

THE KRESGE FOUNDATION

Kresge Innovative Projects: Detroit

Application Guide

**The Kresge Foundation
Troy, Michigan
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Introduction

The Kresge Innovative Projects: Detroit Grant Program is a new, multiyear initiative for transformative improvements to conditions in neighborhoods in all seven Detroit City Council districts. Through it, the Kresge Foundation's Detroit Program seeks to respond to community objectives expressed during the Detroit Future City planning process by providing resources for projects that support the vision and creativity of the city's residents in neighborhoods.

The program will support projects that:

- Take place within the city and are led by a Detroit-based nonprofit organization;
- Demonstrate a transformative impact;
- Fulfill the Detroit Future City strategic framework and advance neighborhood priorities (see Appendix section);
- Use inclusive, collaborative processes for design, development and implementation;
- Extend benefits to a broad set of stakeholders and community residents; and
- Will be completed in 12-18 months from the date of the grant award.

In addition to providing funding for project implementation and project planning, the program will provide technical and project-management assistance to grantees in support of their projects.

Two Types of Grants

Through this new initiative, the Detroit Program will provide support through implementation grants and planning grants. While Kresge is particularly interested in supporting "shovel-ready" projects through implementation grants, we will also award planning grants for strong project concepts.

Grants are expected to be made in each of the seven Detroit City Council districts.

Implementation Grants

Implementation grants of \$50,000 to \$150,000 each will fund shovel-ready projects that can begin in early 2015. Strong preference will be shown for projects for which a majority of funding (50 percent to 100 percent) would be provided from Kresge's implementation grant.

Site control

Kresge will expect implementation grant applicants to address control of the project site. Kresge defines site control as having any of the following in place with no delinquent tax liability:

- Ownership

- Purchase agreement
- Long-term lease agreement

Kresge will show preference for proposals with one of these forms of site control. Proposals for projects with other site-control situations will be considered on a case-by-case basis. Additionally, a grantee must hold the required permits/approvals for a project prior to payment of implementation grant funds.

Projects receiving implementation grants must be completed by Aug. 31, 2016.

Kresge expects to award at least one implementation grant in each of the seven Detroit City Council districts.

How May Implementation Grant Funding Be Used?

- Staff and/or consultant time devoted to the project.
- Capital expenses.
- Sub-grants or contracts to partner organizations for project work.
- Project materials and supplies.
- Fees for permits and other regulatory costs associated with the project.
- Costs associated with community outreach and communications efforts, including community events on the project site.
- Administrative and overhead costs related to the project.

Planning Grants

Organizations with strong but not-yet shovel-ready projects may apply for a planning grant of up to \$25,000.

Planning grants will support development of project concepts and proposal documents, which may be submitted for consideration as part of the 2015 call for proposals. As project site control (as defined above) will be a requirement for the next round of implementation grants, each planning grant applicant should outline a plan for obtaining control of its proposed project site.

By Aug. 31, 2015, planning grant recipients will be expected to submit expected project outcomes, a detailed project work plan, a project budget, a description of project partnerships and a list of necessary permits and approvals.

Kresge expects to award planning grants on a competitive basis citywide.

How May Planning Grant Funding Be Used?

- Staff and/or consultant time devoted to the planning effort.
- Costs associated with community outreach and communications efforts.
- Costs of meeting rooms and/or equipment rental required for the planning effort.
- Costs of refreshments and/or child care provided during community meetings.
- Sub-grants or contracts to partner organizations.
- Administrative and overhead costs related to the planning effort.

Eligibility

This grant opportunity is open to nonprofit organizations and partnerships among nonprofits. The lead applicant must:

- Be incorporated in the state of Michigan, located in and primarily serving the city of Detroit;
- Have at least two years of operational history;
- Have the equivalent of at least one full-time person on staff (instructions for calculating full-time equivalents are in the Appendix section);
- Have an IRS 501(c)(3) designation or operate under a college or university; and
- Be able to provide an independently prepared audit for the most recently completed fiscal year that follows Generally Accepted Accounting Principles or Government Audit Standards. Organizations with annual budgets of \$250,000 or less may provide a qualified financial review or IRS Form 990 for the most recently completed fiscal year in place of the audit.

The lead applicant may not be:

- An elementary or secondary school,
- A religious organization,
- A for-profit organization,
- An individual

The Application

Overview of process

We invite interested organizations to submit proposals for implementation or planning by 5 p.m. Eastern time on Tuesday, Dec. 2, 2014, using Kresge's online application system. Please note that if you cut and paste information from other documents, all formatting (e.g., underline, bold, special characters) will be lost. A number of documents, detailed below, will need to be prepared

in advance for upload. A PDF is the preferred format, although Microsoft Word (DOC, DOCX) and Microsoft Excel (XLS, XLSX) are also acceptable.

Organizations may submit one application for an implementation grant and one for a planning grant. Kresge will not award more than one grant per organization.

