



Rural Democracy Initiative

Rural IRA+ Implementation Hubs

Due Diligence Doc

Executive Summary:

The Rural Democracy Initiative is working with a small group of partners on a plan to support implementation of new federal funding in small towns, small cities and rural communities.

This effort seeks to 1) build the capacity of rural communities to envision, plan, access and use new federal funding to improve the lives of rural residents through the creation and support of regional capacity, technical assistance and organizing hubs, 2) support place-based organizing and advocacy to ensure states are writing the rules to benefit these communities and 3) drive a widespread public narrative that public dollars can be invested in ways that make a difference to local people and communities. This narrative in turn supports continued civic engagement.

Depending on resources, we envision rapidly scaling up to 4 regional hubs that demonstrate significant impact in terms of securing funding and the first stages of implementation for successful local projects within the first two years.

We are the only large scale rural-specific effort in the federal funding implementation space. What makes us uniquely qualified is the combination of high level federal government and rural development expertise (Justin Maxson and Ann Lichter), a research powerhouse (Tony Pipa, Brookings), community power building and communications (Rural Democracy Initiative network), deep rural climate expertise (Rural Climate Partnership network), and persuasive economic and climate communications and narrative (Bobby Clark, Winning Jobs Narrative).

Fundraising:

We are raising toward a \$50M budget (over 4 years) and need at least \$20M initially. This is predominantly 501c3 funding. We have some strong longer term large funding prospects. With the first \$200K of catalytic funding we will establish ourselves as filling a unique rural gap, and contract with our launch team to rapidly complete design, fundraise, and launch the program in

the next 2-3 months. Additionally, RDI is already granting to a dozen or more groups that are leading local funding implementation projects.

Theory of Change:

The Rural Democracy Initiative is working with a small group of partners on a plan to support implementation of new federal funding in small towns, small cities and rural communities.

The American Rescue Plan, the Infrastructure Investment and Jobs Act, the CHIPS and Science Act and the Inflation Reduction Act set aside billions of new dollars that can benefit disadvantaged rural communities. With the right support, these dollars will make a huge difference to the quality of lives of rural residents and help advance a narrative that public investment matters to them. The challenge is that too many rural communities don't have the tools, expertise or people they need to capture and use these funds. The programs are often hard to access, inflexible, and require hard-to-raise matches.

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Primary Influence Tactic:

We see regional rural-specific federal funding implementation hubs, sharing resources and closely collaborating with other large scale implementation efforts, tied to a network of TA providers, local rural development organizations, with community organizing and power building groups, and communicators.

Unique Strategy/Special Sauce:

We are the only large scale rural-specific effort in the federal funding implementation space. What makes us uniquely qualified is the combination of high level federal government and rural development expertise (Justin Maxson and Ann Lichter), a research powerhouse (Tony Pipa, Brookings), community power building and communications (Rural Democracy Initiative network), deep rural climate expertise (Rural Climate Partnership network), and persuasive economic and climate communications and narrative (Bobby Clark, Winning Jobs Narrative).

Diversity, Equity, Inclusion (DEI) Statement:

Yes. [RDI Draft Racial Equity Statement](#)

Leadership Team Roles + Board Members:

Project Leadership Team:

- Sarah Jaynes, RDI - white, female
- Linh Tran, RDI - AAPI, female
- Justin Maxson, Independent Contractor - white, male
- Ann Lichter, Independent Contractor - white, female
- Tony Pipa, Brookings - white, male
- Josh Ewing, Rural Climate Partnership - white, male
- Melissa Morales, Winning Jobs Narrative - Latinx, female

Heartland Fund Steering Committee

- Alexandra Acker-Lyons, Merle Chambers Fund - white, female
- Allison Barlow, Wallace Global Fund - white, female
- Tami Cohen, ReGeneration Fund - white, female
- Tamara Draut, Wellspring Philanthropies - white, female
- Secky Fascione, Democracy Alliance - white, female
- Joseph Jung, JPB Foundation - AAPI, male
- Anna Lefer-Kuhn, Arca Foundation - white, female
- Geri Mannion, Carnegie Corporation of NY - white, female
- Scott Nielsen, Arabella Advisors - white, male
- Nora Ranney, Consultant - white, female
- Gabe Rose, Fundamental - white, male
- Javier Valdes, Ford Foundation - Latinx, male

Organizations Structure & Overhead:

Rural Democracy Initiative includes Heartland Fund 501c3 (fiscally sponsored by Windward Fund), and Rural Victory Fund 501c4 (fiscally sponsored by Sixteen Thirty Fund). Both organizations share staff through a resource sharing agreement. Heartland current base budget is \$17 million, including \$14 million in grant making. 2022 was \$11.7 million with \$9.2 million in grant making. RVF current base budget is \$4 million, including \$3.5 million in grantmaking. 2022 was \$7.4 million with \$6.8 million in grant making.

Impact Reporting:

We will complete a full grant report against our intended measures of success.

This project will create and share significant learning including

1. Simple and clear shared research about the needs and opportunities in small towns and rural communities, and the various federal funding sources available to meet these needs.
2. The most effective ways to centralize and make available on a regional basis technical assistance that is culturally competent for diverse rural communities. Our goal is to (a) simplify and ensure access to information, training, and appropriate technical assistance; (b) strengthen key regional intermediaries and rural development hubs; and (c) improve coordination and coverage.
3. What is needed to help rural-focused organizations engage in advocacy, organizing and communications to influence federal and state agency rule development and implementation.
4. Powerful ways to leverage regional communications capacity to market funding opportunities to communities, inform rural residents about the tax rebates available via the Inflation Reduction Act, and elevate successful new investments widely to local and national audiences.
5. Development of a compelling narrative to drive communications about these projects that inspire greater civic engagement.

Heartland Fund, as a funding collaborative, grant maker and thought leader with a mission to change the understanding about what's possible in rural communities, is well positioned to capture and promote learnings within philanthropy, our network of hundreds of grassroots partners, the media, and local governments. We will utilize reports, briefings, media coverage, and convenings to share our collective learning.

Barriers/Risks:

This is new territory and challenging work. However we are confident we will be able to make a significant impact if we are able to raise at least \$25 million to establish the regional hubs and grant to support shared resources and technical assistance. One of the biggest challenges currently is too many overlapping projects without a central coordinated entity, so there is a lot of reinventing the wheel. Funder indecision is also slowing the launch process for coordinated efforts.

Addendum:

[See Initial Vision Document](#)