

Archdiocese of Baltimore's Catholic Campaign for Human Development: Social Justice in Action.

Informational Video For Those Seeking Grant Funds

Video 4: Economic Development Grants: How to Apply

Refer to the CCHD Guidebook for Grants 2023 for detailed information.

This is Video 4 in the series of FOUR Informational Videos For Those Seeking Grant Funds

- Video 1: Why We Fund This Work: Catholic Social Teaching
- Video 2: Funding Opportunities and Types of Proposals Funded
- Video 3: Community Development Grants: How to Apply
- **Video 4: Economic Development Grants: How to Apply**

Grant seekers are also invited to drop in at one of our *Live Virtual Technical Assistance* events-- to ask any questions you may have concerning the CCHD grant application process. Check our website for the dates and registration information for these events.

Catholic Campaign for Human Development

We would like to partner with you
in your dreams for
creating a better and more just world for all.

Video 4 Objectives

- Review
 - Receive information on the Economic Development Grant.
 - Explore examples
 - Review the process to apply for a Economic Development Grant
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Catholic Campaign for Human Development (CCHD)

- CCHD is the domestic antipoverty program established in 1970 by the United States Catholic Bishops.
- It was created to help address poverty's root causes and to invest in local programs that empower low-income people, families, and communities.
- Programs funded by CCHD support self-sufficiency and self-determination for people who are working to bring permanent and positive change to their communities.

(Taken from The 2023 CCHD Guide for Applicants)

Economic Development Grants

- CCHD's economic development program focuses on Economic Development Institutions (EDIs). Typically, EDIs are organizations, businesses, or real estate initiatives that are structured for lasting community ownership and low-income control of valuable assets.
 - CCHD supports economic development initiatives (EDIs) that significantly include the voice of the poor and marginalized in creating community assets. Those assets include good jobs (with living wage and/or other benefits), affordable housing, the opportunity to create or own a thriving business, and democratic financial institutions. Some EDIs may be initially created within broader nonprofit organizations and should be designed to eventually operate independently from their "Parent Nonprofit."
 - CCHD considers five types of Economic Development Initiatives:
 1. [Community-Owned Real Estate Initiatives](#)
 2. [Business Incubators and Marketplaces](#)
 3. [Community Development Financial Institutions](#)
 4. [Social Purpose and Training Businesses](#)
 5. [Worker-Owned Co-Ops and Community-Owned Businesses](#)
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Economic Development Grant

The Economic Development Initiative program has two main goals.

1. to support low-income people as they empower themselves through the creation and operation of economic development institutions (EDIs).
2. to develop alternative economic structures that affect equitable access to income and a just balance of individual- and community-held assets.

(Taken from The 2023 CCHD Guide for Applicants with some paraphrasing.)

Economic Development Grant

- To be considered for funding by CCHD, an applicant organization must demonstrate that it is committed to both goals. Priority will be given to eligible applicants that address one or more of the following four priorities:
 - 1. to advance economic development models that enhance the scale of impact through replication or the transformation of an established model
 - 2. to encourage collaboration that generates cooperation and solidarity among diverse groups in the interest of a more integrated and mutually understanding society
 - 3. to link economic development with community organizing so that beneficiaries work together and with others on additional efforts to effect institutional change
 - 4. to facilitate the development of information systems in organizations that enhance planning, accountability and mutual learning by organizations and by CCHD.
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COMPARING CD AND ED PROGRAMS AT CCHD

Criteria (eligibility)	Community Development Projects (CD)	Economic Development Projects (ED)
Goal:	To address the roots of poverty by confronting and changing institutional barriers, societal behavior, and public policies	To address the roots of poverty by creating more just economic institutions
Activities:	Education, advocacy, policy development, leadership development, and community organizing	Creating EDIs (Economic Development Institutions) such as social enterprises, alternative financial institutions, worker-owned cooperatives, community land trusts, and other community-held assets.

