

**GRANTS AND LOANS
(Chapter 6)**

TABLE OF CONTENTS

Introduction	107
Some General Tips	107
Developing a Plan	107
Application Pointers.....	108
Developing a Proposal	110
Types of Aid.....	112
Resources	114

INTRODUCTION

Applying for grants and loans can be an excellent way to get funds for improving the services districts provide. Usually funds must be used for specific programs that add value to the community. Funds are generally not granted to meet normal operating expenditures.

Receiving needed aid is often not as easy as it sounds. Filling out applications can be time-consuming and complicated for districts with little or no staff. Patience is essential; it can take months to gather materials necessary for grant and loan applications.

There are three main sources for grants and loans: the Federal government, State government, and private sources. Exploring all three will increase the chances of finding funding to meet the district's needs. Most often, funds are combined from various sources to meet the goals of the district's program. Providing matching funds can also be helpful.

SOME GENERAL TIPS

- Begin early.
- Apply early and often.
- Don't forget to include a cover letter with your application.
- Answer all questions.
- If rejected, revise your proposal and apply again.
- Be explicit and specific.
- Be realisting in designing the project.
- Make explicit the connection between your research questions, your objectives and methods, your methods and results, and your results and dissemination plan.
- Follow the application guidelines exactly.

DEVELOPING A PLAN

The most important step in applying for a grant or loan is the development of an effective plan. Careful consideration and documentation is essential in determining what the dedicated funds will be used for. If the district cannot justify the need for the funds and prove that the money is essential, then it is likely that funds won't be granted.

A schedule should be implemented and a detailed plan generated. Good planning and a demonstration that the plan is well formulated will be essential for proving the merits of your project to any funding source.

Suggested steps to be completed when developing a plan:

- **Legislative Commitment:** The district board agrees to implement an ongoing comprehensive capital planning process. Some kind of staff support is assigned.
- **Set a Timetable:** A timetable is developed, taking into account the annual budget cycle of the district. Development of a GANT chart can be of great assistance in displaying the schedule of the project.
- **Identify Roles:** The district board identifies who will develop, monitor, and recommend revisions to the capital planning process. It could be a citizen's group, a number of department heads, or some mixture of staff and public.
- **Establish Criteria:** Criteria is established for use in prioritizing project proposals against local needs and goals.

- **Gather Information:** Necessary information is gathered -- existing plans and documents, or an inventory of the condition and adequacy of all systems. This crucial step develops the first-cut list of local needs as proposed projects.
- **Financial Analysis:** Examining historic and projected revenues and expenditures, estimating the district's cash flow and long-term financial condition, and taking a hard look at present and future capital financing alternatives -- is performed. Account for and be able to justify every dollar that you are asking for.
- **Funding Sources:** Funding sources are identified and recommendations made regarding the type of funding most appropriate for specific kinds of capital improvements.
- **Project Proposals:** The project proposals are evaluated using the project selection criteria developed earlier, and a preliminary project list is made.
- **Selecting Funding Sources:** Priority projects are matched with fund sources, taking into account when the financing will become available. The list is further fine-tuned and the resulting preliminary capital plan is submitted to the district board for review and approval.
- **Public Review:** Opportunities for public review and comment are made available. Following consideration of local input, any adjustments are made and the district board formally adopts the capital plan.
- **Planning Period:** The first year of the five or six-year capital plan is adopted as the capital budget for the given fiscal year, allowing implementation of the plan to begin.
- **Implementation:** Implementation of the plan is monitored by the district board and assigned staff.

APPLICATION POINTERS

Once the plan is completed, the district can proceed with the application process. Explore many different alternatives and find the agency or organization that is most likely to fund your project. Most funds for public infrastructure projects will be loans. Districts with projects that relate to improving health, education, or community support may have an easier time finding grant funds from private sources.

Once the district decides where to apply, it should give careful consideration to the following:

- Know the needs and priorities of your district.

Six year plans, comprehensive plans, public facility plans, water plans, and sewer plans can help a district allocate scarce local and grant funds to the most important needs. Plans should be appropriate to the community. Nothing is worse than spending all your money analyzing problems and then having no money to pay for solutions. Involve citizens in setting priorities, they will have a better understanding of your district's revenue needs. Plans are important for three reasons:

- They help the district make better decisions.
 - Some grant and loan programs require a plan as a condition of funding.
 - The information and priorities in the plans are useful when writing the grant.
- Know the grant loan programs and the program staff.

Competition is tough for most grants and loans. Most major projects are funded by a "package" of funding from several sources, sometimes in several phases. The more you know, the more competitive your application.

