

## **ISLANDS CHALLENGE FUND FUNDING GUIDELINES**

The Islands Challenge Fund (ICF) was established at the Maine Community Foundation to provide resources to support year-round island communities. Challenge grants and match funds ranging from \$5,000 to \$25,000 are available to support housing and community facility projects on Maine's year-round islands. Prospective applicants should contact the Genesis Fund, a nonprofit community development loan fund that has taken a lead role in obtaining financial support for the ICF, to discuss their projects. Inquiries can be made by phone at 563-6073 or email [info@genesishfund.org](mailto:info@genesishfund.org).

A nine member advisory committee including five island residents meets three times a year to review funding proposals and make funding recommendations to the Maine Community Foundation.

### **I. OBJECTIVES**

The Islands Challenge Fund's funding objectives are:

- To support efforts to sustain Maine's year-round island communities by providing financial assistance that leverages local resources and helps bridge the gap between available funding and the costs of completing housing and community facility projects
- To catalyze new housing and/or community facility development initiatives on Maine's islands
- To provide a mechanism through which additional financial and technical resources can be accessed by island communities

ICF resources will be made available for island-based projects in the form of challenge or matching funds.

### **II. ELIGIBLE RECIPIENTS AND PURPOSES**

Project sponsors seeking support from the Islands Challenge Fund must meet the following eligibility guidelines. The sponsoring group:

- Must be a nonprofit organization, public school, municipal entity or community-based organization with a 501(c)(3) federally tax-exempt fiscal sponsor
- Must be based on one of Maine's 14 year-round islands (see attached list) and be principally directed by local island residents
- Must meet minimum threshold requirements acceptable to the committee with regard to organizational capacity, local involvement, and ability to raise funds and sustain proposed project over time

The project for which support is being sought must focus on sustaining the year-round community through the creation of housing and/or community facilities that help stabilize the year-round community and/or advance economic opportunities for year-round residents.

ICF resources are available to assist with the acquisition, construction, predevelopment or rehabilitation costs associated with an island housing or community facility project. Housing and facilities created with ICF support should be permanently accessible to year-round residents and respond to critical island needs.

### III. FUNDING PROCESS AND PRIORITIES

Any group or individual interested in obtaining funding support through the ICF must contact the Genesis Fund to discuss a project and its eligibility. Based on this initial discussion Genesis may request more detailed information on the project and work with the group to develop a formal funding request to be submitted to the advisory committee for review. Other applicants, in consultation with Genesis, may be referred to other project partners for additional support or enter a technical assistance agreement with Genesis as appropriate. The advisory committee may choose to recommend the project for funding, defer the project, or deny funding. Members of the advisory committee, at their discretion, may also choose to work with project sponsors to identify other sources of support. Once the funding recommendation has been made, it is forwarded to the Maine Community Foundation for final approval. MCF may choose to accept or reject the committee's recommendation and issue a funding commitment that incorporates any conditions established by the advisory committee as appropriate. Once all conditions have been met, the MCF will issue funds directly to project sponsors. Genesis will follow-up with project sponsors at regular intervals to assess the project's progress and the impact associated with ICF support.

To insure that ICF resources support projects with the greatest potential for success, all applications and applicants will be evaluated on the basis of:

- Organizational Capacity: Ability of the applicant to complete the project with available resources
- Local Involvement: Demonstrated leadership and involvement by year-round and seasonal residents as appropriate
- Financial Soundness: Fiscal condition of the organization
- Project Feasibility: Ability of the applicant to meet financial requirements of the project and address any technical considerations that may arise

In addition, to ensure that social benefits are maximized, ICF resources will support projects that:

- Meet specific and demonstrable community needs
- Contribute to community life
- Strengthen the economic base of island communities
- Embody ingenuity and frugality, as well as help people help themselves
- Promote sustainable development and effective resource use
- Guarantee permanent affordability and accessibility particularly for working families and underserved individuals and families
- Combine housing with needed social services for groups such as the frail elderly and low-income single parents and their children

In assisting applicants, Genesis will rely on the criteria above in evaluating funding requests; at the same time, potential fund recipients are encouraged to identify other criteria that demonstrate the feasibility of worthwhile projects. The advisory committee reserves the right to make exceptions to these and any other criteria set forth in the funding policies.

#### **IV. MATCH CRITERIA AND LIMITS**

ICF provides grant support in the form of challenge and match funds. Challenge funds may be committed to help catalyze local fundraising, but will not be disbursed until such time as the required amount of local funding has been raised. Match funds may be disbursed upon commitment based on verification of eligible match dollars and sources. To qualify as match or “local funding”, contributions must come directly from individuals with a year-round or seasonal presence on the islands. Funds raised through local activities or events may also count toward a project’s match. Grants obtained from public or private sources off-island may be applied to project match, but may not account for more than 35% of the total match collectively or singly. Loans may not count toward the match requirement.

The minimum ICF grant amount is \$5,000. The maximum amount is \$25,000. These amounts are subject to change depending on the total capitalization of the fund.

#### **V. FUNDING REQUESTS**

Any group or individual interested in discussing the possibility of obtaining support from the Islands Challenge Fund is invited to call or write the Genesis Fund. Completed funding requests are reviewed three times a year by the ICF Advisory Committee. The committee may review requests at other times under special circumstances. The committee reviews the submissions according to eligibility criteria and funding priorities outlined above and submits its recommendations for funding to fund managers at the Maine Community Foundation.