

Rural STORIES

RURAL
COMMUNITY
ASSISTANCE
CORPORATION
2017
ANNUAL
REPORT



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Creating vibrant, healthy and enduring rural communities

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A letter from our CEO

Dear Friends,

We ended our 39th year with much to celebrate and a strong sense of resolve. As always, there is still considerable work to be done, and our board and staff are fiercely determined to ensure that the rural communities we serve are vibrant, healthy and enduring. Rural families have access to safe and decent affordable housing through our housing programs; safe drinking water for all through our environmental programs; financial resources through our Loan Fund; and rural economic development support through our Building Rural Economies program.

Read on for milestones from 2017 and enjoy the stories in this report that highlight:

- Alaska Community Development Corporation, which helped participants build energy efficient, affordable homes in Wasilla, Alaska
- Yurok Tribe who now provides safe water to elementary school students at a small school in northern California
- Fallon Food Hub, a small business that expanded to support downtown businesses and local agriculture
- Enterprise, Oregon that was able to build on existing assets to bolster downtown economic development activities

HOUSING

We work with organizations that operate under the U.S. Department of Agriculture Mutual Self-Help Housing Program to help families achieve homeownership.

Thirty-seven self-help housing organizations accessed \$105 million in financing to construct 572 single-family homes. RCAC staff worked with 17 agencies to renew their 523 self-help grants, which totaled more than \$13 million. RCAC staff also reviewed 71 U.S. Department of Agriculture Rural Development 502 Direct Single Family Home Loan applications, which represented \$7.9 million; and 27 organizations are now qualified to process 502 loan applications. Fifty-one of our housing partners accessed more than \$5 million to increase organizational capacity. We provided 12,293 hours of housing training to 2,137 participants. THE Academy launched its second cohort, which brings Native organizations together to learn and apply best practices for developing housing on Tribal land.

ENVIRONMENTAL

While many take safe drinking water for granted, our work shows us that too many communities still struggle to provide it.

RCAC staff worked with water and wastewater systems to serve 8,574 households that secured more than \$21 million for new, rehabilitated or expanded water or wastewater projects. Ninety-four percent of the systems that received RCAC assistance maintained compliance with public health and environmental regulations. We provided 22,079 hours of environmental training to 5,237 participants. RCAC staff completed 18 rate studies that resulted in \$1.1 million in new revenue generation. The Agua4All program installed 88 new water bottle filling stations throughout California during 2017, which brings the total to 362.

LOAN FUND

RCAC's Loan Fund is a resource for rural communities and provides financing where traditional lenders often won't.

The Loan Fund made 68 loans totaling more than \$4.5 million and serving 7,435 households, 54 private well owners and 14 water and wastewater systems. Twelve housing organizations secured \$10.5 million from the Loan Fund to develop 587 housing units. The Loan Fund also provided seven business loans totaling more than \$1.7 million, and three community facilities loans for \$9.3 million.

COMMUNITY AND ECONOMIC DEVELOPMENT

Our Building Rural Economies (BRE) program trains and builds community support for local entrepreneurial development based on local resources and supply chains. The BRE program expanded to serve 17 communities in eight states and has supported 38 new or expanding businesses and 27 new jobs.

As we look ahead to our 40th year, we remain committed to our work with rural communities and grateful for our funders' continued and generous support.



Sincerely,
Stanley Keasling, CEO

A handwritten signature in black ink, appearing to read 'Stanley Keasling'. The signature is fluid and stylized, with a long horizontal stroke at the end.

Tribe & school collaborate to provide safe water to students

NEARLY A HALF CENTURY AGO, Ron Sundberg's father paddled across the Klamath River in a rowboat with his brothers to get to school on the Yurok Indian Reservation.

"My grandmother had a restaurant out there, and there were boat tours. They would walk up to our cabin," recalls Sundberg, whose family are Tribal members. "The restaurant was called the Paddle Inn. Our cabin burned down last year but otherwise, things haven't changed too much."

Sundberg's father attended Jack Norton Elementary School which today—not unlike six decades ago—enrolls between 30 and 35 students every year. Built in 1959, it consists of two classrooms, a library, cafeteria/gym, a small office and a playing field. Yet, it still has no electricity or telephone service. It operates instead on a diesel-fired generator and uses a radiophone. Internet reception via satellite is spotty.

This is a place still full of tradition, where Yurok Indian fishermen with hand-carved eeling hooks brave the frigid and turbulent river to catch the snakelike fish, a diet staple for centuries. It is where Tribal members remain dedicated to preserving Yurok, a Native American language that almost became extinct in the early 1900s. Linguists say no other Native American language in California is taught in as many public schools as is Yurok.