- Do initial research on the grant and loan program available. Find out which programs are most likely to fund the solution to your problem.
 - Contact the program staff. Attend the application seminar. Ask questions. Ask staff for a "one to one" conference where you discuss your project and how to apply.
 - Get a copy of a successful application for a similar problem and read it. How did they do it? Program staff will provide you with a copy, generally for free, ask them.
 - Read the application package.
- Get help if you need it.

Many districts can do most grants alone. Some districts need a little help. There are several sources of inexpensive grant writing help that may be available to you.

- United Way offers inexpensive programs on how to write grants. Go or send a staff person.
 - If you belong to a Council of Governments or Regional Planning Commission and need some help, ask them.
 - If your grant or loan application will promote economic development, the local Economic Development Council may be able to help.
 - If your grant or loan will aid low-income persons, your Community Action Council may be able to help.
 - If you decide you need a consultant, check lots of references, get a contact, and establish a firm price.
- Get the application written.

Most applications take two or three months to pull together. Cost estimates, letters of support, and writing all take time. Last minute applications are usually not very competitive.

Be accurate, but tell a story. Tell how many are affected by the problem. Personalize the problem. Tell why the problem is important from both a local and statewide perspective. Explain how the problem and solution meet the grant or loan program criteria.

Make sure cost estimates are accurate. Especially for public facilities projects, the cost estimate is not a job for nonprofessionals. Preliminary engineering should be done on all public facilities before the application is submitted. Get an estimate and the details to back it up. Include the detail in an appendix to the application. You will get a better estimate if you require detailed data.

- Learn from your mistakes and successes. If you are not funded, there is always next year. Because of heavy competition, good projects are not always funded.

If you are not funded, ask the program staff for a conference to discuss why the application was not approved. Take notes and do better next year. Don't argue. Remember, it is your job to communicate to program staff through the application. Help them find and understand the information included in the application.

- Establish a track record of delivering on your promises.

If you are funded, do a good job of administering the project. Do what you said you were going to do. Your application should include enough funds to do the job right. Municipalities with good track records have a better chance of being funded in the future.

DEVELOPING A PROPOSAL

Competition for grant funds can be intense. Every non-profit corporation or local government with a project that will improve the community is likely to be applying for some type of aid. The key is to make your proposal stand out and the merits of your project seem more important. Know what the funding organization wants and then give it to them. Make the proposal easy to understand, clean and appealing, and demonstrate that your project has been well planned and thought out.

Writing the Proposal

Structure, attention to specifications, concise persuasive writing, and a reasonable budget are the critical elements of the writing stage. There are many ways to organize proposals. Read the guidelines for specifications about required information and how it should be arranged.

Standard proposal components are: the narrative, budget, appendix of support material, and authorized signature. Sometimes proposal applications require abstracts or summaries, an explanation of budget items, and certifications.

Narratives

- Statement of need - purpose, goals, measurable objectives, and a compelling, logical reason why the proposal should be supported. Background provides perspective and is often a welcome component.
- Approach - method and process of accomplishing goals and objectives, description of intended scope of work with expected outcomes, outline of activities, description of personnel functions with names of key staff and consultants, if possible.
- Method of evaluation - some require very technical measurements of results. Inquire about expectations.
- Project timeline - paints a picture of project flow that includes start and end dates, schedule of activities, and projected outcomes. Should be detailed enough to include staff selection and start dates.
- Credentials - information about the applicant that certifies ability to successfully undertake the proposed effort. Typically includes institutional or individual track record and resumes.

Tips on Writing the Narrative

Narratives typically must satisfy the following questions:

- What do we want?
- What concern will be addressed and why?
- Who will benefit and how?
- What specific objectives can be accomplished and how?
- How will results be measured?
- How does this funding request relate to the funder's purpose, objectives, and priorities?
- Who are we (organization, independent producer) and how do we qualify to meet this need?

Budget

Budgets are cost projections. They are also a window into how projects will be implemented and managed. Well planned budgets reflect carefully thought out projects.

Funders use these factors to assess budgets:

- Can the job be accomplished with this budget?
- Are costs reasonable for the market - or too high or low?
- Is the budget consistent with proposed activities?
- Is there sufficient budget detail and explanation?

Many funders provide mandatory budget forms that must be submitted with the proposal. Don't forget to list in-kind and matching revenue, where appropriate. Be flexible about your budget in case the funder chooses to negotiate costs.

Supporting Materials

Supporting materials are often arranged in an appendix. These materials may endorse the project and the applicant, provide certifications, add information about project personnel and consultants, exhibit tables and charts, etc.

