

MELARBIT PARTNERS

UNLEASH THE POSSIBILITIES. FUNDRAISING AND BEYOND.

We customize fundraising best practices along with innovations in philanthropy and a community investing framework to develop new strategies for financing/funding nonprofits and other mission-driven enterprises, entrepreneurs and investors. In this example, we worked with a social investor/entrepreneur, part of an emerging group of individuals that is growing beyond the traditional philanthropic model by investing capital in projects that provide a financial and social return. While it goes by many different names - impact investing, social investing, community investing - there is a surge of interest among capital providers who want to actively place their money in organizations, businesses and funds that can solve social problems on a scale that goes beyond pure philanthropy.

Melarbit Partners was approached by a social entrepreneur who had established a for-profit community loan fund to attract private capital and deploy it to affordable housing, social enterprises and microfinance in New York City. Charter schools, mixed-use residential/commercial properties and social service organizations in many of NYC's most under-resourced neighborhoods are some of the borrowers. This social entrepreneur was interested in growing the Fund so he could attract additional investors and expand their ability to loan to more organizations. He reached out to us help him engage new investors.

During our initial conversations, it became evident that this relatively new enterprise needed to more clearly define its unique value proposition and that this could best be facilitated through a business planning process. This included a comprehensive assessment of the community development and social investor marketplace; a more clear understanding of the fund's business model; an analysis of its impact potential; and the development of a fundraising and marketing plan.

This plan was used to execute a comprehensive strategy to raise money that focused on a new breed of social investor – one that is motivated by both social and financial interests. In addition to our one-to-one efforts, we developed a more mass-oriented marketing and communication plan to enlarge the base of investors and establish a more visible brand identity.

In conjunction with this business planning process, Melarbit worked with the enterprise to host a variety of forums to convene prospective and current investors along with industry/thought leaders. This helped us to test some of the principles laid out in the business plan while at the same time attracting new investors.

Over time, our work together resulted in a more than 300% increase in investors to the Fund which allowed our client to increase investment in several new, high-impact local NYC community/economic development projects. Most recently, the Fund formed a strategic alliance with another major social sector provider as part of a suite of services that increase the impact of nonprofits while offering leveraged funding opportunities for donors and investors. This collaboration will soon facilitate the creation of a new, second Fund – to support an even broader range of health, human/social service and arts/cultural initiatives - with participation from several NYC-based philanthropic foundations.

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