



## **Empowering Ownership: Catalyzing Capital for Inclusive Economic Participation Sorenson Impact Foundation 2024 Grant or Program Related Investments**

In 2023, the Sorenson Impact Foundation (SIF) focused on systems change by zeroing in on the need to push the field of impact investing beyond sustainability and towards embracing a “regenerative” paradigm. As we move forward in 2024, we are broadening our focus to the rapidly growing and deeply expanding wealth gap crisis granting to/investing in solutions that promote upward mobility through ownership. Our funding this year seeks to fuel learning and market development to solutions that advance economic empowerment and equity through ownership opportunities.

We are seeking to support organizations through grants or Program Related Investments (PRIs) that equip the investor community with the knowledge and tools and catalytic capital required to deploy greater and more effective investments of catalytic capital in the ownership economy. We seek to reshape the arc of opportunity by promoting ownership strategies in home ownership, community real estate, stakeholder trusts, employee ownership, and broad-based entrepreneurship.

The objective of the Empowering Ownership Grant Program is to catalyze initiatives that advance economic empowerment and equity through ownership opportunities. By leveraging catalytic philanthropic capital and innovative ownership models rooted in the free enterprise principles of impact investing, we aim to address systemic barriers, reduce wealth disparities, and promote inclusive growth.

SIF’s grant program has historically provided non-dilutive philanthropic capital to non-profits; however, we are expanding to include for-profits through innovative PRI blended capital deal structuring as we seek to address the ownership crisis at scale. While SIF will continue sourcing PRIs across a broad array of impact areas, we have earmarked a portion of our 2024 budget to align with our grantmaking program and focus thematically on alternative ownership. SIF is seeking proposals for projects addressing the following areas, with the intention to release between 5-8 grants or PRIs, totaling up to \$2M. PRIs could be in the form of concessionary debt, loan guarantees, or first loss equity. We are seeking proposals in the following focus areas:

**Employee Ownership:** We are seeking proposals that promote broad-based employee ownership as a pathway to address income inequality and empower workers, with a

focus on leveraging capital to catalyze market-driven solutions. Example initiatives may include:

- Support for evidence-based practices and facilities that support transitioning to employee-owned models.
- Supporting research, best practices or opportunities that seek to fuel the implementation of best governance practices to ensure worker participation and engagement.

**Home Ownership:** We seek proposals that increase access to home ownership, particularly among lower- and middle-income families, leveraging capital to facilitate market-driven solutions. Example initiatives may include:

- Innovative approaches and research in best practices aimed at broadening pathways and opportunities to homeownership, particularly focusing on assisting first-time homebuyers in overcoming financial barriers. First-loss, concessionary PRI's in blended capital investment opportunities in funds and capital tools that facilitate home ownership.
- This could include the following strategies: down payment assistance and loan programs to help first-time homebuyers overcome financial barriers, matched saving programs, technology-driven solutions and developer incentives.
- Community land trusts that provide affordable housing options and pathways to appreciating ownership.
- Investment in innovative fintech platforms that streamline the home buying process and expand access to mortgage financing.

**Community Ownership:** We support initiatives that foster collective ownership and control in communities, preserving affordability and building wealth at the neighborhood level, with a focus on leveraging capital to catalyze market-driven solutions. Example initiatives may include:

- Innovative approaches that offer renters a share of upside in multi-family properties, with an emphasis on leveraging philanthropic capital to drive market-based solutions. Example initiatives may include:
  - Tenant equity programs that enable renters to accumulate wealth through shared ownership arrangements.
  - Investment in initiatives that support renters' path to financial well-being and homeownership.
- Solutions and innovations that seek to advance neighborhood real estate investment trusts and community investment trusts.
- Models that reinvest income into community programs and support anti-gentrification efforts.

## PROCESS

The RFP submission period will open on May 13, 2024 and close on July 12, 2024 at 11:59pm Eastern Time. To be considered, submissions must be uploaded through the online submission form.

