

DECEMBER 2022

PARTNERS FOR RURAL TRANSFORMATION

END OF THE YEAR MESSAGE

2022: A Year of Growth and Expansion

2022 in Review

MOVING FARTHER, TOGETHER.

2020 and 2021 saw our communities and colleagues wrecked by the effects of COVID-19. In recovery from and living alongside a virus that persists, the [Partners for Rural Transformation](#) (PRT) have only deepened and furthered our commitment to this country's most underserved populations.

2022 brought about some opportunities for normalcy for the country, including some that were not beneficial for our communities. The Partners for Rural Transformation continued to employ our eclectic backgrounds and diverse experiences to serve marginalized communities in predominantly rural areas. Our central ambition to eradicate persistent poverty in the United States has been maintained this year, as each of us, in collaboration with regional and national stakeholders, leveraged our knowledge and networks to rose to challenges seen and unseen.



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2022 in Review



Funding Feats



Partners' Impact



PRT in Public



Cheers for the Collective



2023: A Preview

2022 in Review

In our work, financial capital investment assists to drive the depth and reach of our community impact. Those that invest in PRT are warmly appreciated. As we've been able to enhance and further the tenets set in our strategic plan, we continue to thank [Robert Wood Johnson Foundation](#) and [Wells Fargo Foundation](#) for their ongoing support. We would also like to send a special thank you and acknowledgement to the organizations that assisted our CDFIs throughout the nation, such as: United States Department of Housing and Urban Development, United States Department of Agriculture, and others.

PRT completed tremendous work internally this year as well. All four Working Groups (Advocacy, Communications, Fund Development, and Research) developed a robust set of guiding priorities for 2022-4, approved by the working groups themselves and the Steering Committee.

Advocacy published our CRA Comment Letter, as well as engaged with [Sen. Warner's Community Development Investment Tax Credit Act](#) and is advocating for more inclusive parameters to incentivize investments in CDFIs serving rural persistent poverty areas. PRT is in contact with Warner's legislative Correspondent to brief the committee.

Communications is in full force with the expansion of the [Everything Else: Stories from Rural America Story Map](#). We've also joined forces with KERTIS Creative to develop a packaged suite of branding, advertising concepts, philanthropic and government appeals, and more for PRT cohesively.

Fund Development continues to create impactful investor relationships, collaborating under contract with LOCUS Consultant Group to produce an established portfolio of potential investors and congregate with key contacts.

Research has responded to several RFIs, including: [Greenhouse Gas Reduction Fund: EPA, Enterprise Duty To Serve Underserved Markets Amendments Proposed \(FHFA\)](#), and many more.

However, collectively as Partners, the dedication to our constituents has not ceased, nor decreased. Our efforts to advance prosperity in rural persistent poverty areas (PPAs) continues without fail.



Growth

FUNDING FEATS

As most nonprofits know, significant change can be made with non-financial investments - yet they truly assist in innumerable ways. In 2022, PRT received several notable investments.

As a coalition joined by Lakota Funds, led by Nick Mitchell-Bennett and come dream. come build., PRT received \$7.5m from Wells Fargo via its WORTH Housing Program. Over the multi-year grant period, the WORTH Native and Rural Collaborative intends to directly support at least 5,000 new BIPOC homeowners in their targeted geographies.

PRT IS EXTREMELY GRATEFUL FOR EVERY GRANT, INVESTMENT, AND GIFT RECEIVED THIS YEAR. THANK YOU TO THOSE THAT BELIEVE IN US AND THE WORK WE DO. LET US CONTINUE TO SERVE, TOGETHER.

“Money follows capacity, but capacity follows money.”

JIM KING
PRESIDENT & CEO, FAHE

In addition, PRT also received a \$500,000 grant from Google, made possible through funding from Google.org Charitable Giving. Through this grant, PRT will conduct participatory research in three areas that will help our CDFIs explore avenues to increase capital needs of small businesses, loan mortgages defaults, payroll payment delay, resulting from the COVID 19 crisis.

Our largest and most unique investment came in the form of a \$12m grant from the Heron Foundation. This grant is their largest to date, which makes it unique to both PRT and the Foundation. Heron is dedicated to redefining philanthropy, acting and participating as a nourishing part of a reciprocal ecosystem. This funding will be used for operational funding at PRT and each of our CDFIs. Beyond that, PRT will invest in all of our departments' work, expand our staff, engage with a wider array of consultants, and more as necessary. Although distinct in mission and service offerings, the Partners respective organizations share a desire to help build vibrant, healthy, empowered, and interconnected rural communities with thriving local economies that are sustainable and enduring and promote an equitable and high quality of life.