The surface water the school had been using for drinking and cooking failed the federal Surface Water Treatment Rule's for filtration of surface waters.

When the school's water system was constructed, there was no such rule. According to Sundberg, who is an environmental rural development specialist with RCAC, the system was designed to act as a slow sand filter but it had flaws.



“The filter had design flaws which prevented the water from flowing through the fine grains of sand. Rather than reconstruct the filter, they switched to a coarser sand. The new sand allowed the water to pass through, but it failed to properly filter the water.”

But this still didn't bring the school's water system into U.S. Environmental Protection Agency (EPA) compliance.

Although the school is on the Yurok Indian Reservation, the Klamath Trinity Joint Unified School District (KTJUSD) administrates it, but was financially unable to monitor and repair the system. EPA Region 9 then stepped in and ordered a sanitary survey, a formal onsite review of the water system.

“I worked with the school district to correct most of the deficiencies listed in the survey,” Sundberg says, “and provided compliance training to maintenance staff.”

But the school district simply did not have the resources to monitor the ongoing maintenance and treatment. Since the school is on the Reservation, Sundberg decided to ask the Yurok if they could assist.

“We approached the Tribe about [the school] connecting to the Tribe's nearby system,” he says.

The Tribe supported the idea but was unwilling to pay for the necessary construction that would connect the school to its Wautec system about a quarter mile west in the town of Pecwan. Meanwhile, the school district leadership changed from year to year, and each superintendent had a different idea of how to solve the problem. RCAC had worked with the school in 2006, and Sundberg started working with them in 2008.

For the Yurok, which with more than 5,000 members is the largest federally recognized Tribe in California, helping the school meant allowing EPA to regulate its water system. Up to that point, the Tribe's water system was not regulated, but once it allowed the school to connect to it, the EPA would designate it a public water system. This was a big step and particularly significant because, as it turned out, the Tribe's water system was also not in compliance.

“The lack of electricity and remoteness of these systems make compliance a real challenge,” Sundberg says.

To help streamline the connection project, RCAC staff conducted a feasibility study and developed a conceptual design. Some problems, however, seemed unsolvable, such as the fact that the school is at about the same elevation as the Tribe's water storage tanks.

“Water systems need pressure in the pipes” Sundberg explains. “You get pressure from either elevation or a pump. Pressure provides

protection from contaminants that might enter the piping system from the environment. Contaminants can enter non-pressurized pipes. Also, regulation requires a certain amount of pressure in the distribution system at all times. If a system goes below that certain amount, the operators need to respond with public notification and biological testing.”

To solve this, the school district secured funding to construct a pressure booster station and make improvements to its storage tanks. The connection was completed during the summer of 2016, and as a result students at the Jack Norton School now have access to safe drinking water.

Now, there are no scares anymore. There's a proper testing process in place. The water is monitored through the Tribal system; there's no more boiling and the kids can actually drink out of a drinking fountain.

According to Missie Ammon, KTJUSD's director of maintenance and transportation, the greatest challenge during the project was keeping the old system working until the connection was completed. She says that RCAC's dedication to the project was indispensable.

“Ron [Sundberg] was such a big help to us,” she says. “Without him, it would have been a nightmare. I was constantly asking him, ‘Now, what test are we talking about now?’”

Tests showing that the school's water was out of compliance, had become commonplace. “Now, there are no scares anymore. There's a proper testing process in place. The water is monitored through the Tribal system; there's no more boiling and the kids can actually drink out of a drinking fountain.”

Austin Nova, chief operator for the Yurok Tribe, says that Sundberg is correct in thinking that connecting the Tribe's water system to the school was a big commitment.

“There's increased demand and pressure on our small system,” he says. “But it was very important to the Tribe to give the school clean water.” ■



Self-help housing provides home ownership opportunities for low-income Alaska residents

LAST YEAR, Kolten Conan was scrolling through his Facebook page, and he happened upon photos of a house under construction. He already knew a thing or two about building homes: he's now 21 and when he was just a little boy, he had scampered among laborers at construction sites around his hometown of Wasilla, fetching boards and helping out with seasonal work. He has been mowing lawns since he was nine years old.

The housing photos especially intrigued him because he was looking to own a home someday. What he didn't know at the time, however, was that the photos were of homes built by a community of families helping one another toward affordable home ownership. He contacted the friend who had posted the photos to find out more.

He learned that the house was part of a U.S. Department of Agriculture-Rural Development Mutual Self-Help Housing project, whereby several families work together to

provide at least 700 hours of "sweat equity" to construct their homes in exchange for an affordable mortgage. Participating families are generally low-income and unable to qualify for traditional mortgages.

