

**The Headwaters Fund
2009 Grant Fund Application
COVERSHEET**

For Office Use Only

App. #:

Org. #:

Date of application: Monday, February 9th, 2009

I. COVER SHEET SUMMARY INFORMATION

Type, word-process or print neatly. This form may be downloaded from our website. *Please submit your application with this one-page coversheet on top.*

A. Organization Information

Organization Name: Mid Klamath Watershed Council

Address: P.O. Box 409, Orleans CA 95556

Telephone number: (530) 627-3202 Fax number: (866) 323-5561

Director/CEO: Will Harling, Executive Director

Organization Type: Gov't type: _____ (local, state, etc.) Nonprofit type: 501 c3 (c3, c4, etc.)

Total current year organizational budget: \$380,000 # of FTE employees: 5

Summarize the organization's mission (*in the space provided*):

The mission of the Mid Klamath Watershed Council is to promote watershed restoration and active participation in restoration by coordinating education on resource issues, encouraging communication among the community, tribes, and other resource management agencies, and creating local economic opportunities by planning and implementing restoration projects.

B. Project Information

Project title: Panamnik Building Project

Amount requested: \$50,000

Total project cost: \$400,000 Period covered: 2008-2010

Total match amount: \$350,000 (see Application Instructions for match requirements)

Cash match: \$355,700

In-kind match:

Committed In-Kind Services

Architect: @ \$25-100/hour = \$2,400

Construction Labor: @ \$35.00/hour = \$5000 (skilled community volunteers)

Removal of Walk-in Refrigerators (including generators) @ \$35.00/hour = \$3600 (skilled community volunteers)

Acoustic Paneling installation @ 25.00/hour = \$1600 (skilled community volunteers)

Painting Labor @ \$30/hour = \$2900 (skilled community volunteers)

Amphitheater Construction Labor @ \$25.00 per hour = \$3500 (skilled community volunteers)

Landscaping Labor @ \$15 per hour = \$2,000 (AmeriCorps and community volunteers)
Bulldozer use and labor @ \$50 per hour = \$1,600 (skilled community volunteers)
Foyer Remodel Labor @ \$35 per hour = \$5,000
Naming Opportunity Artist Labor @ \$100 per hour = \$2500

Received In-Kind Services

Demolition of Trailer and Shed Labor @ \$25 per hour = \$5,000
Disposal Costs = \$240

Committed Materials

Foyer Remodel materials = \$500 (private donors)
Amphitheater Materials = \$5360 (local mills, hardware stores, private donors)
Landscaping Materials = \$2500 (local nurseries, hardware stores, private donors)

Received Materials

Trailer and Shed Demolition Materials = \$600

Type of project (specify planning/technical assistance or implementation): Implementation of Building Acquisition and Renovation

Geographic focus of project: The Mid-Klamath region, serving both Humboldt and Siskiyou Counties, including the communities of Weitchpec, Orleans, and Somes Bar. Building is located in downtown Orleans, CA

Contact person name and title: Tera Palmer, Panamnik Building Project Coordinator

Contact phone: (530) 627 3202 Contact email: tera@mkwc.org

Contact address (if different from above): _____

II. NARRATIVE

1. Summary of project/grant request (3 to 4 sentences only)

The Mid Klamath Watershed Council (MKWC) is seeking funding to acquire and renovate the Panamnik Building. In 2005, MKWC began to use the Panamnik Building for a community center and offices. It is now a community hub: hosting events, collaborative meetings, classes, and farmers markets. Headwaters Grant funds would pay for Panamnik Building renovation into a safe, high functioning community center and would build upon the \$110,000 secured by MKWC led community fundraising to purchase the building.

2. Describe the project including project goals.

The Panamnik Building Project is a community project in the town of Orleans that will serve the surrounding communities of the Mid Klamath Region. This region includes Happy Camp, Somes Bar, Orleans and Weitchpec, approximately 60 miles of rural residents, with the majority of those in Humboldt County. The Panamnik Building Project is a capital campaign to buy the Panamnik Building, a one-story property along the Orleans corridor of Highway 96, and turn it into a fully functioning community space to serve the residents of the local area. The project focuses on the economic advancement and

revitalization of the Orleans downtown. Supported by the community, the Panamnik Building Project will provide a community space for tourist information, arts, music, events, gatherings, retail, a cafe and business offices in this rural community. Currently there is not a space that serves the community in this way.

