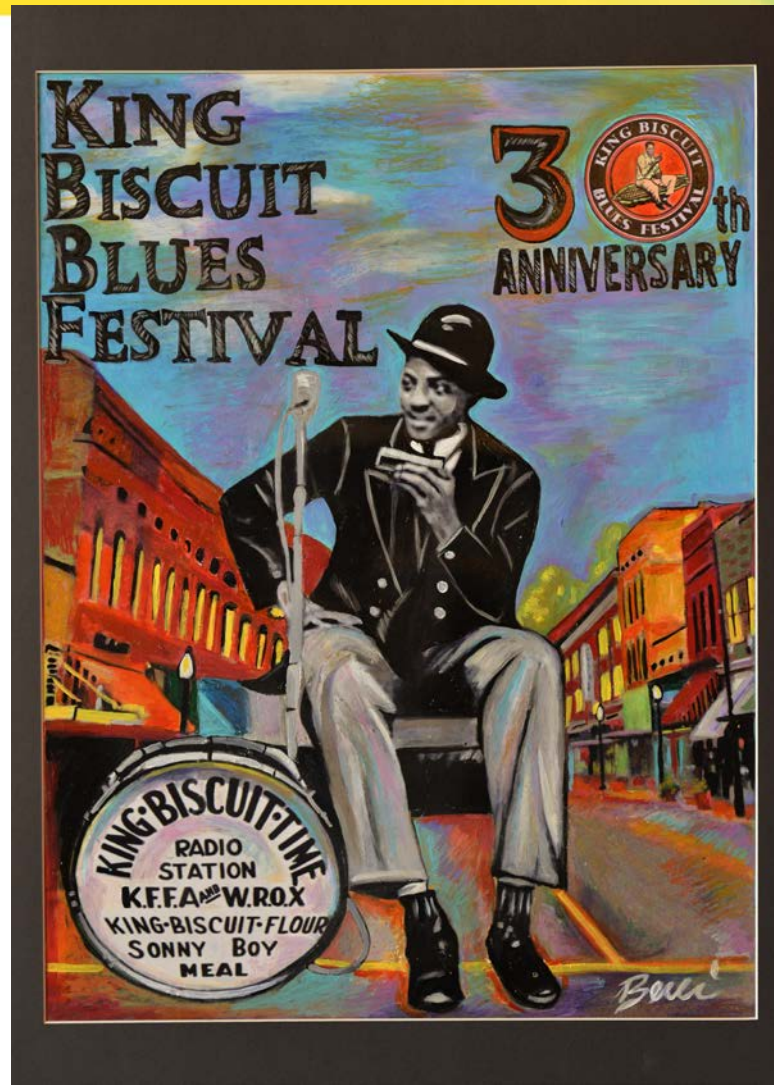
Southern Bancorp Community Partners (SBCP) Helena/West Helena Arkansas



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Helena/West Helena

- Located on Mississippi River, across from Natchez, MS
- 2015: 11,500 residents, three-quarters African-American, almost 20% housing vacancy rate, 44% poverty rate
- Significant Teach for America presence
- Home of the King Biscuit Blues Festival (Oct. 5-7, 2017: kingbiscuitfestival.com)
- Battle of Helena: July 4, 1863



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The Avenging Fire of the Gunboat

The gunboat U.S.S. *Tyler* gave the Union defenders a decided advantage in the Battle of Helena. Her captain could move the gunboat and its heavy artillery where it was needed most, and that is exactly what he did.

Pritchett Exploits the *Tyler's* Impressive Firepower

The U.S.S. *Tyler* arrived in Helena on July 2, 1863. When the battle opened along the lower Little Rock Road south of Battery C two days later, the *Tyler's* big guns silenced the Confederate artillery firing on the Union troops east of Battery D.



Lieutenant Commander James M. Pritchett

As the battle raged, Lieutenant Commander James M. Pritchett moved the *Tyler* up and down the Mississippi, to wherever she could be most useful. When the Confederates captured Battery C, the gunboat turned her impressive firepower on the gray-clad soldiers on the ridge. When the Confederates ran down Graveyard Hill to attack Fort Curtis, Pritchett redirected the *Tyler's* fire.



The *Tyler's* Fire is Awful in its Effect

A Union naval officer recalled the gruesome result. "The slaughter of the enemy at times was terrible, and all unite in describing the horrors of that hillside, and the ravines after the battle, as baffling description, the killed literally torn to pieces by shell, and the avenging fire of the gunboat. . ."

When the Confederates attacking Fort Curtis fell back, the *Tyler* again turned her guns on Battery C. The Confederate offensive broke and the Union troops regained the battery in no small part due to the *Tyler's* support. The Secretary of the Navy, Gideon Wells, later presented a commendation to Lieutenant Commander Pritchett for his actions during the Battle of Helena.

"The slaughter of the enemy at times was terrible, and all unite in describing the horrors of that hillside, and the ravines after the battle, as baffling description . . ."