He applied to the Alaska Community Development Corporation (CDC), which received its first Mutual Self-Help Housing grant in 2000. The organization is dedicated to ensuring decent and energy-efficient housing for low- and moderate-income Alaskans. The focus is on energy conservation, weatherization, retrofitting, rehabilitation, construction and financing.

In November 2016, Conan and six other families were accepted into the program. Work got underway in February 2017, and the families moved into their new homes in spring 2018.

Since Alaska CDC started operating the Mutual Self-Help Housing Program in 2001, participating families have built 77

energy-efficient homes that meet Alaska's most stringent energy efficiency standards, said Patrick Shiflea, executive director of the Alaska CDC.

Under the USDA contract, RCAC assists grantees in the western United States to successfully complete single-family housing financed through the program. RCAC has worked with Alaska CDC for nearly 20 years, says Angela Sisco, RCAC rural development specialist, who has worked with the agency during the past decade.

"They really stretch themselves to build green beautiful homes," Sisco says.

In Alaska, with its notoriously long and fierce winters—it can stay below zero degrees for weeks—construction is no easy feat.

"The best way to get around home construction work in the winter is to start construction in the spring," Shiflea explained. "That is, however, not always possible because of

the timing of getting all the program applicants eligible and also the timing of all funding sources. Winter construction is often possible if we can get the foundations in before freeze-up. We are not able to be as efficient with construction in the winter but can work when the weather does allow it and can usually be productive once we get the homes framed up.”

But for Florida native Tanya Chaisan, who lives in Wasilla and who worked alongside Conan, the Alaska winter was only partly discouraging.

“I think the summertime can be worse because it’s harder to get my kids to help out then,” she jokes. “But the winters can definitely be hard when you’re out working on the construction. Not every day is sunny. I keep my rain boots in the trunk of my car. We work rain or shine.”

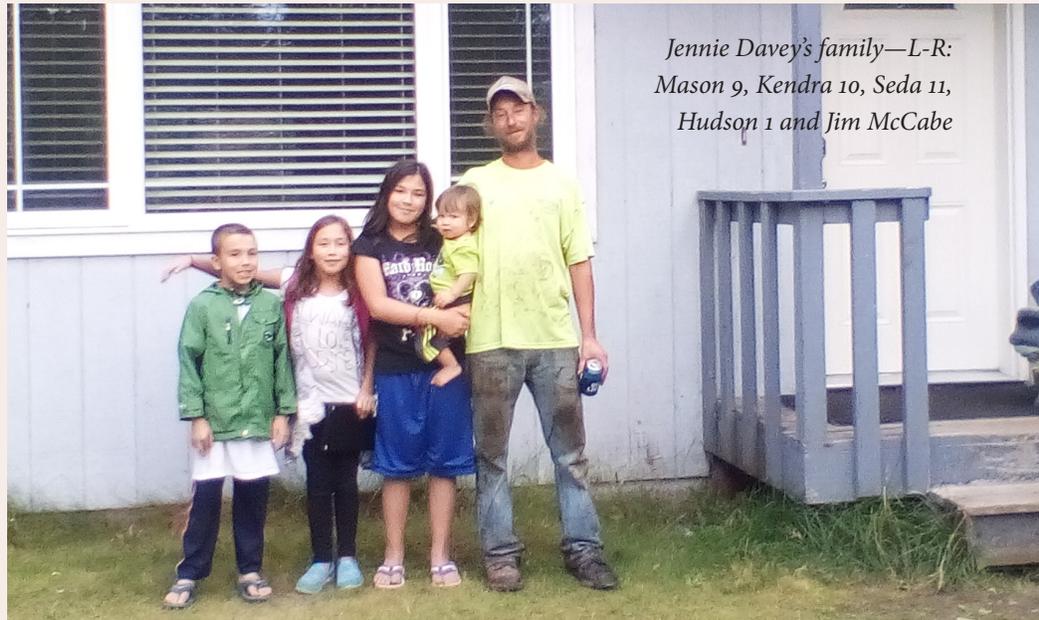
A single mother to three sons (ages 24, 18 and 16) and with a grandbaby on the way, Chaisan says that her will to build a house stretches back years, to conversations she had with her father who died of cancer in February 2015.

“My dad really wanted us to build a house together,” she recalls. “That’s what kind of pushed me to do it. And I’m single and I’ve learned over the years that if I can understand how something is made and put together, then that’s a great opportunity for me.”

Along with full-time work as a dental assistant, Chaisan cleans offices. Add working on her house to that schedule, and her seven-day weeks are filled. But this is nothing new to her.

“Anything I’ve gotten in life,” she says matter-of-factly, “I’ve had to work really hard for.” She notes that living in Alaska is expensive. Monthly rents can rise beyond \$900. A gallon of gas can cost nearly \$5.00.

