

Securing Corporate Funding for Municipal Projects

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Smaller corporations, much like their regional and national counterparts, are aware that supporting community organizations should be a key part of their marketing efforts. Many of these businesses however, don't realize the value in supporting their local municipality. In fact most businesses, and the town or city where they are located, seldom think about how they can support their local government.

Businesses often look to the local municipality for assistance, such as tax breaks and other economic development support. But neither the business nor the local government consider how the reverse could be true.

Why Do Businesses Give?

Understanding why businesses make contributions will help you figure out what projects they might fund and why. Usually, all of the following reasons for making a contribution apply – not just one or two:

- Enhance the company's reputation and standing in the community;
- Create long-lasting goodwill toward their company;
- Improve relations with their clients and customers;
- Build employee loyalty within the company; and,
- Contribute to building a more vibrant, healthy community.

All of these reasons apply, whether you are a nonprofit organization or the local government.

What Do Businesses Give?

Knowing what the local corporation might give is just as important as knowing why they give. Contributions can come in the form of:

- Direct cash awards;

- Matching or challenge grants;
- In-kind contributions; and,
- Loaned executives or employees.

Cash gifts can range anywhere from \$50 on the local level, to hundreds of thousands of dollars on the statewide or national level. Matching or challenge grants are also cash awards, but you have to match the grant with other funds in order to bank it.

Sometimes a municipal government will receive a state or federal grant award but need to “match” that award with local funding. The funding can come from your own treasury or you can seek matching funds from private foundations (community foundations are a good source) or corporations.

In-kind contributions are often products or services; for example, the local symphony donating their time to play at the grand opening of the new community center or a local bookstore donating books to the library.

Loaned executives or employees are a common way of giving to an organization, but how can a municipality tap into this form of giving? For example, a group of residents want to build a baseball field in the neighborhood. The local government makes the land available, but doesn't have the funds to build the field or to maintain it. This situation presents an opportunity for a local landscape company to offer an executive to work with the residents to help in designing this new park.

Who Might Give To Your Municipality?

Start with the municipal vendor list. Look at everyone with whom you do business: banks, insurance agencies, property management companies, utility companies, print shops, travel agencies and other services. Anywhere you

spend money could be a place to *get* money, so look closely at each of these vendors.

Also, look at businesses that compliment or mirror the work of each municipal department. For example, the Department of Recreation would want to look at potential support from the sporting goods stores, physical therapists, sports medicine clinics, doctors and possibly local health insurance businesses.

You aren't going to be asking these businesses to support your general operating expenses. As you well know, that won't happen. But when it's time to look for capital funds to replace all of the equipment in the ice arena you may be able to find state funds that can be matched by local businesses. Or if you need to replace old fire fighting equipment for your Department of Emergency Services, identifying insurance companies that provide both business and residential fire insurance can be a good starting point to raise local funds.

Remember, corporations excel at connecting themselves with well-respected organizations and supporting them year after year; and local government certainly fits into this category.

Cynthia M. Adams is the CEO of GrantStation.com, Inc., an online grants resource in identifying potential grants and grant funders. You may visit their website at www.grantstation.com.