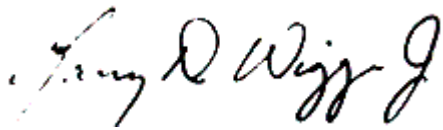


## **Haiti Strategy**

April 22, 2010

### **Introduction**

The following document is intended as both an after action report and a roadmap for the way forward. It will provide the reader with a summary of observations made during our team's April 5-18, 2010 trip to Haiti, as well as an outline of attractive projects, potential business opportunities, and next steps. Upon consensus, the following strategic plan will be reinforced with cost and schedule estimates and used to secure funding. This document should be treated as confidential and limited in distribution.



Larry Wigger, President  
Rainmaker Fundraising, Inc.

### **Document Outline**

- 1. After Action Report**  
Brief re-cap of logistics and initial observations from first recon mission into Haiti
- 2. Long Term Strategy**  
How Rainmaker will approach Haitian business opportunities identified to date
- 3. Likely Project Tranches**  
Tactical focus for continued short-term volunteer missions into Haiti
- 4. Hospital Master Plan**  
Major development plans and fundraising targets for Haitian Community Hospital
- 5. Strategic Business Initiatives**  
Additional activities capable of creating sustainable revenue streams in Haiti
- 6. Immediate Next Steps**  
Game plan for ensuring traction on both short-term projects and long-term initiatives

### **After Action Report**

A team of 9 entered Haiti beginning noon on Monday April 5<sup>th</sup>, with final departure noon on Sunday April 18<sup>th</sup>. Entry was made by commercial air travel into Port au Prince with the majority of supplies arriving as checked baggage. Safe potable water supply was confirmed in advance and was not an issue during this mission. Provisions are sufficiently available, including dry goods, beverages, and fresh produce. Health concerns continue to suggest avoidance of leafy produce, poultry, pork, and dairy.

A relatively secure base of operations was established on the roof top of the Haitian Community Hospital in Petion Ville. Armed guards were on site 24/7 and multiple layers of locking doors restrict access to team quarters. Minor improvements should be made to cables/locks and physical barrier such as razor wire will secure rooftop access from open concrete/steel in rear. Toilet/shower facilities were available to the team and minor cleaning/improvements to them are already underway for our next trip.

A contingent of 3 also conducted a 2 day side excursion to explore business opportunities in Jacmel. Personal contacts in that region allowed advance scheduling of strategic meetings with stakeholders. A secondary camp site was established on a team member's personal property in Jacmel and local cuisine was enjoyed. Roadways between Port au Prince and Jacmel were clear, with steady supply convoys and occasional military/police presence. No evidence of illegal check points was observed.

In general, our team was comfortable moving around both Port au Prince and travelling to Jacmel. We employed a Haitian driver with our rental car and should likely do so again for local knowledge/routing. Security remains a concern, with armed guards prominent in retail stores and accompanying some foreign nationals. That said, with minor improvements to camp security and careful selection of drivers, our team should feel relatively comfortable in moving around the country. Additional thought should be put into banking, to avoid excessive cash handling and to ensure optimal currency exchange.

Supply chain concerns abound, with inconsistent material availability and pricing. Local material outlets are plentiful, but very limited in individual selection. Cement and sand are readily available, but lumber is un-treated and of lower grades. Masons and welders are plentiful and competition should keep prices competitive. Manufactured products, such as electrical components, door hardware, fasteners, and tools are generally very limited in selection, extremely high price and/or low quality. Building supply and equipment rental remain extremely attractive business opportunities.

A very positive outcome from this initial trip is the foundation of strong working relationships with the Haitian Community Hospital (HCH) and its funding source, the Haitian Health and Education Foundation. We appear to have successfully illustrated our intent to become a partner to this institution, committed to improving/expanding their facilities without direct cost to them. Rainmaker Fundraising is now a dues paying member of the Foundation and eligible to attend membership meetings.



### **Long Term Strategy**

The depth/variety of solid business opportunities existing in Haiti, support immediate pursuit of full-time in-country personnel. A minimal level of project-type work, sufficient to underwrite staffing cost, will allow shared resources to vet-out multiple strategic opportunities. Rainmaker will employ a phased approach to Haitian business. Initially, we will group the smaller scale projects at HCH for timely completion by volunteer crews. This approach will allow frequent in-country activity, support on-going investigation/planning, and minimize payroll costs. These small tranches of projects and 1-2 week missions will also provide more modest fundraising targets.

Beyond this initial 2-3 pending trips, Rainmaker will develop a master plan for the HCH campus. This plan will be phased, with the initial phase focused on completion of 20,000+ square feet of second story expansion space, as well as significant improvements to electrical and water infrastructure. While our team is committed to the value available from this unfinished space, regardless of use, stakeholders will be engaged to ensure it is fit for purpose. Dependent upon the final master plan, additional phases of re-stack and upgrade may be appropriate.