PARTNERS' IMPACT

2022 was a year of remarkable progress and success for our six CDFIs. As this year comes to a close, we reflect on just how the strides we took individually resulted in healthy community impact.



In 2022, cdc b | come dream. come build. disbursed \$6,321,128 of rental and utility assistance to 1,613 families in a persistent poverty county with a majority Latino population. In addition, cdc b provided 723 families with housing counseling and financial coaching, which aids families in the pursuit of increased financial literacy and credit rebuilding.

cdc b created 138 new, first-time homeowners in Cameron County, TX. Along with assisting new homebuyers, cdc b's CDFI, the Rio Grande Valley MultiBank originated over \$5.5m in small-dollar loans to 5,819 employed individuals in South Texas. cdc b's policy shop, "p3: people.policy.power" released an in-depth fact sheet on housing issues in Cameron County that was shared with elected representatives in South Texas. In addition, cdc b hosted an educational webinar on Colonias to shed light on Colonia issues along the United States-Mexico border.



2022 proved to be a pivotal year for Communities Unlimited (CU). Their dedication to creating socioeconomic equality was unmatched. So much so, that they were chosen to lead the Arkansas Minority Business Development Center in September.

CU developed a new eWealthHealth© initiative to address the socioeconomic inhibitors to small business growth and wealth building for business owners of color by taking a whole person approach to serving the business owner. A key strategy is to look beyond business profitability to a "whole person" approach that focuses on key wealth building strategies including the well-planned sale and transition of businesses owned by people of color. The targeted strategies vary depending on the entrepreneur, their family's wealth, and the community in which they live. Key steps to helping all businesses thrive and build wealth include: securing equity capital so as not to rely on potentially harmful credit cards, accessing capital to grow the business and purchase assets that appreciate and contribute to wealth-building, securing trusted investment advice, and more.

COMMUNITIES Unlimited

In 2022, CU reinvigorated its Nuestra Casa lending product. Nuestra Casa is an innovative loan program designed to help the people in the Colonias on the South Texas border with home improvement projects. CU is happy to tell you in just over three months, over 100 loans were closed!

On October 11, 2022 CU opened an office in Nacogdoches, TX thanks to support from the T.L.L Temple foundation. The T.L.L. Temple Foundation was looking for ways to serve small businesses in the 21 counties in East Texas. When the foundation realized there was a lack of CDFIs in the area, it created the Rural Opportunity Catalyst for East Texas (ROC-ET) Initiative. The Foundation chose two CDFIs, including Communities Unlimited. The first loan was made to Olde Tyler Road Café owned by Barrion Johnson. CU will add additional services to the office in East Texas Environmental, Entrepreneurship and Community Sustainability.



Fahe brings people, organizations, and resources together to build homes, communities, and a thriving Appalachia through expanding economic opportunity and security for all. And of course, 2022 was no different!

In 2022, Fahe's Board of Directors, made up of Fahe Members, adopted a new Equity Statement and helped redefine Fahe's mission and vision to better represent the Membership as a whole. These allow Fahe to focus on core values and demonstrates to Fahe Members that they respond directly to their needs and guidance. This reshaping helped Fahe reach unprecedented heights. Fahe, along with cdc, was recognized as a member of the Underserved Mortgage Markets Coalition, which Fannie Mae and Freddie Mac to better support underserved markets. In FY22, Fahe directly invested \$136.1m, serving 79,929 people across Appalachia with transformational services ranging from housing to drug recovery to workforce development. Fahe also saw another tremendous lending year, with a combined total of \$125m loaned through their single-family mortgage lending and Fahe Community Lending. Fahe made 516 mortgage loans of which 406 were first-time homebuyers. The Kentucky Access to Recovery Program (KATR) provided 1,348 people in recovery with access to services they needed to be successful in their recovery. Fahe also raised a record-breaking \$25m in pass thru and operational grant support, \$32m in Credit Facilities, and \$30m more than the target of \$100m for PRT's Persistent Opportunity Fund (POF).

Fahe President and CEO Jim King, along with CU's CEO Ines Polonius and Hope's CEO Bill Bynum, were honored as Rural Leaders by the Housing Assistance Council, and shared what they believe rural communities need to succeed over the next 50 years. Fahe continues to answer the call that Mr. King so poignantly posed in his interview: "What would it take to be a better country?"





