

Understanding of Regional Conditions and Needs

The conditions that led to PAEG include lack and loss of job opportunities, lack of accessible training programs for in-demand jobs that pay a family sustaining wage, lack of buildings and space to house businesses, and deteriorated and failing infrastructure that inhibits community development and economic growth.

The Crow Reservation encompasses 2.2 million acres in southeastern Montana and is located primarily in Big Horn County with a small portion in Yellowstone County. The Crow Reservation is the largest reservation in Montana and the fifth largest reservation in the country. Prominent features of the reservation include Big Horn National Recreation Area, Yellowstone Dam, and Chief Plenty Coups State Park. Major activity centers in Crow Agency include Little Big Horn College, Crow/ Northern Cheyenne Indian Health Service Hospital, US Bureau of Indian Affairs, and Crow Tribal headquarters. The population is most dense in Crow Agency followed by Lodge Grass, both of which are located along Interstate 90. Other areas that have a high concentration of population are Fort Smith, Wyola, and Pryor. Billings, located approximately 60 miles north of the reservation's border, is the largest city in Montana and the largest metropolitan area in over 500 miles.

According to Census 2017-2021 American Community Survey 5-Year Estimates, the population of the reservation is 7,351. Eighty (80) percent of the population is American Indian and Alaska Native. Fifty-two (52) percent of individuals, 16 years and over, live at or above the poverty level. Median household income is \$49,167.

For nearly four decades at least half of the Crow Tribe's nonfederal income came from a single source: the Absaloka coal mine.¹ Westmoreland Coal Company operates the mine in which the Tribe is titleholder. The decline of the coal industry resulted in the loss of over 1,000 jobs. Revenue from the mine had fallen to such an extent that the Tribe laid off 1,000 of its 1,300 employees in 2017.² The mine used to provide 175-200 well-paying jobs. Today, the mine operates with just 100-120 employees. Local school districts and county offices have experienced a dramatic loss in coal severance tax collections which has limited their ability to provide employment opportunities. Money that used to flow into the community is gone and further exasperated the scarcity of jobs in industries like retail and food service. Approximately 18 jobs were lost in February 2019 when a fire caused significant damage to the grocery store in Crow Agency, the community's only access to groceries. The loss of all these jobs has been devastating to communities throughout the Crow Reservation.

Vocational training, sometimes referred to as career and technical education (CTE), programs are not local or accessible. Without training opportunities for in-demand skills, many unemployed and underemployed individuals cannot join the workforce. In the Crow community there is a large pool of untapped talent that is being neglected simply because of a lack of specialized training. The nearest CTE programs are offered at City College at Montana State University in Billings, Montana and Sheridan Technical College in Sheridan, Wyoming. The schools are

¹ Mountain West News, The Crow Tribe's coal crisis. April 3, 2017. (<https://mountainwestnews.org/the-crow-tribes-coal-crisis-358ca23d14ee?gi=489c4d654c6c>) Retrieved July 8, 2020.

² Ibid

approximately 60 miles away, in separate directions, from Crow Agency, headquarters of the reservation.

There are almost no local businesses nor space for businesses. There is no built environment to support clusters of locally owned small businesses. Actual buildings are needed to foster business startup and expansion. At this time, entrepreneurs are setting up their businesses outside in parks, parking lots, and on sidewalks under canopy tents using lightweight portable tables, grills, electric portable ranges, and generators. These businesses rely on good weather and all of them will close soon due to harsh winter conditions in Montana.

Municipal water and wastewater systems throughout the reservation are beyond their useful life, deteriorated, undersized, and failing. The condition of the infrastructure inhibits the dire need for business creation, business expansion, and additional housing. In Crow Agency there are two water treatment plants that are over 50 years old. They are surface water plants that struggle to provide properly treated water from the very contaminated Little Big Horn River. In the summer months, the plants struggle to provide enough water for fire protection. In Wyola the wastewater system has fallen into disrepair, suffers from ongoing lift station failures with overflowing sewage, undersized mains, and needs improvements to function properly. The poor performance of the wastewater system has been documented by the US Environmental Protection Agency. In Lodge Grass, the wastewater lagoon has had difficulty in complying with US Environmental Protection Agency regulations and is in violation of the US Clean Water Act. This is only a brief summary of the current condition of infrastructure throughout the reservation.