COMPARING CD AND ED PROGRAMS AT CCHD

Criteria (eligibility)	Community Development Projects (CD)	Economic Development Projects (ED)
Tax Status:	501-c-3 (designation must be received before grant award)	If your organization has not yet received tax exempt status, your grant will need to be processed through a fiscal sponsor (another nonprofit organization that already has its tax-exempt status). You will need to identify any fiscal sponsor in the application. See information below on “fiscal sponsor” definition.
Catholic Social Teaching:	Written agreement of compliance	Written agreement of compliance
Partisan Political Activity:	No participation permitted	No participation permitted

COMPARING CD AND ED PROGRAMS AT CCHD

Criteria (eligibility)	Community Development Projects (CD)	Economic Development Projects (ED)
Low-Income Participation in Governance	At least 50% of governing board members	At least 33% of governing board members
Low-Income Benefit	Minimum of 50% or more of program beneficiaries	Minimum of 50% or more of program beneficiaries
Grant Amounts:	\$25,000 - \$75,000	\$25,000 - \$75,000
Match Requirement	None	1:1 (in-kind should not be considered for match calculations)
Terms of Funding:	Annual renewal; eligible for 6 years maximum; after 3-year pause eligible to reapply	Annual renewal; 3 years maximum (whether consecutive or not)

Economic Development Grants

Proposed Use of Funds

View snapshots of the types of programs funded by clicking on one of the category titles below.

- [Real Estate Initiatives](#) foster both ownership and leadership opportunities for low-income people. They may be for housing, business, commercial, or industrial uses. Legal structures, like community land trusts or limited equity cooperatives, are used to balance asset ownership and ongoing decision-making. Tenants often develop their own assets and participate in governance. The larger community benefits from a productive asset and enhanced civic participation. Typically, permanent affordability is maintained for future tenants and an organizational forum is built for a diverse group of community leaders.
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Economic Development Grants

Proposed Use of Funds

- **Business Incubators and Marketplaces** provide a facility and ongoing support for small business development. They bring low-income entrepreneurs into a peer group relationship for the purposes of developing and operating their businesses. The member-businesses may reflect the local culture of the respective community. All businesses benefit from shared services that create efficiency in both planning and operations. Incubator businesses work together until they have reached a level of stability that allows them to leave the facility. Marketplaces rely on peer support and may also incubate businesses, but here, the emphasis is on developing a growing base of customers in one shared location.
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Economic Development Grants

Proposed Use of Funds

- **Community Development Financial Institutions**, such as community development credit unions, loan funds, and community banks—commonly known as CDFIs—help low-income people, community-based organizations, and businesses by providing financing for community development. These organizations also often provide technical assistance to help borrowers prepare for loans and maintain their timely repayment.
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Economic Development Grants

Proposed Use of Funds

- **Social Purpose and Training Businesses** combine on-the-job training with the operation of a profit-making enterprise. These EDIs provide employees with good income and opportunities to develop assets. Their focus is on the development of a business that has an integral, on-the-job training component that may open up the possibility of placement in other mainstream businesses once workers have acquired certain skills. Community-based organizations that work with disadvantaged populations experiencing multiple barriers to employment may develop these businesses to promote participatory control and decision-making.
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Economic Development Grants

Proposed Use of Funds

- **Worker-Owned and Community-Owned Businesses** have ownership and organizational structures that create both income and assets for low-income people. Ownership may be held by workers, a community-based organization, or in a form that combines both. Over the past ten years, most of the applications received by CCHD for this EDI type have focused on paraprofessional healthcare, child care, cleaning, and craft production. In recent years, an increasing number of applications have been presented for temporary employment businesses.
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Economic Development Grants Business Plan

- **Was a feasibility study conducted to verify the community's need for your EDI and the potential support (financial, technical, political) you can gather toward its success? Please describe your findings (Limit 50 words)**
 - **A multi-year financial plan for the start-up and ongoing viability of the EDI (particularly quantifying potential sales, earnings, startup and operating expenses, and a break-even date).**
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Economic Development Grants Business Plan

- **All Economic Development grant applications must include a complete business plan (or a strategic plan). To be complete, such a plan must include the following:**
 - 1. An EDI program description with goals, objectives and anticipated outcomes for job creation and/or asset development;**
 - 2. An EDI ownership structure that results in asset ownership within the low-income community;**
 - 3. An EDI 'team' (staff, board members, consultants, advisors and volunteers) with sufficient availability and expertise to meet those goals and objectives.**
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What are the Steps to Apply for a Grant

1. Go to [CCHD-Guide-for-Applicants-revised-2023.pdf](#)
(cchdbaltimore.org)
2. Fill out a pre-application and submit it online from September 1-November 1. (the guide will connect you to the website link)
3. If you decide to fill out the pre-application, please make contact with the local CCHD diocesan director:

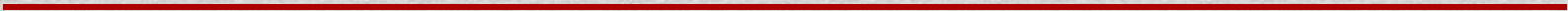
Archdiocese of Baltimore, Msgr. Richard J. Bozzelli
St. Bernardine Catholic Church,
3812 Edmondson Avenue, Baltimore, MD 21229-1945
Phone: (410) 362-8664
cchd@cchdbaltimore.org

What are the Steps to Apply for a Grant ...*Continued*

4. If the pre-application is accepted, you'll be invited to complete a full application online which goes into more detail and asks for supporting documentation to be submitted by January 15.