Submissions can be focused on the United States or globally and will be read by staff and board members over four rounds of analysis (initial evaluation, semi-finalists, finalists, awardees) and will be evaluated based on the following criteria:

- Alignment of the proposed project with the foundation's stated grant priorities
- Potential to be a sustainable solution after grant funding has been used
- Scale and reach potential including potential number of people impacted over the next five and ten years. The Foundation does consider pilots that could be a model for scale as long as those pilots include stated plans to disseminate lessons learned to the field.
- Innovation and incorporation of lessons from the attempts of others to tackle similar problems in the past
- Strength of partnerships and network within the industry to grow and expand
- Strength and readiness of applicant organization and team

Please note that the Sorenson Impact Foundation will be following a staged application process in response to feedback on the burden of the application process for organizations in previous years. This process is designed to relieve the burden of onerous requests from organizations or projects that are not a fit for the goals of the grant process. We encourage your feedback as an applicant on this process to develop the best possible applicant experience.

[Phase I Application Available here.](#)

### The proposal process will be as follows:

- **Initial evaluation survey:** A brief survey that will be composed of short answers and ensure overall alignment with themes of the RFP and organizational viability. This survey will include requests for:
  - **Brief text responses** to questions designed to determine eligibility for and alignment with the goals of this grant program.
  - **Basic organizational information**, including:
    - The applicant organization's mission and vision statement(s).
    - The applicant organization's FY2023 and FY2024 operating and estimated budgets.
    - The applicant organization's articles of incorporation or equivalent documentation.
    - NOTE: Organizations utilizing a fiscal sponsorship will be required to submit their documentation, as well as a signed statement from their fiscal sponsor acknowledging the sponsor's ability to act as a fiduciary.
- **Detailed project survey:** Eligible applicants will be invited to submit a short slide deck (7-10 slides) and/or complete a survey that will include the following information:
  - **Project Overview** - A high-level overview of the project and its ideal goal;
  - **Problem Statement** - A description of the problem and how it aligns with one or more the foundation's aforementioned focus areas;
  - **Solution Outline** - A description of the solution and how it will achieve its goals;

- **Project Roadmap** - A project roadmap detailing what has been completed and the timeline and resources required for completing future steps;
- **Success Metrics** - A brief overview of what will be tracked to communicate success of this project;
- **Project Team** - A brief description of why this team is the one to lead this project, including skills and experience;
- **Risks and Mitigations** - A short table of key project risks and approaches to mitigate that risk;
- **State of the Field** - An outline of existing complementary and competitive solutions and how this project fits into or leverages existing activities in the field;
- **The Ask** - A clear statement of the total desired funding amount, what it will be used for, and how it will be leveraged against existing funding; as well as any strategic/non-funding asks for the Sorenson Impact Foundation as a funder;
- **Outcomes and Sustainability** - A statement on the end goals of the project and how this funding will support those goals, including a plan for project sustainability without depending on future Sorenson Impact Foundation funding.
- **Semi-Finalist Interviews:** Semifinalists will be interviewed by Foundation staff in advance of finalist presentations to address missing information or diligence questions ahead of finalist selection. Semi-finalists will also provide:
  - **Team and Board Biographies:** Short biographies on each senior/C-Suite team member (as defined by applicant) and members of the organization’s Board.
  - **Two letters of reference:** Signed statements from existing funders or partners attesting to the organization’s ability and impact (only if the organization has not previously received funding from the Sorenson Impact Foundation)
- **Finalist presentation:** Finalists will be invited to present their deck to the Sorenson Impact Foundation’s staff and Board for final consideration.

If selected as a finalist, applicants will be notified via email by September 27, 2024. The anticipates final awards to be made starting October 2024. Philantjropic grant awards will range in size from \$100,000 to \$250,000 and PRI capital amount will be assessed case-by-case.

## **ABOUT THE SORENSON IMPACT FOUNDATION**

The Sorenson Impact Foundation invests in innovative, scalable solutions to the world’s most pressing issues. As an impact investor, SIF seeks to simultaneously support social entrepreneurs while also building the impact investing field overall and crowding in new investors who can use their investment dollars to “do good”. The Sorenson Impact Foundation has investments on five continents and across asset classes and sectors.

## **TERMS & CONDITIONS**

SIF reserves the right to reject any or all responses submitted if it is deemed to be in the best interest of the foundation. SIF reserves the right to check the accuracy of all information and to request supporting documents. All accepted responses shall become the property of SIF and will not be returned. SIF shall not be liable to any respondent, person or entity for any losses, expenses, costs, claims or da