

Facsimile Transmittal

**U. S. Department of Housing
and Urban Development**

OMB Approval No. 2525-0118
exp. Date (5/30/2008)

Office of Department Grants
Management and Oversight

1282840353 - 5614

* Name of Document Transmitting:

1. Applicant Information:

* Legal Name:

* Address:

* Street1:

Street2:

* City:

County:

* State:

* Zip Code: * Country:

2. Catalog of Federal Domestic Assistance Number:

* Organizational DUNS: CFDA No.:

Title:

Program Component:

3. Facsimile Contact Information:

Department:

Division:

4. Name and telephone number of person to be contacted on matters involving this facsimile.

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Phone Number:

Fax Number:

* 5. Email:

*** 6. What is your Transmittal? (Check one box per fax)**

a. Certification b. Document c. Match/Leverage Letter d. Other

* 7. How many pages (including cover) are being faxed?

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C.1352

Approved by OMB
0348-0046

1. * Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. * Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input checked="" type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. * Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
--	--	--

4. Name and Address of Reporting Entity:
 Prime SubAwardee

* Name:

* Street 1: Street 2:

* City: State: Zip:

Congressional District, if known:

5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime:

6. * Federal Department/Agency: <input type="text" value="Housing and Urban Development"/>	7. * Federal Program Name/Description: <input type="text" value="Indian Community Development Block Grant Program"/> CFDA Number, if applicable: <input type="text" value="14.862"/>
--	---

8. Federal Action Number, if known: <input type="text"/>	9. Award Amount, if known: \$ <input type="text"/>
--	--

10. a. Name and Address of Lobbying Registrant:

Prefix * First Name Middle Name

* Last Name Suffix

* Street 1 Street 2

* City State Zip

b. Individual Performing Services (including address if different from No. 10a)

Prefix * First Name Middle Name

* Last Name Suffix

* Street 1 Street 2

* City State Zip

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* Signature:

* Name: Prefix * First Name Middle Name
* Last Name Suffix

Title: Telephone No.: Date:

Federal Use Only:	Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)
--------------------------	--

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: <input type="text" value="10/22/2010"/>	4. Applicant Identifier: <input type="text"/>	
5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>	
State Use Only:		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:		
* a. Legal Name: <input type="text" value="Hannahville Indian Community"/>		
* b. Employer/Taxpayer Identification Number (EIN/TIN): <input type="text" value="382008182"/>	* c. Organizational DUNS: <input type="text" value="0301882880000"/>	
d. Address:		
* Street1: <input type="text" value="N14911 Hannahville B-1 Road"/>	Street2: <input type="text"/>	
* City: <input type="text" value="Wilson"/>	County/Parish: <input type="text"/>	
* State: <input type="text" value="MI: Michigan"/>	Province: <input type="text"/>	
* Country: <input type="text" value="USA: UNITED STATES"/>	* Zip / Postal Code: <input type="text" value="49896-9612"/>	
e. Organizational Unit:		
Department Name: <input type="text"/>	Division Name: <input type="text"/>	
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text" value="Ms ."/>	* First Name: <input type="text" value="Jill"/>	
Middle Name: <input type="text"/>		
* Last Name: <input type="text" value="Wetthuhn"/>		
Suffix: <input type="text"/>		
Title: <input type="text" value="Resource Developer"/>		
Organizational Affiliation: <input type="text"/>		
* Telephone Number: <input type="text" value="(906) 723-2625"/>	Fax Number: <input type="text" value="(906) 466-2933"/>	
* Email: <input type="text" value="jillwetthuhn@hannahville.org"/>		

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

I: Indian/Native American Tribal Government (Federally Recognized)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

US Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.862

CFDA Title:

Indian Community Development Block Grant Program

*** 12. Funding Opportunity Number:**

FR-5415-N-08

* Title:

Indian Community Development Block Grant (ICDBG)

13. Competition Identification Number:

ICDBG-08

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Convenience Store/Gas Station Expansion Project

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant

b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="600,000.00"/>
* b. Applicant	<input type="text" value=""/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value=""/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

a. This application was made available to the State under the Executive Order 12372 Process for review on

b. Program is subject to E.O. 12372 but has not been selected by the State for review.

c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

Yes No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Title:

* Telephone Number: Fax Number:

* Email:

* Signature of Authorized Representative: * Date Signed:

**Applicant/Recipient
Disclosure/Update Report**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2510-0011
(exp. 08/31/2009)

Applicant/Recipient Information

* Duns Number: 0301882880000

* Report Type: INITIAL

1. Applicant/Recipient Name, Address, and Phone (include area code):

* Applicant Name:

Hannahville Indian Community

* Street1: N14911 Hannahville B-1 Road

Street2:

* City: Wilson

County:

* State: MI: Michigan

* Zip Code: 49896-9612

* Country: USA: UNITED STATES

* Phone: (906) 723-2625

2. Social Security Number or Employer ID Number: 382008182

* 3. HUD Program Name:

Indian Community Development Block Grant Program

* 4. Amount of HUD Assistance Requested/Received: \$ 600,000.00

5. State the name and location (street address, City and State) of the project or activity:

* Project Name: Convenience Store/Gas Station Expansion

* Street1: W365 US 2/41

Street2:

* City: Harris

County: Menominee

* State: MI: Michigan

* Zip Code: 49845

* Country: USA: UNITED STATES

Part I Threshold Determinations

* 1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3).

Yes No

* 2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1-Sep. 30)? For further information, see 24 CFR Sec. 4.9

Yes No

If you answered " No " to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form.

However, you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name:

* Government Agency Name:

Hannahville Indian Community

Government Agency Address:

* Street1: N14911 Hannahville B-1 Road

Street2:

* City: Wilson

County: Menominee

* State: MI: Michigan

* Zip Code: 49896

* Country: USA: UNITED STATES

* Type of Assistance: Inkind & Cash

* Amount Requested/Provided: \$

* Expected Uses of the Funds:

Management and Construction Costs

Department/State/Local Agency Name:

* Government Agency Name:

Government Agency Address:

* Street1:

Street2:

* City:

County:

* State:

* Zip Code:

* Country:

* Type of Assistance:

* Amount Requested/Provided: \$

* Expected Uses of the Funds:

(Note: Use Additional pages if necessary.)

Add Attachment

Delete Attachment

View Attachment

Part III Interested Parties. You must decide.

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and

2. Any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

* Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	* Social Security No. or Employee ID No.	* Type of Participation in Project/Activity	* Financial Interest in Project/Activity (\$ and %)
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> <input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	\$ <input type="text"/> <input type="text"/> %

(Note: Use Additional pages if necessary.)

Add Attachment

Delete Attachment

View Attachment

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

I certify that this information is true and complete.

* Signature:

* Date: (mm/dd/yyyy)

Jill Wetthuhn

10/22/2010

Survey on Ensuring Equal Opportunity For Applicants

OMB No. 1890-0014 Exp. 2/28/2009

Purpose:

The Federal government is committed to ensuring that all qualified applicants, small or large, non-religious or faith-based, have an equal opportunity to compete for Federal funding. In order for us to better understand the population of applicants for Federal funds, we are asking nonprofit private organizations (not including private universities) to fill out this survey.

Upon receipt, the survey will be separated from the application. Information provided on the survey will not be considered in any way in making funding decisions and will not be included in the Federal grants database. While your help in this data collection process is greatly appreciated, completion of this survey is voluntary.

Instructions for Submitting the Survey

If you are applying using a hard copy application, please place the completed survey in an envelope labeled "Applicant Survey." Seal the envelope and include it along with your application package. If you are applying electronically, please submit this survey along with your application.

Applicant's (Organization) Name:	Hannahville Indian Community
Applicant's DUNS Name:	0301882880000
Federal Program:	Indian Community Development Block Grant (ICDBG)
CFDA Number:	14.862

1. Has the applicant ever received a grant or contract from the Federal government?

Yes No

2. Is the applicant a faith-based organization?

Yes No

3. Is the applicant a secular organization?

Yes No

4. Does the applicant have 501(c)(3) status?

Yes No

5. Is the applicant a local affiliate of a national organization?

Yes No

6. How many full-time equivalent employees does the applicant have? (Check only one box).

3 or Fewer 15-50

4-5 51-100

6-14 over 100

7. What is the size of the applicant's annual budget? (Check only one box.)

Less Than \$150,000

\$150,000 - \$299,999

\$300,000 - \$499,999

\$500,000 - \$999,999

\$1,000,000 - \$4,999,999

\$5,000,000 or more

Survey Instructions on Ensuring Equal Opportunity for Applicants

OMB No. 1890-0014 Exp. 2/28/2009

Provide the applicant's (organization) name and DUNS number and the grant name and CFDA number.

1. Self-explanatory.
2. Self-identify.
3. Self-identify.
4. 501(c)(3) status is a legal designation provided on application to the Internal Revenue Service by eligible organizations. Some grant programs may require nonprofit applicants to have 501(c)(3) status. Other grant programs do not.
5. Self-explanatory.
6. For example, two part-time employees who each work half-time equal one full-time equivalent employee. If the applicant is a local affiliate of a national organization, the responses to survey questions 2 and 3 should reflect the staff and budget size of the local affiliate.
7. Annual budget means the amount of money your organization spends each year on all of its activities.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this

information collection is **1890-0014**. The time required

to complete this information collection is estimated to average five (5) minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection.

If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: The Agency Contact listed in this grant application package.

Rating Factor 4: Leveraging Resources

Please see [the resolution statement below confirming the tribe's commitment of cash funds](#) to the project (a minimum of 25% of the total project costs) to ensure its completion as proposed in this application. The Hannahville Tribal Council has always viewed this enterprise as more of a community service than a tribal government supporting money maker. As such, the Council has allowed the Oasis to be a self-contained operation that retains its income for reinvestment into the business. Over the last 10 years these retained Island Oasis profits have accumulated; however, these earnings are not enough to fully fund the expansion as approximately 50% of its existing cash balance need to remain on hand to cash flow the business' large dollar volume of operating expenses and cost of goods sold. Therefore, the Oasis's retained earnings (██████████) can provide the funding source to match the ICDBG award (██████████) to finance the projected \$1.2 million project.

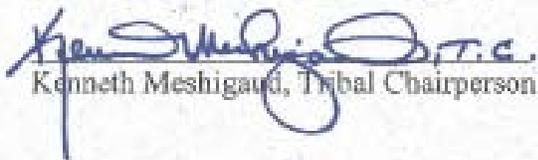
In addition to the retained Island Oasis profits that will be used for construction costs and considered a match for the project, ██████████, the Owner's Construction Representative will directly oversee the project and all aspects of construction. ██████████ is a full time employee of the tribe and will dedicate a percentage of his time to this project. These hours on the project calculate out to be ██████████ of direct staff time and will be in-kind match.

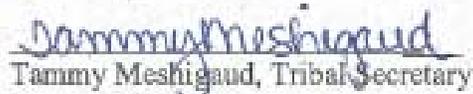
Whereas: The Tribal Council has designated Robert Mattson, a full-time employee of the Hannahville Indian Community as its Construction Project Representative, a portion of whose salary will be dedicated to the functions of Project Manager as an in-kind match, or "leveraged resource" as indicated in **Attachment D** in this section, which is incorporated by reference as if fully set forth herein; and

Now Therefore Be It Resolved: That the Tribal Council does hereby commit inkind resources and cash match resources as "leveraged resources" in the amount of a minimum of 25% of total project cost, reserving to itself the option of committing additional resources as necessary to construct the proposed project.

Certification

The foregoing resolution was duly adopted by the Tribal Council of the Hannahville Indian Community, meeting in regular session on this 4th day of October, 2010, with a quorum present, by a vote of 10 for, 0 opposed, and 0 abstaining.


Kenneth Meshigaud, Tribal Chairperson


Tammy Meshigaud, Tribal Secretary

Attachment D

Inkind Match

Project Director, [REDACTED]

[REDACTED] currently serves as the Construction Project Representative for the Hannahville Indian Community and is employed full time in that capacity. As part of [REDACTED] responsibility, [REDACTED] will be the acting Director for the project we are proposing and his time will be contributed toward the project as in-kind match dollars as approved through Tribal Resolution relating to Leveraged Resources. The total dollar amount is calculated as follows:

16 hours per week on the project x [REDACTED] per hour = [REDACTED] per week

[REDACTED] per week x 32 weeks on the project = [REDACTED]

30% fringe - [REDACTED]

Total In-kind contribution toward project is [REDACTED]



Island Oasis

Convenience Store Expansion Project

Financial Analysis

Dash Board Summary of Island Oasis C-Store Expansion

Need:
 Current Operations - The existing store is at max capacity with little or no feasible expansion capability. Building is old and in need of substantial improvement to maintain existing volumes, profitability, and employment levels
 Car Wash - No car wash within 20 mile radius of Reservation
 Food Outlet - No Fast Food outlet within 20 miles of Reservation
 More Gas Pumps - No Gas Station within 15 miles of reservation. Existing volume is 65-70% above the recommended volume per pump
 Completed Expansion - Expanded service lines and volume will allow for more comprehensive offering to local residents and travelers. This will both fill a community need and enhance the sustainability of the C-Store.

	EXPANSION					Total Volume Created & Preserved
	Current Operations	Car Wash	Food Outlet	Additional Pumps	Total New Volume	
Number of Full Time Employees	6	1	1	-	1	7
Number of Part Time Employees	6	5	3	-	0	15
Total Employees	12	1	6	3	10	22
Number of Customers - Projected Annually	427,348	23,763	63,875	42,734.8	130,372	657,721
Number of Customers - Projected Daily	1,171	65	175	117	357	1,528

Investment:
 Investment in Building and Equipment \$ XXXXXXXXXX
 Less: ICDBG Funding XXXXXXXXXX
 Net Investment by Hannahville \$ XXXXXXXXXX

Financial Sustainability / ROI:

	Net Income	Depreciation	EBITDA	Lees: Pre-Expansion EBITDA (Inflated for inflation)	Future Value of Incremental EBITDA Due to Expansion	Present Value of Post Expansion EBITDA (in 2010 \$)	Annualized Return on Investment with ICDBG Grant	Annualized Return on Investment without ICDBG Grant
9/30/2011 - Base Line	164,163	66,463	230,625	(230,625)	-	-	-	-
9/30/2012	179,991	158,149	338,140	(234,084)	104,055	101,003	15.9%	8.2%
9/30/2013	164,380	168,146	332,510	(237,596)	94,914	90,768	14.3%	7.3%
9/30/2014	150,853	175,649	326,302	(241,160)	85,143	80,220	12.6%	6.5%
9/30/2015	141,440	178,148	319,589	(244,777)	74,812	69,445	10.9%	5.6%
9/30/2016	140,733	178,149	318,882	(248,449)	70,433	64,414	10.1%	5.2%
9/30/2017	140,029	178,149	318,178	(252,176)	66,003	59,470	9.3%	4.8%
9/30/2018	139,329	178,149	317,478	(255,958)	61,520	54,812	8.6%	4.4%
9/30/2019	138,633	178,149	316,782	(259,787)	56,984	49,838	7.8%	4.0%
9/30/2020	137,939	178,149	316,088	(263,664)	52,394	45,148	7.1%	3.7%
9/30/2021	137,250	178,149	315,399	(267,600)	47,749	40,538	6.4%	3.3%
Net Present Value of Incremental Cash Flows						655,452	10.3%	5.3%
Payback Period							10 years	20 Years
Financial Feasibility							Feasible	Unfeasible

Conclusion:
 The expansion of the Island Oasis Convenience Store to include additional pumps, car wash, and a food outlet is feasible assuming ICDBG funding is available. The payback period for the non ICDBG investment will be approximately 10 years, where as the payback without the ICDBG funding would be prohibitively long at approximately 20 years. With the use of the ICDBG funds this project will build upon an existing profitable business model by adding 10 new jobs to low income individuals within our geographic area while at the same time maintaining a sound business approach with a return on investment adequate to allow the Tribe to continue to develop and invest in the business in a long term sustainable fashion. The Tribe has viewed the Island Oasis as a self-sustaining and self-contained business where the profits have been allowed to accumulate to be reinvested into the business. As these financial statements reveal, these retained profits from the last 10 years of operation are available to be deployed along with the ICDBG funds to ensure the Business' sustainability for the next 10 years.

