



## **Southtown Matching Fund (SMF) Guidelines**

### **What is the Southtown Matching Fund (SMF)?**

The Southtown Matching Fund is a competitive grant program that supports community organizing projects and activities in Southtown. It seeks to unite and build a stronger community through collaborations and partnerships amongst residents and community organizations. This is what we call “community building.” During the course of a project, the process of bringing people together and building relationships along the way is as important as a completed project. Community building projects offer an opportunity for all segments of a neighborhood/community to participate in a project that will improve the quality of life in a specific neighborhood or community. Community building projects foster and sustain positive change, while honoring the culture, traditions, values, and relationships in that community.

Neighborhood-based groups and community organizations can apply for Southtown Matching Fund dollars to initiate, plan, organize and implement a project in partnership with Lighthouse Communities, Inc. The neighborhood or community matches the SMF award with contributions of volunteer labor, donated materials and professional services, or cash.

### **Projects**

For projects above \$3,000, the applicant must be an incorporated entity.

- Deadline for applications is November 6, 2009.
- Applications reviewed by Oversight Committee and Lighthouse Communities staff
- Notice of award within 30 working days.
- Applicants may be awarded a grant amount lower than the total grant amount requested.

### **Who Should Apply?**

- Neighborhood based groups or organizations/block clubs or groups of community members who want to do a project as a means of building a stronger community.
- Community members whose community extends beyond a single neighborhood, e.g. racial, ethnic groups, gay-lesbian groups, members of a disability community.

All applicant groups must have an open membership and actively invite involvement from new members. Applicants must represent people who live or own businesses within the boundaries of Southtown.

### **Awards are NOT made to:**

- Individual persons or businesses.
- Government agencies, political groups, universities, hospitals, newspapers, non-local organizations.
- Applicants who have failed to complete their projects funded in the two preceding years.

**To apply:** Contact the SMF Project Coordinator at (616) 451-9140 or visit our web site: [www.lcgr.net](http://www.lcgr.net).

### **What Kinds of Projects are Funded?**

To be considered for funding, a project must demonstrate it is **building a stronger and healthier community**. It must:

- Provide a public benefit, resulting in a project or activity that benefits the Southtown neighborhood or improves race relations and social justice, strengthening understanding of multi-culturalism.
- Emphasize self-help, i.e., neighbors/community members doing for themselves, in partnership with each other and with local organizations and local government.
- Involve neighbors/members of the community in planning, facilitating, coordinating and implementing the project thus increasing civic engagement and creating leaders.
- Address any activity that reduces property crime, gang activity, traffic and drug related incidents.
- Reduce the number of housing code violations.
- Implement programs that guide youth as they transition into adulthood; such as leadership development and academic achievement programs/activities
- Implement programs/activities which involve creative writing, music, theater, media and visual arts
- Implement programs//activities that support healthy-living within the community, as well as contribute to the overall state of physical, mental and social well being
- Be one of the Project Types (listed below).

### **Matching Fund Awards cannot be used to:**

- Duplicate an existing public or private program
- Replace funding lost from other sources or provides gap funding
- Pay for an organization's operating expenses that are not directly related to the awarded project
- Purchase land or buildings
- Pay for food, beverages, and/or catering services
- Pay for transportation or out of City travel expenses
- Pay for expenditures or financial commitments made *before* the organization is under contract with Lighthouse Communities.

- Pay for tickets to special events like the theatre, plays, movies, concerts, sports and other entertainment activities for youth or adults.
- Pay for giveaways during block club or neighborhood events.
- Pay for t-shirts

## **Project Types**

- 1. Reduce Crime & Increase Public Safety:** This outcome refers to activities aimed at helping reduce property crime, drug interaction, traffic issues and gang activity in the neighborhood.

A public safety issue is something identified by residents that negatively impacts their quality of life or threatens their safety and/or well-being. A public safety issue has been **successfully resolved** when it ceases to exist. The resolution of an issue or problem must be demonstrated by following the “Documentation Guidelines” designed for SMF projects. Sample crime prevention/public safety activities: Provide Home Security Checks, Court Watch Impact, Provide Victim Assistance Resources, Distribute Safety Materials. **PLEASE NOTE: If the SMF contractor is performing any crime prevention or public safety measures, he/she may be required to complete a minimum of eighty (80) hours or more of public safety training.**

- 2. Improve Housing Conditions:** This outcome refers to activities conducted to address housing code violations.

