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RurAL CAP: Developing a Social Enterprise to Support Housing Across Rural Alaska

Jasmine Boyle, chief development officer of Rural Alaska Community Action Program, Inc., (RurAL CAP), looked up from her desk and out the window at the thick blanket of snow covering the surrounding street and cars. It was March 2023 and the beauty was unmistakable, but so was the potential danger. In Alaska, cold weather magnified the challenges of inequitable access to economic opportunity, safe housing, and affordable energy. Nowhere was this more apparent than rural Alaska where communities were often virtually inaccessible during the long winter. These problems were exacerbated by an aging rural housing stock and an environment where both energy and home improvements were exceptionally expensive. Alaska Natives, many of whom lived in the isolated villages, were particularly hard hit.

These issues were at the heart of a new program being explored by RurAL CAP, a statewide nonprofit focused on improving opportunities for Alaskans experiencing poverty. RurAL CAP's most recent strategic plan, developed with and approved by its board of directors, envisioned a social enterprise with the potential to improve rural housing, address energy poverty, and improve arctic climate resilience across the state. Boyle, a 2014 MBA graduate from a top U.S. business school, was tapped to lead this effort.

The new social enterprise would provide access to energy-efficient improvements and technologies for individual homes and businesses across the income spectrum, including those located in rural communities. Boyle hoped to create a viable business model by leveraging two important RurAL CAP competencies. One was the organization's extensive expertise and capabilities in energy efficiency for housing through a weatherization team that had served rural, low-income Alaskans since the 1970s. Second, under federal law, RurAL CAP (and other community action organizations) could own for-profit subsidiaries, so RurAL CAP had launched and operated Rural Energy Enterprises (REE) since 1987. REE was a wholesale distributor of heating, plumbing, and outdoor living equipment throughout Alaska, as well as to other states and parts of Canada. Established as a wholly owned subsidiary, REE provided a source of unrestricted funding that RurAL CAP could direct toward its mission-driven goals.

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