**ISLAND OASIS
PROJECTED BALANCE SHEETS**

	Current Operations - Actuals				Projected - with ICDBG Economic Development Funds			
					Post Construction - Expanded Operations			
	9/30/2008	9/30/2009	9/30/2010	9/30/2011	9/30/2012	9/30/2013	9/30/2014	9/30/2015
ASSETS								
Current Assets:								
Cash position	142,596	110,458	117,292	123,449	123,000	123,000	123,000	123,000
Receivables	21,315	11,523	2,427	11,755	30,089	22,567	15,044	7,522
Prepaid expenses	119,317	103,508	117,355	113,393	148,186	149,667	151,164	152,676
Inventory								
Total current assets								
Property and equipment:								
Building	375,657	375,657	375,657	996,670	996,670	996,670	996,670	996,670
Equipment	566,266	605,426	621,281	861,281	861,281	961,281	961,281	986,281
Less: Accumulated depreciation	941,923	981,083	996,938	1,857,951	1,857,951	1,957,951	1,957,951	1,982,951
	(546,296)	(609,367)	(667,462)	(358,268)	(516,417)	(684,566)	(785,215)	(963,364)
Total net property and equipment								
	395,627	371,716	329,476	1,499,683	1,341,534	1,273,385	1,172,736	1,019,587
	1,381,867	1,388,068	1,562,870	2,349,951	2,571,779	2,782,895	2,937,045	3,082,023
LIABILITIES AND EQUITY								
Current Liabilities:								
Accounts payable	304,896	202,586	227,463	244,982	284,276	330,847	334,155	337,497
Accrued salaries	6,183	1,889	2,920	3,937	6,132	6,316	6,505	6,701
Deferred revenue	55,350	34,034	25,269	29,652	30,000	30,000	30,000	30,000
Total current liabilities								
	366,429	238,509	255,652	278,571	320,408	367,163	370,660	374,198
Equity:								
Invested in capital assets	\$ 395,627	\$ 371,716	\$ 329,476	\$ 1,499,683	\$ 1,341,534	\$ 1,273,385	\$ 1,172,736	\$ 1,019,587
Unrestricted	619,811	777,843	977,742	571,697	909,837	1,142,347	1,393,649	1,688,238
Total equity								
	1,015,438	1,149,559	1,307,218	2,071,381	2,251,371	2,415,732	2,566,385	2,707,825
	\$ 1,381,867	\$ 1,388,068	\$ 1,562,870	\$ 2,349,951	\$ 2,571,779	\$ 2,782,895	\$ 2,937,045	\$ 3,082,023

**ISLAND OASIS
PROJECTED STATEMENTS OF INCOME, EXPENSE, AND CHANGES IN EQUITY**

	Current Operations - Actuals				Construction Period		Projected - with ICDBG Economic Development Funds					
					Construction Period		Post Construction - Operation of Expanded Facility and Services					
					9/30/2012		All Service Lines Aggregated					
	9/30/08	9/30/09	9/30/10	9/30/11	9/30/11	9/30/12	9/30/2013	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018
Sales:												
Motor Fuel	\$ 7,771,280	\$ 5,304,549	\$ 6,365,603	\$ 7,058,170	\$ 7,126,752	\$ 7,841,637	\$ 7,920,043	\$ 7,999,243	\$ 8,079,236	\$ 8,158,236	\$ 8,237,236	\$ 8,316,236
Cigarettes	482,821	594,746	728,004	785,264	782,637	74,264	825,070	833,320	841,653	849,903	858,153	866,403
In-Store Sales	777,703	361,424	926,166	935,426	944,782	94,478	1,049,653	1,060,149	1,070,751	1,081,251	1,091,751	1,102,251
Car wash Sales	-	-	-	-	-	-	142,575	144,001	145,426	146,851	148,276	149,701
Food Outlet Sales	-	22,947	-	25,757	-	318,500	321,685	324,870	328,055	331,240	334,425	337,610
Rebate revenue	20,676	-	-	-	-	-	-	-	-	-	-	-
Total Sales	9,038,480	6,783,666	8,045,275	8,754,639	8,816,170	10,158,862	10,260,451	10,363,056	10,465,661	10,568,266	10,670,871	10,773,476
Cost of sales												
Motor Fuel	7,311,325	4,970,517	6,011,035	6,667,543	6,734,218	7,407,640	7,481,716	7,556,533	7,632,099	7,707,665	7,783,230	7,858,795
Cigarettes	397,996	512,564	630,385	632,424	640,639	64,064	711,750	718,868	726,056	733,244	740,432	747,620
Car wash	-	-	-	-	-	23,763	24,000	24,240	24,483	24,726	24,969	25,212
Food Outlet	-	-	-	-	-	111,475	112,590	113,716	114,853	115,989	117,125	118,261
In-Store Sales	601,366	637,522	686,943	702,266	703,215	703,222	789,085	799,976	810,867	821,758	832,649	843,540
Total Cost of Sales	8,310,687	6,120,632	7,328,363	8,002,234	8,078,073	9,021,117	9,111,329	9,202,442	9,293,556	9,384,670	9,475,784	9,566,898
Gross profit	727,793	663,033	716,912	752,404	738,098	1,137,745	1,149,123	1,160,614	1,172,105	1,183,591	1,195,077	1,206,578
General and administrative expenses:												
Labor Costs:												
Wages	213,300	204,067	206,492	204,749	210,891	213,300	213,300	213,300	213,300	213,300	213,300	213,300
Payroll Taxes	15,576	15,227	15,380	15,663	16,133	16,133	16,133	16,133	16,133	16,133	16,133	16,133
Workers Compensation	3,946	1,174	2,377	2,809	2,893	2,893	2,893	2,893	2,893	2,893	2,893	2,893
Health Insurance	71,468	46,200	58,627	73,351	75,552	75,552	75,552	75,552	75,552	75,552	75,552	75,552
Other Benefits	6,846	8,209	3,019	10,071	10,373	10,373	10,373	10,373	10,373	10,373	10,373	10,373
Advertising	305	-	-	-	-	-	-	-	-	-	-	-
Royalties	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	24,280	25,356	29,958	30,402	30,858	31,314	31,770	32,226	32,682	33,138	33,594	34,050
Insurance	10,429	9,136	10,168	10,312	10,457	10,602	10,747	10,892	11,037	11,182	11,327	11,472
Depreciation	61,812	63,072	64,937	66,463	68,015	69,567	71,119	72,671	74,223	75,775	77,327	78,879
Telephone/communications	5,055	4,554	2,391	2,427	2,463	2,499	2,535	2,571	2,607	2,643	2,679	2,715
Repairs & maintenance	19,442	9,027	11,574	12,052	12,530	13,008	13,486	13,964	14,442	14,919	15,396	15,873
Contractual services	12,037	13,076	15,030	15,255	15,480	15,705	15,930	16,155	16,380	16,605	16,830	17,055
Tribal general and admin allocation	53,671	56,948	56,948	57,802	58,656	59,510	60,364	61,218	62,072	62,926	63,780	64,634
Credit card fees	61,154	48,293	56,828	61,839	62,273	62,707	63,141	63,575	64,009	64,443	64,877	65,311
Supplies	18,175	20,247	22,950	23,294	23,638	23,982	24,326	24,670	25,014	25,358	25,702	26,046
Cash over and short	2,766	3,709	1,642	1,667	1,692	1,717	1,742	1,767	1,792	1,817	1,842	1,867
Bad checks and drive offs	(2,021)	300	(1,650)	(1,000)	(999)	-	-	-	-	-	-	-
Travel	2,011	1,501	1,322	1,302	1,322	1,342	1,362	1,382	1,402	1,422	1,442	1,462
Other expenses	1,860	2,299	2,240	2,274	2,308	2,342	2,376	2,410	2,444	2,478	2,512	2,546
Total general and administrative expenses	582,410	532,395	560,481	590,735	649,472	688,287	688,287	688,287	688,287	688,287	688,287	688,287
Operating income	145,383	130,638	156,431	161,672	188,626	176,982	159,716	144,582	134,065	124,548	115,031	105,514
Other income (expense)												
Interest income	10,697	3,503	1,228	2,491	3,008	3,008	3,008	3,008	3,008	3,008	3,008	3,008
Capital Contribution (ICDBG Grant)	-	-	-	600,000	-	-	-	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Net income	156,080	134,121	157,659	764,163	91,634	179,990	164,360	150,653	141,440	132,236	123,032	113,828
Retained Earnings, beginning of year	859,358	1,015,438	1,149,559	1,307,218	1,307,218	1,307,218	1,307,218	1,307,218	1,307,218	1,307,218	1,307,218	1,307,218
Retained Earnings, end of year	1,015,438	1,149,559	1,307,218	2,071,381	2,071,381	2,071,381	2,475,578	2,626,231	2,776,884	2,927,537	3,078,190	3,228,843

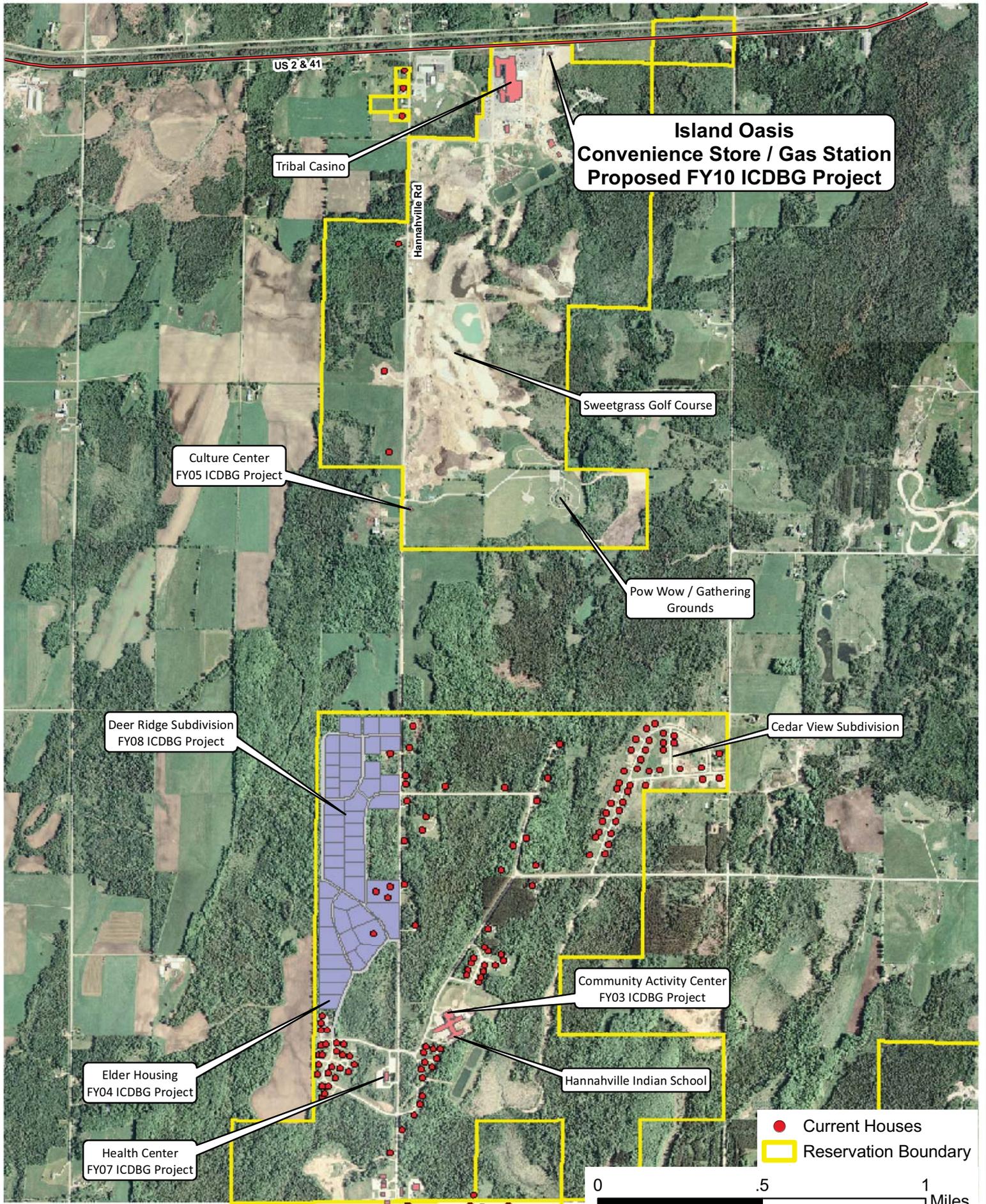
**Island Oasis Convenience Store
Staffing Plan for Expanded Facility**