Policies about the inclusion of supporting materials differ widely among funders. Whether to allow them usually depends upon how materials contribute to a proposal's evaluation. Restrictions are often based on excess volume, the element of bias, and relevance. Find out if supporting materials are desired or even allowed.

Be prepared to invest the time to collect resources, produce a tape, document capability, update a resume, collect letters, and include reference reports or whatever is needed.

Authorized Signatures

Authorized signatures are required. Proposals may be rejected for lack of an authorized signature. Be sure to allow the time to acquire a needed signature.

Specifications

Tailor proposal writing to specifications found in the guidelines. Include only the number of pages allowed. Observe the format. Is there a form to complete? Must the proposal be typed, double spaced, on 8-1/2 x 11 inch pages? Are cover pages allowed or desired? Caution! - the beautifully bound proposal is not always appreciated or allowed. Be concise. Elaborations should add depth and scope, not page fillers. Be prepared to write one or more drafts.

Submission Checklist

- The proposal must be **neat, complete, and on time**, with the requested number of copies and original authorized signatures.
- Address the proposal as directed in the guidelines.
- Be sure to include required documentation.

Follow-Up

Contact the funding source about the status, evaluation, and outcome of your proposal. It is important to request feedback about a proposal's strengths and weaknesses, although this information is sometimes unavailable, especially with a large volume of submissions.

Reference information may also be useful if you choose to approach the same or different funder again with your idea.

TYPES OF AID

Federal Aid: Federal funds are available through both loans and grants. Most Federal dollars are distributed to states first and then local governments apply for the funds through their individual states. Important points to remember when considering federal aid include:

- **Be patient:** It can take a long time for Federal funds to be approved.
- **Be accurate:** Don't leave anything out of the application materials. Make sure every question is answered and every blank filled.
- **Be prepared:** Federal dollars are often attached to strict requirements for accepting the money. Be prepared to expand your administrative support to keep up with all of the new paper work that will be required.
- **Matching funds:** Many Federal programs will require that the district find matching funds from state or local sources.

State Aid: Most money from the State of Oregon is in the form of loans. Individual state agencies administer programs that relate to their purpose. Grant money is also available and often in the form of Federal dollars administered through the state.

- Although state aid can be easier to get than federal aid, the district must understand that the funds will not be granted immediately.
- Don't leave anything out or miss any details.

- Stay in contact with the agency that will be making the decision. Know the individuals involved with your application and ask how the process is going and if they need anything from your district.

Private Aid: Most private money is in the form of grants, available for almost any need. Competition for money from private grant sources can be intense. Many grants do not allow governments to apply, so read the eligibility requirements carefully.

- Prepare specific, clean, and detailed grant applications. Prove that the district needs the money and that it is a project that the grantor should be interested in.
- Don't spend a great deal of time preparing grant applications until you are fairly certain that the granting source is interested. Write a letter explaining the proposed project and ask for their opinion.
- Thousands of grants are available, do careful research to find out which will fit your organization the best.

Applying for grants from private sources is much different than applying for aid from the Federal government or the State because private sources likely know little or nothing of your organization or what it does. Time must be dedicated in the proposal to explain the mission of your district, the population it serves, and the nature of the services it provides.

- **Be Brief:** Be specific and to the point. Go only into as much detail as needed to adequately explain your project and the need for the funds you are requesting.
- **Define Terms:** Make sure that you define all of the jargon that you may use in the application. Remember that those reviewing the application will probably not know very much about your district or the services you provide.
- **Clarity:** Have persons not involved in the project or even with the district read the application to see if they understand it.
- **Accuracy:** Don't make mistakes. Persons reviewing the application will assume that if you make mistakes on the application you will probably make mistakes administering the grant.
- **Packaging:** Don't use elaborate proposal packaging. Make the proposal clean and neat but don't give the impression that you have wasted valuable resources creating the proposal.
- **Copies:** Only submit as many copies as required.
- **Original:** Don't send out hundreds of the same material to different sources. Tailor each application, letter, and proposal to meet the specific needs of each granting source.
- **Credibility:** Design a detailed program. Substantiate how all of the money will be spent, provide a detailed timetable, and thoroughly describe the scope of your problem.

RESOURCES

This list of resources is only a sample of what is available. If you know of any other sources for funds that should be added to the list, please let SDAO know and we will add them to future updates.

Some of the programs relate only to specific types of districts, while others are broad in their scope. Browse through the directory and see if a program can help your district solve a current or future problem.