A housing issue refers to code violations, vacant homes or homes that place a health or public hazard threat, (re)development or construction concerns, and proper property maintenance. A housing issue is successfully resolved when it ceases to exist. Resident involvement is highly encouraged in the resolution of neighborhood housing issues. Sample Activities: Clean-up Projects, Assisting Residents w/Housing, Zoning Issues, and Removing Abandoned & Illegally Parked Vehicles.

- 3. Increase Neighborhood Based Leadership and Involvement:** This outcome refers to SMF activities that include residents in, or seeking to be in, leadership roles surrounding the resolution of neighborhood issues or assisting with a SMF project.

This outcome will be met when the results of a SMF activity include residents in, or seeking to be in, leadership roles surrounding the resolution of neighborhood issues or assisting with SMF activities.

A leader is someone who initiates, plans, implements, facilitates or coordinates activities and efforts to address neighborhood issues. The measure of success in completion of this

outcome will be determined by the number of residents in leadership roles and the number of residents involved\* in SMF activities. Sample Activities: Hold Board/Resident Training, Meeting w/Residents To Solicit Involvement/Leadership, Hold Positive Events.

\*Resident involvement refers to the number of residents that participate in contract activities in any capacity, including but not limited to, residents in leadership roles and residents simply participating in SMF activities.

4. **Increase Youth Development:** This outcome refers to SMF activities that guide youth as they transition into adulthood; such as leadership development and academic achievement programs.
5. **Increase Creative and Performing Art Programs:** This outcome refers to SMF activities that strengthen and expand art programs such as creative writing, music visual arts, theater, and dance.
6. **Increase Health and Wellness Information:** This outcome will encourage and support a healthy lifestyle within the community which contributes to the overall state of physical, mental, and social well-being.

*\*If you have a question regarding your specific project as to what category it belongs to, contact a SMF Project Coordinator at Lighthouse Communities, Inc.*

**Examples of Fundable Projects Include:**

- Block Parties/Special Events
- Neighborhood clean-ups
- Public Safety Training
- Resident Training
- Board development and recruitment
- Youth outreach/training
- Resource Fairs/Festivals
- Drug Free Zone Campaign
- Neighborhood Surveys
- School Partnership Project
- Setting up or expanding a block club or multiblock club

\*Provide Lighthouse a calendar of scheduled meetings to be held during your project period.

## **How Will Your Application be Reviewed?**

The application will be reviewed by an Oversight Committee who will use a set of criteria (SMF Scoring Criteria) to rate your project.

### **Project Idea (20 pts)**

- 1) Provides a good description of what the project is and why you want to do it.
- 2) Project furthers progress towards achieving the goals of the Southtown Revitalization Plan.

### **Builds Community (30pts)**

- 1) Resident/Owner involvement
- 2) Project promotes interaction and builds community
- 3) Project builds relationships among neighborhood leaders and enhances opportunities for communities to learn from each other and act as partners.
- 4) Project promotes meaningful youth involvement as a means of community building.

### **Outcomes (50 pts maximum)**

- 1) Description of how the neighborhood/community will be different as a result of this project with anticipated outcomes clearly identified.

## **Match Requirements**

All activities, including planning and design, neighborhood organizing, one time events, workshops or training, or race and social justice projects require 2:1 match (Lighthouse Communities, Inc. will match two dollars for every dollar pledged by the organization or block club group *Documenting the match is very important and match pledge forms should be submitted with the application.*

Following are requirements for eligible match:

- The amount and type of match must be appropriate to the needs of the project.
- All volunteer labor is valued at \$15 per hour.
- Professional services are valued at the reasonable and customary retail value of the product or service, not to exceed \$75 per hour.
- Volunteer time spent on fundraising, planning, design and organizing will be counted starting on the application due date.

## **Contracts and Public Funding**

If your project receives a SMF award, you will encounter certain requirements for use of public funds. Knowing a little about these requirements will help you plan your budget and timeline.