In February 2022, a Leakage Study of the Crow Reservation Economy was prepared by Plenty Doors with the assistance of economic development consultant Michael H. Shuman. A leakage study analyzes dollar leakages (that is, where residents are spending money outside the local economy) and opportunities for plugging leaks.³ The rationale for a leakage study is that a growing body of evidence suggests that the best way to strengthen a community economy is by expanding locally owned businesses serving local markets.⁴ By studying leaks of dollars – that is, goods and services being imported that could be produced locally – a community can identify the most promising markets for new or expanded local businesses, and the best private initiatives and public policies to support this kind of economic development.⁵ Much of the report is an economic analysis of the four-county trading region surrounding the Crow Reservation, referred to as the Crow Region, and of the economy of the Reservation itself. The study determined that for every dollar that comes to the reservation 85 cents leaks out.⁶ In no sector in the Crow Region is there self-reliance, and even in the best sectors on the Crow Reservation there is no better than 28% self-reliance. The high levels of leakage of dollars—48% for the Crow Region, and 85% for the Crow Reservation—underscore the vast potential for import substitution or shifting the purchase of goods and services to the local market. The study indicated there was opportunity in the Crow Reservation economy to maximize local ownership, maximize self-reliance, and create an entrepreneurial ecosystem.

³ Shuman, Michael H. and Hoffer, Doug. *Leakage Analysis of the Martha's Vineyard Economy: Increasing Prosperity through Greater Self-Reliance*. Training & Development Corporation. August 2007.

⁴ Ibid.

⁵ Ibid.

⁶ Shuman, M. H. (June 2022). *Feasibility Analysis for a Crow Nation Innovation Center*, p. 19.

Strength of Strategy and Quality of Potential Investments

The strategy to address the causes of PAEG includes eight implementation projects summarized below.

Construction of a Vocational Education Center, \$15,000,000

Little Big Horn College proposes to construct and operate a vocational education center. The center will provide the space needed to provide postsecondary credentials, including Certificate of Technical Studies (CTS), Certificates of Applied Science (CAS) and Associates of Applied Science (AAS), in vocational programs like carpentry, electrical, diesel mechanics, heavy equipment operation, HVAC, welding, and production agriculture. The provision of space, curriculum, faculty, and equipment will help the college create a pathway, particularly for use by low-skilled adults, which begins with HiSET and workforce education programs and leads to credit-bearing credentials for in-demand, family sustaining wage jobs.

Continuation and Expansion of Apsaalooke Hybrid Apprenticeship Program, \$3,000,000

In 2021, Little Big Horn College piloted the Apsaalooke Hybrid Apprenticeship Program to meet the urgent need for skilled workers in the trades areas of electrical, plumbing, HVAC, and carpentry. Upon study of the trades curriculum, students earn a One-year Certificate in Building Maintenance. If students who complete the One-year Certificate want to further their training in plumbing and electrical trades they can participate in the Montana Department of Labor and Industry's Accelerate Montana Program to take part in an apprenticeship program and earn, from Montana State University-Northern, a 4-year credential in two years. Little Big Horn College proposes to continue the program and expand into the areas of welding and production agriculture.

Continuation and Expansion of Apsaalooke Day Labor Program and Establishment of a Revolving Loan Fund, \$10,400,000

In summer 2022, for 10 weeks, Plenty Doors Community Development Corporation (Plenty Doors) piloted a Day Labor Program in Crow Agency and Wyola. The program aimed to employ jobless individuals and enhance local communities. Plenty Doors operated the program again for 10 weeks in summer 2023 and expanded the service area to include Lodge Grass as well as Crow Agency and Wyola. Ninety-three (93) individuals participated in the 2023 program and did everything from clerical and administrative work, to revitalizing communities through carpentry, mowing, trimming, removing trash, and assisting the US Bureau of Indian Affairs Forestry Department in minimizing fire hazards. The program also worked on a community cleanup at the entrance to Crow Agency and assisted elders and disabled residents in cleanups that they were unable to do themselves. Plenty Doors proposes to operate the program year-round for 52 weeks to serve more individuals and employers.

