REQUEST FOR PROPOSALS
Change Capital Fund to Advance Community Ownership
June 30, 2022
Proposals Due 9/14/22

I. Summary
In many of New York City’s lowest income neighborhoods, residents are working together to organize, inventory potential development sites, and acquire and develop property for community benefit and ownership. Change Capital Fund (CCF), a funder collaborative which has supported New York City’s Community Development movement for 25 years, is seeking to build momentum for these efforts by providing funding to selected nonprofit, community-based organizations leading efforts to control and operate community assets.

CCF will provide grants of $150,000 per year for up to four years contingent upon CCF’s availability of funds and grantees’ demonstration of progress. In addition to the core grant of $150,000, during this four-year cycle, CCF grantees may apply for additional funding for development consultants and partners through a separate TA/Development Assistance Fund (average $70,000 per year, per grantee).

Projects directed by community members and sustained through community ownership may be developed as permanently and deeply affordable housing, community facilities, and/or economic development projects/businesses. Ownership may be in the form of community land trusts; commercial community land trusts; limited equity coops; worker coops; community investment trusts or other community ownership entities. CCF will prioritize funding for community organizations that are BIPOC-led and serving communities that have been impacted by racial and economic inequities. Grantees will demonstrate progress in organizing community members, developing member leadership, establishing project feasibility, developing community-led plans, and acquiring, developing, occupying and managing property to meet community goals and other requirements.

CCF core grants may be used to cover the costs of staff, overhead, and consultants to support proposed project(s). Grantees will need to secure separate financing for property acquisition/site control and pre-developmentdevelopment costs. We expect to make about 8 grants in New York City.
II. Proposal Submission & Evaluation Schedule

This Request for Proposals (RFP) is to select finalists. Representatives of finalists will be interviewed and may be asked for additional information. We expect grantees to be announced by end of 2022. **Proposals are due Wednesday, September 14, 2022.** Questions may be submitted to [info@changecapitalfund.org](mailto:info@changecapitalfund.org). Our planned schedule is as follows:

- **June 30, 2022:** RFP Issued
- **Tuesday, July 26, 2022 from 3 pm – 4 pm:** Information Session via Zoom (invited, not required, Q&A will be posted to CCF’s website): [https://us02web.zoom.us/meeting/register/tZwocOihrzsrE9FSErueE6r724-0Hpw5wzJbt](https://us02web.zoom.us/meeting/register/tZwocOihrzsrE9FSErueE6r724-0Hpw5wzJbt)
- **Wednesday, September 14, 2022:** Proposals Due (First Cut)
- **Mid-October:** Finalists announced
- **Thursday, November 3, 2022:** Finalists’ supplemental responses due to CCF
- **November 9\(^{th}\), 10\(^{th}\), 15\(^{th}\), 16\(^{th}\), 17\(^{th}\):** CCF Funder Interviews of Finalists (**Important:** Please hold these dates for interviews)
- **Mid-December:** Grantees Announced

III. Introduction

Recognizing that ownership is power, community members, often feeling threatened by displacement, are working collectively to shape and secure their better future by gaining control of community assets. Longstanding policies and practices related to land ownership have perpetuated unequal investment and marginalization of neighborhoods. Building on the history of tenant-owned cooperative HDFCs, the Cooper Square Community Land Trust and CLTs in other parts of the country, many BIPOC communities are organizing for community control and shared ownership and against top-down land use and planning decisions as part of a larger movement for racial and economic justice. In seeking to engage their communities in planning and decision-making, to formalize community governance structures and to pool resources for collective benefit, residents are creating paths to more just and equitable outcomes. Community organizations have been taking inventory of publicly owned parking lots and vacant properties, privately held properties kept vacant by speculators, housing infested with code violations, properties at risk of foreclosure, and others and working to acquire the sites for community purpose. Plans for their re-use include deeply and permanently affordable housing, community facilities, business incubators and social-purpose businesses.

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1 We refer to the concept and definitions here: [https://www.brookings.edu/essay/the-emerging-solidarity-economy-a-primer-on-community-ownership-of-real-estate/](https://www.brookings.edu/essay/the-emerging-solidarity-economy-a-primer-on-community-ownership-of-real-estate/)
IV. **CCF Goals**

Change Capital Fund’s vision is that organizations in low-income and historically disinvested communities shape their communities’ future by controlling the development of real estate assets. Through funding such organizations, Change Capital Fund seeks to:

- **Promote Community-Led Models:** CCF will support organizations working to develop projects (including projects submitted for this proposal) as determined and directed by community members through organizing and community-engaged planning. These projects will benefit individual, low-income community members and the community as a whole.