5. Grants are usually awarded in July and in the Archdiocese of Baltimore are announced to the community at a luncheon in August. Funds are distributed in September.

Troubleshooting the Pre-application



**You need to have (or have filed for)
IRS 501c3 status to be eligible for a community or economic
development grant**

Tax Information

- Employer Identification Number of Organization
- Organizational Status (corporation, trust, etc.)
- If your organization is exempt from Federal income tax under section 501c3 of the Internal Revenue Code, please check box
- Date of IRS 501c3 Determination Letter
- If your organization does not yet have 501c3 status, please indicate the date on which its Form 1023 was filed.

Criteria Descriptions and Questions

Organizations that receive CCHD funds must not participate in or promote activities that contradict the moral and social teachings of the Catholic Church and must in no way work against the U.S. Conference of Catholic Bishops' Priorities to defend human life and dignity, strengthen family life and the institution of marriage and foster diversity. For example, organizations that support or promote same-sex marriage, discrimination, capital punishment, contraception, abortion, euthanasia, or punitive measures toward immigrants, ARE NOT ELIGIBLE for CCHD funding.

Do organizational activities of the applicant organization in any way endorse or promote principles that are contrary to Catholic teaching?

The organization may not participate or intervene in a political campaign on behalf of or in opposition to any candidate for public office. An organization that engages in political campaign intervention prohibited under section 501c3 of the Internal Revenue Code is not eligible to apply for CCHD funding. For example, while holding candidate forums is acceptable, groups who endorse one candidate over another are not eligible for funding.

Does the organization participate or intervene in political campaigns on behalf of or in opposition to any candidate for public office?

Definition of Poverty and Low-Income Control

People living in poverty must have the dominant voice in the organization. One clear indicator CCHD has used to ensure that low-income people have a dominant voice in the organization is governing board composition. At least 33 1/3 percent of your governing board, i.e. those who plan, implement and make policy, hire and fire staff should be persons who are involuntarily poor (VISTA volunteers, students, etc. are considered by CCHD to be voluntarily poor; Catholic clergy and member of religious orders who live or work in a poverty community may be considered low-income board members). In addition to board composition, CCHD will consider other organizational structures and systems which ensure that people living in poverty have a dominant voice in the direction of the organization. CCHD will evaluate how low income people are identified, engaged, and developed to take leadership positions in the organization and how the organization's activities and priorities impact them.

You will see specific questions to see if your organization does meet this important criteria, to see why it doesn't meet the criteria if it does not, and what plan it has to meet this criteria if it does not.

Institutional Change and Financial Capacity

Institutional Change: The applicant organization must demonstrate both the intention and capacity to effectively work toward the elimination of the root causes of poverty and to enact institutional change. CCHD defines institutional change as a) modification of existing laws and/or policies; b) establishment of participatory and just social structures and/or redistribution of decision-making powers so that people living in poverty can be involved in policy-making that affects their lives.

Remember CCHD grants fund institutional change not direct

service. Although organizations may also do direct service, that is not something CCHD funds. If you need additional information on Institutional Change see Video 2.

Financial Capacity: The organization should demonstrate a clear vision for development of financial capacity. This might include, but not be limited to, membership dues, grassroots fundraising, individual donor solicitation, and foundation/corporate support.

We want to help you become a strong, independent organization so that you will be able to continue your work for a long time.



Still Have Questions??? We're here to help.

Don't let your fears about completing the grant application process stop you.

QUESTIONS????

Contact the local CCHD Committee at cchd@cchdbaltimore.org.

A member will contact you to answer any questions you may have, discuss your ideas, and help you with forms.

We will also be having live virtual technical assistance sessions starting in October to help you walk through the application and talk with committee members and other applicants to ask questions and get ideas.

The link with the dates and times will be posted on our website www.cchdbaltimore.org starting in September.

Please do not let a fear of the forms keep you from applying.



The fight against poverty and
hunger must be fought constantly
and on many fronts, especially in its
causes.

— *Pope Francis* —