Concurrent with project work at HCH, our team will engage in several other strategic initiatives. These may include similar fundraising and construction support for an identified orphanage, modular installs for temporary hospital space, permanent starter home construction programs, concrete recycling and cement block manufacture, trash collection and recycling, retail fuel supply, and/or equipment rental. Each of these initiatives will be financed through a combination of partnerships, start-up grants, outside investors, and if need be, debt. Rainmaker will establish a Haitian business entity for in-country activity.

In contrast to our initial recon trip, each project, trip, and in-country resource must be fully-funded by donor dollars, in advance of engagement. We believe that we can then leverage those in-country staff to stand up the additional sustainable business enterprises. Rainmaker is not seeking a profit stream from the donor projects, but instead will rely on the strategic initiatives to justify further investment. It is sincerely hoped that sufficient donor/volunteer interest will remain to continue the small project model indefinitely, concurrent with the larger, long-term profitable businesses.

Though heavy initial focus has been placed on HCH/Port au Prince, we believe similar opportunities exist in Jacmel, with a strong network of influential local contacts, and a more conducive business climate. We would like to find a similar initial project focus in Jacmel, to underwrite the insertion of in-country resources for exploration of strategic business opportunities. That said, care must be taken that we do not over-extend ourselves and that we leverage our resources, on pace with capacity and investment.

### **Likely Project Tranches**

2<sup>nd</sup> Mission (May 2010) – primary focus should be life-safety items, including permanent repair of the two large awnings in the main courtyard, a fit for purpose interim awning over the physical therapy center, repair of the roof stairwell railing, and erection of a longer-term roof-top base camp structure. Secondary activity can include ceiling and floor finish along new wall on main courtyard, including return walls and installation of steel security gates. Electrical improvements should include supply/lighting in new workshop.

3<sup>rd</sup> Mission (June 2010) – primary focus should be build-out of new commercial kitchen and installing permanent trusses and roof deck over the rooms adjacent to the rear courtyard (replacing the wood framing and corrugated metal over the Japanese supply room), as well as installation of steel gates/windows and interior finish of newly enclosed rooms. Window installations in current supply room should also be completed, along with continued electrical/lighting improvements and multiple bathroom repairs.

4<sup>th</sup> Mission (July 2010) – primary projects will include preparation of rear addition for truss installation (re-bar cut-off, beam replacement, anchor installation), interim repairs to the entrance road, and install of more permanent/secure doors/windows on the pharmacy. Secondary projects can include establishing a recycling program and installing directional and safety signage. Electrical repairs will continue and opportunities for plumbing supply improvements will remain.

It should be noted that beyond funding for individual projects/tranches/missions, it would be extremely beneficial to secure funds for a dedicated electrical engineer. Whether full or part-time, accompanying the above project teams or independent, the scale of work to be done on the electrical infrastructure warrants dedicating a resource. Similar demand, at least for the first 2-3 months, likely exists for a plumber. Additionally, we see need for a process engineer to assist with root cause analysis and to compile a robust building operating manual and preventative maintenance schedule.

Our team is compiling plans and budgets for each of these projects/trips/resources and will solicit donor funds both individually and in tranches. Transparency in estimation and reporting is imperative to building long-term credibility and illustrating our professional capabilities and ethical approach. Ideally, before/after photos and estimates/receipts will all be available on our website for donor review.

It should be noted that our three donation vehicles are still tied up in the port facility, as HCH works to clear them without paying the excessive import duties. This process needs to be reviewed/confirmed, as the suggested levy in lieu of the tax-free franchise letter was 60% of assigned value. Regardless of the exact final cost, we need to gain confidence in the timing of vehicle release and estimation of tax costs.

## **Hospital Master Plan**

Rainmaker's investment in HCH will be focused on 4 key drivers:

- Provide additional finished space (for patient care, volunteer housing, or admin offices)
- Support the expansion of hospital services (such as addition of PT and/or prosthetics)
- Improve life-safety systems and MEP infrastructure
- Reduce life-cycle costs (energy consumption, fuel usage, water purchase)

Therefore, the cornerstone of our development plan is the enclosure of the large un-finished second story addition on the rear of the hospital. With the load-bearing walls relatively complete, but yet to be coated, this space provides an economical way to significantly expand square footage. We currently intend on employing a light-weight metal truss and roof deck system, in lieu of the originally designed typical concrete poured roof. While minimizing additional weight aloft, this approach will still allow the installation of a modest roof-top photo-voltaic array.

Current electrical systems at HCH are powered by a 100kw primary generator and 60kw back-up. Two lead-acid batter racks with inverters exist for critical systems. Given the extremely unreliable public utility and frequent shorts from heavy rainfall, power interruptions are not uncommon (like the 16 hour black-out our team experienced). Given the large expanse of roof space, heavy sunshine, and constant wind, it is very reasonable that we can replace the 8-12 hours per day of diesel generator power with solar and wind.

Once the new square footage has been finished and alternative power sources are on-line, options to re-stack some or all of the current hospital space for remodel present themselves. While purpose and finish may not drive such a decision, the opportunity to significantly upgrade MEP systems may be worth the inconvenience of a re-stack.