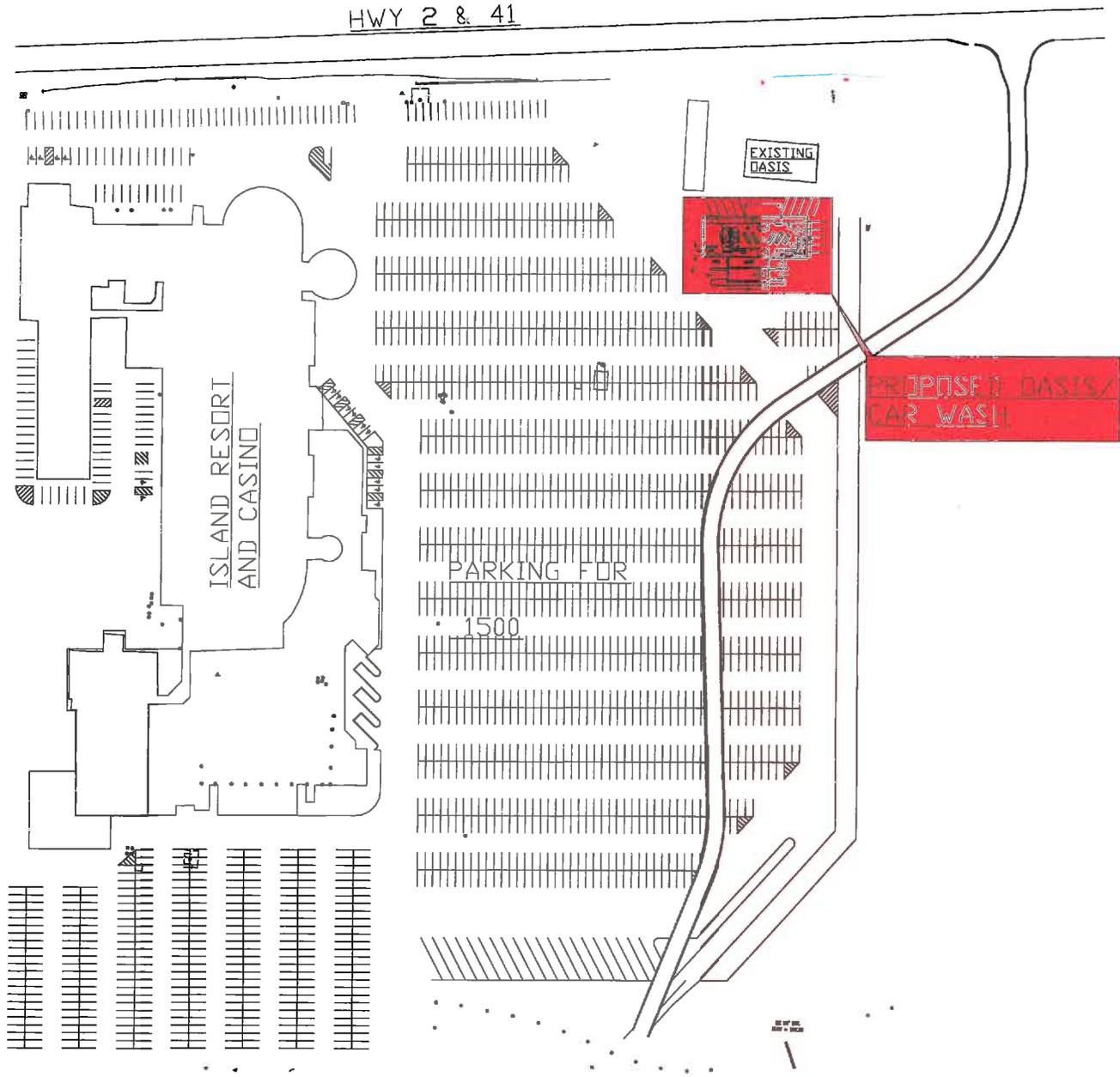
	Wages	Hours	Projected Salary Expense	Payroll Taxes and Fringes						Total Fringes	Total Personnel cost	
				FICA	Unemployment	Workers Comp	Health Insurance	Life Insurance	Retirement			Drug Testing
Current												
C-Store Operations												
1 Manager	\$ 18.75	2,080	\$ 38,992	\$ 2,983	\$ 546	\$ 535	\$ 14,987	\$ 78	\$ 1,170	\$ 52	\$ 20,351	\$ 59,343
2 Assistant Manager	\$ 15.01	2,080	\$ 31,215	\$ 2,388	\$ 428	\$ 428	\$ 6,236	\$ 78	\$ 936	\$ 52	\$ 10,556	\$ 41,771
3 Lead - Cashier	\$ 9.39	2,080	\$ 19,539	\$ 1,495	\$ 274	\$ 268	\$ 18,109	\$ 78	\$ 586	\$ 52	\$ 20,862	\$ 40,401
4 Cashier	\$ 9.12	2,080	\$ 18,960	\$ 1,450	\$ 265	\$ 260	\$ 18,109	\$ 78	\$ 569	\$ 52	\$ 20,784	\$ 39,745
5 Cashier	\$ 8.36	2,080	\$ 17,396	\$ 1,331	\$ 244	\$ 239	\$ 18,109	\$ 78	\$ 522	\$ 52	\$ 20,574	\$ 37,971
6 Cashier	\$ 8.20	2,080	\$ 17,054	\$ 1,305	\$ 239	\$ 234	\$ 18,109	\$ 78	\$ 512	\$ 52	\$ 20,419	\$ 37,473
7 Cashier	\$ 8.20	1,404	\$ 11,511	\$ 881	\$ 161	\$ 158	\$ -	\$ -	\$ 345	\$ 52	\$ 1,597	\$ 13,108
8 Cashier	\$ 8.20	1,404	\$ 11,511	\$ 881	\$ 161	\$ 158	\$ -	\$ -	\$ 345	\$ 52	\$ 1,597	\$ 13,108
9 Cashier	\$ 7.96	1,404	\$ 11,179	\$ 855	\$ 156	\$ 153	\$ -	\$ -	\$ 335	\$ 52	\$ 1,553	\$ 12,731
10 Cashier	\$ 7.96	1,404	\$ 11,179	\$ 855	\$ 156	\$ 153	\$ -	\$ -	\$ 335	\$ 52	\$ 1,553	\$ 12,731
11 Cashier	\$ 7.96	1,404	\$ 11,179	\$ 855	\$ 156	\$ 153	\$ -	\$ -	\$ 335	\$ 52	\$ 1,553	\$ 12,731
12 Cashier	\$ 7.96	1,404	\$ 11,179	\$ 855	\$ 156	\$ 153	\$ -	\$ -	\$ 335	\$ 52	\$ 1,553	\$ 12,731
Subtotal - Existing Operators		20,904	\$ 210,891	\$ 16,133	\$ 2,952	\$ 2,893	\$ 75,552	\$ 468	\$ 6,327	\$ 626	\$ 104,951	\$ 315,843
Expanded												
Car Wash (assume part time attendant for maintenance and chemical stocking, monitoring - 24 hours per week)												
13 Attendant / Maintenance	\$ 7.50	1,248	\$ 9,360	\$ 716	\$ 131	\$ 128	\$ -	\$ -	\$ 281	\$ 52	\$ 1,308	\$ 10,668
Additional Pumps and Inside Sales (assume 3rd POS is open 1/2 of the time = 20 hours per day x 365 x 1/2 = 3650 hours)												
14 Cashier (3rd POS)	\$ 7.50	1,248	\$ 9,360	\$ 716	\$ 131	\$ 128	\$ -	\$ -	\$ 281	\$ 52	\$ 1,308	\$ 10,668
15 Cashier (3rd POS)	\$ 7.50	1,248	\$ 9,360	\$ 716	\$ 131	\$ 128	\$ -	\$ -	\$ 281	\$ 52	\$ 1,308	\$ 10,668
16 Cashier (3rd POS)	\$ 7.50	1,154	\$ 8,655	\$ 662	\$ 121	\$ 119	\$ -	\$ -	\$ 260	\$ -	\$ 1,162	\$ 9,817
Food Outlet / Restaurant												
17 Supervisor	\$ 12.50	3,650	\$ 27,375	\$ 2,094	\$ 383	\$ 376	\$ -	\$ -	\$ 821	\$ 104	\$ 3,779	\$ 31,154
18 Server	\$ 7.50	2,080	\$ 26,000	\$ 1,989	\$ 364	\$ 357	\$ 14,987	\$ -	\$ 780	\$ -	\$ 18,477	\$ 44,477
19 Server	\$ 7.50	1,248	\$ 9,360	\$ 716	\$ 131	\$ 128	\$ -	\$ -	\$ 281	\$ -	\$ 1,256	\$ 10,616
20 Server	\$ 7.50	1,248	\$ 9,360	\$ 716	\$ 131	\$ 128	\$ -	\$ -	\$ 281	\$ 52	\$ 1,308	\$ 10,668
21 Server	\$ 7.50	1,248	\$ 9,360	\$ 716	\$ 131	\$ 128	\$ -	\$ -	\$ 281	\$ -	\$ 1,256	\$ 10,616
22 Server	\$ 7.50	1,248	\$ 9,360	\$ 716	\$ 131	\$ 128	\$ -	\$ -	\$ 281	\$ 52	\$ 1,308	\$ 10,668
Total		8,112	\$ 71,240	\$ 5,450	\$ 997	\$ 977	\$ 14,987	\$ -	\$ 2,137	\$ 156	\$ 24,705	\$ 95,945
		33,914	\$ 318,866	\$ 24,393	\$ 4,464	\$ 4,375	\$ 90,539	\$ 468	\$ 9,566	\$ 939	\$ 134,744	\$ 453,610

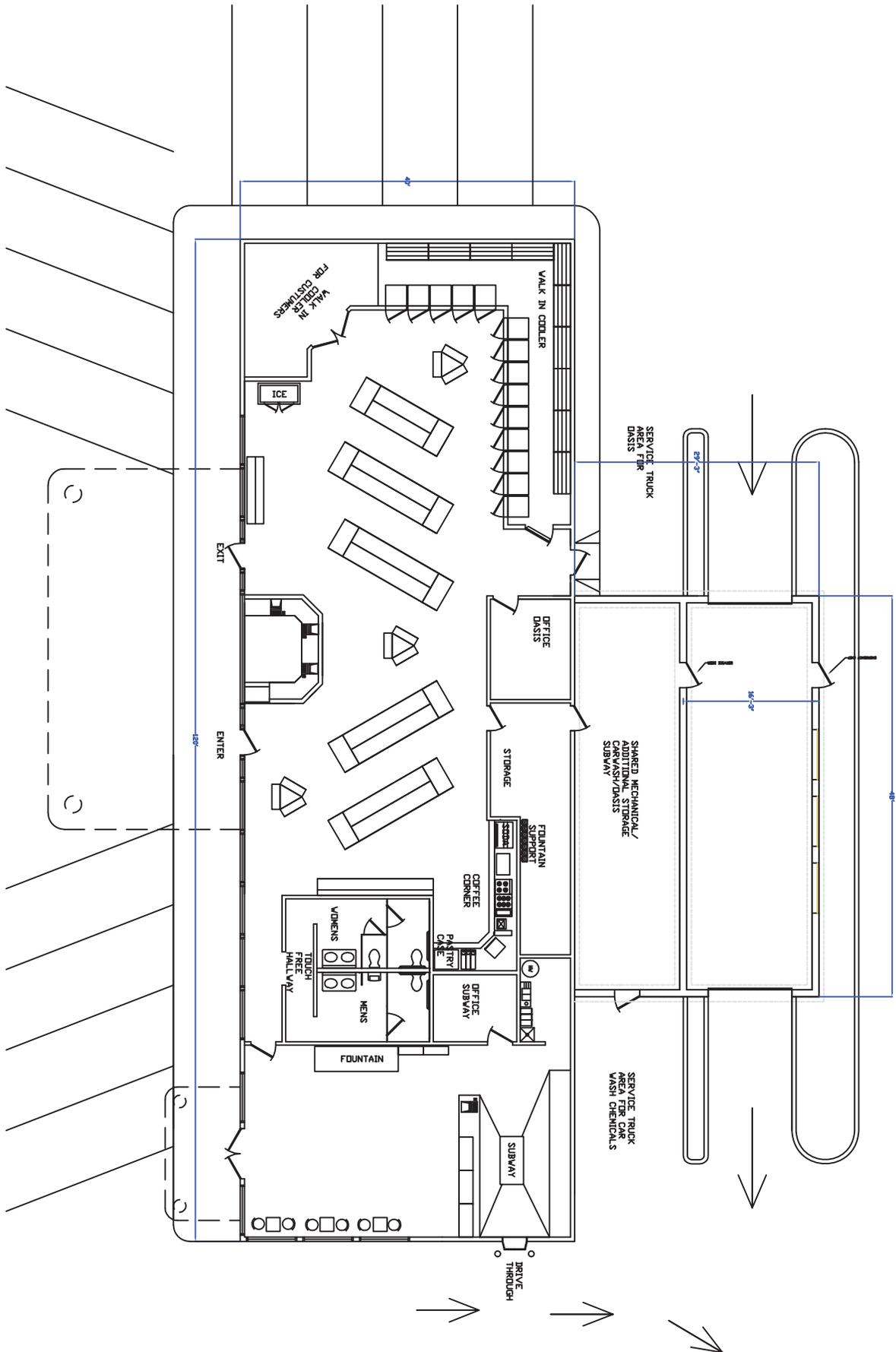
**Island Oasis Expansion
Financial Model Assumptions and Industry Averages**

	Inputs		Current Actuals					Projected	
	1.0%	1.5%	9/30/06	9/30/07	9/30/08	9/30/09	9/30/10	9/30/11	9/30/12
	Growth Rate	Inflation Rate							
Salary Raise Rate	3.0%								
Fuel									
Sales									
Current Gasoline Volume - Gallons			1,883,492	2,048,165	2,171,165	2,255,334	2,329,429	2,352,723	2,376,251
Year over Year % Increase				9.9%	6.0%	3.9%	3.3%	1.0%	1.0%
Average Fillup - Gallons			10	10	10	10	10	10	10
Gas Customers Per Year			186,349	204,817	217,117	225,533	232,943	235,272	237,625
Gas Customers Per Day			511	561	595	618	638		
Fuel Sales - Annual \$			\$ 4,928,807	\$ 5,588,341	\$ 7,771,280	\$ 5,304,549	\$ 6,365,603	\$ 7,058,170	\$ 7,128,752
Average Price per Gallon			\$ 2.64	\$ 2.73	\$ 3.58	\$ 2.35	\$ 2.73	\$ 3.00	\$ 3.00
Cost of Sales									
Fuel - COGS - Annual			4,696,489	5,301,495	7,311,325	4,970,517	6,011,035	6,667,543	6,734,218
Cost Per Gallon			2.52	2.59	3.37	2.20	2.58	2.83	2.83
Customer Counts									
Customers per Year							427,348		
Customers per Day - Average							1,171		
Spend per Customer							\$ 14.90		
Casino Customer Counts									
Customers per Year									
Customers per Day									
Traffic Count - US 2&41									
Cars per Day							7,500		
Cars per Year							2,737,500		
Car Wash									
Customers (based on Oasis / Casino Counts) - one of every 10 gas customers								23,762.51	
Customers per Day								65.10	
Average Price Per Wash								\$ 6.00	
Car Wash Revenue - Projected Annual								\$ 142,575.03	
Average Cost of Chemicals per Wash								\$ 1.00	
Cost of Chemicals - Projected Annual								\$ 23,762.51	
Food Outlet									
Royalty %								12.5%	
Revenue									175
Number of Customers per Day									\$ 5.00
Average Spend per Customer									\$ 6,125.00
Projected Weekly Revenue									\$ 318,500.00
Annual Revenue									
Cost of Goods Sold - Food Cost %									35%
Food Cost %									
Projected Weekly Food Cost									\$ 2,143.75
Annual COGS									\$ 111,475.00
Additional Pumps									
Expected Increase in Volume with Car Wash and More Pumps									10%
Additional Gallons								237,625	
Additional Fuel Sales Revenue								\$ 712,875	
Additional Fuel Cost of Sales								\$ 873,422	
Additional Cigarette Sales									
								10%	
Additional Inside Sales									
								10%	
Building Size									
Current			3,200	sq. ft					
Expanded									
Store			3,540						
Food Outlet			1,000						
Car wash			1,700						
Total			6,240						
Hours of Operation									
			C-Store	Food Outlet					
Daily 6:00 AM to 2:00 AM - hours per day			20						
Daily 11:00 AM to 9:00 PM					11				
Days			365		365				
Hours of Operations			7,300		4,015				
Two people on duty			2		2				
Hours lost to vacations/sick/etc.			14,800		8,030				
Hours needed for stocking days / fridays			832		-				
Hours for 3rd Cashies at peak times			832		-				
Plus - Manager / Assistant Manager Hours			3,650		-				
			4,160		-				
Hours Needed for Staffing			24,074		8,030				
Hours In Projections									
Existing			20,904						
New additions			3,650		8,112				
			24,554		8,112				

Indian Community Development Block Grant (ICDBG)
Hannahville Indian Community Project Map







Gundlach Champion, Inc.
Island Oasis Expansion
Hannahville Indian Community
Preliminary Cost Breakdown
October 21st, 2010

Design	\$55,000.00
General Conditions	\$32,825.00
Site Work / Utilities	\$51,437.00
Concrete (span Crete included)	\$64,418.00
Masonry	\$19,695.00
Structural Steel	\$6,565.00
Wood and Plastic	\$233,714.00
Thermal and Moisture Protection	\$28,886.00
Doors and Windows	\$47,268.00
Finishes	\$91,910.00
Specialties	\$45,955.00
Equipment	\$135,756.00
Furnishings	\$32,825.00
Special Construction	\$3,939.00
Mechanical (HVAC, Plumbing , Cooler)	\$261,401.00
Electrical	<u>\$110,076.00</u>
Sub Total	\$1,221,670.00
Bonds & Insurance	<u>\$15,000.00</u>
Total	\$1,236,670.00

Rating Factor 3: Soundness of Approach

1) Description of and Rationale for Proposed Project

The project we are proposing is the expansion of our existing Convenience Store/Gas Station (Island Oasis) to increase the square footage within the store, to add a food vendor to the facility, to add a car wash, and to add additional gas pumps. The additions have all been examined thoroughly and success is nearly ensured by the fact that the existing store has operated in the black annually since opening in 2000. The original convenience store/gas station (Island Oasis) was started as a small economic development effort that had potential to earn a profit, but mainly to provide a much needed service to the community. The store as it currently stands was constructed from an abandoned pole building that had originally been built to house a print shop and was renovated at one point to house our tribal police station, and then in 2000 was renovated again to become what is now the Island Oasis Convenience Store/Gas Station. The original plan was to limit the initial investment by utilizing an existing building instead of constructing new, until we could guarantee success, accumulate funding, and more accurately determine the market volume. We are now at a point when an investment into a building and an expansion of the business to meet the market demand brings little risk given the past 10 years of successful operations.