Orleans is a rural community located approximately 40 miles from Willow Creek and nearly 80 miles from the town of Arcata. The community is made up of local farmers, Native Americans, US Forest Service employees, loggers, miners, small business owners and others. The communities in the Mid Klamath are experiencing the difficult process of transitioning from an economy formerly dependent on natural resource extraction to a more diverse economic base. The Panamnik Building offers community revitalization and economic opportunities for this area by hosting an array of community activities and events as well as housing organizations that provide jobs.

The Mid Klamath Watershed Council is a small non-profit located in the town of Orleans working on watershed, community and fisheries issues. MKWC recently opened the Panamnik Building in 2005, moving their office from a U.S. Forest Service housing complex to an abandoned grocery store in downtown Orleans. The building had been empty for several years, making the community look economically depressed. With dedicated help from many volunteers, the building developed into a community center with a kids play area, office space for several nonprofit organizations and a local business. The Panamnik Building is also home to a Community Watershed and Information Center. The Center serves as a workspace for the Mid Klamath Watershed Council, Orleans/Somes Bar Fire Safe Council, Klamath-Salmon Natural History Library, Klamath Riverkeeper and Klamath Salmon Media Collaborative.

Since its move-in, the MKWC's office and the whole Panamnik Building has become a bustling hub of activity, where people come to use the Wi-Fi, take yoga classes, check-in with MKWC or come to locally-sponsored events. MKWC and the community would like to make the Panamnik Building better meet the community's needs and wants with the Panamnik Building Project.

The Panamnik Building Project vision is based on a survey that was distributed to local box holders in June 2007. The Panamnik Building is a cooperative project. The committees that head the campaign are volunteers forwarding their vision of a community made better. The community wants to develop the Panamnik Building into a place where people want to hang out, eat good food and come together as a community in one community space. Based on the results of the community survey, the vision for the property includes:

- Continuation of current programs, services, and community access for meetings and public events
- Small Business Development including a Café and certified kitchen
- Youth Program
- Tourist Information and Interpretive Center
- Gallery and Retail Space for Local Arts, Crafts and locally produced products
- Amphitheater and Riverside Park

The Services that are already available at the Panamnik Building through MKWC's support include:

- Public phone
- WiFi hotspot (wireless internet)
- Meeting space
- Kids corner
- Public restrooms
- Tourist information
- Art, music & exercise classes
- Catered dinners

- Art gallery
- Fundraising events
- Holiday Bazaar
- Farmers Markets and Plant Sales
- First Aid and CPR classes
- Educational workshops
- Concerts and dance parties
- Music Mondays for preschool children
- Community information headquarters during wildland fire season

The analysis of the survey showed that the programs and resources at the Panamnik Building have moderate to high value to respondents. Most community members use the space at the Panamnik building, particularly for events like concerts, fundraisers or special events like the Holiday Bazaar.

When the vision of the Panamnik Building Project is carried out there will be: a café serving locally grown and produced food, a certified kitchen where residents can come and process cottage industry goods to sell in the retail space and elsewhere, an interpretive trail where tourists and residents can walk along the river and learn about the local ecology, a place to enjoy a local band or a local theater production at the outdoor amphitheater. There will be a space for outdoor markets and events, as well as an indoor community space; a place for people to gather, convene and create a more prosperous community.