Funding for these major campus improvements will be solicited from multiple sources. HCH has been a valued institution, recognized by US Army SOCOM in the past, receiving donations of operating rooms and generators. Given their continued operation during and after the earthquake and the concurrent loss of government hospitals, there is the potential to position investment in HCH as an attractive means to bridge gaps in care until government hospitals are replaced. Potential donor sources for the photo-voltaics are already engaged and a large donor for the hospital addition will also be sought.

### Strategic Business Initiatives

- Temporary modular structure (2 year service life) for St. Francois Hospital in Port au Prince – planning underway for permanent reconstruction, but modular would be better than the likely tent structure (temporary in Haiti has a tendency to become permanent)
- Equipment, tool, and truck rental and sales – quality tools, work trucks, and heavy equipment are in short supply and steeply priced (need to land a predictable solution to import process)
- Concrete recycling, CMU block manufacture, and concrete production – all three activities leverage each other and can benefit from US production and quality control expertise, but will be a steady employer of Haitian labor and consumer of earthquake rubble
- Trash and recycling collection – plastic recycling consumers exist, but there is no defined collection business. A modest financial incentive and frequent local pick-up would quickly begin the clean-up process. Will also be extremely sellable, attractive to investors and donors alike.
- Trash to energy plants – either by incinerating, out-gassing, or conversion to petroleum for refining. Multiple potential partners working on commercial solutions (Rainmaker in-country).
- Vehicle fuel supply – frequent shortages at pump create mobility challenges and potential instability to government and reconstruction efforts. Additional independent commercial supply, refining, and/or retail outlets are necessary for long-term business growth.
- Shipping container conversion homes – abundant supply of in-bound containers, low-cost local labor, and prevalent fear of concrete/block structures suggest a market for steel housing. Care must be taken to incorporate Caribbean architecture to avoid FEMA trailer park concerns.
- Secure housing for foreign nationals – the long-term influx of foreigners during reconstruction and the current lack of major hotel flags, suggest a sustainable appetite for clean, safe, modestly priced hostel/dormitory style housing for NGO staff. Could be used as an opportunity to showcase safe concrete construction and attractive shipping container conversions, while also providing an additional revenue stream from operation.
- Permanent Starter Home developments – small footprint (quality) block structures on concrete slabs with metal roofs and indoor plumbing. Master plan being networked to decentralize PAP and create hub and spoke commuter centers with high-speed limited-access roads downtown.
- Hope for the Children of Haiti orphanage – in need of a new boy's dormitory, apartment building for widows, and various infrastructure improvements. Will make an attractive fundraising target and already has a US 501c3 foundation.
- School construction – initial candidate institution identified. Like hospitals in Haiti, many schools are private and not likely to share in reconstruction dollars from GOH, NGO, etc.
- Foundation library – HCH foundation is considering the construction of a library on the hospital campus. Could make an attractive alternate fundraising candidate for their existing 501c3.
- New tourism development – bypass PAP congestion/negatives and establish a green-field alternate destination in Haiti. Select an attractive beach setting, establish a new commercial port, and partner with a commercial airline to schedule direct flights to a new local airport.

### **Immediate Next Steps**

- Complete rough plans/budgets for identified HCH projects
- Prepare presentation materials for fundraising engagements
- Expand the fundraising portal on [www.rainmakerfundraising.org](http://www.rainmakerfundraising.org)
- Draft a PR strategy to ensure visibility with NGO/gov't/ donors/celebrities
- Identify sufficient funding to continue strategic pursuit through EOY
- Compile detailed plans/budgets for strategic business opportunities
- Continue to network strategic business opportunities with partners
- Recruit additional volunteers for follow-on HCH project tranches
- Secure Haitian business registration for Rainmaker Fundraising

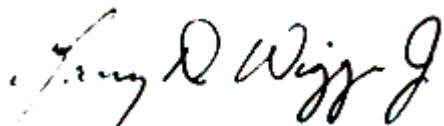
### **Conclusion**

Haiti is a naturally beautiful, mountainous Caribbean country, with an extremely low-cost pool of labor. The relatively non-existent infrastructure and catastrophic destruction of housing stock has created immense opportunity for improvement. Global response to natural disaster is providing the influx of capital necessary for long-term investment. The business opportunities are limitless for those willing to accept modest risk. Significant advantage will be afforded to early movers and those developing strong local relationships. We accept the risk, have gone in early, and are building solid working relationships.

The following is the Haiti Mission Statement from [www.rainmakerfundraising.org](http://www.rainmakerfundraising.org), drafted shortly after the January 12, 2010 earthquake.

*“Leverage our professional construction and procurement experience and network to transparently, efficiently and quickly deliver quality permanent structures to earthquake ravaged Haiti, while concurrently developing a sustainable supply chain of cost-effective construction materials and a quality pool of construction trade labor.”*

We are confident our recent in-country observations, long-term strategic vision, and immediate action plan fully validate and align with this Mission Statement. Rainmaker Fundraising will engage donors and investors in support of identified projects, while concurrently pursuing sustainable business enterprises. We will make a lasting difference for the people of Haiti.



Larry Wigger, President  
Rainmaker Fundraising, Inc.