



## **Proposal for Community and Economic Development Services to Initiate the Integrated Resource Management Plan Process**

**Updated Proposal Focused Upon Former Bennett Freeze Chapters Only**

**MAY 2014**

### **Background**

The Navajo Hopi Land Commission (NHLC) is initiating an Integrated Resource Management Plan (IRMP) process to help implement the Former Bennett Freeze report completed by W & H Pacific in 2008. The W & H Pacific report was instrumental in providing a high-level summary of needs of the nine Former Bennett Freeze Chapters in western Navajo Nation.

It is widely agreed by the NHLC and the affected Chapters that now is the time to significantly move forward with housing, community development and economic development initiatives that reverse the long-standing economic poverty of the region. The effects of the Bennett Freeze are well documented, and yet the recovery from years of economic stagnation has yet to begin.

The IRMP process is a federally designed process for managing resources such as timber, agriculture and housing in a comprehensive fashion. By its very nature, the process is “top-down” in that it has a methodology that is largely defined and managed by the U.S. government. While communities can benefit from the broader planning process, they typically cannot engage in the process effectively because they do not have a clear plan and process of their own.

**The IRMP Process will be Far More Effective if it Begins with Local Chapters that Know Their Direction and Priorities**

Clearly, what is needed is a regional planning process that would allow these affected Chapters to effectively engage in the IRMP process.

### **The Case for a Broader Region**

Concurrent with the proposed NHLC IRMP planning is an effort led by Western Navajo Agency to support all 18 of its Chapters with capacity and community-building efforts, as well as community and economic development strategic planning.

This work was initiated in December 2013, and has resulted in a collaborative effort to advance projects competitively for funding.

**The 18 Chapters of Western Navajo Nation have Recently Established a Collaborative Effort to Build Capacity Together, and to Advance Regionally Beneficial Projects**

Because Navajo Nation is looking to effectively decentralize its governance structure, it makes sense to join all 18 Chapters in a collaborative planning process where every Chapter benefits from a common methodology, outcome and access to resources for community and economic development.

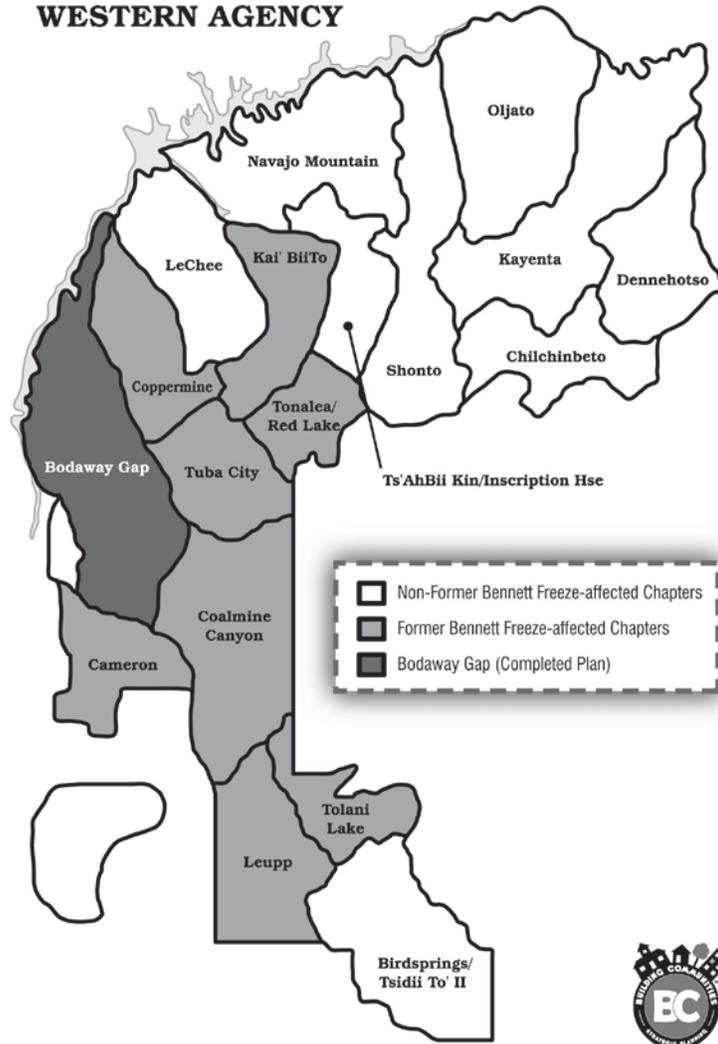
Nine of the 18 Chapters in the Western Navajo Agency are in the Former Bennett Freeze area. One of the 18, the Bodaway Gap Chapter, has already completed a community and economic development plan, and does not need to participate in the planning phase of this proposed regional planning process. The Bodaway Gap Chapter, however, could pilot the Feasibility Study Phase of this three-phased planning proposal.