As previously stated, the current building is a renovated pole building and subsequently does not meet the needs of this growing business. With this in mind a committee of tribal leaders along with our Construction Representative, [REDACTED], our Chief Financial Officer, [REDACTED] and an independent architect determined that the most feasible way to expand the store is to construct a new building in close proximity to the existing building. This approach will allow us to create a structure that has the capacity to house the expanded operations while still utilizing the current gas pumps and gas tanks, maintain the prime highway frontage location, and provide for construction in a manner that will facilitate further expansion in the future if volume continues to increase. The expanded operations that we are proposing as part of this project include:

- Additional square footage for inventory storage and sale
 - Items included in the added space will include more coolers space to stock more beverages, produce and grocery items as demanded by the patrons
- The addition of a food outlet (i.e. Subway)
- The addition of a car wash
- Additional gas pumps

The construction of a new building is necessary because the current building limits the expansion potential in many ways: the construction of the current building is low quality, energy inefficient, and maintenance intensive; the mechanical equipment is not sufficient to accommodate the added features; the traffic flow is unsafe and awkward for a food drive thru; the car wash would not be able to be attached to the existing building; and the space for additional gas pumps is crowded. In addition, a new building will allow for energy efficient construction methods, such as energy rated windows, doors, and insulation. Finally, because a new building will be constructed down time will be limited as we will be able to remain open during construction.

In addition to our 10 year history of profitability at our existing size and scope, it is important to put our volumes in an understandable context. Our store is very busy and this existing volume is what sets the stage for the expansion and ensures its success.

- 1) Industry averages and equipment provider recommendations anticipate a sales volume per pumping station of 12,500 gallons per month. Our store does 65% more volume than that standard. The volume of gas that we sell monthly represents a volume that is far in excess of the store's original projections of 10 years ago, and far in excess of what we should be selling given our existing pump capacity. By adding 4 new pumps (8 pumping stations) we will increase our pumping capacity to better fit with the existing and projected volume which will then decrease customer wait times, decrease pump maintenance, and extend pump life.
- 2) Gas sales are linked to car wash sales. On average one out of every six gas customers will purchase a car wash. Given our extremely high volume of gas sales, the lack of car wash alternatives within a 20 mile radius, the volume of traffic passing by the store every day (7,500 cars per day), and the volume of patrons at the nearby casino; the Island Oasis will have adequate customer flow to support the car wash. The attached projections take a conservative approach by projecting only one out of every 10 current gas customers will purchase a car wash. Even at that conservative projection the car wash will sell almost 24,000 car washes annually / 65 car washes daily. At this conservative rate, the car wash component of the expansion would yield a modest profit of \$45,000 to justify the initial investment. The breakeven point (point at which the activity neither makes nor loses money) for the car wash is 40 car washes per day. This means that even if the Island Oasis only sold a car wash to one of every 16 fuel patrons we would sell 40 car washes (267% worse than industry averages) and we would still be sustainable. Clearly our store's volumes have always exceeded industry standards and these volumes would drive sustainable car wash volumes.
- 3) Fast food sales are similarly linked to customer volumes and traffic counts. Given the volumes discussed in point two above, adequate customer flow will be present to generate a food sales volume that is sustainable and profitable. Based on industry standards an average sandwich shop will generate \$8,000 of sales per week. For the projections contained herein, a more conservative estimate of \$6,000 per week is identified which breaks down to an average of 175 customers per day with an average spend per customer of \$5.00. At this volume the food outlet would generate a modest profit of \$48,000 to repay the initial investment. The breakeven volume for the food outlet is 135 customers per day. Again given the store's existing volume of 1,170 customers per day, plus the highway traffic of 7,500 cars per day, and the 1,000 employees per day that are employed by the tribe in the immediate vicinity, the Island Oasis food outlet will easily surpass the breakeven customer volume of 135 per day and will certainly reach levels that are sustainable.
- 4) The final element of the expansion will be increasing existing in-store sales offerings to include items that are either in short supply locally or otherwise unavailable within a reasonable distance. The in-store retail space will increase from 3,200 square ft to almost 4,300 square ft. This additional space will allow for additional display space, cooler space, and storage space. Presently, there is no other place on the reservation to purchase basic

grocery items such as milk, bread and butter. Adding more options such as fresh produce and a greater variety of grocery items would meet a great community need as well, since it is sometimes very difficult for community members to find transportation to the local town (20 miles away) for these basic items. Sales of these additional offerings are assured because of the existing demand and customer requests to carry these items. Moreover, stores that offer car washes routinely see an increase in volume of more than 10%. The sum total of these new offerings (car wash, pump capacity, food outlet) will undoubtedly increase the in-store volumes beyond that which we currently achieve. The attached projections anticipate these volumes increasing, yielding an incremental contribution margin of [REDACTED] and net profit of \$6,000 to the existing in-store sales. While the incremental profitability of these in store sales is small, the store will accomplish a needed community service by adding currently unavailable items to the local market place.

Although, the project's rationale is clear and demonstrable, and the profit margins are sustainable; the profits are not large. The C-store industry is a tough industry with low margins on high volumes. Our store regularly makes a net profit of about 2% of sales, which is normal for the industry. The Tribe has treated the Oasis as a self-contained enterprise where the profits have accumulated to reinvest in the enterprise. This has been done to facilitate the sustainability of the Island Oasis and to assure that the Tribal community can access a needed retail outlet. Over the last 10 years the Island Oasis has retained its earnings which now provides the funding source for the proposed expansion. However, these earnings are not enough to fully fund the expansion as approximately 50% of its existing cash balance needs to remain on hand to cash flow the business' large dollar volume of operating expenses and cost of goods sold. As such, the Oasis has about [REDACTED] to contribute toward the \$1.2 million project. As shown in the attached projections, once the initial investment of [REDACTED] is made by the Tribe (with the remaining [REDACTED] investment coming from ICDBG) it will take approximately 10 years to repay that investment, meaning the average annualized return on investment(ROI) is about 10%. Without the ICDBG funds the ROI is only 5% and it would take 20 years to recoup the investment. The project, while certain to be sustainable, to be profitable, to employ 10 more people, and to provide retail access now lacking to rural largely low-income individuals, is not financially feasible without help from the ICDBG funding; but together the Tribe and HUD ICDBG have a winning economic development project.

(Please see Attachment 6 for a map of the reservation indicating the locations of the proposed project. Please see Attachment 7 for a floor plan and site plan for the proposed project.)

2) Budget and Cost Estimates

Included in this section as [Attachment 8](#) is the cost breakdown for the Island Oasis Convenience Store/Gas Station Expansion Project we are proposing in this application an expansion in the amount of approximately \$1.2 million. This breakdown was prepared by [REDACTED], Vice President of Gundlach Champion Inc. [REDACTED] has sixteen years of experience involving project management, scheduling, engineering, estimating, surveying and cost management. [REDACTED] has extensive experience with the construction of commercial buildings and holds a Bachelor of Science Degree in Civil Engineering from Michigan Technological University. [REDACTED] has special training in several areas including OSHA and MIOSHA safety standards as well as construction inspection. The cost estimate was also verified by [REDACTED], Owners Construction Representative and [REDACTED], Chief Financial Officer for the tribe before finalized. [REDACTED] and [REDACTED] credentials are outlined in Rating Factor 1.

In addition to the tribal support that will be used for construction costs and considered a match for the project, [REDACTED], the Owner's Construction Representative will directly oversee the project and all aspects of construction. [REDACTED] is a full time employee of the tribe and will dedicate a percentage of his time to this project. These hours on the project calculate out to be [REDACTED] of direct staff time on the job. This amount will be in-kind tribal match toward the project.

The required form [HUD-4123](#) is also attached to this section as [Attachment 9](#).

3) HUD Policy Priorities

The project we are proposing in this application addresses both HUD policy priorities; *Job Creation/Employment* and *Sustainability*.

Job Creation/Employment

To address the policy priority of *Job Creation/Employment* we will first highlight that this project will provide approximately 10 new jobs that will be targeted at the 40% of our community members who are chronically unemployed and subsequently low income. This population of unemployed people will be the target for these new jobs and we will ensure this by following the tribal hiring policy (Tribal Employment and Rights Ordinance-TERO) that states priority will be given to tribal members for all positions on the reservation where the job applicant meets the minimum qualifications. Of these new jobs, one will be management/supervisor level and paid a wage of \$12.50 per hour, while nine of the jobs will be solid entry level positions with a wage rate of \$7.50 per hour, slightly above the minimum wage rate, and meaningful hours at 24 hours per week. These new jobs open the door to a great number of unemployed, minimally qualified tribal members who currently struggle to gain employment due to a lack of education and training. We will collaborate with our Tribal Employment and Training Program to provide job training, job coaching and individual employment support to all tribal members who are interested and qualified for these new positions. This Employment and Training Center is operated under the [REDACTED], Planning and Evaluation Director for the Hannahville Indian Community. [REDACTED] received her Ph.D. and M.A.

degrees from Michigan State University in Rehabilitation Counseling, where she also completed an administrative certification program in Special Education. [REDACTED] is a certified special education teacher, vocational evaluator, special education supervisor, and has worked in the field for 25 years. [REDACTED] has an extensive background in education and training programs as a teacher, vocational evaluator, counselor, and administrator. [REDACTED] has provided services to the Hannahville Indian Community for over 15 years, and has a solid working relationship with tribal leaders, tribal members, tribal program directors and staff, and outside agencies. The Employment and Training Program has consistently been working with the current Island Oasis management to provide relevant training and support for current and new employees, so the link to training for these new positions is already established and will be ready for implementation as this project begins. This project will give 10 low income unemployed tribal members an opportunity to become gainfully employed and also enroll in other employment support programs to assist them in furthering their training and skills. All new employees will be enrolled in the training program which is approximately 40 hours in length, and then continued job coaching and intervention services are available for all employees.

Sustainability

As is the practice of our Tribal Leadership, energy efficiency will be a high priority. Currently all construction on the reservation is designed and built to conform with the 2006 Michigan Building Code to include the Uniform Energy Code and this project will also follow this process. This includes:

- Placing the building in a location to avoid prevailing winds and take advantage of sunlight for heating and cooling
- Locating the building properly to ensure natural water drainage
- Utilize high performance insulation to increase R-values
- Installing low E windows and doors
- Installing high efficiency heating and cooling equipment
- Utilizing a single mechanical room for all aspects of the business operation to avoid duplicated mechanical equipment
- Installing properly sized mechanical equipment to maximize efficiency
- Installing energy efficient lighting
- Utilizing low flow plumbing fixtures

All items listed above conform to the Uniform Energy Code and are the recommended methods to ensure compliance. In addition, we will use resource efficient construction (optimum value engineering) to save costs and reduce waste.

The project will also incorporate the necessary features to make it accessible and visitable by all patrons. The design will follow Uniform Federal Accessibility Standards and will be designed to meet the Michigan Barrier Free Design Code which incorporates the 2003 ICC/ANCI (International Code Council - American National Standards Institute) A117.1-2003 Code. This Code governs the design of all parking and passenger loading zones, curb ramps, signage, dimensional standards of interior and exterior, space allowance and reach ranges, accessible routes, bathroom design with fixtures locations and spaces, means of egress, etc.

██████████, Owner's Construction Representative for the Hannahville Indian Community will oversee the construction of this project and his expertise and experience in the area energy efficiency are evidenced by the fact that he is a Certified Code Official, Building Inspector and Plan Reviewer with the Bureau of Construction Code's Michigan Department of Consumer and Industry Services. ██████████ is also licensed by the State of Michigan as a Residential Builder. These licenses and certifications require the knowledge to enforce energy codes as adopted by the State of Michigan, which in turn provides the knowledge necessary to ensure energy efficiency for this project as well. ██████████ has worked in the construction field for over 40 years and has been enforcing energy codes as an Inspector and Code Official for 20 years and carries a wealth of knowledge in the area of energy efficient construction.

4) Intent to Meet Section 3 Requirements

The Hannahville Indian Community currently makes every effort to provide employment and educational opportunities to all tribal members of the community especially those that are low or very low income. We currently have a Tribal Employment Preference Ordinance in place that is followed when hiring for all employment positions and contracts. This policy states priority will be given to tribal members for all positions on the reservation where the job applicant meets the minimum qualifications. The project we are proposing in this application will create 10 permanent jobs that will be targeted at low and very low income community members. We have an active Tribal Employment and Training Program that works with the "hard to employ" members and has recently expanded their services to not only assist the unemployed, but to also work with the struggling employees to help them maintain their employment. It is the intention of the tribal leadership to fill these new positions with unemployed low income community members and assist them with getting the necessary skills and support to be a successful applicant and employee.

5) Commitment to Sustain Activities

c) Economic Development Projects

The Island Oasis convenience store/gas station will continue to operate as it has successfully since being constructed in 2000. Currently the store is open 20 hours per day and employs five full time employees and seven part time employees. The Store Manager is responsible for the day to day operations and handles all inventory management, supervision and scheduling of staff, and reporting to the tribal Commercial Enterprise Oversight Board on the business status on a quarterly basis. The Store Manager has been in place for 3 years (the 3 most profitable years of our stores history) after 20+ years of owning and operating her own family C-Store. The project will expand our offerings in areas that align well, and are compatible with, our existing operational competencies. As such, we can assume the duties of operating these additional service lines under the same management umbrella that currently exists albeit with 10 new staff, one of whom is a higher level supervisory employee to aid in the management. By building on

this existing operational structure utilizing the staff's existing talents and experiences plus adding new human resources where necessary, the project's effective operation is assured.

This expansion is needed in our area for several reasons but most specifically for the points made throughout this application that include:

- There is no other place on the reservation for community members to buy a gallon milk, a loaf of bread or any other grocery staple
 - Transportation is not always accessible to many community members and getting into town to purchase these types of items can be difficult
- Gas sales are far exceeding the industry average for our current size and the equipment is being taxed resulting in high maintenance costs
 - There is no gas station within a 15 miles radius of the reservation
- There is a market for a car wash and food vendor/restaurant; the next closest place to access these types of services is 20 miles away
- Community members are seeking entry level jobs, this expansion will provide 10 new jobs

The project will succeed because it is being built on an existing foundation of success. The Island Oasis has been a successful going concern for 10 years. For this time the Store's volume of sales have exceeded projections and industry averages. This volume is fueled by the highway frontage (7,500 cars per day), the membership of the tribal members living on or near the reservation (600 members), the employment base of the tribe (1,000 employees working on the reservation daily), and the neighboring casino patron volume. Aggregately these factors generate a customer flow volume that will directly support the proposed elements of the expansion. While the Island Oasis has a 10 year track record of profitability, it operates in a high volume low margin industry. It has taken 10 years to build up profits to help fund this proposed expansion, with the ICDBG assistance we can capitalize on the opportunities presented by this healthy customer volume and increase not only the Island Oasis' profitability, but equally important, employ 10 new people with solid jobs, and provide products and services to the local community that are now lacking or unavailable. There is no doubt the market and the operational structure is there to make this project a success, we simply need some financial assistance from HUD to make these solid opportunities a reality for our community.

Please see Attachment 10 for a complete financial analysis including a set of financial statements for the existing operations as well as the proposed expanded operations. The statements provide 3 years of actual historical performance substantiating our existing profitability (2008, 2009, 2010). Next, the statements project our 2011 performance during the construction period. Further, the projections for the expanded facility are presented for 2012 including detailed revenues and expenses for each added element of the expansion (car wash, food outlet, expanded pumps and in-store sales). Finally, the analysis projects this post expansion volume in an aggregate fashion for the next 10 years revealing the projects payback period and Return On Investment. The project is clearly feasible with ICDBG participation; without ICDBG's participation the project's feasibility is marginal at best, and the potential tangible community benefit is likely unrealizable.

