

Focus Areas

- Climate Resilience
- Affordable Housing
- Capital Access

TA CONSULTANTS:

Housing Sustainability Advisors (HSA)

PROGRAM PERIOD:

February 22, 2024
—February 28, 2025



GROW South Dakota

SISSETON, SD / GROWSD.ORG

Empowering Rural Communities Through: Climate-Resilient Housing and Lending Innovation

Background

GROW South Dakota (GROW SD) supports housing, community and economic development across rural South Dakota. With a strong foundation in energy-efficient single-family rehabilitation and community lending, the organization has increasingly prioritized sustainability and resilience in its programming. Through the Rural Community Development Initiative (RCDI), GROW SD expanded its efforts in support of long-term housing quality and workforce housing solutions, positioning itself to engage more deeply in development and capital access.

The Challenge

As national attention and funding opportunities have shifted toward resilience and supportive financing, GROW SD recognized a need to strengthen its internal capacity to meet these evolving demands. The organization sought to apply its experience in single-family energy efficiency to larger-scale multifamily retrofits and to explore new pathways for financing this development in rural areas.

With RCDI support, GROW SD focused on two key objectives: retrofitting Pheasant Valley Courtyard, an existing 60-unit HUD-assisted multifamily property, and building

“We shared our experiences with our training cohort... There are lenders seeking to build products similar to ones we’ve created, and we value the opportunity to help others replicate and collaborate on lending.”

— LORI FINNESAND, CHIEF EXECUTIVE OFFICER, GROW SD

a business lending strategy aligned with emerging efficiency investment opportunities. These goals required navigating complex federal funding structures, adapting internal processes and embedding sustainability more fully into the organization’s housing and economic development work.

RCDI Support & Technical Assistance

Through the RCDI program, GROW South Dakota received targeted technical assistance to advance both its multifamily energy efficiency and generation lending goals.

For the Pheasant Valley Courtyard project, consultants helped the team navigate the complex application process for the U.S. Department of Housing and Urban Development’s

Green and Resilient Retrofit Program (GRRP).

This included presenting the property as a strong candidate, preparing a competitive proposal, and securing a \$4.8 million award.

After the grant was awarded, support continued through kickoff meetings and technical onboarding to help staff understand HUD's assessment protocols, reporting systems and implementation requirements.

To strengthen its energy related lending strategy, GROW SD also pursued participation in the Opportunity Finance Network's (OFN) Specialized Lender Training. Consultants supported the team in assessing capital access needs and preparing the application. Although GROW SD was ultimately identified as too advanced for the pilot training cohort, the organization was invited to participate in peer learning sessions and bootcamps to refine its approach. This process laid the foundation for a business lending template that could help finance housing projects in other rural communities.

Key Achievements

- Secured a \$4.8 million Green and Resilient Retrofit Program grant from HUD to support energy efficient upgrades at Pheasant Valley Courtyard.
- Strengthened internal expertise in energy focused lending, positioning the organization to pursue future energy efficiency financing opportunities.
- Participated in Opportunity Finance Network's Specialize Lender Training to refine strategies for accessing investment capital for energy-efficient housing initiatives.
- Began developing a business lending model to help finance resilient housing projects in rural communities.

LESSONS LEARNED & BEST PRACTICES

- 1 **Consultant engagement and guidance throughout the grant application process contributed significantly to the success of GROW SD's GRRP application.**
- 2 **Investing staff time in capacity-building and technical training improved internal understanding of energy efficiency funding requirements.**
- 3 **Adapting to feedback from funders, such as pivoting from the nascent training program to more advanced bootcamps, was essential to maintaining momentum.**
- 4 **Peer collaboration and learning opportunities created valuable connections with other lenders navigating similar investment challenges.**
- 5 **Building internal alignment and clarity around targeted lending policies will be critical for expanding lending across both single-family and multifamily housing programs.**

WHAT'S NEXT?



Following its successful GRRP award, GROW SD will continue working with HUD to implement the retrofit improvements at Pheasant Valley Courtyard. The organization will deepen its understanding of HUD's assessment tools and explore how those methodologies might be applied to future multi-family properties. On the capital access front, GROW SD plans to participate in OFN's bootcamp training sessions and is preparing for future application rounds of the EPA's Clean Communities Investment Accelerator funding program. As part of this work, GROW SD is refining its internal policies and developing a business model that integrates energy efficiency as a core feature across all lending products. These next steps will position the organization to scale its impact and serve as a consulting resource for other rural lenders interested in innovative finance strategies.