Note: Before requesting any applications, contact the organization administering the program, explain what you have in mind, and find out if you are eligible to apply.

The Collins Foundation

1618 SW First Avenue, Suite 505
Portland, Oregon 97201-5708
503-227-7171
www.collinsfoundation.org

Type of Assistance: Grants

Distributes in excess of \$9 million annually, as follows: 26% to community welfare; 20% to children; 12% to education; 16% to arts; 9% to humanities; 9% to health and science; and 6% to environment. Accepts applications throughout the year. Applicants must hold 501c(3) tax-exempt status.

Cow Creek/ Umpqua Indian Foundation

2371 NE Stephens Street
Roseburg, Oregon 97470
541-957-8945
www.cowcreekfoundation.org

Type of Assistance: Grants

Distributes up to \$15,000 per grant to a wide array of categories. Uses a very simple application process with two due dates per year. Proposals accepted from Douglas, Jackson, Klamath, Coos, Josephine, Lane and Deschutes counties. Has a decent track record for awarding grant to quasi-governmental organizations and special districts.

Department of Environmental Quality

811 SW 6th Avenue
Portland, Oregon 97204-1390
503-229-5630
<http://www.oregon.gov/deq/Pages/index.aspx>

Type of Assistance: Loans

Grant for Site-Specific Assessments designed to promote redevelopment or property transfer; Low interest loan fund that is available for water and sanitary systems; Grant for nonpoint source water quality and watershed enhancement projects that address the short and long term NPS priorities available to Soil and Water Conservation Districts; Loan fund for very large pollution control projects, including wastewater and solid waste facilities.

Economic Development Administration

915 Second Avenue

Room 1890

Seattle, WA 98174

<https://www.eda.gov/resources/economic-development-directory/states/or.htm>

Type of Assistance: Grants

Grants are provided to help distressed communities attract new industry, encourage business expansion, diversify economies, and generate long-term, private sector jobs. Projects funded for water and sewer facilities primarily serving industry and commerce.

Proposed projects must be located within an EDA-designated redevelopment area (RA). Projects must be consistent with an approved overall economic development program.

The Ford Family Foundation

1600 NW Stewart Parkway

Roseburg, Oregon 97471-1957

(541) 957-5574

www.tfff.org

Type of Assistance: Grants

Prefers to fund in small rural communities with population of less than 30,000. With few exceptions, this foundation will not fund projects of governmental units, but has provided funding to special districts at the request of their voluntary governing boards-particularly in smaller communities. Generally funds no more than 30% of a project's full budget, see guidelines for specific details on each grant category. For Assistance Grants, the maximum grant size is \$5,000 and requires a minimum of a 20% cash match. Pre-applications may be submitted at any time.

Historic Preservation Fund

Oregon Parks and Recreation Department

725 Summer Street NE, Suite C

Salem, Oregon 97301

503-986-0690

www.oregon.gov/oprd/hcd/shpo/pages/index.aspx

Type of Assistance: Grants

The Oregon State Historic Preservation Office has funds available for archaeological and historic preservation projects. These funds may be used for surveys, inventories, and evaluation of historic and prehistoric resources. Grants may be used to nominate multiple property resources to the National Register of Historic Places.

Jackson Foundation

111 SW 5th Avenue, Suite 600
Portland, Oregon 97204
503-464-4920

www.thejacksonfoundation.com

Type of Assistance: Grants for Portland Metropolitan area.

Grants awarded for money to be used within the State of Oregon for charitable and educational purposes, and for the advancement of public welfare.

Local Parks Grant

Oregon Parks and Recreation Department
Grants Programs
725 Summer Street NE
Salem Oregon 97301
503-986-0705

www.oregon.gov/oprd/grants/Pages/local.aspx

Type of Assistance: Grants

OPRD gives more than \$4 million annually to Oregon communities for outdoor recreation projects, and has awarded nearly \$50 million in grants across the state since 1999. The grants are funded from voter-approved Lottery money.

Meyer Memorial Trust

425 NW 10th Avenue, Suite 400
Portland, Oregon 97209
503-228-5512

www.mmt.org

Type of Assistance: Grants

General-purpose grants awarded for a variety of projects including human services, health, education, arts and culture, social benefit and environmental.

Northwest Health Foundation

221 NW Second Avenue, Suite 300
Portland, Oregon 97209
503-220-1955

www.nwhf.org

Type of Assistance: Grants

A nonprofit foundation that seeks to advance, support, and promote the health of the people of Oregon and southwest Washington. This one would be of interest to hospital districts and health districts.