Plenty Doors proposes to manage and operate a revolving loan fund to provide businesses capital for startup, expansion, and sustainability. Eligible business activities would include land acquisition, construction, rehabilitation of commercial and industrial facilities, equipment, inventory and/ or working capital.

Construction of a Business Incubator, \$4,600,000

In July 2021, Plenty Doors hired economist Michael Shuman to prepare both a feasibility analysis and a business plan for a business incubator. The report provides insights into how an incubator can and should be designed to best meet the needs of the Crow Reservation. As reported earlier, in no sector in the Crow Region is there self-reliance, and even in the best sectors on the Crow Reservation there is no better than 28% self-reliance. The high levels of leakage—48% for the Crow Region, and 85% for the Crow Reservation—underscore the vast potential for import substitution. That means there are potential job opportunities in every sector.

Limiting factors are primarily the skills of entrepreneurs and lack of built space. This is where a business incubator could be especially helpful. Because the Crow Reservation is relatively small, it makes sense to support tribal entrepreneurs across business types. Business incubators come in many varieties but generally have a proven record of helping connect early-stage businesses with no-cost or low-cost space, support services, and capital. They greatly increase the probability of these companies growing and creating more income, wealth, and jobs for the region. Among other recommendations are that Plenty Doors should own the incubator building outright and create various small spaces to support different kinds of entrepreneurs (food processors, retailers, artisans, and office businesses).

Plenty Doors owns the parcel of property for the incubator and has a preliminary architectural report with plans. The proposed building encompasses 6,650 SF and is designed to accommodate at least six businesses and provide space to facilitate workforce training.

Construct Improvements to Water Infrastructure in Crow Agency, \$9,500,000

In Crow Agency there are two water treatment plants that are over 50 years old. They are surface water plants that struggle to provide properly treated water from the very contaminated Little Big Horn River. In the summer months, the plants struggle to provide enough water for fire protection. Funds are needed to address deficiencies of the system, evaluate alternatives to improve the system, select a preferred alternative, and construct the improvements.

Improvements to Infrastructure in Wyola, \$6,000,000

Wyola Development Fund completed a community needs assessment, land use plan, and developed priorities for the community. The number one priority is assessing and making improvements to ensure access to clean water, electricity and emergency services; property managing wastewater; and, constructing a rural access road to relieve stock traffic from passing through the local town. Funds are needed to assess these conditions and make improvements.

Economic Development Activities in Town of Lodge Grass, \$1,000,000

Town of Lodge Grass owns a 2.5 acre parcel of land that it has dedicated to economic development. Funds are needed to conduct a feasibility study, to assess the site and potential facilities, and implement the recommended use.

Hiring and Retention of Recompete Plan Coordinator (RPC), \$500,000

An RPC is needed to coordinate coalition members, foster lasting partnerships with private and public sectors, procure and oversee contractors, ensure meeting project goals and objectives, provide strategic insight and feedback on project timelines and goals, and communicate with US

EDA. The strategy for identifying the RPC includes forming a search committee, publishing a job announcement in the region, conducting a targeted search, conducting interviews, and checking references. The coalition will seek an individual experienced in working with Native American populations and experienced in performing similar duties with coalitions and diverse groups.

Equity, Inclusivity, Accessibility, and Diversity

All members of the coalition represent and assist underserved individuals so they are aware of barriers and challenges experienced by the population. Notable barriers include lack of an economy, very few job opportunities, lack of capital resources, and skills gaps. A very cumbersome barrier for individuals to overcome is navigating acquisition and conveyance of land, for business and residential purposes, on the reservation. Jurisdiction is complicated and often disputed. On the reservation there are three categories of land: trust, restricted fee, and fee simple. Trust land is land which the United States had legal title or trustee. Restricted fee land is land owned by an individual Native American or an Indian tribe which has a restriction requiring the consent of the United States government before the land can be sold. Fee simple land is land owned outright without a restriction. Fee simple lands are often owned by individuals or entities who are not members of the tribe. While acquiring simple fee land on the reservation is unencumbered and straightforward, the properties are expensive and the cost and lack of capital are barriers for underserved individuals who want to start and expand businesses.

To assist in meeting the needs of underserved individuals and to help them overcome barriers, coalition members partner with entities outside of the reservation to become aware of innovative programs and connect with a larger network of services. Two entities include the Foundation for Community Vitality and Just Transition Fund. Both entities have committed leverage funds to Phase 2 of the Recompete effort.