Each proposal should succinctly yet comprehensively outline the project concept. Proposals should include all documentation as required below.

Please note that requirements for implementation grants and planning grants differ.

Kresge Detroit Program staff will make final funding decisions. We expect to announce both planning and implementation grant awards in February 2015. Grant periods will begin on Mar. 1, 2015. Funding decisions as part of this grant program are independent from those of other Kresge Foundation programs and will neither affect nor be affected by decisions of other programs, nor by decisions related to other initiatives within the Detroit Program.

Required Documents for All Applications

- 1) **Letter of request** – On applicant’s letterhead, signed by an individual (typically the chief executive officer) authorized to enter into contracts on behalf of the organization.
- 2) **Narrative** – Written to concisely address the 10 points below. Organizations are expected to respond to the following questions within *five pages*.
 - A. Provide the geographic location of your proposed project site, either a specific address or the nearest intersection.
 - B. Provide the Detroit City Council district in which the project will take place.
 - C. Describe the proposed project, including its objectives and anticipated impact on the neighborhood. How will the project benefit a broad set of community residents and stakeholders?
 - D. Describe how the proposed project aligns with the Detroit Future City Strategic Framework Plan and neighborhood priorities.
 - E. Provide a detailed timeline and work plan for the proposed project work (either implementation or planning). Can the proposed work be completed in the required time frame (12-18 months for implementation grants, six months for planning grants)?
 - F. Describe your past efforts to engage and support the local community. How have these practices benefited local residents and how have they informed the proposed project?
 - G. Describe how your organization will use inclusive, collaborative processes to design, develop and implement the proposed project. What partnerships will be necessary to successfully complete the project (including partnerships with

organizations for design, engineering, contracting and other services where needed)?

- H. Briefly describe past projects that your organization has developed, implemented and maintained in support of community goals. Who from your organization will coordinate and execute the proposed project, and what relevant past experience do they have?
 - I. Briefly discuss the current status of the project site control. Does your organization have control of the project site as defined above? If not, tell us more about the current status of the site and its impact on the project timeline.
 - J. Provide a list of the permits and approvals necessary to implement the project (*implementation grants only*).
- 3) **Financial statements** – A copy of your audit, qualified financial review or IRS Form 990 from the most recently completed fiscal year. Organizations with annual budgets of more than \$250,000 must submit an audit.
 - 4) **Organizational budgets** – The organization’s operational budget-to-actual for the two prior fiscal years, the current fiscal year budget and a projection of the next fiscal year.
 - 5) **Demographic data sheet** – Available in the [Kresge library](#) online. You’ll also find links to the data sheet within the online application system.
 - 6) **Board member list** – Current board members, with officers noted, and all members’ professional affiliations. Please identify any community representatives as a “volunteer” or “community member.”
 - 7) **Grant-request personnel** – The names and qualifications of the key individuals who will lead and manage the work described in this request. For each individual, please describe the expertise and experience he or she brings to the work.
 - 8) **Line-item project expense budget** – The budget should correspond with the activities described in the proposal narrative and the budget time frame should match the proposed project timeline. [Click here](#) for a sample budget format.

Special Requirements for Implementation Project Requests

Organizations applying for an *implementation grant* must also upload the relevant documentation to confirm the site-control status as described in your narrative. Kresge expects applicants to address control of the project site as defined above on pages 2-3.

Supplemental Supporting Documents

Organizations applying for an *implementation grant* or *planning grant* are invited to submit up to two separate supplemental supporting documents, which may include visual depictions and support drawings or other relevant planning documentation.

Proposals that do not include supplemental supporting documentation will not be not penalized.

Review Criteria

A competitive project concept will:

- Demonstrate a transformative impact in its Detroit neighborhood.
- Fulfill the Detroit Future City Strategic Framework Plan and advance neighborhood priorities (see Reference section). For example, such projects might:
 - Creatively use vacant land and open space
 - Strengthen neighborhood identity
 - Enhance quality of place
- Have clearly defined and achievable timelines.
 - Projects proposed for implementation grants will be able to be fully completed within a 12- to 18-month period beginning Mar. 1, 2015.
 - Projects proposed for planning grants will be able to fully complete the planning process within a six-month period beginning Mar. 1, 2015 to be eligible for the next round of implementation grants.
- Use inclusive, collaborative processes for design, development and implementation.
- Extend benefits to a broad set of stakeholders and community residents.
- Rely on this grant for a majority (50 percent to 100 percent) of its total implementation costs (*for implementation grants only*).
- Address project site control (defined as ownership, purchase agreement or long-term lease agreement) with no delinquent tax liability (*for implementation grants only*).

Successful lead applicants will have:

- Sufficient organizational capacity to coordinate and execute projects of the scope and scale described here,
- A history of community engagement, and
- A track record for developing, implementing and maintaining projects that support community goals.