3. How and to what degree will the project further economic development in Humboldt County? Quantify where possible. List measurable outcomes and how outcomes were calculated – e.g. explain how you estimated jobs created by the project (please be specific and state assumptions)

MKWC already brings approximately \$300,000 to the Orleans community each year. This money is primarily grant funding for upslope restoration and fire prevention projects, including brush thinning and prescribed burning and is used specifically to put local community members to work restoring our forests and creating a fire safe community. In addition to housing organizations such as MKWC that employ community members, a revitalized Panamnik Building would provide space for community members to sell locally made products and food, a Café, additional small businesses and an information/interpretive center for tourists. The remodel and repair of the building will employ an architect, several carpenters and a contractor, landscape architects, and landscaping labor. There will be four office spaces that will have the potential to employ four or more people. The local goods store will fill a great niche for the prolific gardeners and farmers who need a way to market their bounties. We expect the store to profit \$3,000 for local cottage industry in the first year. Also in the first year, the interpretive center will help approximately 150 tourists utilize the rich array of activities and resources in this area. This information center will also benefit local businesses such as fishing guides, cabin rentals, retail stores, etc., through free advertising. Tourists and locals alike are craving a place to get freshly made food. Right now visitors staying at the local hotels or campgrounds do not have a nice place to go out to eat. The café will be a welcome haven for hungry backpackers coming out of the Marble Mountain Wilderness, families who are swimming in the river all day, and hard working locals who put in long hours. Furthermore, the building already serves small business owners through access to internet and a public phone. Local nurseries also use the Building for annual plant sales. The Building is also the site for the annual Holiday Bazaar.

4. Describe who and how many will benefit from the project.

The Building will be unique within a 100-mile radius. The Panamnik Building will provide services to 1000 local people, 150 tourists and approximately 120 local youth within the first year. Of these youth,

90% are “at-risk”, between 66% and 88% are living below the poverty line, and approximately 56% of are Native American. The Building will provide 5 office spaces. Farmers, loggers, fishermen, federal employees, artists, small business owners and others are creating a living for their families in this remote area. The Panamnik Building Project contributes directly to our rural economy and culture by providing a place to organize and create the community we want to live in. This project is a bridge for people who live in potentially isolated areas to come together and support each other. The building is a place where people can attend bingo night, take career classes, comment on the current fire safe or timber harvest plan, attend summer youth program events, fundraise for the Community Service Club, learn about the natural and cultural heritages of the region and sell locally grown vegetables or goods. This project empowers people to improve quality of life for their families and neighbors.

5. What methods will be used to achieve the expected results? Include a scope of work, timeline, description of relationships with other programs or projects, and a description of stakeholder involvement in planning and execution. (Project budget is Attachment III.A – see below.)

The Ford Family Foundation sponsored a capital campaign training specifically for this project. The consultant who did the training taught us about the steps of a capital campaign, common pitfalls, and fundraising strategies. The methods learned from the Ford Family Foundation will be used to successfully complete this project. Through that training, several committees formed in order to provide structure to the capital campaign process. Those committees have continued on for over a year. The committees are made up of a diverse collection of community members such as teachers, local business owners, tribal members, scientists, carpenters, farmers, artists, and more. The range of talent and expertise that these people bring to the committee is a valuable cache of knowledge and experience. The wide cross-section of the community supporting this project also provides great strength.

Panamnik Building Project Timeline

Phase I: 2009-2010

- Building acquisition
- Immediate Repairs
- Construction of Amphitheater
- Construction of Interpretive Center and Art Gallery

Phase II: 2010-2012

- Remodel Community Space
- Small Business Development (eatery, store for local goods, addition of more office spaces)

The Panamnik Building Project has many collaborators and supporters including The Karuk Tribe of California, The Orleans Volunteer Fire Department, The Somes Bar Arts Council, The Orleans Elementary School, The Humboldt Area Foundation, The Tides Foundation, The River Artisans, The Klamath-Siskiyou Art Center, The Salmon River Outpost, and The Ford Family Foundation, and more (see below).

6. What qualifications do the organization, partners and project staff bring to the project? Outline key staff and partners including their qualifications. Include a brief overview of the organization and list any relevant certifications, licenses, etc.

The Mid Klamath Watershed Council (MKWC) brings together state and federal agencies as well as other non-profits to work on the ground completing upslope and instream restoration and monitoring

projects that relate directly to the restoration of the Klamath River Basin to its historical ecological abundance. MKWC also works closely with the community to promote community health, communication and economic opportunities. The Panamnik Building Project accumulated 2,242 volunteer hours, \$56,050 in volunteer labor, and hosted 35 fundraising events in 2008. MKWC already brings \$300,000 annually to the Mid Klamath region, and this number is predicted to increase to \$500,000 once the Panamnik Building has been acquired and renovated.