2022 proved to be an unbeatable year for Hope Credit Union (HOPE), as they recorded amazing feats throughout the year. To start, in Fall 2022 Hope Credit Union (HOPE) pledged to make \$1 billion in financing available to support underbanked families, homebuyers, small businesses and community facilities in economically distressed across the Deep South.

This pledge was made possible through a low cost \$92.6 million loan funded by the U.S. Treasury Department’s Emergency Capital Investment Program (ECIP). Structured as regulatory capital, each dollar funded through the program will allow HOPE to attract up to \$10m in deposits which will be reinvested in underserved communities. Legislation to create the ECIP was the culmination of many years of advocacy to direct game changing levels of investment in CDFIs with long track records of lending to underserved people, communities of color and persistent poverty areas.

The spotlight was directly on rural persistent poverty communities this spring when HOPE co-hosted Vice President Kamala Harris in Greenville, Mississippi. While in Greenville, the Vice President visited Joycee Johnson of Joycee’s Fabric and Sewing Center. HOPE made a Paycheck Protection Program loan to Joycee’s at the height of the pandemic. As Vice President Harris visited Ms. Johnson’s sewing shop, the owner noted the program’s importance to her personally “I thought I was going to have to close, but it all worked because of the PPP.” Through the community relationships which brought Ms. Johnson to HOPE during this critical time, she was able to avoid the outcome faced by so many others. In the early months of the COVID-19 shutdown, 40% of Black-owned businesses closed their doors, compared with 17% of white-owned business.

The organization also launched the HOPE Municipal Opportunity Partnership (HMOP). Through the HMOP, HOPE builds on alliances with municipalities, Historically Black Colleges and Universities (HBCUs), and other anchor partners to leverage federal COVID response and infrastructure dollars. With a cadre of seasoned technical assistance providers, HOPE is working closely with local leaders to identify and pursue opportunities while leveraging HOPE’s community development finance programs. HOPE will end 2022 with over 3,000 loans closed to individuals, entrepreneurs and homeowners.



In March, Vice President Kamala Harris visited HOPE member, Joycee Johnson of Joycee’s Fabric and Sewing Center as part of a broader tour to underscore the importance of investing in underserved small businesses and communities. Pictured from left: Mississippi Congressman Bennie Thompson, Greenville Mayor Errick Simmons, Bill Bynum, CEO of HOPE, Vice President Kamala Harris, Joycee Johnson, owner of Joycee’s Fabric and Sewing Center, Vivian and Rev. James Henley.



As this year comes to a close, Oweesta has been reflecting on the 20+ years they have spent providing access to capital and education to help build the financial resources of Native people and communities. Oweesta is so thankful for the NCDFIs and organizations that they have the privilege of working with, as well as the Native communities and peoples who inspire and ultimately shape the work we do. This year brought change and challenge, but it also brought an opportunity to rise together, stronger than before.

One of these challenges Oweesta faced was the continuing effects of COVID-19 within its Native communities. Before the pandemic, Native communities, and by extension, Native-led organizations, were historically overlooked, underfunded, and underrepresented. The onset of COVID-19 amplified these challenges. During this time, Oweesta strategized how to best support NCDFIs. This ultimately led to Oweesta's \$36m COVID-19 Disaster Recovery Fund. Oweesta is proud of how successful and responsive this program has been to the needs of Native families and small businesses. Additionally, Oweesta would like to highlight that in 2022, Oweesta closed \$63.1m, and their borrowers disbursed \$357.8m in loans to Native Communities.

On the Native small business development front, Oweesta had a successful year as an SBA Community Navigator. Thanks to the innovative Community Navigator program, Oweesta and 26 community-based Native organizations and CDFIs are redirecting government funding to reach Native entrepreneurs and small businesses. The organization also conducted a successful, network-wide spoke meeting and training in Cherokee, North Carolina, in November (hosted by one of the spokes, Sequoyah Fund), and spent two days facilitating discussions around the CNPP programming, financial/program management, and opportunities and challenges to conduct small business lending, training, and technical assistance.

The Native Homeownership Network, a HUD-approved housing counseling network led by Oweesta, continued to reimagine and shape the housing landscape across Native America. So far, Network members supported 455 clients through pre-purchase counseling, created 35 new homeowners, and helped seven households avoid foreclosure. They also gathered for the first time in Hawaii for capacity-building training and a site visit to a sustainability housing compound.