Her fellow builder, Jennie Davey, understands well where Chaisan is coming from. Like Chaisan, Davey trained to be a dental assistant, but she is now a stay-at-home



*Jennie Davey’s family—L-R:
Mason 9, Kendra 10, Seda 11,
Hudson 1 and Jim McCabe*

mother to her four children, ranging in ages from one to 11. Her older children are learning how to work, she says, like Conan did.

“I take them with me when I go to the construction site,” she says. “I don’t have babysitters on the weekends. They pick up trash and do little jobs to help out.”

Like her fellow workers, she says that building the house was imperative to building a better life for herself and her family.

“Anything I’ve gotten in life,” she says matter-of-factly, “I’ve had to work really hard for.”

“We were living in a very inefficient house,” Davey says. “It was built in 1983. There were bats in the attic, we had a leaking roof, and there was no insulation in the crawl space. When it’s 30 degrees below outside and you’re living in a 900-square-foot house, you end up paying \$300 per month for natural gas. Electricity costs about \$135 per month. It’s hard to keep up with the bills sometimes.”

Costs are also a consideration in building the new homes, Shiflea said.

“The extra costs for the upgraded efficiency are running in the neighborhood of \$15,000 to \$18,000 per home,” he said. “It is a big increase, but it provides long-term savings in energy use for the homeowners. Some of our supplemental funding with self-help housing has encouraged greater efficiency and has covered some of the cost upgrades.”

The greatest challenges, he added, are rising costs for land, development, materials and labor. The long-term commitment needed to build the homes can also be a hardship for many families that are already stretched thin financially and for time.

For Conan, an additional hardship was emotional: his father, age 49, was diagnosed in February 2017 with esophageal cancer. Treatment required that he be regularly flown during several months to and from Phoenix, Arizona. Conan found that the construction of his soon-to-be new home grounded him in a way that often only hard physical work can.

“It was pretty tough in the beginning,” he recalled. “I’d go in and hang out with him after work, and then the next day I’d go back to shoveling snow at the site. In this way, all of it taught me to take it one day at a time.” ■

Breathing new life into Enterprise, Oregon's historic OK Theatre

BACK IN THE DAY—nearly a century ago—the OK Theatre in Enterprise was a shining light in eastern Oregon, hosting events both unique and routine. There were plays and musicals at the 350-seat, single-screen theatre and traveling Chautauqua, an adult education movement in the early 20th century that brought musicians, preachers and academic lecturers to rural America. There also were Sunday matinees, but only after town council members carefully approved them when some residents circulated petitions warning that the shows could interfere with church and baseball games.

And there was an even more worrisome challenge: while the OK Theatre's construction commenced in October 1917, the influenza epidemic that swept across the nation in December 1918 prompted restrictions on public gatherings. Work on the building continued, however, including decorating the walls, finishing the electrical wiring, and bolting chairs to the assembly room floor. By the end of January 1919, the doors were thrown open and the newly born theatre was heralded in the local newspaper, *The Chieftain* (now known as the *Wallowa County Chieftain*):

“In opening the OK Theatre, we offer to the citizens of Enterprise and Wallowa County a complete modernly equipped comfortable theatre,” the editors wrote. “Artistic landscapes adorn the walls and the lights are decidedly pretty. The management promises that the picture shows will be of as high a quality as the house itself, and the theatre is bound to attract patronage from far and near.”

During the last century, however, time, weather and changing recreational pursuits have taken their toll on the once elegant Art Deco building, which in 2012 was placed on the National Register of Historic Places.

Much of the theatre's original façade, however, including the tripartite storefront and entrance, has been modernized. The original lighting canopy was removed and replaced with a more modern marquee. The original doors and windows were replaced and the second story windows were covered.

But today still, the old boiler heating, plumbing, electrical and projection systems are in disrepair. The only bathroom, located downstairs, does not comply with the Americans with Disabilities Act (ADA). The carpet and stage curtain need to be replaced, and the seats need to be reupholstered. Total renovation costs are estimated at nearly \$250,000.

None of this dissuaded Darrell Brann, a musician and construction company owner who moved to Wallowa County in 2001 with his wife and family. He bought the OK Theatre in November 2013, intent on creating a premier regional live concert and performing arts venue, thereby combining his construction expertise with his love for music.

Brann grew up in a musical family. His father played rhythm guitar and his mother sang and played keyboard in a country band called Lincoln County Express that performed covers by the likes of Patsy Cline and Creedence Clearwater Revival. Brann and his brothers Dale and Craig learned to play acoustic, bass and electric guitar. They also sang in church with their mother.

Brann also runs a successful local construction company. Both naturally led to his interest in the OK Theatre.