MKWC's staff members bring years of experience in the art of rural community organizing and revitalization to the Panamnik Building Project. The Panamnik Building sat empty and in disrepair for 3 years, creating a depressed air in Orleans. In 2005, MKWC spearheaded a community effort to re-vitalize the building at the center of town, securing a 3-year lease and facilitating hundreds of hours of community volunteer labor to make structural repairs, retrofit the interior with office space for MKWC and other local businesses, and clean and paint. Since then the community has turned out regularly for monthly fundraising events and volunteer work parties to improve and maintain the facility. Many people have pledged in-kind labor for the renovations to come. Approximately 25 people volunteered time, labor and equipment to demolish a dilapidated trailer and expose the Building's river view. MKWC's unique position within the community, connections to various community partners, and years of working to improve and utilize the Panamnik Building, give the organization the knowledge and skills necessary to successfully carry out the acquisition and renovation of the Building.

Project partners include the Karuk Tribe of California, Orleans Volunteer Fire Department, Orleans Community Services District, Somes Bar Arts Council, Klamath Salmon Natural History Library, Orleans/Somes Bar Fire Safe Council, Salmon River Restoration Council, Klamath RiverKeeper, River Artisans, Wild by Nature, Salmon River Outpost, U.S. Forest Service, and the Klamath-Salmon Media Collaborative. Foundations that have already supported the Panamnik Building Project include the Ford Family Foundation, Winifred and Harry B. Allen Foundation, National Forest Foundation and the Northcoast Cooperative Community Fund.

Tera Palmer, the Panamnik Building Project Coordinator, brings her experience as a local business owner to the Panamnik Building Project. Tera owns the Salmon River Outpost, a very successful business located in Somes Bar. In the year that Tera has worked on the project, she has created an operating budget for the Panamnik Building, raised over \$100,000 from within our rural community. In addition, Tera has experience working with the U.S. Forest Service and Salmon River Restoration Council – two important stakeholders in the Mid Klamath region.

7. How do you know the project will succeed? What are the risks and challenges?

We know that the Panamnik Building Project will be successful for several reasons. Firstly, the strong need for the services envisioned in the Project were quantitatively assessed via a survey that was distributed to local box holders in the Weitchpec, Somes Bar and Orleans area in June 2007. Respondents prioritized youth programs, a large event space, a riverside venue for music and theater, a café and community kitchen, tourist information and interpretive center, as well as a continuation of current programs and activities. The vision for this building and property are part of a larger vision of a vibrant small town where residents have new economic opportunities; where youth enjoy organized activities and acquire marketable skills; and where tourists are welcomed and encouraged to learn about and appreciate the natural and cultural resources of our area.

The analysis of the survey showed that in general the programs and resources already at the Panamnik Building have moderate to high value to respondents, indicating that an expansion of these services, which would result from building acquisition, would succeed in drawing even more community members, tourists, and economic opportunities to the area. Most community members already use the space at the Panamnik building, particularly for events like concerts, fundraisers or special events like the Holiday Bazaar.

Secondly, since the inception of our Capital Campaign in November 2008, the Panamnik Building Project has seen an incredible response from the community, enabling us to raise our matching funds of \$110,000 in less than two years. This is another strong indication that the project will succeed, because the Project is a community-driven, community-funded effort—those who feel the need for the services the Panamnik Building will provide are those volunteering their time and skills to finance the project.

Thirdly, one need only witness the positive, revitalizing changes in the community since MKWC first opened up and renovated the Panamnik Building in 2005 in order to know that further development of the Building will succeed in bringing the community together and bringing more economic opportunity to the Mid Klamath region.

The risks and challenges that face this project are primarily related to the annual operating budget for the Panamnik Building. After acquisition and remodel, the Panamnik Building needs to sustain itself. The Building will operate with funds through monthly fundraising events and rent from its tenants: four non-profit organizations, at least two small businesses and the U.S. Post Office. The Orleans/Somes Bar area experiences significant wildfires that can keep tourists away from our area. This will lessen the income that the Café can generate during summer months. However, we realize that wildfires themselves bring other clientele (e.g. firefighters) that will be able to support the businesses.