During 2022, Oweesta launched a two-year Native CDFI Practitioner Certification Program, designed to help industry members level up their skills and knowledge. So far, 94 Native CDFI practitioners attended four trainings ranging from executive capitalization to loan portfolio underwriting. Overall, the Oweesta team conducted 2,373 hours of technical assistance and training, reaching 1,874 people through trainings, conferences, and webinars.

Oweesta also hosted their 7th Annual Native CDFI Capital Access Convening virtually this past summer. The Convening celebrated Native CDFI's steadfast service to Native communities and small businesses. During the event, they were reminded – and reinvigorated – that unity is their strength. As the organization continues to look forward, Oweesta is excited about the opportunities and connections that will be fostered during their 8th Capital Access Convening in the Summer of 2023.



Oweesta celebrated their CEO this year, who received the prestigious Heinz Award for Economy for returning wealth to Native communities. Additionally, thanks to the wonderful leadership of Secretary of the Interior Deb Haaland, Oweesta signed an MOU with the Department of Interior to increase access to financial resources and leverage opportunities for Tribal communities and entrepreneurs.

As Oweesta approaches the new year, they are excited to once again stand shoulder to shoulder with their industry as they continue to support and revitalize their communities in 2023.



RCAC had a stellar year in 2022! RCAC assisted 972 rural communities to build, improve, manage, operate or finance drinking water, wastewater or solid waste systems.

RCAC reached more than 12,000 training participants through 353 workshops on technical, managerial and financial topics related to environmental infrastructure. RCAC provided more than 19,000 hours of technical assistance and training to Indigenous communities in the West. RCAC's Loan Fund closed out the year with a record \$209,985,705 in lending capital. RCAC's Loan Fund created the Re-Emerging Loan Fund (RELieF) to assist small businesses as they re-emerge into their marketplaces post COVID-19. RCAC's small business lending, small business coaching and technical assistance are the RELieF program's key components. This year, the Loan Fund assisted 22 small businesses with \$585,000 in RELieF financing. RCAC's Building Rural Economies program continues to grow and served 103 projects this year. Last year, we launched a new service to support individual rural-based businesses with business coaching. This year, we provided these direct one-on-one business coaching services to support 74 rural businesses. The Fund Development team raised \$67.77 million to support RCAC's work with rural and Indigenous communities throughout the West.



RCAC's Housing Counseling program hosted its first in-person Housing Counseling Summit. It was held in Salt Lake City, Utah and was a success with 61 participants. Completed housing projects include rental and self-help at Wingate, Utah; and rental housing at Meadowlark Vista, Montana. Total self-help housing units: 462 and 57 rehab units.

RCAC also accomplished plenty internally with their own staff, Board, and internal programs. Several new staff members joined the team, adding to the amazing existing ranks. RCAC hired a Data and Impact Manager to work with all departments, streamline and develop foundational definitions for commonly used terms and set baselines for departments to measure Key Performance Indicators. RCAC also welcomed a new Chief Operating Officer, Cyndi Spencer, formerly the organization's Finance Grants and Contracts Assistant Director. A newly hired Culture Resource Coordinator will serve as the backbone and coordinator of these DEI and Wellness initiatives, which are critical to RCAC staff culture, engagement and implementation. Michael Carroll, who served as the Housing and Loan Fund Director from 2008-2017, joined RCAC as the Vector Fund Director to oversee implementation of the fund, which houses the \$20 million MacKenzie Scott grant. Hoan "Don" Nguyen joined RCAC in August as its newly selected Chief Financial Officer.

RCAC also initiated a new, Board-approved Disaster Recovery Program, a framework under which multidisciplinary teams of interdivisional personnel could be dispatched to rural communities that need assistance to plan and prepare for response and recovery from major disaster events.

The Board approved concepts for 10 staff-generated Vector Fund projects in February 2022. In addition, the CEO/Senior Leadership Team sponsored and approved four projects in Fall 2021. All 14 projects fit within these criteria:

- Staff development and wellness
- Organizational capacity building and process improvement
- Programmatic deployment and diversity, equity and inclusion
- Increased investment in Indigenous communities

The Diversity, Equity and Inclusion Committee looked back on seven years' progress since its 2015 inception. The all-volunteer committee came together in person for the first time in two years to celebrate successes and refine the vision, goals and tasks for the coming year.

Lastly, RCAC entered the second year of its Wellness journey guided by an all-volunteer committee. Staff attend regular webinars and receive quarterly Live Well Work Well newsletters. Wellness resources are housed on the Live Well Work Well hub on the internal SharePoint site.



PRT in PUBLIC

The Partners had an amazing 2022 in the public eye. From stellar article features to illuminating industry conferences, check out how we grew our outward facing profile and platform!