- **Build the Capacity of the Field:** CCF will invest in organizations working to determine their community’s future through organizing for collective ownership and to strengthen collective ownership as a viable and replicable alternative to the current real estate market.

- **Spur Investment and Systems Change:** CCF seeks to help raise the profile for collective ownership and to help generate additional resources to proliferate successful models of community ownership.

- **Advance Racial Equity:** CCF will prioritize organizations directed by BIPOC leaders which center racial equity in their decision-making and work to improve housing, social and/or economic outcomes for their communities.

- **Contribute to Environmental Health:** CCF will favor projects which advance environmental justice and are designed in consideration of the urgent environmental crisis.

- **Learn:** CCF plans to share information with funders, grantees and other stakeholders to increase learning about community ownership.

V. **Eligibility**

**Eligible grantees:** CCF will select among applicant organizations in NYC seeking to organize and to develop projects directed by, to benefit, and, ultimately, to be owned by the “community,” as further defined below. Applicants must meet the following threshold criteria:

- **Nonprofit:** 501(c)(3) organizations OR identified nonprofit fiscal sponsor.
- **Community-based:** Based in and organizing with a community that may be defined by geography, culture, and/or mission-alignment and which is comprised of and designed to benefit low- and moderate-income people (primarily households earning <80% of AMI).
- **Community-driven:** Highly engaged and interactive with the identified community members, who are directing the proposed project.
- **Project driven:** Has identified or plans to identify one or more sites for the purpose of creating one or more community-led, community-purpose projects to be owned by the community.

CCF will prioritize organizations that emerge from and are led by BIPOC communities and communities that have been historically disinvested, i.e., by redlining, to build the capacity of these organizations to meet self-determined needs.

CCF does not require that applicants have prior real estate development experience, however, we expect that organizations without such expertise will need a development partner and/or development consultants. These costs should be reflected in the proposed core and/or technical assistance budget.

**Eligible projects:** Eligible projects will be directed by the community for the benefit and ownership of the community. CCF will prioritize selection of proposed projects that are more likely to be fully realized or in development by the end of CCF’s four-year cycle.

Projects may include:
- Deeply & permanently affordable housing
- Community facility
- Community economic development projects seeking to acquire land and/or buildings for social purpose businesses, incubators, worker coops, community farming, food hubs
- Mixed use projects

**Ownership structure:** It is CCF’s intention to fund projects that will be collectively owned by the community. Anticipated forms of ownership may include:
- Community land trusts
- Commercial community land trusts
- Limited equity coops
- Worker coops
- Community investment trusts
- Community-owned solar initiatives
- Other forms of community ownership.

**VI. Grant Uses and Purposes**
CCF anticipates providing grants of up to $150,000 per year over a period of four years. Our grant funding is not intended to cover acquisition or development costs.

CCF funding is meant to be flexible; uses may include:
- Staff salaries and benefits for organizers and/or project managers
- Organization overhead
- Consultants
- Training of staff, board members and participants/members
- Community leadership development including training and/or stipends for volunteers
• Base-building/power-building strategies to build collective influence over systemic factors that affect community conditions

**Technical assistance (TA):** CCF will convene grantees periodically to support information sharing and accelerate learning. In addition, CCF will establish a technical assistance fund of about $560,000 per year, beyond the core grant, to help grantees cover consultant costs, e.g., for site feasibility studies, legal help, development partners and other consulting fees, as funds are available. We estimate that this fund will provide an average about $70,000 per year per grantee each year over four years, however, these funds are not guaranteed. CCF will consider requests as they are made. CCF will pre-qualify consultants and share a list with grantees. CCF will vet any consultants proposed by grantees which were not pre-qualified.

VII. Grantee Activities, Grant Disbursement, Reporting and Other Deliverables

- CCF anticipates that all grantees will participate in periodic (about four to six times per year) meetings with other grantees to share learning and accelerate progress.
- Annual core grants will be disbursed in two payments at the beginning of the year and at the beginning of the 7th month of each year. CCF anticipates renewing grants for up to four years based on performance and availability of funds.
- CCF will require a mid-year and year-end report each year for four years.
  - Mid-year reports will be due on the last day of the 5th month of the year and a satisfactory report will trigger the second grant payment.
  - Year-end reports and brief budget and narrative proposal for the following year will be required at the end of the 11th month of each grant year. A satisfactory report and proposal will trigger renewal contingent upon availability of funds.
- Reporting formats will be specified and are likely to require information related to:
  - Development of community leaders
  - Organizing progress including increased engagement of community members, campaigns launched and advanced, increased resources generated as a result of campaigns, improved policies and program innovations to grow the ability of communities to direct their future
  - Development progress such as feasibility studies of proposed site(s), site control, financing (soft and hard approvals), development, occupancy of new community-directed projects benefitting low-income, historically disinvested people and neighborhoods
  - Innovations/models in engagement, program, development, financing, and/or ownership
  - Increased capacity of your organization or partnerships
  - Budget updates
VIII. Proposal Requirements: For consideration, please complete and submit the on-line application at www.changecapital.com with the following information by Wednesday, September 14.