8. How will you evaluate (quantitatively and qualitatively) the success of the project? When the project is complete, how will you know if it has succeeded (e.g. quantified increase in sales/jobs, change in behavior)? What indicators will you look at (and when) to gauge success?

A post-project community survey will quantitatively track community satisfaction with the project. The staff of the Mid Klamath Watershed Council will hold a day long, in-depth group evaluation meeting to record the strengths, weaknesses, successes and failures of the project. The project coordinator will conduct quarterly evaluation meetings with the Panamnik Building Project Steering Committee to help keep the project on task. There will be a visitor log in the interpretive center to track numbers and comments of tourists who use this service. The project coordinator will keep records from before and after the project detailing dollars and jobs created by the Panamnik Building.

When the project is complete we will look at our work plan and compare it to the work accomplished to measure the results. We will also keep event forms which will detail things such as how many adults and children were served at each event, where they live, etc. Since there are currently very few or no youth activities available in Orleans outside of school, we will consider attendance at Panamnik events a change in behavior for the positive. Another informal measure will be the presence or absence of kids and adults loitering in the streets. Currently, this is a major pass-time in Orleans.

9. How will the project be sustained after the grant?

Operational funding will come from rental fees, fundraisers, and private donors. Rental fees from the businesses, non-profits, U.S. Postal Service and community center will provide the majority of the funds. The diversity of these entities (for-profit, non-profit, governmental, community members) will ensure sustained funding over time as we are not relying on an individual source. The remainder will come from fundraisers and continued support from private donors. Due to strong community support, we are confident that our fundraising efforts will continue to be successful. See Business Plan, attached.

III. ATTACHMENTS

A. Project Budget

Project Expense Item	Total Cost (\$)	Requested Amount from Headwaters Grant Fund	Amount from Matching Funds	Source of Matching Funds
Panamnik Building Acquisition				
Panamnik Building Acquisition	\$ 245,000.00	\$ 50,000.00	\$ 215,000.00	Community, WHAF, HAF, FFF
Fees and Closing Costs	\$ 4,000.00	\$ -	\$ 4,000.00	FFF
Subtotal	\$ 249,000.00	\$ 50,000.00	\$ 199,000.00	
Panamnik Building Remodel				
Architect Labor: @ \$25-100 per hour	\$ 9,400.00	\$ -	\$ 9,400.00	FFF and In-kind
Construction Labor: @ \$35 per hour	\$ 28,000.00	\$ -	\$ 28,000.00	FFF and In-kind
Materials: Repair to Foundation	\$ 4,700.00	\$ -	\$ 4,700.00	FFF
Materials: Repair to Electrical	\$ 2,900.00	\$ -	\$ 2,900.00	FFF
Materials: Repair to Roof and Ceiling	\$ 10,400.00	\$ -	\$ 10,400.00	FFF
Removal of Walk-in Refrigerators (Labor @ \$35 per hour and Materials)	\$ 3,900.00	\$ -	\$ 3,900.00	FFF and In-kind
Acoustic Paneling (Labor @ \$25 per hour and Materials)	\$ 4,600.00	\$ -	\$ 4,600.00	FFF and In-kind
Subtotal	\$ 63,900.00	\$ -	\$ 63,900.00	
Amphitheater and Outdoor Park				
Amphitheater Permit	\$ 1,500.00	\$ -	\$ 1,500.00	FFF
Amphitheater Labor @ \$25.00 per hour	\$ 13,000.00	\$ -	\$ 13,000.00	FFF
Amphitheater Materials	\$ 16,160.00	\$ -	\$ 16,160.00	FFF
Landscaping Materials	\$ 2,500.00	\$ -	\$ 2,500.00	In-kind donations
Landscaping Labor @ \$15 per hour	\$ 2,900.00	\$ -	\$ 2,900.00	In-kind donations
Labor: Bulldozer Work @ \$50 per hour	\$ 2,600.00	\$ -	\$ 2,600.00	In-kind donations
Demolition of Trailer and Shed Labor @ \$25 per hour	\$ 5,000.00	\$ -	\$ 5,000.00	In-kind donations
Trailer and Shed Demolition Materials	\$ 600.00	\$ -	\$ 600.00	In-kind donations
Disposal Costs	\$ 990.00	\$ -	\$ 990.00	In-kind and North Coast Co-op Grant
Subtotal	\$ 45,250.00	\$ -	\$ 45,250.00	
Remodel Foyer into Interpretive Center and Art Gallery				

