



ECM PARISH-BASED COMMUNITY ECONOMIC DEVELOPMENT PROGRAM GUIDELINES

Self-Sustaining Social Enterprises

ECM's Parish-Based Community Economic Development Program provides funding for congregations to launch parish-sponsored businesses to benefit their communities. The long-term goal of the program is to promote self-sustaining enterprises with a social mission. The social enterprise should promote economic development in the congregation's neighborhood or community and have a double bottom line – both an economic and social return. Examples of enterprises that ECM may consider for funding include:

- After school child care
- Child day care
- Elder day care
- Educational work, ESL, professional training
- A job cooperative
- Transportation
- Moving company
- Health care cooperative
- House cleaning service
- The arts – an art gallery, music ensemble, performing arts group
- Food catering services
- For-profit housing
- Environmental initiatives

Preference will be given to social enterprises that assist low-income individuals and families, or where low-income and immigrant members are part of the parish or project leadership.

ECM will offer:

- Recoverable grants for technical assistance and feasibility studies;
- Start-up funding;
- Long-term capital investment;
- Oversight and accountability,
- Technical assistance

Pre-venture congregational planning grants

ECM will offer pre-venture refundable grants to congregations up to \$20,000 to explore the feasibility of a parish-based business venture. Pre-venture grants will give a congregation funding to do the initial analysis and develop a business plan. Grants will be awarded based on the initial program idea, how it promotes local community development, the potential to assist low-income individuals and families, and the likelihood of success. Preference will be given to projects where low-income and immigrant members are part of the parish or project leadership.

Start-up capital

After completing an initial feasibility study, the congregation could then apply to ECM for a start-up loan, construction loan or development capital. The application would include a complete business plan and a request for a loan or equity. The request would be considered based on the project's ability to meet the double bottom line test - both an economic and social return. The investment terms would be negotiated with the Parish-Based Community Economic Development Task Force based on the project's characteristics.

Investment phase

ECM's investment could be structured as debt, subordinate debt, guarantees, limited partner, or equity investment. The investment would be evaluated by ECM on the risk/reward characteristics of the investment adjusted for mission and an overall target program portfolio return to ECM. In addition, ECM could assist the parish with applications for social venture financing from other financial intermediaries who specialize in this work. ECM would accept below-the-market returns in some cases when limited returns are necessary to make the project viable. Self-sustainability needs to be expected in five years for a project to be considered for ECM investment.

Application Process

Cover Sheet

Prepare a summary page to provide essential information about the congregation, the contact person and the proposal. Please include the following:

1. Date of Application
2. The name of the congregation sponsoring the business.
3. The key business contact (please include title, mailing and email addresses, day and evening phone number and parish affiliation.)
4. The congregational contact if different than #3 above, clergy, and Senior or Junior Warden (please include title, mailing and email addresses, day and evening phone number.)
5. The name of the business for which you seek funding
6. The amount requested for the business venture
7. Project summary in one or two paragraphs
8. Dated signatures of the contact person and clergy

Proposal Narrative

Include a complete description of the request that will include:

1. The type of business proposed
2. What is the expected outcome
3. Market demand for this business
4. Describe the specific activities of the business. Include who will implement them and where they will take place.
5. State what financial resources are needed to carry out this business
6. Describe the key features that will be used to evaluate the success of the project

Proposal Budget

Submit a budget including all income and expenses for the business. Also include all in-kind support. Please use the budget template attached (it can also be found as an Excel file on our website at www.EpiscopalCityMission.org under Resources.)

Submission

Submit completed application to:

Ruy Costa, Executive Director
Episcopal City Mission
138 Tremont Street
Boston, MA 02111

Contact Information

Questions? Please contact Ruy Costa at rcosta@diomass.org/617-482-4826 ext. 208.

Proposed Budget

PROJECT NAME:			
PARISH:			
KEY BUSINESS CONTACT:			
	CASH	IN-KIND	TOTAL
Income			
Grant from ECM			
Other Grants			
Fundraising			
Fee Income			
Other (please specify)			
TOTAL INCOME			
Expenses			
Salaries & Wages			
Payroll Taxes			
Employee Benefits			
Telephone & Utilities			
Insurance			
Printing & Postage			
Supplies			
Rent			
Fundraising Costs			
Travel			
Marketing			
Professional Fees			
Other (please specify)			
TOTAL EXPENSES			
NET INCOME (Loss)			

Glossary

Double Bottom Line

The concept of a business venture achieving both economic and social returns.

Pre-venture

The time before a business is started.

Refundable Grants

Grants which must be repaid if a successful social enterprise is launched. If a social enterprise is not launched, the grant remains a grant and is not repaid.

Social Enterprise

A business venture that seeks both an economic return and a social return.