“My background has been in buildings and restoration work,” he says. “I was interested in the quality of sound in a little theatre. In 2012, I booked a show in the theatre and I was thinking I would do



it every now and again. But then when the theatre came up for sale, it really did affect the town. I saw rental income potential and so I decided to dig into it and start learning.”

He’s made good on his goal: in the last three years, he’s brought nationally recognized performers to the locale, including Grammy winners Dom Flemons and Asleep at the Wheel. Tickets sold out quickly; visitors came from as far as Spokane, Portland and Seattle to attend shows. Brann started selling subscriptions to performances, and said that the original 25 ordered could increase greatly if he could raise funds to fully renovate the theater.

Then, in 2013, city leaders approached RCAC for help with its downtown revitalization and economic development. The Greater Enterprise Main Streets (GEMS) and businesses there needed support, direction and energy, says RCAC rural development specialist Chris Marko. RCAC secured funding for its Building Rural Economies (BRE) program through the U.S. Department of Agriculture Rural Community Development Initiatives (RCDI) to help Enterprise with community development.

The focus was three-fold: entrepreneurship, business development and catalytic projects.

Marko brought together city leaders, GEMS members, the Wallowa County Chamber of Commerce, Northeast Economic Development District, and Wallowa Resources, a private nonprofit organization focused on environmental education and sustainable business development. He introduced them to WealthWorks training, which

encourages community and business leaders to consider wealth values beyond financial benefits. All agreed the OK Theatre should be a priority for RCAC assistance as a catalyst for entrepreneurship and downtown business development.

“We helped develop a value chain map highlighting how eight wealth values relate to the theatre,” Marko says. “Intellectual, individual, social, physical, natural, political, financial and cultural.

The OK Theatre can be a facility with multiple wealth values for the community, and Brann’s vision for the theatre embraces this. He sees the theatre not only as a place for music and movies, but as a community center for events, fundraisers and benefit for local businesses.”

With additional funding from U.S. Department of Housing and Urban Development (HUD) in 2015, RCAC helped Brann draft a

business plan to articulate his theatre plans, estimate improvement costs, develop a marketing strategy and target funding to support renovations and bring his vision to reality.

Meanwhile, RCAC surveyed local businesses to document the OK Theatre’s impact on Enterprise and the local economy. Those surveyed noted that the theatre brings community residents to downtown along with tourists from outside Enterprise. More than half of these business owners have expanded their hours or hired new employees specifically to serve theatre patrons, and they foresee future job creation with the increased business in downtown Enterprise.

**More than half of these
business owners have expanded
their hours or hired new
employees specifically to serve
theatre patrons**



OUR BUILDING RURAL ECONOMIES PROGRAM SUPPORTED

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NEW OR EXPANDING BUSINESSES

The State of Oregon Historic Preservation Office offers funding through its Oregon Main Street Revitalization Grant Program under the Oregon Parks and Recreation Department. Marko helped GEMS apply for the grant and worked with Dianne Daggett, a volunteer with consulting experience in Enterprise, to write the application so that the OK Theatre could leverage funds for renovations based on the business plan.

By May, Marko and Enterprise learned GEMS had been awarded the maximum amount, \$100,000. They would use the funds to upgrade restrooms to meet ADA requirements, improve electrical service such as, heating, ventilation, air conditioning, sealing and insulating, and to retain the building's historical character.

The grant award has galvanized the Enterprise community around the OK Theatre and downtown revitalization, Marko says.

The *Wallowa County Chieftain* newspaper published an article on the grant and quoted Marko: "It (the Oregon Main Street Revitalization Grant Program) really engaged the city, as well as businesses to show support for the theatre, which helped get the grant."

The momentum continued. In August, Oregon Public Broadcasting (OPB) featured the OK Theatre on its "State of Wonder" program, which highlights unique characteristics of Oregon communities. Then, in October, Brann initiated a fundraising campaign, "Countdown to the Centennial," with a kick-off event featuring local food and micro-brewery Terminal Gravity. The campaign's goal was to raise \$56,000 to further support renovating the OK Theatre by the

100th anniversary in 2019. Brann also intends to apply for a façade grant through the State Housing and Preservation Office (SHPO) for external improvements to the OK Theatre.

Enterprise has momentum and momentum is contagious. Once people see things happening, more can happen.

Brann meanwhile looks ahead as he continues to manage the theatre's activities, including booking bands and private events, promoting shows and organizing clean-up after concerts. When he needs help, his wife and five young children pitch in.

"Right now, all the kids enjoy this stuff," he says. "This is something we can take on that we can all do together."