The map at right shows the Western Navajo Agency region, the affected Former Bennett Freeze Chapters and the Bodaway Gap Chapter.

### Why Chapter-based Plans are Critical

For any partnership or process to be successful, all parties must benefit. Therefore, for the IRMP process to be successful, local Chapters must see tangible benefits by engaging in the process. Such benefits begin with the answers to these questions: “What is the community and economic direction of my Chapter?”, “What are we trying to achieve?” and “What are our priorities?” The answers are arrived at in a community and economic development strategic planning process which is comprehensive, objective and action-oriented. Without a structured planning process at the Chapter level, the answers to these questions are very likely different, and perhaps dramatically so, depending upon who and when you ask.

### NAVAJO NATION - WESTERN AGENCY



The table below presents the benefits of Chapter-based planning, not only to the local Chapters, but also to Navajo Nation and prospective outside funders.

Benefits of Chapter-based Planning		
For Chapters	For Navajo Nation	For Outside Funders
Common, realistic plans	Strategic use of financial resources	Vetted projects locally and regionally
Better CLUPs	Pilot process for decentralization	Opportunity to make strategic investments
Minimization of priorities that may compete with other Chapters	Agreement amongst nine Chapters about common needs and priorities	Required regulatory processes identified or addressed

### Why Building Communities

Building Communities has been active on the Navajo Nation doing community and economic development strategic planning since January 2011. Work funded by U.S. Housing and Urban Development to complete the ***Northeast Arizona Economic Development Strategic Plan*** was completed in September 2013 and contained seven recommendations:

1. Establish *Regional* Capacity to Implement Projects and Initiatives
2. Enhance *Local* Community and Economic Development Staffing
3. Implement the Navajo Nation Building Report
4. Establish Tribal Non-profit Development Corporation Structures
5. Collaborate on Regional Tourism Development and Promotion
6. Take Proactive Strides to Work Together
7. Implement the Local Plans with Support from HUD and BIA

In the midst of the HUD-funded project, Building Communities was invited by the Navajo Nation Division of Economic Development to help formulate, facilitate and report-out the ***Navajo Nation Building Summit***, which was conducted in August 2012 at Dine College in Tsaile. That event brought 60 Navajo Nation Chapters together (over 300 participants) to formulate findings and recommendations in 14 key community and economic development areas for Navajo Nation.

Building Communities has completed five ***Chapter-based community and economic development strategic plans*** throughout Navajo Nation for the following Chapters:

- Bodaway-Gap
- Chinle
- Ft. Defiance
- Ganado
- Many Farms

Finally, Building Communities has developed ***two position papers*** that make recommendations not only about community and economic development strategic planning, but also about governance and decentralization.

In short, Building Communities has been “in the game” for the last three years. During this work, the company developed a keen and comprehensive understanding of the challenges and opportunities before Navajo Nation and its Chapters.

Finally, Building Communities has developed its own community and economic development strategic planning process that is unique in the world. It is based upon the selection of community and economic development strategies from a menu of 25 possible strategies during a comprehensive and objective process based on defined Key Success Factors for future successful implementation. Building Communities has also developed a capacity building tool that analyzes the ability of Chapters to successfully implement strategies, initiatives and projects.

**Recommendations for NHLC Economic Development Fund**

The NHLC has \$1 million committed for economic development activities. Building Communities recommends that this funding be allocated to three distinct phases of a community and economic development planning and implementation effort as described below.

**Phase One—Chapter-based Community and Economic Development Strategic Plans.** Each Chapter of the Western Navajo Agency should benefit from a community and economic development strategic plan. Given that the Bodaway-Gap Chapter has already completed its plan and is moving into the implementation phase, eight new plans would be needed.

**Phase Two—Feasibility Studies.** Chapters will want to move priority projects into development as they complete their planning work. For many Chapters, however, additional, more specific project-based analysis will first be necessary. Funding should be set aside for between five and seven feasibility studies. The NHLC should hold a competitive round of funding (soliciting grant applications) from the nine Chapters. Chapters should be limited to proposing feasibility studies only for strategies, initiatives and projects that are contained in their strategic plans. Each Chapter should only be able to submit an application for one of its top-two identified projects. This would ensure the NHLC that only the most viable “shovel ready” projects will receive limited feasibility study funding. There may not be a competitive project that can form the basis for a competitive submittal for some Chapters.