Table DP-1. Profile of General Demographic Characteristics: 2000

Geographic area: Hannahville Community and Off-Reservation Trust Land, MI

[For information on confidentiality protection, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
Total population	395	100.0	HISPANIC OR LATINO AND RACE		
SEX AND AGE			Total population	395	100.0
Male.....	212	53.7	Hispanic or Latino (of any race).....	19	4.8
Female.....	183	46.3	Mexican.....	19	4.8
Under 5 years.....	45	11.4	Puerto Rican.....	-	-
5 to 9 years.....	63	15.9	Cuban.....	-	-
10 to 14 years.....	41	10.4	Other Hispanic or Latino.....	-	-
15 to 19 years.....	37	9.4	Not Hispanic or Latino.....	376	95.2
20 to 24 years.....	25	6.3	White alone.....	51	12.9
25 to 34 years.....	56	14.2	RELATIONSHIP		
35 to 44 years.....	68	17.2	Total population	395	100.0
45 to 54 years.....	34	8.6	In households.....	386	97.7
55 to 59 years.....	9	2.3	Householder.....	104	26.3
60 to 64 years.....	1	0.3	Spouse.....	42	10.6
65 to 74 years.....	9	2.3	Child.....	174	44.1
75 to 84 years.....	6	1.5	Own child under 18 years.....	141	35.7
85 years and over.....	1	0.3	Other relatives.....	35	8.9
Median age (years).....	22.4	(X)	Under 18 years.....	23	5.8
18 years and over.....	222	56.2	Nonrelatives.....	31	7.8
Male.....	118	29.9	Unmarried partner.....	16	4.1
Female.....	104	26.3	In group quarters.....	9	2.3
21 years and over.....	206	52.2	Institutionalized population.....	-	-
62 years and over.....	17	4.3	Noninstitutionalized population.....	9	2.3
65 years and over.....	16	4.1	HOUSEHOLD BY TYPE		
Male.....	4	1.0	Total households	104	100.0
Female.....	12	3.0	Family households (families).....	89	85.6
RACE			With own children under 18 years.....	58	55.8
One race.....	385	97.5	Married-couple family.....	42	40.4
White.....	51	12.9	With own children under 18 years.....	30	28.8
Black or African American.....	-	-	Female householder, no husband present.....	38	36.5
American Indian and Alaska Native.....	330	83.5	With own children under 18 years.....	25	24.0
Asian.....	-	-	Nonfamily households.....	15	14.4
Asian Indian.....	-	-	Householder living alone.....	12	11.5
Chinese.....	-	-	Householder 65 years and over.....	3	2.9
Filipino.....	-	-	Households with individuals under 18 years.....	70	67.3
Japanese.....	-	-	Households with individuals 65 years and over.....	14	13.5
Korean.....	-	-	Average household size.....	3.71	(X)
Vietnamese.....	-	-	Average family size.....	3.82	(X)
Other Asian ¹	-	-	HOUSING OCCUPANCY		
Native Hawaiian and Other Pacific Islander.....	-	-	Total housing units	109	100.0
Native Hawaiian.....	-	-	Occupied housing units.....	104	95.4
Guamanian or Chamorro.....	-	-	Vacant housing units.....	5	4.6
Samoan.....	-	-	For seasonal, recreational, or occasional use.....	1	0.9
Other Pacific Islander ²	-	-	Homeowner vacancy rate (percent).....	-	(X)
Some other race.....	4	1.0	Rental vacancy rate (percent).....	2.7	(X)
Two or more races.....	10	2.5	HOUSING TENURE		
Race alone or in combination with one or more other races: ³			Occupied housing units	104	100.0
White.....	59	14.9	Owner-occupied housing units.....	32	30.8
Black or African American.....	2	0.5	Renter-occupied housing units.....	72	69.2
American Indian and Alaska Native.....	340	86.1	Average household size of owner-occupied units.....	2.97	(X)
Asian.....	-	-	Average household size of renter-occupied units.....	4.04	(X)
Native Hawaiian and Other Pacific Islander.....	-	-			
Some other race.....	4	1.0			

- Represents zero or rounds to zero. (X) Not applicable.

¹ Other Asian alone, or two or more Asian categories.

² Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

³ In combination with one or more of the other races listed. The six numbers may add to more than the total population and the six percentages may add to more than 100 percent because individuals may report more than one race.

Source: U.S. Census Bureau, Census 2000.

Table DP-2. Profile of Selected Social Characteristics: 2000

Geographic area: Hannahville Community and Off-Reservation Trust Land, MI

[Data based on a sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
SCHOOL ENROLLMENT			NATIVITY AND PLACE OF BIRTH		
Population 3 years and over enrolled in school			Total population	363	100.0
Nursery school, preschool.....	24	16.6	Native.....	356	98.1
Kindergarten.....	11	7.6	Born in United States.....	354	97.5
Elementary school (grades 1-8).....	68	46.9	State of residence.....	271	74.7
High school (grades 9-12).....	31	21.4	Different state.....	83	22.9
College or graduate school.....	11	7.6	Born outside United States.....	2	0.6
EDUCATIONAL ATTAINMENT			Foreign born.....	7	1.9
Population 25 years and over			Entered 1990 to March 2000.....	-	-
Less than 9th grade.....	9	5.2	Naturalized citizen.....	4	1.1
9th to 12th grade, no diploma.....	23	13.3	Not a citizen.....	3	0.8
High school graduate (includes equivalency).....	69	39.9	REGION OF BIRTH OF FOREIGN BORN		
Some college, no degree.....	63	36.4	Total (excluding born at sea)		
Associate degree.....	5	2.9	Europe.....	-	-
Bachelor's degree.....	4	2.3	Asia.....	5	71.4
Graduate or professional degree.....	-	-	Africa.....	-	-
Percent high school graduate or higher.....	81.5	(X)	Oceania.....	-	-
Percent bachelor's degree or higher.....	2.3	(X)	Latin America.....	-	-
MARITAL STATUS			Northern America.....	2	28.6
Population 15 years and over			LANGUAGE SPOKEN AT HOME		
Never married.....	109	47.0	Population 5 years and over		
Now married, except separated.....	66	28.4	English only.....	277	86.6
Separated.....	2	0.9	Language other than English.....	43	13.4
Widowed.....	13	5.6	Speak English less than "very well".....	6	1.9
Female.....	13	5.6	Spanish.....	-	-
Divorced.....	42	18.1	Speak English less than "very well".....	-	-
Female.....	18	7.8	Other Indo-European languages.....	-	-
GRANDPARENTS AS CAREGIVERS			Speak English less than "very well".....	-	-
Grandparent living in household with one or more own grandchildren under 18 years			Asian and Pacific Island languages.....	2	0.6
Grandparent responsible for grandchildren.....	13	92.9	Speak English less than "very well".....	-	-
VETERAN STATUS			ANCESTRY (single or multiple)		
Civilian population 18 years and over			Total population		
Civilian veterans.....	25	11.7	Total ancestries reported	328	90.4
DISABILITY STATUS OF THE CIVILIAN NONINSTITUTIONALIZED POPULATION			Arab.....	-	-
Population 5 to 20 years			Czech ¹	-	-
With a disability.....	2	1.6	Danish.....	-	-
Population 21 to 64 years			Dutch.....	-	-
With a disability.....	33	18.4	English.....	3	0.8
Percent employed.....	42.4	(X)	French (except Basque) ¹	-	-
No disability.....	146	81.6	French Canadian ¹	3	0.8
Percent employed.....	63.7	(X)	German.....	6	1.7
Population 65 years and over			Greek.....	-	-
With a disability.....	7	50.0	Hungarian.....	-	-
RESIDENCE IN 1995			Irish ¹	-	-
Population 5 years and over			Italian.....	2	0.6
Same house in 1995.....	199	62.2	Lithuanian.....	-	-
Different house in the U.S. in 1995.....	121	37.8	Norwegian.....	-	-
Same county.....	45	14.1	Polish.....	-	-
Different county.....	76	23.8	Portuguese.....	-	-
Same state.....	27	8.4	Russian.....	-	-
Different state.....	49	15.3	Scotch-Irish.....	-	-
Elsewhere in 1995.....	-	-	Scottish.....	-	-
			Slovak.....	-	-
			Subsaharan African.....	-	-
			Swedish.....	9	2.5
			Swiss.....	-	-
			Ukrainian.....	-	-
			United States or American.....	-	-
			Welsh.....	-	-
			West Indian (excluding Hispanic groups).....	-	-
			Other ancestries.....	305	84.0

-Represents zero or rounds to zero. (X) Not applicable.

¹The data represent a combination of two ancestries shown separately in Summary File 3. Czech includes Czechoslovakian. French includes Alsatian. French Canadian includes Acadian/Cajun. Irish includes Celtic.

Source: U.S. Bureau of the Census, Census 2000.

Table DP-4. Profile of Selected Housing Characteristics: 2000

Geographic area: Hannahville Community and Off-Reservation Trust Land, MI

[Data based on a sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
Total housing units	111	100.0	OCCUPANTS PER ROOM		
UNITS IN STRUCTURE			Occupied housing units	106	100.0
1-unit, detached	71	64.0	1.00 or less	94	88.7
1-unit, attached	-	-	1.01 to 1.50	9	8.5
2 units	-	-	1.51 or more	3	2.8
3 or 4 units	7	6.3			
5 to 9 units	-	-	Specified owner-occupied units	16	100.0
10 to 19 units	-	-	VALUE		
20 or more units	-	-	Less than \$50,000	10	62.5
Mobile home	33	29.7	\$50,000 to \$99,999	6	37.5
Boat, RV, van, etc	-	-	\$100,000 to \$149,999	-	-
			\$150,000 to \$199,999	-	-
YEAR STRUCTURE BUILT			\$200,000 to \$299,999	-	-
1999 to March 2000	6	5.4	\$300,000 to \$499,999	-	-
1995 to 1998	29	26.1	\$500,000 to \$999,999	-	-
1990 to 1994	28	25.2	\$1,000,000 or more	-	-
1980 to 1989	13	11.7	Median (dollars)	32,500	(X)
1970 to 1979	19	17.1			
1960 to 1969	7	6.3	MORTGAGE STATUS AND SELECTED		
1940 to 1959	7	6.3	MONTHLY OWNER COSTS		
1939 or earlier	2	1.8	With a mortgage	14	87.5
ROOMS			Less than \$300	-	-
1 room	3	2.7	\$300 to \$499	8	50.0
2 rooms	3	2.7	\$500 to \$699	4	25.0
3 rooms	9	8.1	\$700 to \$999	2	12.5
4 rooms	19	17.1	\$1,000 to \$1,499	-	-
5 rooms	52	46.8	\$1,500 to \$1,999	-	-
6 rooms	18	16.2	\$2,000 or more	-	-
7 rooms	3	2.7	Median (dollars)	450	(X)
8 rooms	2	1.8	Not mortgaged	2	12.5
9 or more rooms	2	1.8	Median (dollars)	125	(X)
Median (rooms)	4.9	(X)	SELECTED MONTHLY OWNER COSTS		
Occupied housing units	106	100.0	AS A PERCENTAGE OF HOUSEHOLD		
YEAR HOUSEHOLDER MOVED INTO UNIT			INCOME IN 1999		
1999 to March 2000	18	17.0	Less than 15.0 percent	6	37.5
1995 to 1998	35	33.0	15.0 to 19.9 percent	8	50.0
1990 to 1994	33	31.1	20.0 to 24.9 percent	-	-
1980 to 1989	10	9.4	25.0 to 29.9 percent	2	12.5
1970 to 1979	8	7.5	30.0 to 34.9 percent	-	-
1969 or earlier	2	1.9	35.0 percent or more	-	-
			Not computed	-	-
VEHICLES AVAILABLE			Specified renter-occupied units	67	100.0
None	12	11.3	GROSS RENT		
1	46	43.4	Less than \$200	14	20.9
2	30	28.3	\$200 to \$299	24	35.8
3 or more	18	17.0	\$300 to \$499	20	29.9
			\$500 to \$749	2	3.0
HOUSE HEATING FUEL			\$750 to \$999	4	6.0
Utility gas	59	55.7	\$1,000 to \$1,499	-	-
Bottled, tank, or LP gas	44	41.5	\$1,500 or more	1	1.5
Electricity	3	2.8	No cash rent	2	3.0
Fuel oil, kerosene, etc	-	-	Median (dollars)	275	(X)
Coal or coke	-	-			
Wood	-	-	GROSS RENT AS A PERCENTAGE OF		
Solar energy	-	-	HOUSEHOLD INCOME IN 1999		
Other fuel	-	-	Less than 15.0 percent	38	56.7
No fuel used	-	-	15.0 to 19.9 percent	7	10.4
			20.0 to 24.9 percent	9	13.4
SELECTED CHARACTERISTICS			25.0 to 29.9 percent	-	-
Lacking complete plumbing facilities	-	-	30.0 to 34.9 percent	-	-
Lacking complete kitchen facilities	-	-	35.0 percent or more	10	14.9
No telephone service	26	24.5	Not computed	3	4.5

-Represents zero or rounds to zero. (X) Not applicable.

Source: U.S. Bureau of the Census, Census 2000.

Rating Factor 2: Need/Extent of the Problem

1) Need and Viability

The Hannahville Indian Community is a growing community that offers a variety of programs and services to its membership encompassing education, health, housing, culture, public safety, and recreational components as well as enterprise ventures that provide financial resources to maintain these programs and services. Presently, we are pleased to submit this application for an ICDBG grant to support further economic development which will assist us to sustain our community into the future. This initiative presents an opportunity for the tribe to continue to address the sustainability of our community through economic diversity.

The premise of this application is the expansion of an already successful business, the Island Oasis, which is a small convenience store/gas station located on the reservation. This small store was constructed in 2000 from a renovated pole building that previously housed a print shop and more recently our tribal police station. It is conveniently located adjacent to the casino with frontage on the major highway that runs along the reservation property and in front of the casino. This small economic venture has proven to be very successful in several significant areas: 1) it provides a much needed resource to the tribal community as it is the only place on the reservation where members can buy a gallon of milk, a loaf of bread, or any other grocery staple, 2) it is the only gas station on the reservation or within 15 miles of the reservation where community members can buy gas for their cars; 3) it has created 12 permanent full time and part time jobs for community members; 4) it achieves large volumes of sales due to the daily influx of nearly 1,000 tribal and casino employees that pass by the store each day, and due to the highway traffic which counts more than 7,500 vehicles per day according to the Michigan Department of Transportation.

At this time, this small gas station is encountering some significant issues with the structural stability of the current facility as well as the space restrictions that exist as a result of the current building limitations. Due to the fact that the current building is a renovated pole building, which wasn't an ideal structure right from the start, but at the time was all the tribe could afford to get this business off the ground, issues are now arising related to lack of storage space, lack of inventory space, limited office space, rodent problems and a market that is demanding more supply than the business can support due to these limitations. Presently, the store manager reports that beverage supplies, grocery items, several brand name snack items and cigarettes are regularly out of stock due to lack of space to display and store inventory. The suppliers currently deliver inventory on a weekly basis, and they are unable to keep enough on hand to meet the demand, and adding more delivery dates becomes too costly due to our rural location. In addition, customers who regularly patronize the store request additional items that the manager cannot find room to add to the inventory. Based on community input and reports from the Island Oasis staff, the community members who patronize the store would like to see more produce and grocery items available because they have no other place on the reservation to buy these essential items. Increasing the size of the store and designing the store floor to accommodate these items will greatly increase sales as well as services to the community.

Secondly, we are proposing to add a food vendor / take-out restaurant to the building to provide another service while also increasing revenue potential from the market that we currently serve. As stated earlier, nearly 1000 employees and 7,500 cars pass by (and most stop in) this gas station every day. There is no quick food alternative within 20 miles of the reservation. Given this volume of potential patrons and the void in the market supply of food alternatives the potential sales at a fast food restaurant will prove profitable. Additionally, a quick service food outlet will provide a family oriented option besides the casino for our community members who now need to travel at least 20 miles to find another restaurant.

Thirdly, we are proposing to add a car wash. Given the volume of gas that we sell (65% greater than industry expectations), and based upon common industry metrics that translate gas sales into potential car wash sales, a car wash will prove to be profitable and sustainable. Similarly, there is a void in the market supply of car washes with the closest alternative 20 miles away in the town of Escanaba. Due to our climate roads are maintained using salt and sand during the winter months which causes severe corrosion on vehicles, thus the persistent need to wash ones car. Given the gas volume, the traffic counts, the lack of competing car wash availability, and the convenience of being adjacent to a large parking lot where nearly 1000 employees and casino patrons park their vehicles on a daily basis, market demand should prove sustainable and profitable.