Forbes

We kicked off this year with a four month [featured flight on ForbesEQ](#). From February to May 2022, PRT published 12 articles on a range of topics from capital flow, innovation in rural America, the power of collaboration, and more. Our March 9 article, [How Can Consistent Capital Flow Save Rural America](#), garnered our highest number of readers with 20,564 views to date. We are honored to have shared just how our CDFIs deploy purposeful capital investment into our communities and hopefully inspire others to support these efforts.

12 total articles published

4,617 search referrals

153,090 total reads

In 2022 alone, PRT and our six CDFIs were featured in over 30 articles and publications via the organizations below and many, many more.



In October 2022, the Partners were invited to join the roster of Presenters and Attendees at the 2022 OFN Conference.

From October 18-21, more than 2,000 CDFI practitioners, funders, and investors, as well as policymakers and other industry stakeholders gathered for the 2022 OFN Conference in New York City — the financial capital of the world — to discuss the power of CDFIs to invest in change.

The Partners attended several edifying events, but more notably hosted a slew of educational sessions for the CDFI community and beyond.



2022 Native CDFI Awards, hosted by Oweesta



(l to r) Jim King (CEO, Fahe), Dana Brazzera (CEO, Heron Foundation), Bill Bynum (CEO, Hope), Chrystel Cornelius (CEO, Oweesta Corporation), and Jose Quinonez (Director, PRT)

On October 19, the Partners and Heron Foundation CEO Dana Brazzera joined forces for the Walking the Last Mile to Alleviate Persistent Poverty in Rural America session.

There, the Partners introduced a collaborative “three legged” approach which invites Federal Agencies, investors, and the regional partner organizations to work together to empower and generate wealth for the 20 million rural people living in persistently poor counties.

On October 20, the Partners presented The Power of Innovative Capital in Rural America session.

In this powerful meeting of the minds, the Partners discussed various strategies and programs to innovate communities and strengthen their local systems. Bringing to light the innovation of rural America, they invited allies to join the journey toward serving the most ignored areas in our country, innovating systems in these areas, and ultimately eradicating persistent rural poverty.



(l to r) Ines Polonius (CEO, Communities Unlimited), Nick Mitchell-Bennett (CEO, cdc), Suzanne Anarde (CEO, RCAC), Sara Morgan (Chief Investment Officer, Fahe), and Michael Carroll (Vector Fund Director, RCAC)

CHEERS FOR THE COLLECTIVE

2022 was filled to the brim with awards, recognitions, and events that honored our Partners. Celebrate with us!



June 9th
KY Chamber of Commerce
Best Places to Work 2022
Fahe Ranked 26th for Small
Businesses

June 14th
National Housing Coalition
Housing Visionary Awards
Visionary Award: Jim King, Fahe



August 30th
Hope CEO Bill Bynum receives
the Independent Sector's John
W. Gardner Leadership Award

CHEERS FOR THE COLLECTIVE

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September 2022

Oweesta CEO Chrystel Cornelius receives the Heinz Award for the Economy



December 8th

Rural LISC Awards

**Rural Legend Award: Pam Johnson, Fahe
Rural Champion: Suzanne Anarde**

2023: A PREVIEW

As we approach 2023, PRT is excited to share a small preview of the amazing programs and projects we have coming up.



In 2023, CU will partner with cdc (founder of MiCasita) and launching the first MiCasita program site outside of the original Brownsville, TX location. While the exact plan to address housing needs in rural communities is in its early stages, CU is already taking action. Step 1 is gathering data for a comprehensive needs assessment for our service area. A portfolio of impactful resources for the communities will follow shortly after. CU is excited to see our Mi Casita program launch in early 2023. Incremental, modular housing built off-site with community partners in Pine Bluff, AR has the potential to transform rural communities.

PRT is also very excited to revamp and revitalize some of our programming next year! follow us on social media to make sure you're caught up and in the know.
Facebook and LinkedIn: Partners for Rural Transformation
Twitter: @PfRTorg
Instagram: @thepartners.pfrt

IN THE MIDST OF THIS IMPORTANT WORK, WE PAUSE FOR A BRIEF MOMENT TO WISH YOU HAPPY HOLIDAYS AND A NEW YEAR OF HOPE, RESILIENCE AND OPPORTUNITY.

MORE IMPORTANTLY, WE THANK YOU FOR YOUR JOINING US ON THE MISSION TO ELIMINATE PERSISTENT POVERTY IN RURAL AMERICA.