

Commonwealth Places CrowdGranting Program

Program Guidelines 2016-2017



MASSDEVELOPMENT

Commonwealth Places

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Program Description

MassDevelopment, in conjunction with its consultant, Patronicity, has developed “Commonwealth Places”, a creative funding mechanism to advance community placemaking projects statewide.

Placemaking aims to improve the quality of public places and the lives of communities through a participatory process. While urban design and economic development is central to placemaking, the most significant component is the community process and programming that can facilitate social interaction, spark public discourse and increase local capacity and engagement. Increasingly, placemaking has been used to revitalize commercial districts using these small, community-driven investments that leverage economic growth and development.

Crowdfunding is an increasingly-used tool by which private organizations and public entities are able to fund projects ranging from consumer products to public space improvements. This, in effect, has democratized the raising of capital by allowing the public to monetarily support initiatives. Simply, it allows the public to vote with their wallets. By tapping a large donor pool for small donations, organizations are able to better leverage funds. Further, crowdfunding engages the public to play a part in achieving community improvements and instills community pride as residents become invested in their surroundings.

MassDevelopment’s Commonwealth Places program provides a 50-50 match up to \$50,000 for crowdfunded donations to support placemaking projects throughout Massachusetts. Projects can be proposed by local public or non-profit sponsors, and Patronicity (MassDevelopment’s consultant) will assist the fundraising efforts of project sponsors. This creative funding mechanism mobilizes community members to make individual contributions with the incentive of a funding match from MassDevelopment if the crowdfunding goal is reached within sixty (60) days of approval of a project for the Commonwealth Places program.

Eligible Applicants

The Commonwealth Places program is available to communities statewide for projects in census tracts where the average household income is less than 120% of Area Median Income and/or projects that demonstrate how they will otherwise serve households with income less than 120% of Area Median Income. A map showing the above census tracts can be found [here](#).

Only local public and nonprofit entities, with documented municipal support, are eligible to apply. Nonprofits must have a 501(c)(3) designation in place before the project application. Applicants may be required to obtain a “Certificate of Solicitation” from the Massachusetts Attorney General’s Office in connection with their crowdfunding efforts (learn more [here](#)). Applicants are responsible for determining whether they must obtain a “Certificate of Solicitation” or take other measures in accordance with applicable law, and disbursement of MassDevelopment grant funds will be contingent upon such compliance.

Types of Projects Allowed

Projects must demonstrate that they will activate a new or distressed space that is open to and accessible by the public. It is important that these projects have established public awareness and local momentum.

Examples of projects that fit this description include but are not limited to:

- Public Plaza Creation/Improvement
- Access to Public Amenities (e.g., Riverwalks, Canoe Livery, Pier Enhancements)
- Farmers' Markets
- Community Kitchens
- Pop-Up Retail/Incubator/Café space (community or nonprofit)
- Alley Rehabilitation
- Park Enhancements
- Bike Paths & Non-Motorized Infrastructure
- Streetscape Beautification
- Walkability Improvements
- Bandshells & Amphitheaters
- Community Theater Rehabilitation (community or non-profit)
- Public Wi-Fi
- Place Branding & Event Implementation
- Any other project that activates public space or a community place

Projects that provide permanent improvements are eligible for up to a \$50,000 matching award. Any temporary or event-based activation of public space will be eligible for up to a \$7,500 matching award. For the purposes of the Commonwealth Places program a "temporary" activation is one that activates the place for a minimum of three months but does not exceed twelve months. An activation of a place for a period exceeding twelve months will be considered a permanent placemaking project.

Projects that will help to revitalize a traditional downtown or commercial district are preferred. Established festivals and entertainment series are not eligible. **MassDevelopment grant funds disbursed in connection with the Commonwealth Places program may be used to pay only capital costs of a selected project and may not be used to pay any operating expenses associated with the project or the project sponsor/applicant.**

Grant Dollars

To be eligible for a matching grant, projects must raise 100% of their crowdfunding goal within sixty (60) days of the launch of their crowdfunding campaign. Project sponsors/applicants must be prepared to execute a form grant agreement provided by MassDevelopment in order to be eligible to receive MassDevelopment grant funds. Eligible projects must have a minimum total cost of \$10,000. MassDevelopment matching grant funds will be available in an amount up to \$50,000 per project (except as noted above).