Finally, the amount of gas pumps at our station is not sufficient to meet the demand. There are currently 4 sets of pumps, which equates to 8 pumping stations. The manufacturer recommends that a single pumping station pump 12,500 gallons per month to maintain optimal performance and depreciation projections, our pumps are pumping closer to 20,500 gallons per day. This volume of activity has caused excessive repair and maintenance costs and is prematurely aging our pumps at a much faster rate than the industry average. We are proposing to add 4 more sets of pumps (8 pumping stations), which will carry some of the burden from the existing 8 stations as well as assist with handling the added volume that will result from the expanded store. Based on industry averages, the expanded store and car wash is projected to do a minimum of 10% more volume. This additional volume when combined with our existing volume will yield a volume load per pump more in line with manufacturer recommendations which will reduce maintenance and repair issues and improve our long term sustainability.

In addition to the benefits of increased square footage and product line expansions, this project will also allow us to incorporate more energy efficient coolers, lighting, insulation, and windows as well as enlist green construction practices, such as the reuse of current items within the existing store space that will have a useful purpose in the expanded store. It is our intention to reuse items such as shelves, bathroom fixtures, countertops, etc. wherever possible as long as the reuse is not more costly to operate as we work to sustain this business.

2) Project Benefits

(b) Economic Development

The Convenience Store/Gas Station Expansion project we are proposing will benefit our entire tribal membership including the 600 people who live within the 5,800 acres of rural wooded reservation land, an additional 100 tribal members and descendants that live nearby and access services on the reservation by providing an essential community service and increasing job opportunities. We have designed the project to provide an essential service to this target population while simultaneously ensuring sustainability by capturing a customer market from outside the community (tribal and casino employees and casino patrons) in addition to the community population. Besides providing an essential service to the neediest members of the tribal community who typically lack reliable transportation to travel far from home for groceries and other essentials, this project will also provide 10 new jobs that will be targeted at the 40% of our community members who are chronically unemployed and subsequently low income.

This population of unemployed people will be the target for these new jobs and we will ensure this by following the tribal hiring policy (Tribal Employment and Rights Ordinance-TERO) that states priority will be given to tribal members for all positions on the reservation where the job applicant meets the minimum qualifications. Of these new jobs, one will be management/supervisor level and paid a wage of \$12.50 per hour, while nine of these jobs will be entry level positions with a wage rate of \$7.50 per hour, slightly above the minimum wage rate. These new jobs open the door to a great number of unemployed, minimally qualified tribal members who currently struggle to gain employment due to a lack of education and training. We will collaborate with our Tribal Employment and Training Program under the direction of Dr. Carol Bergquist to provide job training, job coaching and individual employment support to all tribal members who are struggling to gain or maintain employment. This project will give 10 low income unemployed tribal members an opportunity to become gainfully employed, and also enroll in other employment support programs to assist them in furthering their training and skills.

To demonstrate that our proposed project benefits those individuals who are of low or moderate income (both patrons of the store and potential new employees of the expanded store), we will cite the information stated in the 2000 U.S. Census. According to these data, the median household income for the Hannahville Tribal Community is \$31,875 for households of an average size of 3.7 persons. [\(Please see Attachment 5 for a copy of our community's 2000 U.S. Census data set, which is the latest published data.\)](#) This compares to the HUD income standards for households in Menominee County, MI of 3 persons where the low income cap is \$37,350 or 4 persons where the low-income cap is \$41,450. This *documented information* proves that the Hannahville Indian Community as a whole exceeds the requirement that 85% of the project beneficiaries will be low or moderate income.

To further support the documented information outlined above, a few years ago a Household Income Survey was conducted on all reservation households by our Department of Planning and Evaluation. Through the completion of this survey, over 97% of households responded and the information collected indicated that our median household income is actually \$23,993 and our per capita income is \$8,023.



HANNAHVILLE
INDIAN COMMUNITY
N14911 HANNAHVILLE B1 RD.
WILSON, MICHIGAN 49896-9728
Administration: (906) 466-2932 Fax: (906) 466-2933
Accounting Office: (906) 466-9933 Fax: (906) 466-2001

TRIBAL COUNCIL MEETING
MONDAY, OCTOBER 4, 2010
AGENDA

Call Meeting to Order at ____:____ a.m.

Roll Call:

Kenneth Meshigaud _____	John Meshigaud _____	D. Joe Sagataw _____
Elaine Meshigaud _____	Lawrence Sagataw _____	Robin Halfaday _____
Tammy Meshigaud _____	Earl Meshigaud _____	Henry Philemon Jr. _____
Lisa Little _____	Leroy Wandahsega _____	Darrel Wandahsega _____
William Sagataw _____	Audrey Gamez _____	Student Rep. _____

10:00 a.m. Longevity Recognition Ken Meshigaud

10:05 a.m. Potawatomi Language (SB1014) Earl Meshigaud

10:15 a.m. ICDBG Grant Res. #10042010-A: Public Comment Period - Jill Wetthuhn
Resolutions #10042010-B, C & D

10:30 a.m. Small Business Presentation Mark Smith

11:00 a.m. Elder's Concern & Issues Bonita Meshigaud

11:15 a.m. Alcohol & Tobacco Policy (Oasis) & Property Acquisitions Ken Meshigaud

11:30 a.m. OPEN FORUM

Approve minutes of August 17 and September 9, 2010 Council Meetings

FYI:

Gaming Commission July Monthly Report

Island Resort & Casino Internal Audit Report

Next Scheduled meeting November 1, 2010

Adjourn Meeting at ____:____ p.m.

KENNETH MESHIGAUD
Tribal Chairperson

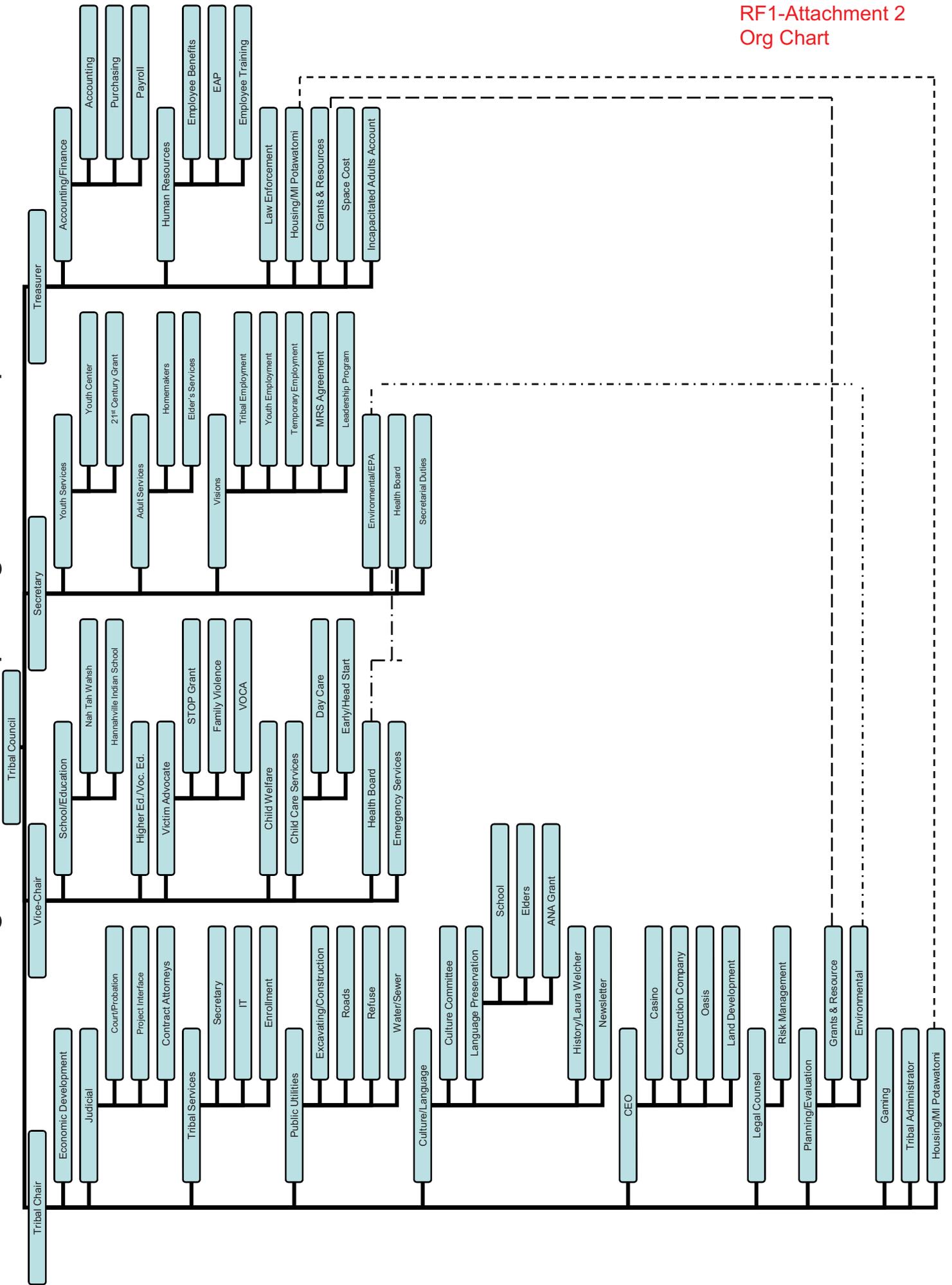
ELAINE MESHIGAUD
Tribal Vice-Chairperson

TAMMY WANDAHSEGA
Tribal Secretary

LISA LITTLE
Tribal Treasurer

Council Members: John Meshigaud Sr., D. Joe Sagataw, Robin Halfaday, William Sagataw, Audrey Gamez, Leroy Wandahsega, Lawrence Sagataw, Earl Meshigaud

Organizational & Reporting Relationships



**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Implementation Schedule
Indian Community Development Block Grant (ICDBG)

See Instructions and Public Reporting Statement on back.
Submit a separate implementation schedule for each project category.

1. Name of Applicant (as shown in Item 5, Standard Form 424) Hannahville Indian Community	2. Application/Grant Number (to be assigned by HUD) 3. <input checked="" type="checkbox"/> Original (First submission to HUD) <input type="checkbox"/> Pre-Award Submission <input type="checkbox"/> Amendment (submitted after grant approval)	5. Effective Date (mm/dd/yyyy) 01/01/2011	Expected Completion Date (mm/dd/yyyy) 09/30/2012 Expected Closeout Date (mm/dd/yyyy) 12/29/2012	Date (mm/dd/yyyy) 10/22/2010
4. Name of Project (as shown on form HUD-4123, item 4) Convenience Store/Gas Station Expansion				
6. Environmental Review Status <input type="checkbox"/> Exempt (As described in 24 CFR 58.34) <input type="checkbox"/> Under Review (Review underway; findings not yet made) <input type="checkbox"/> Finding of No Significant Impact (Finding made that request for release of funds for project is not an action which may significantly affect the environment.) <input type="checkbox"/> EIS Required (Finding that project may significantly affect environment or EIS automatically required by 24 CFR 58.37) <input checked="" type="checkbox"/> Not Started (Review not yet begun) <input type="checkbox"/> Categorically Excluded (as described in 24 CFR 58.35)				
7. Tribal Fiscal Year (mm/dd/yyyy) 10/01/2010				

8. Task List
(List tasks such as environmental assessment, acquisition, etc.) Use Calendar Year (CY) quarters. Fill-in the CY below. See detailed instructions on back.

	CY 11			CY 12				Date (mm/dd/yyyy) (if exceeds 8th Q tr				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	5th Qtr.	6th Qtr.	7th Qtr.		8th Qtr.			
	J	F	M	A	M	J	J	A	S	O	N	D
1. Environmental Assessment	X											
2. Engineering/Design		X										
3. Contract Bids and Award / Bonds and Insurance				X								
4. General Conditions / Site Work / Utilities				X								
5. Concrete / Masonry				X								
6. Structural Steel / Wood and Plastics				X								
7. Thermal and Moisture / Doors and Windows				X								
8. Finishes and Specialties				X								
9. Equipment and Furnishings				X								
10. Mechanical				X								
11. Electrical				X								
12. Parking Lot / Landscaping / Site Work				X								
10. Planned Drawdowns by Quarter (Enter amounts non-cumulatively)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
11. Cumulative Drawdown (If more than one page, enter total on last page only)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	0.00	60,000.00	300,000.00	200,000.00	40,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$



ANDERSON, TACKMAN & COMPANY, PLC
CERTIFIED PUBLIC ACCOUNTANTS

OFFICES IN MICHIGAN AND WISCONSIN

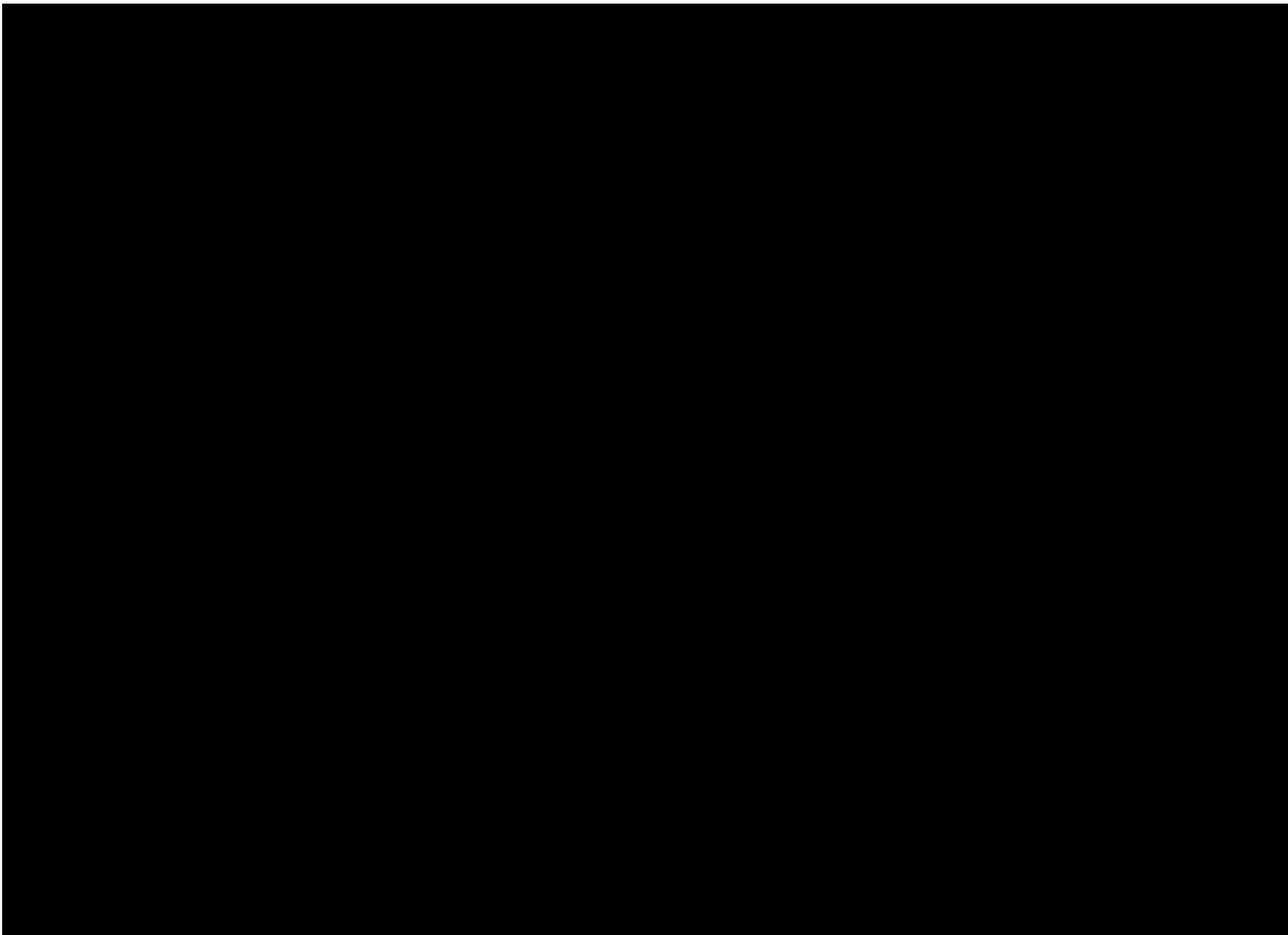
RF1-Attachment 4
Audit Letters, Pg.1

Kristine P. Berhow, CPA, Principal
Alan M. Stotz, CPA, Principal
Raymond B. LaMarche, CPA, Principal
Erkki M. Peippo, CPA, PC, Principal