Regional Assets

The region's economy needs to rely on local businesses and employees who can service residential and commercial needs of the communities on the Crow Reservation. The local market has several assets: hundreds of individuals in need of employment, abundance of improvements needed to existing infrastructure, tremendous need for new infrastructure to accommodate growth, large volume of homes needing rehabilitation, and hundreds of new homes needed to address homelessness. Another asset is Little Big Horn College (LBHC) located in Crow Agency. The college was chartered by the Crow Tribe of Indians in 1980 and earned designation as a Land Grant Institution in 1994 and is recognized as a 501c3 organization. The college offers eleven (11) Associate of Arts and Associate of Science degrees in areas that reflect the developing economic and social needs of the Crow Reservation and surrounding communities. Plenty Doors is another asset. Plenty Doors is a 501c3 organization based in Crow Agency that offers services in the areas of business planning, entrepreneurship, workforce development, financial literacy, credit building, and ecological health. Plenty Doors is also an emerging Community Development Financial Institution (CDFI).

In 2021, LBHC piloted the Apsaalooke (Crow) Hybrid Apprenticeship Program to meet the urgent need for skilled workers in the trades areas of electrical, plumbing, HVAC, and carpentry. Upon study of the trades curriculum, students earn a One-year Certificate in Building Maintenance. If students who complete the One-year Certificate want to further their training in plumbing and electrical trades they can participate in the Montana Department of Labor and Industry's Accelerate Montana Program to take part in an apprenticeship program and earn a 4-year credential, from Montana State University-Northern, in 2-years. Due to lack of space, some trades courses are taught virtually by faculty at Montana State University-Northern. Additionally, due to lack of physical space for hands-on instruction and equipment, access to the training programs is extremely limited to ten (10) students a year.

There is a qualified Opportunity Zone (OZ) in the Local Labor Market. Opportunity Zones are economically distressed communities, defined by individual census tract, nominated by America's governors, and certified by the U.S. Secretary of the Treasury via his delegation of that authority to the Internal Revenue Service.⁷ Under certain conditions, new investments in Opportunity Zones may be eligible for preferential tax treatment.⁸ There are 8,764 Opportunity Zones in the United States, many of which have experienced a lack of investment for decades. The Opportunity Zones initiative is not a top-down government program from Washington but an incentive to spur private and public investment in America's underserved communities.⁹ Location of the OZ is in Montana, Big Horn County, and census tract 30003940600.¹⁰

Targeted Geographic Approach

The Local Labor Market for the Closing the Gap Coalition is Commuting Zone #347. The market comprises the Crow Reservation. The proposed place-based interventions and bottom-up solutions aim to decrease the current out-migration of goods and services. Job creation and improved economy in the local market will have a positive effect on more economically secure border communities by lessening dependence on bordering job and housing markets.

Partnerships and Potential Commitments

Plenty Doors is the Lead Member of the Closing the Gap Coalition. At this time, the coalition does not have a formal legal structure but understands that a governance plan should be developed prior to applying for Phase 2 funding. In addition to Plenty Doors, currently the coalition is comprised of four other entities: Apsaalooke Nation Housing Authority (ANHA), Little Big Horn College (LBHC), Town of Lodge Grass, and Wyola Development Fund. Each member of the coalition brings impressive strengths, including leverage, to the Recompete effort.

Understanding the dire need for accessible vocational education, LBHC commits to constructing a vocational education center and continuing to operate its existing Apsaalooke Hybrid Apprenticeship Program. LBHC was chartered by the Crow Tribe of Indians in 1980 and earned designation as a Land Grant Institution in 1994 and is recognized as a 501c3 organization. The

⁷ *Opportunity Now*. <https://opportunityzones.hud.gov/>. Accessed 28 March 2023.

⁸ *Ibid.*

⁹ *Ibid.*

¹⁰ *US Housing and Urban Development*. <https://opportunityzones.hud.gov/resources/map>. Accessed 28 March 2023.