The OK Theatre renovation is but one of several projects in Enterprise. Since 2015, new downtown businesses have emerged, including Dandelion Wines and Sugar Time Bakery. While RCAC was not directly involved in these businesses, it reflects what a local contractor, Andy McKee, who has renovated another historic building observes: "Enterprise has momentum and momentum is contagious. Once people see things happening, more can happen." ■

A man with short brown hair and glasses, wearing a dark brown jacket, is smiling and holding a large, ripe red tomato. He is standing in a food hub or market. In the background, there are shelves stocked with bags of coffee, a chalkboard menu, and another person working behind a counter. A sign on the wall says "BUY Here".

Fallon Food Hub brings farm-to-fork choices to community

WHEN KELLI KELLY ARRIVED in this western Nevada desert community in 2009, the seemingly endless austere landscape might have given her pause.

Her boyfriend at the time—who has since become her husband—suspected she might be put off. Fallon has a population of around 9,000 and Kelly recalls his warning that relocating there from her San Diego home could be “a relationship killer.” He asked her to think carefully before joining him at Naval Air Station Fallon, better known as the “Top Gun” school and the largest single employer in Fallon and Churchill County. Fallon also sits at the western edge of Highway 50, the so-called loneliest road in America.



Kelly is a chef, and continuing that career in Fallon may also have appeared an impossible endeavor.

But she didn't feel that way. Where others might have seen just infertile land and limited job opportunities, Kelly zeroed in on the enduring family dairies and farms in the region that produce incomparably savory winter squash, tomatoes and peppers, and where herbs like rosemary and thyme grow wild. She learned of the vibrant Basque settlers in the region who brought their unique culinary traditions with them to Nevada. While the land to the average eye appears arid and incapable of producing crops, Kelly points out that Churchill County is in fact agricultural, with some 50,000 acres irrigated with water from the Truckee-Carson Irrigation District.

"And I ended up meeting a lot of really cool people," she recalls. "I liked the town because it has a little bit of everything."

She readily lists those: an arts council, a youth group, and an overflowing cornucopia of locally sourced food, including at the restaurant, The Slanted Porch, where she went to work as a sous chef in March 2010. A few years later, the restaurant would be featured on the Live Well Network cable show: Food Rush.

"We found," she says, "that this was a community that had a lot going on."

This would later include the Fallon Food Hub, which was a natural draw for a food aficionado and chef such as herself. Founded in March 2016, the small cooperative grocery store in Fallon's historic district sells \$35 annual subscriptions to patrons. Patrons who subscribe receive a discount on seasonal produce baskets and a 3 percent discount on purchases, plus a vote in Food Hub operational matters. According to the U.S. Department of Agriculture

(USDA) 2012 Census of Agriculture, Churchill County is home to more farms than any other Nevada county and most of these farms are small and mid-acreage.

When one considers that USDA defines the popularly used term "locally sourced" as any food product distributed within a 400-mile radius, Fallon's truly home-grown farm-to-fork industry may be a rarity in the nation.

The Food Hub has become vital to the community, especially in the older part of town where it is located, as there are neither grocery stores nor public transportation in the area. The Food Hub has also expanded to sell value-added products as well as health and beauty products.

What it needed, however, was an executive director and funding to pay this person's salary. In 2017, RCAC's Loan Fund provided a \$50,000 working capital loan to the Food Hub for that purpose. This funded the position which, today, is Kelly's full-time job. Her duties include managing staff and the Food Hub's various programs, writing grant applications, running the store and managing its finances.

As she shows a visitor around the cozy store one sunny fall afternoon, it's easy to see her affection and knowledge. She picks up a couple of jars beside the checkout counter, which contain rosemary and thyme, and explains that a local farmer found the herbs growing wild on his property. Kelly handles some healthy snack peppers and, nearby, Hopi Orange Winter Squash, that she mentions is the first crop this particular farmer attempted to grow and which the average consumer might assume are run-of-the-mill pumpkins. Her authority on the subject is obvious, as is her delight in picking apart what makes for delectable pleasure.

The small business loan . . . is an economic stimulus to Fallon and rural Churchill County

“From experience I can tell you it has a much richer flavor than a standard pumpkin,” she says.

Later, a merchant comes by to check out his stock of barbecue sauce that he now sells at the Food Hub and chats with Kelly about recent sales.

According to RCAC loan officer Darryl English, the Fallon Food Hub has developed relationships with local farmers and producers so they might showcase and sell their wares. The small business loan, he says, is an economic stimulus to Fallon and rural Churchill County.

It also reflects how business leaders in this rural community are focused on self-sufficiency.