Kevin C. Pascoe, CPA

INDEPENDENT AUDITOR'S REPORT

Tribal Council
Hannahville Indian Community
N14911 Hannahville B-1 Road
Wilson, Michigan 49896



Tribal Council
Hannahville Indian Community
January 21, 2010





ANDERSON, TACKMAN & COMPANY, PLC
CERTIFIED PUBLIC ACCOUNTANTS

Kristine P. Berhow, CPA, Principal
Alan M. Stotz, CPA, Principal
Raymond B. LaMarche, CPA, Principal
Erkki M. Peippo, CPA, PC, Principal

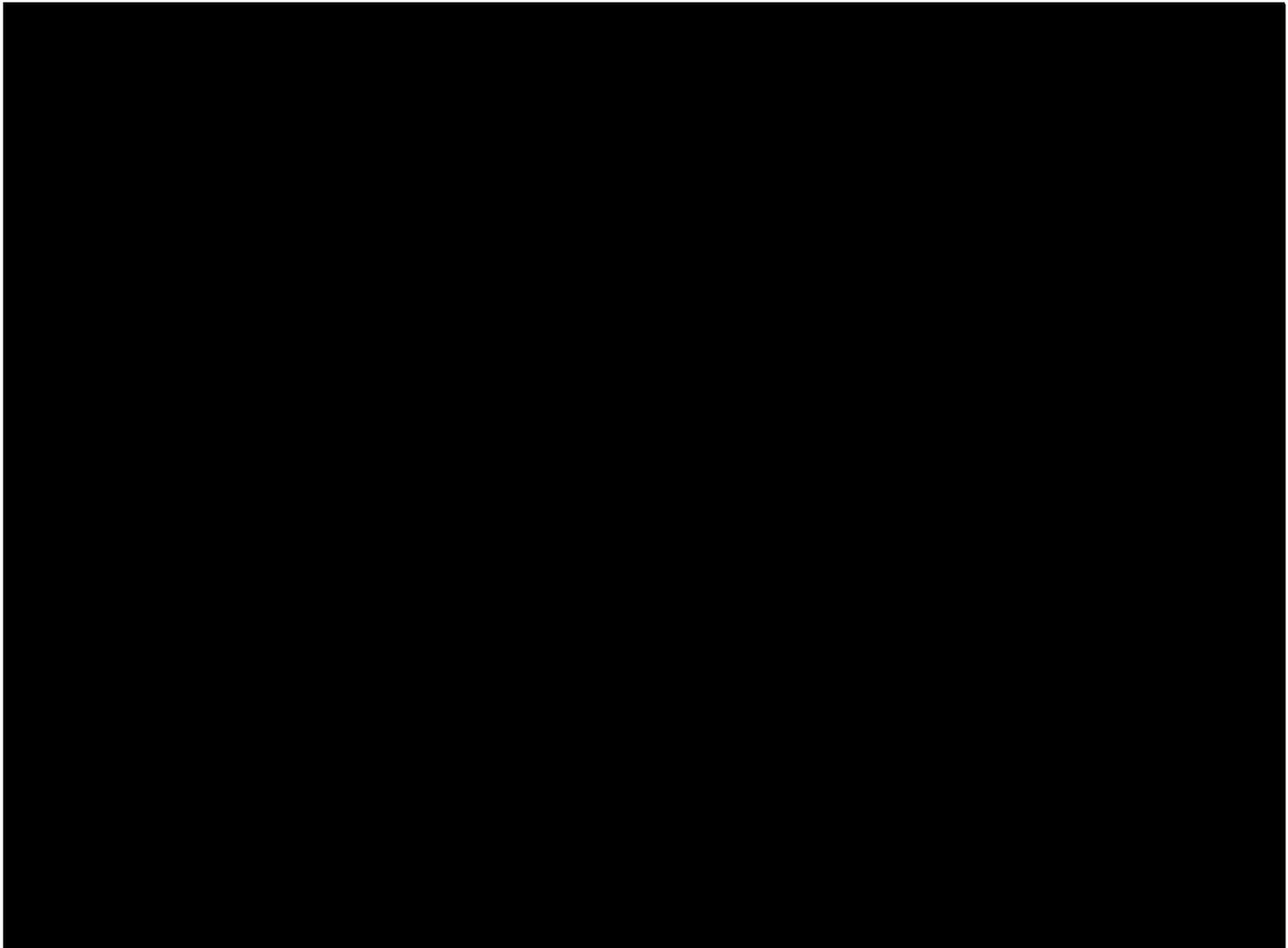
Kevin C. Pascoe, CPA

OFFICES IN MICHIGAN AND WISCONSIN

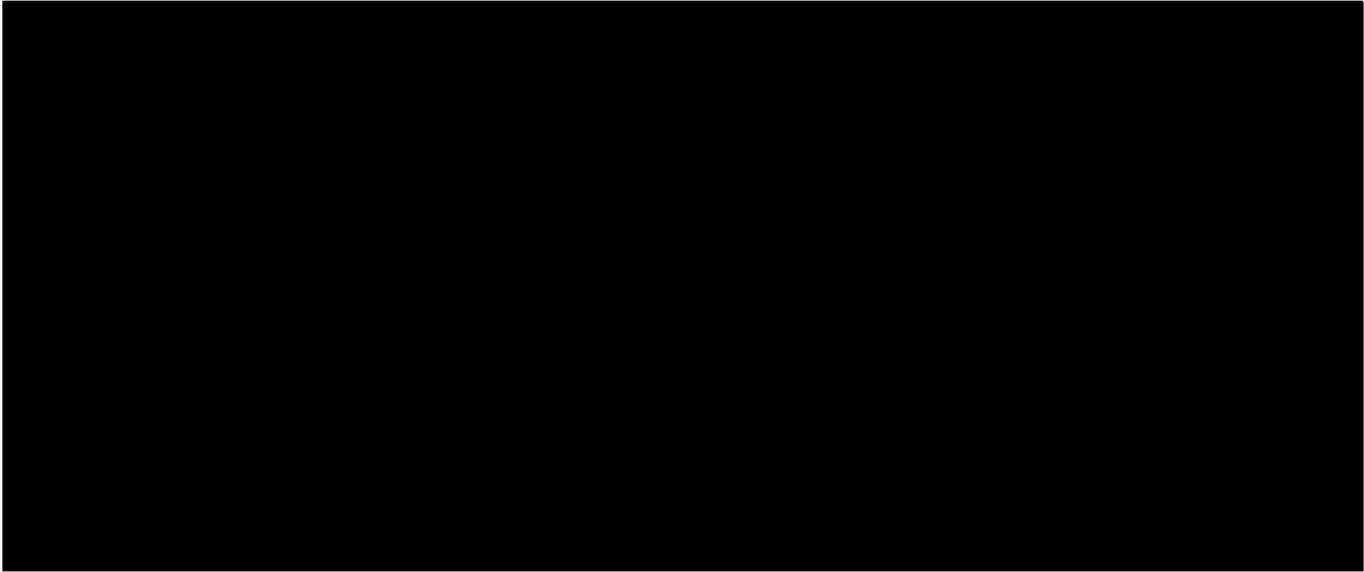
**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Hannahville Indian Community
Wilson, Michigan

January 21, 2010



Hannahville Indian Community
Wilson, Michigan
January 21, 2010





ANDERSON, TACKMAN & COMPANY, PLC
CERTIFIED PUBLIC ACCOUNTANTS

OFFICES IN MICHIGAN AND WISCONSIN

RF1-Attachment 4
Audit Letters, Pg.5

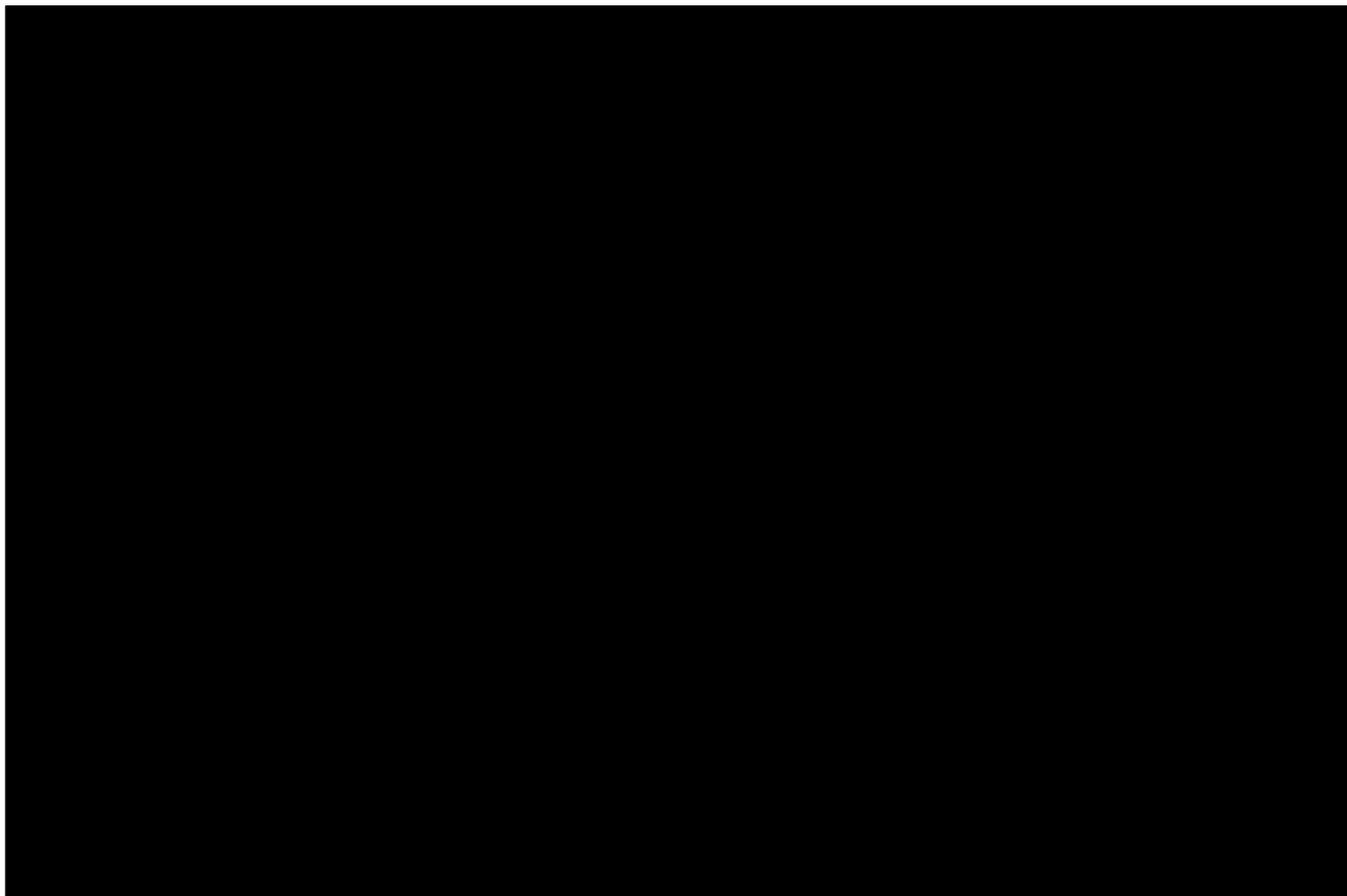
Kristine P. Berhow, CPA, Principal
Alan M. Stotz, CPA, Principal
Raymond B. LaMarche, CPA, Principal
Erkki M. Peippo, CPA, PC, Principal

Kevin C. Pascoe, CPA

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM
AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Hannahville Indian Community
Wilson, Michigan

January 21, 2010



Hannahville Indian Community
Wilson, Michigan
January 21, 2010



Rating Factor 1: Capacity of Applicant

1) Managerial, Technical, and Administrative Capability

The Hannahville Indian Community is a federally recognized Potawatomi Tribe located in Michigan's Upper Peninsula. At the present time we have an enrolled membership of 853 people. Our community leadership has historically and continuously been seeking ways to improve the lives of the membership and with that premise this proposal has been drafted. In the early 1980's our tribal leadership started a gaming operation to bring jobs and revenue into the community. As a result of this economic venture, several programs and services for our tribal members were started and subsequently maintained by the revenues from this small gaming operation. Additionally, funds from this venture were also invested to diversify our economy and provide further sustainability for our community and membership. Included in this diversification effort was the construction of an RV park in 1999, the remodel of an old pole building into a small convenience store/gas station (the Island Oasis) in 2000 (the focus of this grant application), the construction of a wastewater treatment facility that serves the reservation and the surrounding township in 2007 which provides the infrastructure needed to accommodate further development and expansion, and the development of a nationally rated 18 hole golf course in 2008. These ventures have all proven very profitable. Despite this economic development success, the Island Oasis Convenience Store/Gas Station has reached a turning point in its economic lifecycle and is in great need of an improved facility to accommodate both the growth potential of this business and to solidify the sustainability of its existing operations. As such, the expansion of the Island Oasis Convenience Store is the focus of this application.

The Island Oasis Store was strategically built in the northeast corner of the casino gaming facility parking lot to provide easy access for patrons as well as visibility for travelers along the main highway that runs in front of the facility. This economic investment has turned into a viable and thriving business and is now in need of expansion to allow us to maximize the revenue potential that exists in this market, provide products and services to the local area that are currently unavailable, and provide additional employment opportunities to residents of the reservation and the surrounding area.

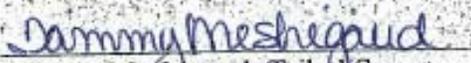
On October 4, 2010 a public meeting was held in conjunction with the regularly scheduled Tribal Council Meeting to accept public comment on the proposed project, the expansion of the convenience/gas station (Island Oasis). Support for this project was received and documented ([Please see Attachment 1 for a copy of the meeting agenda and a sign in sheet](#)). A public notice was displayed prior to the meeting specifically inviting public comment on the proposed project as presented in the ICDBG application and comments were accepted and considered. ([See the public notice and resolution statement below confirming the acceptance of public comment.](#))

Now Therefore Be It Resolved: That the Tribal Council will accept the public comment on October 4, 2010 at the regularly scheduled Tribal Council meeting and does approve and support the project to be known as "Convenience Store/Gas Station Expansion Project"

Certification

The foregoing resolution was duly adopted by the Tribal Council of Hannahville Indian Community, meeting in regular session on this 4th day of October, 2010 with a quorum present, by a vote of 10 for, 0 opposed, and 0 abstaining.


Kenneth Meshigaud, Tribal Chairperson


Tammy Meshigaud, Tribal Secretary

[Attachment A](#)

Notice of Public Meeting

The Hannahville Indian Community will be holding a public hearing on Monday, October 4th, 2010 during the regularly scheduled Tribal Council Meeting. The purpose of the public hearing will be to accept public comment on the proposed Indian Community Development Block Grant Project which will be used to expand the tribal Convenience Store/Gas Station.

a) Managerial and Technical Staff

The Hannahville Indian Community has the capability to accomplish the goals and objectives of the proposed project to expand the Island Oasis Convenience Store/Gas Station and the ability to handle the funds requested in this proposal in a competent and professional manner. The Community has a history of receiving federal and state grants that have been competently administered including the implementation of a six ICDBG grants since 2003. All of these projects were successfully completed or are currently underway in full compliance with HUD regulations, and in alignment with the approved implementation schedules. All reports were submitted to the HUD ONAP office on time. These projects have included the construction of a Community Activity Center, an Elder Housing Complex, a Culture/Heritage Center, the renovation of our Health Center, the installation of infrastructure, and most recently the rehabilitation of several tribal homes; all under the direction of the current staff. We have also received funds from HUD through the home ownership program from 1993-1996, annual NAHASDA funds, HIP funds, USDA funds to build our Health Center in 1997 and our wastewater plant in 2007, BIA school funds, Department of Education funds and many others.