Reporting Requirements

All projects funded by an implementation grant are to be completed within an 18-month grant period beginning on Mar. 1, 2015. Project planning funded by a planning grant must be completed within a six-month grant period beginning Mar. 1, 2015.

The Kresge Foundation reserves the right to review any grant decision, dependent on the organization's performance and plans.

Grant reports will be due **30 days** after the completion of the grant period.

Grant reports will include both a narrative and financial component, with an emphasis on this project as a learning experience for your organization, other organizations and The Kresge Foundation. This information will help refine and strengthen the foundation's strategies, and help advance the work of our partners. More on Kresge's commitment to learning and evaluation is included below.

Specific grant report details will appear in the grant agreement.

Organizations with an annual operating expense budget greater than \$250,000 must submit their most recently completed audit along with the grant report. Organizations with an annual operating expense budget of \$250,000 or less must submit at its most recently completed qualified financial review or IRS Form 990 by the end of the grant period.

Kresge and the Detroit Program's Commitment to Learning and Evaluation

As a new initiative focused on community-led projects, this grant program represents an opportunity for Kresge to learn alongside community partners. In addition to supporting transformative improvements to conditions in neighborhoods, we want to learn what approaches best advance community priorities for revitalization and how Kresge can best support those approaches. To that end, as grantees funded through this program engage in project work we will ask each to think about things like:

- The factors that were most important in successfully completing the project,
- The roadblocks or challenges that made it more difficult to achieve project goals, and
- The lessons learned during the grant period that would be helpful to similar organizations working on neighborhood projects.

More detailed questions will be included in grant agreements. As part of final grant reports submitted when project work is complete, we will ask for responses to those questions and a short account describing how project work has made a difference in the lives of people living in Detroit.

Questions

Please email InquiryDetroitCommDev@kresge.org or call 248-643-9630 to have your question routed to the most appropriate person.

Appendix 1

The Kresge Innovative Projects: Detroit grant initiative seeks to respond to community objectives expressed during the Detroit Future City planning process by providing resources for projects that support the vision and creativity of the city's residents in neighborhoods. As part of the initiative's review criteria, Kresge will consider the extent to which a proposed project aligns with and fulfills the DFC Strategic Framework Plan to advance neighborhood priorities.

We have summarized below four DFC priorities that The Kresge Foundation is most interested in advancing through this grant program. For more information on the DFC Strategic Framework Plan and the DFC Implementation Office, we encourage you to visit detroitfuturecity.com.

Transforming Vacant Land into an Innovative Open-Space Network

The availability and strikingly poor condition of vacant land is one of the most widely perceived characteristics of Detroit's current condition. While vacant land is often cited as one of Detroit's greatest liabilities, the DFC Strategic Framework views such land as a potential asset in the city's transformation. With nearly 70,000 parcels owned by the city of Detroit, these land assets can be leveraged to create a new green and sustainable city unlike any other in the world. For more information, see detroitfuturecity.com/priorities/land-buildings-resources/

Strategic and Innovative Renewal of City Systems

As Detroit has faced continued disinvestment and depopulation, its size and existing city systems have remained the same. Detroit has the opportunity to rethink its city systems – water, waste, energy, transportation and communications – to deliver services at a level that is appropriate for the needs of each area of the city, while reducing unneeded capacity and cost. For more information, see detroitfuturecity.com/priorities/city-systems/

Fulfilling Policy and Regulatory Reform

Detroit has changed dramatically since the mid-1900s and the policies and regulations used to guide development in the city require similar change to acknowledge a smaller population, prepare for a larger economy and incorporate new, innovative land uses. The city's master plan needs to be updated to elevate its status and utility – making it more accessible and creating transparency and certainty for stakeholders. Innovative projects can help push these crucial discussions. For more information, see detroitfuturecity.com/priorities/land-use/

Stabilizing Neighborhoods

One of the underlying intentions of the DFC Strategic Framework is to address quality-of-life challenges that affect all Detroiters and neighborhoods throughout the city, such as first-rate public safety and an attractive landscape in good physical condition. For more information, see detroitfuturecity.com/priorities/neighborhoods/

Appendix 2

Instructions for calculating full-time equivalent staff (FTE)

To calculate the FTE for your organization:

1. List every paid staff member. Contract staff may be counted if they act for the organization in a staff role on an ongoing, multiyear basis: for example, a part-time director, curator or artistic director; a paid docent giving tours to school groups throughout each year; a person who coordinates public relations and marketing for the organization and its programs throughout the year; or an accountant. Individuals whose employment is related only to a specific project or short-term contract should not be counted.
2. For each person, estimate the total number of hours worked in a year. Then add the total for the entire group.
3. Divide the total by 2,080 – that’s the number of hours in a year for a full-time employee working 40 hours per week. For example, 3,120 hours is 1.5 FTE, or the equivalent of one full-time and one half-time staff member.
4. Report the FTE number as part of your grant narrative.