A. Cover Sheet Questions (Threshold Eligibility)
   a. Is your organization a nonprofit 501(c)(3) organization or do you have a fiscal sponsor that is a nonprofit 501(c)(3)? If fiscal sponsor, please name.
   b. Please describe your community for the purposes of this proposal/project, including: how ‘community’ is defined (e.g., geographic, other); income level, demographic information, size in numbers.
   c. Please briefly describe your organization's history organizing in your community.
   d. How has your community been impacted by racial and economic inequities?
   e. Briefly describe the proposed project you wish to create over the four years of CCF funding? (e.g., housing, community facility, economic development)?
   f. What is the anticipated form of ownership of this project? Please describe the project’s planned structure, governance, and membership.

B. Significance of Proposed Project to Community (20 Points)
   a. What is the significance of this project to your community? Who will benefit?
   b. Please list up to 5 key projected project outcomes for end of year one as you choose to define them. Possible outcomes might include stage of project completion, # and type of beneficiaries (e.g., tenants, employees, leaders developed, community members), projected income levels of beneficiaries, services delivered, community level impacts (e.g., empowerment, environmental health, quality of life).
   c. Please list up to 5 key projected project outcomes for end of year 4 as you would define them. Possible outcomes might include stage of project completion, # and type of beneficiaries (e.g., tenants, employees, leaders developed, community members), projected income levels of beneficiaries, services delivered, community level impacts (e.g., empowerment, environmental health, quality of life).

C. Strength of the applicant organization/partners (20 points)
   a. Provide names and a few lines about the qualifications of the key people currently leading this project.
   b. Describe your organization's track record in project development and project management relevant to the proposed project. Include performance metrics and outcomes.
   c. Please provide the name and qualifications of any partners you intend to work with as either partners in the grant or TA partners. In a few words, describe their intended role.

D. Leadership, decision-making and theory of change (20 Points)
   a. Describe your decision-making process/governance structure. How do you center people of color in decision-making?
   b. Please attach a chart, using the format below, showing representation of community demographics as relates to Board Leadership, Staff Leadership, Project Participants.
### Race/ethnicity

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#### E. Community empowerment (20 Points)

a. Describe your process for arriving at your proposed project. How did you organize/engage community? How was the project formed? What voices were/are/will be at the table? Who facilitates, participates in, leads meetings?

b. If community is geographically defined, is the organization physically based in the community?

c. How are members and/or residents groomed to take on leadership roles in community organizing and project decision-making?

d. What % of project participants are from your community, as you defined it?

#### F. Likelihood of completing (or starting) development within four-year cycle? (20 points)

a. Please briefly describe potential site(s) you may have identified for the purpose of creating one or more community-led, community purpose projects.

b. Site address(es)/location(s)

c. Current occupancy of the site

d. Current ownership

e. Size of the site

f. Have you conducted a feasibility study of your proposed site(s)? Please describe results.

g. Do you have site control? If no, what are your plans for gaining control?

h. Please explain how you expect to finance acquisition and/or development of your site (understanding you may not yet know). Include $ Projections even if estimates.

#### G. Technical Assistance (TA)

Please describe your technical assistance needs as best you can anticipate them at this point (e.g., what do you need to learn? What consultants might you want to hire?) You will not be held to these projections. CCF is collecting this information as we consider TA resources.

#### H. Required Attachments:

- **Projected Program Budget**: Attach a 4-Year CCF projected grant budget. In the rows, list key positions, consultants and overhead expenses (see format below, add rows to itemize). Please also include a list of other sources of funding for the proposed project operations, if any (use format provided). CCF encourages applicants, particularly those without prior development expertise to include fees for development partners and/or consultants in your core and/or TA budget. TA funds will be requested and reviewed through a separate process after grantee selection is final. Award of TA funds are not guaranteed for any given year or over four years. We understand your projections may change.
Current Year Organization Budget

If you have it, please attach a project development pro forma for each site being proposed. If not, please list, anticipated amounts and sources of funds for acquisition, pre-development, development and permanent financing.

Selected finalists only will be required to provide by November 3, 2022:
- IRS 501©3 letter of applicant or fiscal sponsor
- 2-years financial audited statement of applicant or fiscal sponsor
- Project pro forma identifying likely source of funds for acquisition and development
- List of board of directors, including professional affiliation and noting officers
- Letters of support from local community board, City Council Member, Borough President, State Assembly Member, and/or State Senator