The Hannahville Indian Community has an elected tribal government. This form of government has been in existence for over seventy years. The twelve member Tribal Council consists of 4 full time officer positions, the Chairperson, Vice-Chairperson, Treasurer and Secretary, and 8 other Council members that oversee and conduct business for the benefit of the Community. The Council develops policies and is the responsible agent for the decision making process as it relates to all components of the reservation.

A recently developed organizational chart for the Hannahville Indian Community is included in this application and outlines the structure that the community operates under (see Attachment 2). Under the supervision of the Tribal Executive Officers, the Project Director will be responsible for the day-to-day operations of the project and will supervise the attainment of all goals, objectives and tasks. The Chief Financial Officer will work closely with the Project Director to properly procure contractors, review pay requests, authorize payments and ensure that the operations of the project fall within the overall goals of the tribe and that the project is completed in a timely manner and within budget. Please see a brief outline of their qualifications below.

██████████, Hannahville's Construction Representative will be the Project Director for the proposed project. ██████ is a Certified Code Official, Building Inspector and Plan Reviewer with the Bureau of Construction Code's Michigan Department of Consumer and Industry Services through September 2013. ██████ is also licensed by the State of Michigan as a Residential Builder through May 2011. ██████ has acted in a management capacity for all of our past ICDBG projects, USDA projects, NAHASDA projects and understands the compliance requirements specific to these funds. All of these projects have been completed in a timely manner and were within the budgeted amounts. Projects completed and currently in process under his direct supervision for the Hannahville Indian Community are as follows:

1997-1998	Island Resort Casino & Hotel Project Expansion (\$25 million expansion)
1999	Bingo, Arcade, Retail and Warehouse Projects
1999-2000	Convention Center Renovation
2000	Convenience Store, and Gas Station (Island Oasis) (\$800,000 project)
2001	Tribal Administration Offices Renovation (\$100,000 project)

2002-2003	Hannahville Ceremonial & Pow Wow Grounds (\$900,000 project)
2004-2005	Community Activity Center (<i>ICDBG FY03</i> -\$625,000 project)
2005-2006	Elder Housing Complex (<i>ICDBG FY04</i> - \$1,500,000 project)
2005-2007	Island Resort Casino Expansion Project (\$49 million expansion)
2005-2007	Waste Water Treatment Facility (<i>USDA Grant</i>) (\$6.7 million project)
2006-2007	Culture Center (<i>ICDBG FY05</i> - \$900,000 project)
2008-2009	Health Center Renovation (<i>ICDBG FY07</i> - \$1,000,000 project)
2009-2010	Elder Housing Complex Expansion (<i>NAHASDA ARRA</i> -\$1,516,000)
2009-2011	Housing Subdivision Utilities Construction (<i>ICDBG ARRA</i> - \$434,000)
2010-2012	Housing Renovation and Rehabilitation (<i>ICDBG FY09</i> - \$734,000)

██████████, Hannahville's Chief Financial Officer has a Masters Degree in Public Administration and Bachelor's Degrees in Accounting and Economics from Northern Michigan University. ██████████ has been a Certified Public Accountant for over 15 years working directly in Public Accounting as an audit manager for a large Lansing based CPA firm for 6 years followed by 9 years in private industry as a Chief Financial Officer.

██████████ has an extensive background in a broad spectrum of accounting competencies including governmental accounting and auditing, nonprofit accounting and auditing and employee benefit plan administration, as well as for-profit industries such as gaming, hotels, restaurants, manufacturing, convenience stores, and construction contracting. ██████████ is also highly experienced with budget development, financial planning, capital budget analysis, and forecasts and projections.

██████████ has coordinated and administered all financial aspects of construction including planning, capital budgeting, financing, contract administration, reporting, and debt covenant compliance for more than 20 major projects totaling more than \$80 million including the construction of school additions, elder buildings, wastewater plants, subdivision infrastructure, roads, casinos, health centers, golf courses, and youth centers.

██████████ has worked for the Hannahville Indian Community for over 9 years, and has a solid working relationship with tribal leaders, tribal members, tribal program directors and staff, and outside agencies and business partners. ██████████ major roles include facilitating the integration of financial objectives and operations between the Tribe's business and governmental interests. ██████████ facilitates the budget planning and development process to ensure the allocation of Tribal resources in a manner that both serves the current needs of the Tribal Community while also establishing a long-term trajectory toward financial security and sustainability.

b) Project Implementation Plan and Program Evaluation

[HUD Form 4125-A Implementation Schedule](#) has been included as [Attachment 3](#). The Project Director in consultation with key tribal staff, utilizing their years of experience in the construction field, have set up this schedule and unless otherwise necessary to ensure quality project completion, this schedule will be followed. In the event that it is necessary to make a scheduling adjustment we will request approval from the HUD office prior to making any changes. The measurable outputs and outcomes we expect to achieve from the Island Oasis Convenience Store/Gas Station Expansion project include:

Outputs:

- 1) To expand the Island Oasis Convenience Store/Gas Station to 6,200 square feet to include additional retail space, a car wash, and a food outlet.
- 2) To create 10 new jobs consisting of 1 full-time fully benefitted position and 9 new part time jobs for approximately 24 hours per week at above minimum wage pay.

Outcomes:

- 1) A sustainable Convenience Store/Gas Station business that incorporates energy efficient construction, universal design and visitability standards that will maximize sales volumes.
- 2) To provide new goods and services to the residents in and around the reservation that are currently either unavailable or prohibitively inconvenient due to geographical distance.

c) Financial Management

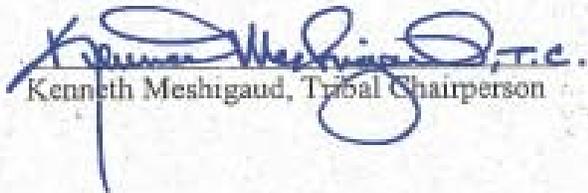
Financial accountability will be maintained by adhering to standard accounting procedures. [REDACTED] handles all grants under the supervision of [REDACTED], Chief Financial Officer and [REDACTED], Director of Accounting. Records of expenditures will be maintained and reported in accordance with grant specifications. [REDACTED] and the accounting office have years of experience with the financial administration of federal grants. Both [REDACTED] and [REDACTED] have attended HUD sponsored trainings related to reporting compliance and are currently familiar with the reporting procedures of this grant program.

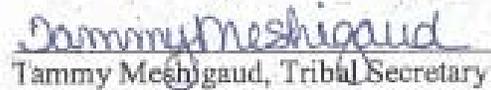
Financial Policies and Procedures have been formally adopted by the Tribal Council and will be followed throughout implementation of this project. Additionally, a successful audit has been completed and a letter indicating complete compliance is included in this packet as [Attachment 4 \(see the resolution statement below confirming our adherence to a financial policy and a summary of the policy\)](#).

Now Therefore Be It Resolved: That the Tribal Council does hereby adopt and direct that Financial Management practices and procedures shall continue to be applied to the project to be known as the "Convenience Store/Gas Station Expansion Project," as set forth in the Financial Management Policy identified as **Attachment B**, which is incorporated by reference in this Resolution as if fully set forth herein.

Certification

The foregoing resolution was duly adopted by the Tribal Council of Hannahville Indian Community, meeting in regular session on this 4th day of October, 2010 with a quorum present, by a vote of 10 for, 0 opposed, and 0 abstaining.


Kenneth Meshigaud, Tribal Chairperson


Tammy Meshigaud, Tribal Secretary

Financial Management Policies and Procedures

The Tribe is compliant with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), and other bodies where applicable. Additionally the Tribe complies with Office of Management and Budget Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*, Housing and Urban Development standards for financial management systems (24 CFR §85.20 (b)), and numerous other grant specific requirements to ensure proper financial management including allowable costs determinations for charges to contracts and grants.

The Tribe has both an annual financial audit as well as a single audit pursuant to the Single Audit Act as amended. The Hannahville Indian Community provides a copy of its' single audit report to each grantor agency and has historically received an unqualified opinion on its compliance and internal control over financial reporting, and on its compliance with requirements applicable to its major programs.

The Hannahville Indian Community is committed to practicing sound financial management and internal control practices. As such the Tribe has implemented Internal control mechanisms designed to provide reasonable assurance regarding the accuracy and reliability of financial reporting, accounting records, budget control, allowable costs, source documentation, cash management, and compliance with applicable laws and regulations. This mechanism includes adequate segregation of duties among accounting personnel to ensure no one can individually authorize and record financial transactions and maintain custody over tribal assets.

The financial management of this project will begin by designating a project manager who will authorize all project expenses as controlled by an approved budget. These expenses will undergo an approval process verified by a Tribal Executive Officer. Once approved the expenses will be processed through the internal control process of the accounting department which include adequate segregation of duties and checks and balances to ensure financial transactions are correctly recorded in the Tribe's accounting system against the program's segregated budget. The project manager will monitor budgetary compliance, and the accounting system's controls will prevent overspending by budget line item, without corrective action. Cash requests will be submitted on a reimbursement basis. All financial reporting and cash request submissions will be prepared by the Tribal grant accountant and approved by the Tribal Chief Financial Officer who is a licensed CPA. Upon fiscal year end, this program will be subject to external audit and reported in the Tribe's Financial and Single Audits, a copy of which will be sent to all granting agencies.

d) Procurement and Contract Management

Procurement and Contract Management Policies have been formally adopted by the Tribal Council. These policies and procedures will be adhered to throughout this project. [Please see the resolution statement below confirming our adherence to a procurement and contract management policy and a summary of the policy.](#)

Our Tribal Council also adopted a Tribal Preference Ordinance through a formal resolution on May 3, 2004. This ordinance will be referenced in all bidding documents and will be applied throughout implementation of the project.

Now Therefore Be It Resolved: That the Tribal Council does hereby adopt and direct that practices and procedures shall continue to be applied to the project to be known as the "Convenience Store/Gas Station Expansion Project," as set forth in the Procurement and Contract Policy identified as **Attachment C** which is incorporated by reference in this Resolution as if fully set forth herein.

Certification

The foregoing resolution was duly adopted by the Tribal Council of the Hannahville Indian Community, meeting in regular session on this 4th day of October, 2010, with a quorum present, by a vote of 10 for, 0 opposed, and 0 abstaining.


Kenneth Meshigaud, Tribal Chairperson


Tammy Meshigaud, Tribal Secretary

Procurement and Contract Management Policy

The Tribe observes procurement policies and standards to ensure fairness and efficiency in carrying out the procurement activities of the Tribe.

These policies are compliant with OMB circular A-102 and A-87 concerning administration of grants and allowable cost determinations. Procurement and contract management, for this construction project will be jointly effectuated by the Tribal purchasing department and the project manager, who will ensure compliance with project specifications, schedules, budgets, and change orders.

Consistent with 24 CFR §85.36 and prior Tribal practices in regard to construction contracts exceeding \$100,000, the Tribe will provide for competitive bids. The bids will be solicited and opened within a predetermined schedule, and evaluated based on firm-fixed-price, quality, and contractor availability, providing Indian organization preference to the greatest extent feasible in accordance with 24 CFR §1003.510 (d).

Consistent with 24 CFR §85.36 small purchase procedures, procurements less than \$100,000 will require three documented vendor quotes to ensure price competitiveness, and procurements less than \$5,000 will not require vendor quotations. Once vendor quotations or bids are received and reviewed, purchase orders or contracts will be issued, as applicable affording preference to Indian organizations to the greatest extent feasible in accordance with 24 CFR §1003.510 (d).

The purchase order system encumbers available budget and therefore prevents overspending by line item. Subsequent payments for goods/services will be processed through the financial management systems. The Tribe's procurement systems are subject to audit in conjunction with both the annual Financial and Single Audits.

2) Past Performance

a) Implementation Schedule

All current projects are on schedule based on the approved Implementation Schedules submitted to the HUD office. We currently have three regular ICDBG grant projects underway and one ARRA ICDBG project underway and all are meeting the proposed timelines.

b) Reports

All Annual Performance Reports and Federal Cash Transaction Reports are up to date for all of our open ICDBG projects.

c) Close-outs

Close out documents have been approved for our last completed project in a letter dated July 2, 2008.

d) Audits

The last completed audit is for fiscal year ending September 30, 2009 (see [Attachment 4](#) for a copy of our compliance letters and a complete copy of our audit is available upon request). A copy of this audit has been sent to all current granting agencies, including HUD.

e) Findings

All issues related to the audit finding for our FY2009 audit have been resolved and a letter from the HUD ONAP office dated September 14, 2010 indicates that these findings are CLOSED.

Rating Factor 5: Comprehensiveness and Coordination

1) Coordination

To ensure the success of this project, extensive coordination occurred over the last several months and meetings leading up to this application date back several years. As stated earlier in this application, the Island Oasis as it currently stands was opened in 2000 and after only a couple of years of successful operations, discussions began regarding the need for expansion and how to effectively do that while still ensuring success and not interfering with the operations of other tribal enterprises or other tribal departments. Meetings were held at many levels and coordination efforts involved tribal leaders, casino management, construction representatives, financial/accounting staff, Island Oasis staff, tribal members, utility services staff and providers, Department of Transportation officials and many others.

The need to involve all of these levels is imperative so we do not create a business that will negatively impact other tribal businesses, but also ensuring that we have the necessary services to operate. Specifically, we needed to ensure there were sufficient water and wastewater services to operate a car wash, which is one reason this expansion item could not occur until after the waste water treatment facility was built in 2007. In addition, it was important to involve the Department of Transportation due to the fact that the project is located on the highway and within a large parking lot that creates significant traffic flow and the need to create proper entrances and exits to and from the highway for traffic safety was a high priority. It is also important to note that of great consideration as we designed this project were the needs of the tribal membership and this proposal incorporates these needs while simultaneously providing the necessary business model that will ensure success.

2) Outputs, Outcomes, and/or Goals

The measurable outputs and outcomes we expect to achieve from the Island Oasis Convenience Store/Gas Station Expansion project include:

Outputs:

- 1) To expand the Island Oasis Convenience Store/Gas Station to 6,200 square feet to include additional retail space, a car wash, and a food outlet.
- 2) To create 10 new jobs consisting of 1 full-time fully benefitted position and 9 new part time jobs for approximately 24 hours per week at above minimum wage pay.

Outcomes:

- 1) A sustainable Convenience Store/Gas Station business that incorporates energy efficient construction, universal design and visitability standards that will maximize sales volumes.
- 2) To provide new goods and services to the residents in and around the reservation that are currently either unavailable or prohibitively inconvenient due to geographical distance.

[Please see the attached HUD 96010 Logic Model detailing the outputs and outcomes for this project.](#)

ATTACHMENTS FORM

Instructions: On this form, you will attach the various files that make up your grant application. Please consult with the appropriate Agency Guidelines for more information about each needed file. Please remember that any files you attach must be in the document format and named as specified in the Guidelines.

Important: Please attach your files in the proper sequence. See the appropriate Agency Guidelines for details.

1) Please attach Attachment 1	<input type="text" value="RF1 Narrative.pdf"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
2) Please attach Attachment 2	<input type="text" value="RF1-Attachments.pdf"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
3) Please attach Attachment 3	<input type="text" value="RF2 Narrative.pdf"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
4) Please attach Attachment 4	<input type="text" value="RF2-Attachment.pdf"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
5) Please attach Attachment 5	<input type="text" value="RF3 Narrative.pdf"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
6) Please attach Attachment 6	<input type="text" value="RF3-Attachments.pdf"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
7) Please attach Attachment 7	<input type="text" value="RF3-Attachment 10-Financial A"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
8) Please attach Attachment 8	<input type="text" value="RF4 Narrative.pdf"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
9) Please attach Attachment 9	<input type="text" value="RF5 Narrative.pdf"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
10) Please attach Attachment 10	<input type="text" value="HUD 96010 ICDBG V11.5-Hannah"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
11) Please attach Attachment 11	<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
12) Please attach Attachment 12	<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
13) Please attach Attachment 13	<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
14) Please attach Attachment 14	<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>
15) Please attach Attachment 15	<input type="text"/>	<input type="button" value="Add Attachment"/>	<input type="button" value="Delete Attachment"/>	<input type="button" value="View Attachment"/>