Foyer Extension Permit	\$ 1,150.00	\$ -	\$ 1,150.00	Community and In-kind
Foyer Remodel Labor @ \$35 per hour	\$ 11,800.00	\$ -	\$ 11,800.00	Community and In-kind
Foyer Remodel materials	\$ 7,500.00	\$ -	\$ 7,500.00	Community and In-kind
Naming Opportunity for Major Donors by Local Artist	\$ 7,500.00	\$ -	\$ 7,500.00	FFF and In-kind
Subtotal	\$ 27,950.00	\$ -	\$ 27,950.00	
Outdoor Renovation				
Painting Labor @ \$30 per hour	\$ 11,900.00	\$ -	\$ 11,900.00	FFF and In-kind
Paint and Supplies	\$ 2,000.00	\$ -	\$ 2,000.00	FFF
Subtotal	\$ 13,900.00	\$ -	\$ 13,900.00	
Total Project Cost	\$ 400,000.00	\$ 50,000.00	\$ 350,000.00	

- * FFF=Ford Family Foundation
- * HAF=Humboldt Area Foundation
- * WHAF = W and H Allen Foundation

Note: There are no overhead costs included in this budget. The operating budget for the Panamnik Building and the capital campaign are funded through rental fees and community fundraisers. To date, the community has contributed \$50,000 to the operating budget for this project. This includes architecture fees, personnel salaries and benefits, publications, and outreach expense.

B. Match Sources

Match Name	Amount	Status	Receipt Date	Restrictions
Community	\$110,000.00	Received	2008 (Actual)	None
Humboldt Area Foundation	\$ 7,300.00	Committed	March 2009 (Actual)	None
W and H Allen Foundation	\$ 2,000.00	Committed	2008 (Actual)	None
North Coast Co-op	\$ 750.00	Committed	2008 (Actual)	None
Ford Family Foundation	\$200,000.00	Application Pending	June 2009 (Expected)	None
In-Kind Donations (For detail, see section B of applicant cover sheet)	\$ 44,300.00	Committed and not yet solicited	2009/2010 (Expected)	None

C. Governance

Board of Directors

	<u>Name</u>	<u>Title</u>	<u>Occupation</u>
1	Cabot, Kimberly	Vice President	"Cabot Vineyards" Business Owner
2	Carroll, Carlos	Board Member	Klamath Center for Conservation Research Director
3	Davis, Dean	Potential Board Member	Retired Forest Service Employee

4	DuPont, Mark	President	"Sandy Bar Ranch and Nursery" Business Owner
5	Grunbaum, Jon	Board Member	US Forest Service Fisheries Biologist
6	Hatton, Chris	Secretary	"Salmon River Outpost" Business Owner
7	Jacups-Johnny, Jeanerette	Board Member	Tribal Health and Cultural Protection; Member of the Karuk Tribe
8	Reis, Blythe	Board Member	"Sandy Bar Ranch and Nursery" Business Owner
9	Stearns, Michael	Treasurer	"River Life Nursery" Business Owner
10	Villeponteaux, Jim	Board Member	"Salmon Mountain Forestry" Business Owner; Salmon River Restoration Council

D. Support Letters

Please see attached letters

E. Business Plan

Panamnik Building Business Plan		
Monthly Costs	Utilities	500
	Phone	50
	Taxes	250
	Maintenance	300
	Major Repairs Fund	200
	Cleaning Costs	300
	Accounting/Bookkeeping Fees	150
	PB Director Salary	1000
	Insurance	200
	Subtotal	2950
Monthly Income	Post Office Rent	700
	MKWC Rent	400
	4 Offices Rent	800
	4 Offices Utilities	80
	Hourly Rental Fee(sliding \$20-\$50)	400
	Internet Use Fees	70
	Fundraisers	500
	Subtotal	2950
	Total	0