**Phase Three—Leverage Fund.** The third phase of the funding should be set aside as a “leverage fund.” That is, as Chapters work to advance priority projects, they could receive a grant from this fund in order to provide matching funds for foundation, state, Navajo Nation or federal grant programs. This will substantially increase the competitive posture of the nine Chapters in such grant competitions. Building Communities will work to identify and attract new funding sources for plan implementation.

The table below presents the recommended budget for each of the three phases.

Three-Phase Project Budget		
Phase	Use	Budget
1	8 Strategic Plans	\$320,000
2	Feasibility Studies	\$250,000
3	Leverage Fund	\$210,000
Administrative Intermediary	Administration	\$30,000
<b>Total</b>		<b>\$1,000,000</b>

## Proposal for Services

Building Communities proposes to provide the services for Phase One of the project. (Building Communities has the expertise to assist with Phase Two and to make recommendations for Phase Three as well).

Building Communities has a demonstrated track record and methodology to engage Navajo Nation Chapters in a community and economic development strategic planning process that yields very specific strategies, initiatives and projects for job creation and improving quality of life.

Strategic plans can be completed in a process that can be conducted in two to three months. Multiple strategic planning processes can be carried out simultaneously.

As it is recommended that the IRMP process be initiated only after the completion of the strategic planning process, it may be important for Building Communities to expedite the strategic planning phase of the work. Building Communities could complete all of the plans in as short as eight months (Phase One) or extend the work at a slower pace, if advisable. It may be beneficial to expedite the planning work for the Former Bennett Freeze Chapters (have these Chapters go first).

The standard price for a Building Communities' Community and Economic Development Strategic Plan is \$50,000. Building Communities is able to offer a "group discount" if multiple plans are conducted as a part of one overall effort. The table at right shows the price per plan based upon the number of plans completed.

Price Per Plan	
Number of Plans	Price Per Plan
1	\$50,000
2-8	\$40,000
9-17	\$30,000

Per the table, if all 17 Chapters were to receive a community and economic development strategic plan, the total price would be \$510,000. It is the recommendation of Building Communities to proceed at this level.

This level not only provides the most efficient cost per plan, but it continues the work and momentum of the Western Navajo Agency Steering Committee, builds goodwill throughout a broader region and offers a template to Navajo Nation for further work toward decentralization. Finally, the NHLC would utilize its economic development funding in a holistic manner that provides broad benefit to a large region.

## Overview of Building Communities Process

While a much fuller description of the Building Communities methodology is available at [www.BuildingCommunities.us](http://www.BuildingCommunities.us), the following is a high-level summary of the specific actions that would take place during the strategic planning phase of the Project.

Building Communities would contact the Chapter Manager for each of the eligible Chapters and inform him of the opportunity to participate in the strategic planning phase of this Project. Building Communities would also outline the benefits that could be received by participating in this process and explain the participation requirements.

Each Chapter would be required to appoint a “Project Director.” In most cases, it would be expected that the Chapter Manager would serve as the Project Director.

The Project Director would then be responsible for assembling a Steering Committee. The Steering Committee would likely be comprised of the Chapter Manager, Chapter officials, Community Land-Use Plan (CLUP) members, grazing officials, veterans’ officials, seniors and other leaders from each Chapter.

Building Communities would then work with the Plan Director to schedule Plan Week, a 14-hour intensive strategic planning period that culminates with the Chapter’s selection of community and economic development strategies, initiatives and projects of greatest value to the Chapter.

Steering Committee members would then create action steps needed to implement their plan, creating a document that sets the direction for the Chapter.

Next, Steering Committee members would consider and select one or two projects that could compete in Phase 2 for feasibility study funding.

Steering Committees would be encouraged to remain in place for three years. Augmenting the role of the existing CLUPs to serve in this additional function would be ideal. This would ensure an opportunity to integrate the strategic direction of each Chapter into its land-use plan.

Building Communities could be available to assist over the three-year period to advise Steering Committees on the execution of their plans.

### **Project Oversight and Fiscal Management**

Building Communities recommends there be a project and fiscal administrative intermediary between NHLC and Building Communities. This intermediary would receive funds from the NHLC, and then contract with service providers for the execution of the project.

The intermediary should probably be a not-for-profit corporation with base operations in or near Navajo Nation. Two possible candidates are the Grand Canyon Trust and Tolani Lake Enterprises, Inc.

Funding from the overall economic development fund should also be dedicated to this purpose.

The intermediary would be responsible for fiscal management, reporting and other communications necessary in order to ensure the success of the project. The intermediary could be responsible for the entire \$1 million award, and then subcontract with service providers (Building Communities, feasibility study specialists and awardees of the Leverage Fund). One special consideration would be a determination as to whether the intermediary could be eligible to receive funding for Phases Two and Three of the Project.