**Please pay special attention to the information regarding use of Public Funds below.**

**Contracts:** Award recipients get their matching funds by means of a written contract between the applicant and Lighthouse Communities, Inc. There may also be a third party: the organization's fiscal sponsor (see Fiscal Sponsor information sheet). This contract explains the terms and methods of getting the matching funds based on the budget and work-plan you propose in your application. Award recipients will be required to attend five (5) trainings through the Lighthouse Communities Leadership and Capacity Building Academy per year.

**You cannot begin to incur costs to be paid with the SMF award prior to having a contract in place with Lighthouse Communities, Inc.**

**\*501(c) 3 organizations must provide current non-profit status filed with the state in order to participate in the program. These organizations must also provide a listing of contact information for all board members.**

**Some Points About Public Funding:** Because the SMF is mainly funded by public dollars (City of Grand Rapids Community Development Block Grant funds -CDBG), there are conditions that apply to SMF projects. Being aware of those conditions now will help you plan your budget and timeline.

Award recipients get their money by means of a written contract between the applicant and Lighthouse Communities, Inc. There may also be a third party - the organization's fiscal sponsor (see explanation below). The contract explains the terms and methods of getting the money, based on the budget and workplan you propose in your application. **You will be required to document and substantiate the activities proposed on your workplan.** The money is provided to you in installments on a reimbursement basis. As you incur costs, you bill Lighthouse Communities, Inc. for the money; we send a check for the amount you claim; then you pay all your vendors. Included with each invoice submitted, you report to us on the match you have expended and on the project's progress. In the case of block club groups, Lighthouse will pay directly to vendors for expenses related to the SMF project. \*If you are unsure whether an expense is reimbursable, please contact Lighthouse prior to incurring any debt. Award recipients are required to submit to Lighthouse Communities progress reports on contract outcomes and activities on or before the dates and with the frequency indicated in the contract. Award recipients are also required to attend quarterly meetings to review project's progress.

**Fiscal Sponsor:** A group can serve as its own fiscal sponsor or, if the group does not have experience handling as much money as the project involves, can use a fiscal sponsor. Typically, fiscal sponsors charge a fee of 3% to 10% of the money they handle. That expense can be included in your budget.

An organization does not need to be an IRS-recognized non-profit charitable organization or 501(c) 3 to receive funding. However, donors cannot claim tax benefit for their donations to you unless you are, or are affiliated with, a 501(c) 3. If you plan to do significant fundraising, it makes sense to choose an IRS-recognized nonprofit 501(c) 3 as your fiscal sponsor. (Becoming a 501(c) 3 requires an IRS filing process, a fee, is a long process, and is not usually a practical option.)

A fiscal sponsor for your project can be a community-based nonprofit, a small or large business, or any group reliable, able, and willing to monitor your progress and to report to the IRS at the end of the year for you on the disposition of funds. The fiscal sponsor usually handles only the cash and not other kinds of donations to your project. You will still be held responsible for tracking and reporting on volunteer time and other donations.

If you want to be your own fiscal sponsor, Lighthouse Communities can provide advice on recordkeeping systems and with acquiring an IRS Employer Identification Number. You will need to make annual reports to the IRS about disposition of the money you have received.

**Insurance:** If your project is funded, Lighthouse Communities will provide insurance covering volunteers while working on the project. If this is considered to be a risk, you will be asked to purchase Commercial General Liability insurance for the project to limit the liability of your organization and Lighthouse Communities, Inc. Depending on the project's scope, the price will range from \$300 to \$1,000. Organizations entering into a SMF are required to meet the insurance requirements indicated in the contract prior to commencing the project.

**Competitive Bid:** Lighthouse Communities requires that you give opportunity to a broad set of businesses, to bid on the work you are generating. Lighthouse Communities encourages opening that opportunity to women and minority-owned businesses in Southtown. If you wish to secure consultant services, you must solicit at least three responses to a written scope of work. If the consultant is to receive more than \$10,000 of SMF funds, you must advertise for those services. Vendor or contractor services (such as printing) of more than \$5,000 must also be advertised and selected only after receiving three written bids.