Nathan G. Strong, executive director of the Churchill Economic Development Authority, notes two areas where Fallon and Churchill County are independent: agriculture and renewable energy. It is Nevada’s top dairy producer and home to the Dairy Farmers of America’s whole milk dry powder production facility. It is also home to the emerging gluten-free and drought tolerant Eragrostis tef grain industry. And its triple hybrid power plant, the only one in the world, generates 10 times more energy than its residents consume.

The Fallon Downtown Merchants Association aims to breathe new life into its downtown. The Food Hub is essential to this; members reason that with economic revitalization comes healthy residents. Nearly 30 percent of Churchill County’s residents are diagnosed as obese, nearly 9 percent of its adults have diabetes and nearly 30 percent have high blood pressure. These rates are all slightly higher than the state’s averages. The Fallon Food Hub Cooperative suspects that these rates may have risen following grocery market closures in the area.

“They expect that the Fallon Food Hub will provide access to a source of healthy food products on the east side,” English says, “and especially to the low-income customers.” It also gives area resi-

dents another reason, to go downtown and this can help revive the historic corridor. As of October 2017, the Food Hub could count 116 active members.

The timing was right to invest in the Food Hub in light of the farm-to-fork movement, which has dovetailed, too, with rural tourism, and more people wanting to know where their food comes from.

As Fallon Convention and Tourism Authority executive director for tourism and special events, Jane Moon, says, “Farm-to-fork was already a lifestyle for us. What you see around the nation is the way we’ve lived for years. It’s something embedded in our community.”

Among other beneficiaries and participants around Fallon is Rick Lattin, a fourth generation farmer whose 400-acre farm includes one of the most elaborate and oldest corn mazes west of the Mississippi River, as well as an on-site bakery and, in the fall, a pumpkin patch. Lattin is also well-revered for his heirloom peppers which, as he tells it, a defecting Romanian acrobat introduced in the region. Most of the produce in the Community Supported Agriculture Basket the Food Hub sells comes from Lattin’s certified organic farm.

One sunny October afternoon, as he leads guests around the pumpkin patch, he describes how when he was a child, there were still sand dunes around his family’s farm.

“Yes, farming in the desert,” he says with a nod and some irony, remembering his youth. But then he adds, with a measure of genuine modesty that today, he delivers his produce to 35 restaurants and has 10 loyal catering clients, as well as his plentiful crops sold at the Fallon Food Hub. ■

OPPOSITE LEFT:

Kelli Kelly, Executive Director, Fallon Food Hub

OPPOSITE RIGHT:

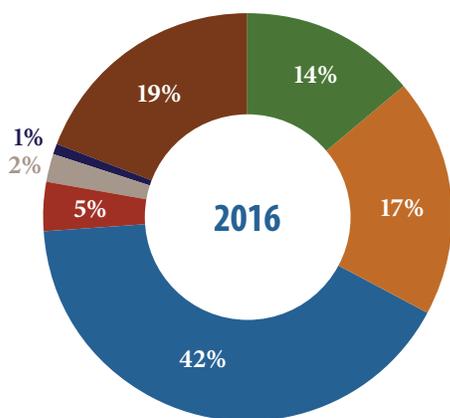
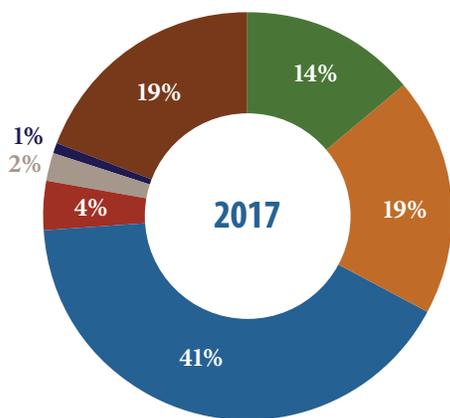
Don Keele, Farm Manager, Lattin Farms

Financial Information

The following is a summary of information contained in RCAC's annual financial statements for fiscal years 2017 and 2016.

Complete financial statements with the associated independent auditor's report are available at www.rcac.org.

EXPENSES BY PROGRAM



- Loan Fund
- Housing
- Community & Environmental
- Other Programs
- Fundraising
- Rental Operations
- Management & General

CONDENSED BALANCE SHEETS

| as of September 30, | 2017 | 2016 |
|---------------------------------------|----------------------|----------------------|
| ASSETS | | |
| cash and investments | \$ 24,417,783 | \$ 23,017,019 |
| grants, contracts & other receivables | 5,703,153 | 5,025,947 |
| loans receivable, net | 60,397,020 | 63,931,530 |
| fixed assets | 2,529,268 | 2,561,887 |
| other assets | 3,035,647 | 3,680,365 |
| total assets | \$ 96,082,871 | \$ 98,216,748 |