Preference will be given to projects that leverage additional funding. Project sponsors/applicants should indicate whether other funds have been pledged and committed to the project at the time of application. These can include funds provided by a project stakeholder, e.g., a local government, a non-profit entity, private source, or other state or federal agencies, which are committed to the project scope of work at the time of application. If a project does not have other pledged funds at the time of application, it is still eligible to apply.

An example of project finances follows:

Total Project Cost: \$100,000

Initial Cash on Hand (pledged funds): \$50,000

Crowdfunding Campaign Goal: \$25,000

MassDevelopment Match, if Crowdfunding Campaign Goal is achieved: \$25,000

Total of Crowdfunding Campaign and MassDevelopment Match: \$50,000

Preference will also be given to projects where the MassDevelopment grant funds will leverage greater amounts of other funds.

Evaluation Criteria

Projects will be evaluated on a variety of factors, including, but not limited to:

- a defined and focused project;
- overall impact of the project on the community and placemaking efforts;
- a project's existing financial commitment (if any);
- a thoughtful strategy for raising funds during crowdfunding campaign;
- preexisting fundraising and marketing efforts;
- project location; and
- project start and anticipated completion date.

Strong preference will be given to projects that are able to commence work on the project within thirty (30) days of meeting their crowdfunding goal and which have funding sources that allow the project to begin in that time period. Projects with multiple funding sources will need to demonstrate that they will be able to begin the project in a timely manner. All projects must be ready to proceed within six (6) months of reaching the project's crowdfunding goal and be complete within eighteen (18) months.

Other Guidelines

- Projects must demonstrate that they will activate a new or distressed space that is open to and accessible by the public.
- Projects must meet their crowdfunding goal within sixty (60) days of the crowdfunding campaign launch in order to receive MassDevelopment's matching grant funds.
- Project sponsors/applicants for selected projects must produce a professional-quality crowdfunding pitch video in coordination with Patronicity. Project sponsors/applicants may use either a Commonwealth Places videographer, or may use their own videographer subject to Patronicity's acceptance thereof.
- Patronicity will provide technical and marketing assistance for the crowdfunding effort. See "Project Process Flow" below.
- Any one donor is limited to a donation maximum of \$10,000 or 35% of the total crowdfunding amount, whichever is less.
- Grants will be made only to an applicant deemed eligible by MassDevelopment.
- Project sponsors/applicants will be required to provide initial and ongoing data and/or metrics about the project, including but not limited to:
 - the approximate number of square feet to be activated by the project;
 - the projected number of new jobs created as a result of the project; and
 - an estimated number of visitors/attendees, etc. at a project.
- Project sponsors/applicants should conduct sufficient outreach and engagement activities within the host neighborhood so as to ensure that there is sufficient neighborhood support for the project and that the project will complement and/or enhance the community's neighborhood revitalization efforts.

Project Process Flow

- **STEP 1 - Tell Us About Your Project**

Project Sponsors/Applicants will utilize the Commonwealth Places portal on the Patronicity website to create a project profile. This profile acts as the initial application. Once a project page is started, Patronicity will make contact with the project sponsor/applicant.

- **STEP 2 - Patronicity Review**

Patronicity will perform an initial screening of the project and profile. Patronicity staff may request additional information to determine the project's appropriateness for crowdfunding and eligibility for matching funds.

- **STEP 3 - MassDevelopment Review/Approval**

If project passes initial Patronicity review, projects will be referred to MassDevelopment for acceptance and evaluated on the criteria noted in this document. MassDevelopment staff may ask Patronicity or contact the project sponsor/applicant directly for more information.

- **STEP 4 - Patronicity Polish & Video Production**

If the project is selected by MassDevelopment, Patronicity will then engage fully with the project sponsor/applicant to complete the project page, develop a marketing strategy, and build out the crowdfunding campaign. As discussed above, project sponsors/applicants must produce a professional-quality crowdfunding pitch video in coordination with Patronicity.

- **STEP 5 - Project Goes Live!**

Start crowdfunding! Patronicity will provide technical assistance throughout the sixty (60)-day crowdfunding period.

- **STEP 6 - Implementation**

If the crowdfunding campaign is successful, MassDevelopment will match the funds raised (up to \$50,000) and project implementation must begin within six (6) months thereafter.