## **Steps in Developing a Project**

1. Select a Community Building Activity or Project and Build Support within the Neighborhood or Community  
Choose a project that will generate as much community support as possible and that addresses a known problem, concern, or opportunity for making positive change.
2. Contact Lighthouse Communities, Inc.  
You must meet or have some contact with a SMF Project Coordinator to discuss your project idea before applying for SMF funds. Call Lighthouse Communities at (616) 451-9140.

3. Determine Resources Needed

Determine all the resources that will be required, such as professional expertise, equipment, supplies, volunteers and services. If you expect a City department to provide a service, contact them in the earliest stages of planning to determine the cost.

4. Develop a Project Budget

After you list needed resources, begin to estimate costs in order to do a budget. Get cost estimates for each budget item from more than one reliable source. Keep careful notes of all conversations with vendors or contractors that involve estimates.

5. Determine the Match

Identify all possible match resources (cash, donated resources, professional services or volunteer time) and follow the guideline covering Match Requirements.

6. Research Regulations

Many projects need permits, insurance, or design review before proceeding. Find out what regulations and permits apply to your project.

7. Keep in Mind these Suggestions to Help You Complete a Competitive Application and remember the goal of the SMF is to create healthier, more vibrant communities.

- Plan for community participation before you develop the application. This will build support for your project and may avoid problems later on in the process.
- Create a timeline, starting with the application due date and working backward. Allow adequate time to publicize community participation events.
- You must use the budget forms provided in the application or replicate them exactly. Forms are available in a digital format (or upload it from: [www.lcgr.net](http://www.lcgr.net)). However, only printed-out paper copies with attachments, and one with a real signature, will be accepted.
- Assume that reviewers are not familiar with your community. Include documentation and relevant data. Clearly describe how this project will build community, the public benefit and the opportunities for broad-based public participation.

A complete application includes: any necessary attachments in 8 ½ x11 format, an original application, workplan, budget and documented match. All applications must be signed by the chair or president of an organization or designated block club leader. **Late applications will not be accepted.**

## **Match Tips**

**Match Requirement:** All activities such as planning and design, neighborhood organizing, one-time events, workshops or training, or race and social justice projects require **2:1 match** (Lighthouse will provide \$2 for every \$1 of neighborhood investment/match).

To begin, list all the resources needed for the project. Then identify which items might be available in the neighborhood/community and solicited as match for the project.

**Volunteer Labor:** Pledges of volunteer labor can be documented by using pledge sheets. A pledge sheet is a list of volunteers who have made a commitment of time to work on the proposed activity or project. Pledge forms are available with SMF application forms and should include the name and address of the volunteer(s), the number of hours pledged and type of work to be completed. All pledge sheets should be attached to the application.

**Professional Services:** Can be counted as match at their customary rate (not to exceed \$75 per hour) assuming the services provided are needed by the project and valued in proportion to the needs of the project. Applicants should decide early on whether professional services will be donated to the project or purchased with SMF funds. An individual or business - whose services will be purchased with SMF funds - cannot pledge volunteer time to be counted as match.

The donors of professional services must document the hourly value of their services on their letterhead. Examples are web designer, landscape architect and graphic designer. The SMF will recognize the value of professional services at their customary rates.

**Donated Materials or Supplies:** Are valued at their retail price, i.e., food and borrowed tools. Borrowed equipment can also be considered as part of the match and valued at the standard rental fee. The donor must provide documentation of the value and quantity of the match.

**Cash:** Donations may be secured with a written pledge signed by the donor, rather than collecting the cash up front. If you have money in the bank, include a bank statement or a letter from the fiscal sponsor documenting the cash. A detailed fundraising plan must be included with the application. The fundraising plan should specify fundraising activities, including how much money is expected from each activity, when each activity will occur, and which grant-makers will be applied to. The fundraising plan should demonstrate to reviewers that the applicant has planned and will manage this aspect of the project so as to raise adequate funds within the six months after the application is submitted.

**Lighthouse Communities, Inc. will not issue donation receipts for goods or services given to Southtown Matching Fund projects.**

*Disclaimer: Lighthouse Communities, Inc. reserves the right to amend these Program Guidelines at any time.*