Southern Bancorp Community Partners

Affiliated with Southern Bancorp, one of the nation's largest rural development banks



SBCP: RIF-Funded Activities

- Business start-up challenge: \$15-25,000 grants, an 8-week business start-up class, 70% women; upon completion: space in business incubator, technical assistance, free graphic design services and business planning tool.
- Helena Jobs Incentive: \$2,500 to 7,500 per job. Fund provide capital for business expansion that includes hiring for “quality jobs”.
- Riverside Renewal: matching funds, up to \$100,000 for the development of commercial and residential property in downtown Helena.





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SBCP: RIF-Funded Activities

- Lending for people with poor credit: financial advisement and housing counseling
- IDA Match Fund: Less restrictive requirements: TANF required dependents in home, money can be used for home repair
- Community Champions: downpayment support for first time homebuyers and renovation assistance for police, fire department, doctors, nurses and teachers.



make helena
HOME

— This program awards eligible —

Public Service Professionals

at least

\$4,000

to assist with **purchase or renovation**
of homes in Helena-West Helena.

(Eligible professions include: Police Officers, Firefighters,
Teachers, Healthcare Providers, and more!)

— *The award fund is limited; apply today!* —

Funded by a grant by the U.S. Department of Housing and
Urban Development, the Community Champions Program is
administered by Southern Bancorp Community Partners.

 **Southern Bancorp**
Building communities. Changing lives.

To learn more or to receive an application, please visit

SouthernPartners.org/CommunityChampions

or contact Brooke Gerber at brooke.gerber@southernpartners.org or 870-616-1115.

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SBCP: Community Impact of RIF

- Business creation: six awards, including a boutique on Cherry Street and award-winning industrial sander maker.
- Job Incentives: \$194,500 to three businesses, 36 jobs—22 filled; additional \$48,000 to create 10 jobs, just approved.
 - Difficulty filling jobs: skills and drug-test (Norac Additives)
 - Enviro-Tech plans expansion of facility in Helena
- Riverside Renewal: 9 grants totaling \$722,000 for projects with total investments of \$2 million. Eight commercial and seven residential spaces with residential units above the commercial properties.
 - Cherry Street has new businesses: “The lights have been turned on again.”

SBCP: Organization Impact of RIF

- Enhanced SBCP reputation with HUD staff, helping with a HUD staff training
- Increased SBCP grant-making capacity, including scoring and financial systems
- Made SBCP more attractive to funders and talented staff
- Better public communications came with greater visibility
- Ability to better manage environment review process

Community Students Learning Center (CSLC) Lexington, Mississippi

- Lexington, Mississippi:
 - Population: 2010:1,731; 2016:1,573 (Holmes County: ~19,000)
 - 72% African-American,
 - 16% housing vacancy rate
 - 41% poverty rate
- CSLC:
 - Focused on education, children and adults
 - Computer training
 - Job preparation and training
 - Health Awareness

CSLC: RIF Activities

- Job training: partnering with MS Department of Employment Security's WIN Jobs Center; assistance with resumes and interview skills.
- Business incubator: new construction of center
- Housing rehabilitation: 100 applicants, five brought up to standard
- New single-family construction and home purchase assistance



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CSLC: RIF Impacts

- Early in process, not all community impact goals met
- Organizational impacts
 - Developed ability to manage construction projects
 - Obtained business incubator certification
 - Upgraded financial systems
 - Staff earned housing counseling certification
 - Joined VISTA: 15 AmeriCorps volunteers
 - Media exposure
 - Honed data analysis and reporting capacity

Macon Ridge CDC (MRCDC) Vidalia, Louisiana

- Single-purpose grant (\$300,000)
- Recipient of three RHED grants
 - Built 40+ single-family homes
 - Developed and managed multi-family properties (primarily for elderly and disabled), nearly 200 units
 - Created and sustained group of independent contractors
- RIF grant went to revolving loan fund to support 10 energy-efficient single-family homes
 - Could develop three homes at a time, instead of one, decreasing overhead
 - Used USDA 502 & conventional financing for permanent financing

MRCDC: RIF/RHED Building Capacity

- Internal: The RHED grants helped develop MRCDC into a strong organization:
 - Financial systems and skilled staff
 - Financial strength, lower cost borrowing, support from State of Louisiana, almost completely self-sufficient
- External: RHED grants allowed MRCDC to build network of subcontractors:
 - Assisted in their business development
 - Provided warehouse for subcontractors to store equipment and work
- Need capacity: no one to partner with in the area



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Portal Practical Educational Preparation (PPEP) San Luis, Arizona

- PPEP: large nonprofit working across Arizona (500+ employees, \$25 million budget)
- Many charter schools in portfolio, including in San Luis
- RIF funded YouthBuild program (Dept. of Labor), students:
 - Worked on construction projects, learning the trade earning money
 - Completed GED
 - Gain confidence in their abilities