LIABILITIES & NET ASSETS

| | | |
|---|----------------------|----------------------|
| accounts payable & accrued liabilities | \$ 3,032,838 | \$ 2,870,072 |
| notes and bonds payable | 56,066,654 | 60,780,725 |
| net assets | 36,983,379 | 34,565,951 |
| total liabilities and net assets | \$ 96,082,871 | \$ 98,216,748 |

CONDENSED STATEMENTS OF ACTIVITY

| for the Years Ending September 30, | 2017 | 2016 |
|------------------------------------|----------------------|----------------------|
| REVENUE | | |
| grants and contracts | \$ 15,001,979 | \$ 12,745,767 |
| loan fees and interest | 3,504,501 | 3,730,324 |
| investment income | 269,909 | 202,502 |
| other | 253,892 | 104,410 |
| total revenue | \$ 19,030,281 | \$ 16,783,003 |

EXPENSES

| | | |
|-------------------------------|----------------------|----------------------|
| loan fund | \$ 2,406,382 | \$ 2,292,750 |
| housing | 3,208,403 | 2,787,604 |
| community & environmental | 6,848,461 | 6,779,196 |
| other programs | 648,139 | 834,275 |
| fundraising | 248,448 | 258,761 |
| rental operations | 161,668 | 149,575 |
| management and general | 3,091,352 | 3,007,984 |
| total expenses | \$ 16,612,853 | \$ 16,110,145 |
| increase in net assets | \$ 2,417,428 | \$ 672,858 |

consisting of:

| | | |
|---|---------------------|-------------------|
| change in unrestricted net assets | \$ 1,260,377 | \$ 4,620,432 |
| change in temporarily restricted net assets | 1,157,051 | 3,947,574 |
| | \$ 2,417,428 | \$ 672,858 |

Supporters

Non-Public

- Anonymous Donor
- Ally Bank
- American Express
- Bank of America
- Bank of the West
- Blue Planet Network
- Burbank Sanitary District
- Burney Water System
- California Bank & Trust
- California Housing Finance Agency
- California United Bank
- Capital One
- Catholic Health Initiatives
- Charles Schwab Bank
- Community Economics, Inc.
- Dignity Health
- Dominican Sisters of Hope
- Erich & Hannah Sachs Foundation
- Fannie Mae
- First Foundation
- Google Adwords
- GSAF, LLC
- Housing California
- JP Morgan Chase Bank
- Kaiser Foundation Hospitals
- Loleta Community Services District
- Mercy Investment Services, Inc.
- Merrick Bank Corp.
- Morgan Stanley Bank
- Nalco Water
- National Development Council
- Neighborworks America
- Northern California Presbyterian Homes & Services
- NYS Coalition for Excellence in Homeownership Education
- Opportunity Finance Network
- Pacific Western Bank

- PNM Resources Foundation
- Point West Rotary
- Quincy Community Services District
- Rabobank
- Rasmuson Foundation
- Religious Communities Investment Fund
- Rural Community Assistance Partnership, Inc.
- Rural Local Initiatives Support Corp.
- Salt Lake City Housing and Neighborhood Development
- San Joaquin Valley Health Fund
- San Luis Valley Ecosystem Council
- Santa Fe Community Foundation
- Schwab Bank
- Self-Help Enterprises
- Sierra Health Foundation Center
- Sisters of the Holy Cross
- Sisters of the Holy Names of Jesus & Mary
- Southern California Gas Company
- St. Joseph Health System
- Tachi Palace Hotel and Casino
- Tahoe Truckee Community Foundation
- The California Endowment
- The Christensen Fund
- The Congregation of the Sisters of Charity of the Incarnate Word
- The Environmental Justice Coalition for Water
- The Ford Foundation
- The Sisters of St. Francis of Philadelphia
- Trinity Health Corp.
- Union Bank
- U.S. Bank
- W.K. Kellogg Foundation

Public

- Arizona Dept. of Environmental Quality
- California Dept. of Community Services and Development
- California Environmental Protection Agency
- California State Water Resources Control Board
- City of Mill
- City of Sodaville
- City of Washtucna
- Dept. of Hawaiian Home Lands
- Hawaii Dept. of Health
- Idaho Dept. of Environmental Quality
- Lake County Sanitation District
- New Mexico Environment Dept.
- Office of Native American Programs
- San Diego County Water Authority
- Santa Cruz County Public Works Dept.
- Tulare County
- U.S. Dept. of Housing and Urban Development
- U.S. Dept. of the Treasury
- U.S. Dept. of Agriculture
- U.S. Dept. of Health & Human Services
- U.S. Dept. of State
- U.S. Environmental Protection Agency
- Washington Dept. of Ecology
- Washington Dept. of Health
- Washington State Dept. of Enterprise Services
- Yuba County Water Agency



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