Oregon Department of Energy

Small Scale Energy Loan Program (SELP)

550 Capitol Street NE, 1st Floor

Salem, Oregon 97301

800-221-8035

www.oregon.gov/energy/loans/Pages/selphm.aspx

Type of Assistance: Loans for energy saving measures

The objective of the Small Scale Energy Loan Program (SELP) is to promote energy conservation and renewable energy resource development in Oregon. The program offers competitive fixed interest rate loans for projects that save energy, produce energy from renewable resources, use recycled materials to create products, and use alternative fuels.

Oregon Economic & Community Development Department

Oregon Community Development Programs

775 Summer Street NE, Suite 200

Salem, Oregon 97310-1280

503- 986-0123

www.oregon4biz.com

Type of Assistance: Grants

Grants and Loans focusing on economic development projects. Emphasis on water and sanitary projects that are essential for economic development.

Oregon Forestry Department

2600 State Street

Salem, Oregon 97310

503-945-7200

www.oregon.gov/odf

Type of Assistance: Grants

The grants are fairly small in size, call for information. Funds can be used for training, equipment, and management needs.

Oregon State Fire Marshal's Office

3565 Trelstad Avenue SE

Salem, Oregon 97317

503-373-1540

www.oregon.gov/osp/sfm/pages/grants.aspx

Type of Assistance: Grants

Financial assistance for fire districts. Additional information on website.

Oregon Transportation And Growth Management Program

Oregon Department of Transportation

555 13th Street NE

Salem, Oregon 97301

503-986-4349

www.oregon.gov/lcd/tgm/pages/index.aspx

Type of Assistance: Grants

GM Grants help local communities plan for streets and land use in a way that leads to more livable, economically vital, and sustainable communities and that increases opportunities for transit, walking and bicycling.

Paul G. Allen Foundation

505 5th Avenue South, Suite 900

Seattle, Washington 98104

www.pgafoundations.com

Type of Assistance: Grants

Although this foundation is located in Washington State, it extends its grant making programs to Oregon. Additional information is available on the web site.

USDA Rural Development

1220 SW 3rd Avenue, Suite 1801

Portland, OR 97204

(503) 414-3300

<https://www.rd.usda.gov/or>

Type of Assistance: Loans and Grants

Rural Development announces the availability of money formany of its programs in the Federal Register, through a Notice of Funds Availability (NOFA). Please visit the website for more information.

US Department Of Transportation

Oregon Division Federal Aid
530 Center Street NE, Suite 420
Salem, Oregon 97201
503-399-5749
<https://www.fhwa.dot.gov/ordiv>

Type of Assistance: Grants and Information

Authorizes Federal surface transportation programs for highways, highway safety, and transit.

Water Resources Department

Water Development Loan Program
725 Summer Street NE, Suite A
Salem, Oregon 97301
503-986-0900
www.oregon.gov/owrd/pages/mgmt_wdlp.aspx

Type of Assistance: Loans

Loans for community water supply projects. Visit the website for more information.

Resources For Private Foundations

- GuideStar
www.guidestar.org
Online database of more than 850,000 U.S. private nonprofit organizations including foundations.
- The Oregon Foundation DataBook
C&D Publishing
1017 SW Morrison, Suite 500
Portland, Oregon 97205
503-274-8780
www.foundationdatabook.com/pages/or/or1.html
- The Foundation Center
79 Fifth Avenue/16th Street
New York, New York 10003-3076
212-620-4230
www.foundationcenter.org

Government Funding

www.grants.gov

All federal grant opportunities are now listed at www.grants.gov. This relieves grant seekers of needing to follow the web pages or individual listings of the various departments of the federal government. Grant seekers should be encouraged to logon to the website very early in their grant research efforts. The web page has a number of user-friendly research tools that permit users to review all new grant announcements since their last visit, search for grants by keyword, or receive electronic notices of new grants as they are posted. Indeed, this website has become very organized, user-friendly, up-to-date, and single-point-of-contact for all federal grant programs.

Grant Information on the Internet

The internet is a useful tool when conducting research for grant and funding resources. There are many helpful search engines that can provide webpage addresses for funding resources. Some search engines to try are:

www.google.com

www.bing.com

www.altavista.com

www.ask.com

www.go.com

www.hotbot.com

www.lycos.com

www.metacrawler.com

www.yahoo.com

To conduct a search, enter the key words of the topic you are researching. For instance, to search grant information, enter “grants” or “funding sources”. Many web pages have grant application contact names and phone numbers, an online grant application process, or downloadable grant applications.