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Plenty Doors commits to expanding and operating its successful Apsaalooke Day Labor Program all year long. In summer 2022, for 10 weeks, Plenty Doors Community Development Corporation piloted a Day Labor Program in Crow Agency and Wyola. The program aimed to employ jobless individuals and enhance local communities. Plenty Doors operated the program again for 10 weeks in summer 2023 and expanded the service area to include Lodge Grass as well as Crow Agency and Wyola. Ninety-three (93) individuals participated in the 2023 program and did everything from clerical and administrative work, to revitalizing communities through carpentry, mowing, trimming, removing trash, and assisting the Bureau of Indian Affairs Forestry Department in minimizing fire hazards. The program also worked on a community cleanup at the entrance to Crow Agency and assisted elders and disabled residents in cleanups that they were unable to do themselves. Plenty Doors proposes to operate the program year-round for 52 weeks to serve more individuals and employers.

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Plenty Doors commits to constructing a business incubator. Plenty Doors owns the parcel of property for the incubator and has a preliminary architectural report with plans. The proposed building encompasses 6,650 SF and is designed to accommodate at least six businesses and provide space to facilitate workforce training. The incubator will help fill the need for business space. There is no built environment to support clusters of locally owned small businesses. Actual buildings are needed to foster business startup and expansion.

Town of Lodge Grass commits a 2.5 acre parcel of property to economic development purposes. Another asset Lodge Grass brings to the local market is a municipal wastewater system that is currently undergoing a \$5 million improvement project. Once complete, Lodge Grass will have a new wastewater treatment lagoon. According to current Census data, the population of Lodge Grass is approximately 450. The median household income is \$25,000 and 74% of families are of low and moderate income. Fifty-seven percent (57%) of the population lives in poverty.

There is a lack of job opportunities and residents lack the resources needed to gain and maintain employment.

Wyola Development Fund commits to reclaim and restore the community of Wyola to a vibrant, healthy community. At this time, Wyola is preparing a Montana Uniform Preliminary Engineering Report (PER) for its failing municipal wastewater system. The PER is a requirement, in Montana, to pursue state and federal grant and low-interest loan funds. Improving infrastructure in Wyola is imperative to foster business creation and expansion as well as additional housing.

ANHA commits to creating good jobs in the area of residential rehabilitation and new construction and can leverage Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) funds and other sources of funds to support job opportunities. There is an extreme need for workers trained in the area of construction trades. ANHA estimates approximately 50 ANHA homes and hundreds of non-ANHA homes are substandard and need to be rehabilitated because they do not meet U.S. Department of Housing and Urban Development (HUD) Housing Quality Standards (HQS) performance requirements in the areas of Sanitary Facilities, Illumination and Electricity, Structure and Materials, and/ or Sanitary Condition. Additionally, there are approximately 80 homes without any running water and 150 homes, tested for water safety, have failing sanitation and water systems. There is an urgent need to repair or replace existing septic and well systems at rural home sites. Construction of new homes is needed to address the high incidence of homelessness. Homelessness is a persistent problem on the Crow reservation. Often disguised as an overcrowding problem – intergenerational cohabitation and “doubling-up” with family or friends – the real issues are a combination of low personal incomes and barriers to the supply of affordable housing. The need for safe, decent, and suitable low-income housing far exceeds the available supply. Annually, U.S. HUD is required to provide a Formula Response Form (FRF) to Indian tribes and their tribally designated housing authorities. U.S. HUD uses Census data to calculate the needs component described in the FRF. In FY 2020, the Crow Tribe’s FRF reported 395 American Indian and Alaska Native households were overcrowded or without kitchen or plumbing and 692 units were needed to meet the identified housing shortage for American Indian and Alaska Native households.

At least two philanthropic entities commit leverage funds to Phase 2 of the Recompete effort: Foundation for Community Vitality and Just Transition Fund. Both entities have been strong supporters of Plenty Doors and the Crow Reservation community for years. Combined, both entities have awarded over \$503,000 in grant funds to support numerous programs and projects related to job creation and economic development.

To date, the coalition has garnered support from numerous regional and local private and public entities: Montana Department of Labor and Industry, Beartooth Resource Conservation and Development, One Health, Crow Tribal Employment Rights Office, Crow Tribal Family and Social Services, Crow Nation Judicial Branch, and St. Labre Indian School. Several of the public entities can leverage services funded with tribal, state, and federal funds. Services include job placement, job readiness, job retention, apprenticeship opportunities, emergency assistance and other social services.