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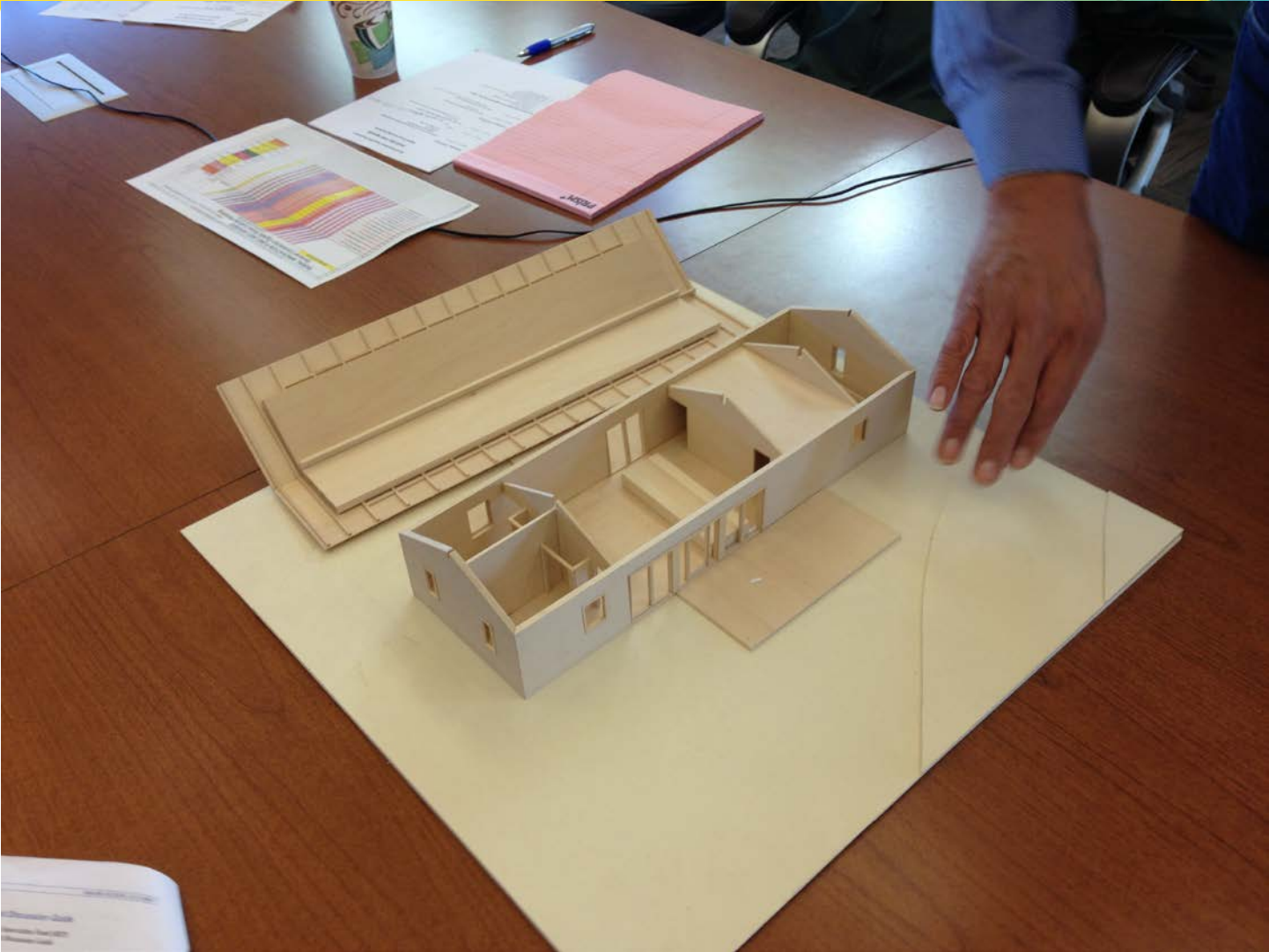
PPEP: Accomplishments

- RIF grant allowed PPEP to double the size of the YouthBuild program from 12 to 24 students per year
- Enhanced relationships with many partners
- Increase in size and visibility has enhanced sustainability
- 75-80% of students get GED
- In last class, nine of 12 in college
- Nine homes completed, Self-help, land and materials donated
- 70 bathrooms remodeled for housing authority

Oglala Sioux Housing Authority

Pine Ridge, South Dakota

- One of the poorest places in the United States, with 53% poverty rate in Oglala Lakota County
- Site of Wounded Knee Massacre
- As many as 20 people live in a single home
- Great need for infrastructure and records of where water pipes, sewers, etc. that do exist are located



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Oglala Sioux Accomplishments

- \$2,000,000 RIF grant provided to build 18 energy efficient homes and added needed infrastructure
- Conducting energy efficiency study of homes using various types of energy-saving construction
- Built capacity of property management, better rent collections → qualify for LIHTC
- Residents in new homes take financial education and housing counseling courses

Other Comprehensive RIF Projects

- San Felipe Public Housing Authority: 14 solar passive single-family homes with infrastructure on tribal lands; as primary lender, generating income for SFPHA; on-the-job construction training for tribal members.
- Pathstone: Job training and employment services, training and resources for coffee growers, promote agri-tourism around coffee growing, development of micro-businesses, build 56-unit rental housing.
- Nogales Innovation Consortium Partnership: developed a neighborhood resource center as part of a project that created jobs, provided training, and rehabilitated homes, partnering with several organizations in the area.
- Chippewa Cree: Tribe built a water main and storage tank as part of a regional water conversation and supply plan.

Q&A

