

LESSON 3

Budgeting and Fundraising

Community garden start-up typically costs around \$2500, but can be \$5000 and up depending on size of the garden, selected amenities, and price of water. After start-up, you can expect to spend a minimum of \$1000 per year to keep it going. Maintenance costs depend on rent and other operating fees, garden size, water use, insurance needs, program costs, and deferred building and garden expansion costs. This may sound like a lot, but many costs can be defrayed through donations (e.g., soil, lumber, trees, seeds) and in-kind services (e.g., volunteer time, garden expertise). The key to fundraising is: don't be afraid to ask. With careful budgeting and planning, a good presentation and persistent yet polite fundraising approach, a garden group can be very successful in building a strong foundation for a garden. A well-developed communications plan will also help create the legitimacy and buzz necessary to attract donors to the garden.

Learning Objectives

1. Know the basics of creating a garden budget.
2. Understand why and how to create a communications plan for the garden.
3. Know the basics of successful small-scale fundraising.

Budgeting

Budgeting should be a primary role of the core garden group. The group should create a detailed, easy-to-read budget that includes all expected costs both during and after the development of a garden plan. Using the garden plan and budget line items as a guide, research the potential cost of supplies by searching the internet and calling around to local vendors. Don't be afraid to search several sources for supplies to make sure you get the best available price.

Your expected expenditures will help you determine what your plot fee will be. This is the annual fee that each gardener will pay for his or her plot. When determining this fee, it's also important to take into account your knowledge of likely gardeners' ability to pay- the fee should not be more than is reasonable for the community members, even if the extra funds could be used in the garden.

A clear, well thought-out budget has many benefits. It allows gardeners to:

1. build a wish list to present to potential donors (you can publish this wishlist, and even make a gift registry at a supplies store for donors to buy things on their own)
2. minimize confusion and complaints about how money is used
3. allow for easier transitions if and when management of the garden changes
4. highlight their organization and professionalism in the operation of the garden with the surrounding community and potential donors
5. track actual costs and update regularly



ACTIVITY 1

Brainstorm any additional benefits that can come from having a detailed garden budget. List other items that might be needed for the garden and require budget consideration. Budgeting can be tedious, so it's good to know why you're doing it!



Calculating Garden Costs

Some considerations on calculating supply costs include:

1. To calculate your budget for soil (if needed), measure the width, length, and depth of the space you need to fill, making sure all measurements are in the same units (feet; note that depth may be in partial feet, like 0.5 feet if it's 6 inches deep). Multiply these three measurements to determine cubic feet of soil. Since soil, compost, mulch, and other soil amendments are typically sold in cubic yards, divide this number by 27, the number of cubic feet in a cubic yard.
2. To calculate your budget for fencing, measure the perimeter of your garden so you know how much fence you need. You can bring this number to companies to get an estimate of price based on desired height. If the resulting price of the fence is too high for your budget, consider a lower fence or no fence at all (if zoning allows for that).



Ongoing Garden Costs

The following are some things to know about your expected ongoing costs to run the garden. These will likely be large components of your garden budget.

1. **Water:** By far the biggest expense for most gardens is the water unless you are lucky enough to have someone else paying for it. If you have a meter on the property and no plumbed structures, in most jurisdictions you can apply for irrigation rates. This will save you the cost of sewer fees. If you don't have a water meter you will probably need access to water from a neighbor and in most cases it is a good idea to install a submeter to determine the actual cost. If you are connecting to a water source on a property that pays sewer fees you can anticipate paying sewer fees as well.

Calculating water costs requires some research. A 3-year review (2007-9) of the water use at a 20,000 square foot coastal community garden in San Diego, showed that usage was an average of 900 gallons or 1.25 HCF (hundred cubic feet) of water per day. Average monthly use for the garden was approximately 25,000 gallons or about 33 HCF per month. To determine your expected cost you will need to either review the water bills in the same area or contact the water department to learn the local water rates. Remember to ask for irrigation rates if you think the garden may be eligible. Remember, we live in a desert. Water is expensive and rates go up on a regular basis, so it is best to use the most efficient, water-wise gardening methods available and be sure the garden rules reflect these practices. Encourage hand watering and drip irrigation and watering only while present in the garden as well as rainwater harvesting. In general it is a good idea to discourage the use of timers in individual plots although they may be suitable for deep watering of common orchards within the garden.

WATER CONVERSIONS

UNIT			UNIT	MEASURES	
1	CUBIC FOOT	=	7.48	GALLONS	VOLUME
1	HCF (HUNDRED CUBIC FEET)	=	7.48	GALLONS	VOLUME
1	ACRE	=	43,560	SQUARE FEET	AREA
1	ACRE FOOT*	=	43,560	CUBIC FEET	VOLUME
1	ACRE FOOT*	=	325,829	GALLONS	VOLUME

*Standard measure of agricultural irrigation water; equals one acre covered by one foot of water



2. **Insurance:** Depending on the circumstances you may need liability insurance for the garden.
3. **Improvements and Repairs:** It is reasonable to assume you will need to budget for repairs, improvements or possible expansion.
4. **Administrative Costs:** These can vary from none to significant if the garden is organized as a 501c3 nonprofit. If you've partnered with an organization, such as a school, church, or nonprofit for your land and/or assistance, they will likely charge some overhead (often 10-15% of the lease cost) for their own administration and operating expenses. Be sure you understand whether they have this policy from the beginning and incorporate it into your budget.
5. **Lease:** Occasionally a garden may rent the land they are on for more than a nominal sum.
6. **Events:** Many community garden members enjoy sponsoring events. There is usually some cost associated with events although they are also an opportunity for fundraising.

Communications Plan

A communications plan is a guide for presenting your garden and your goals as a community organization to the public; this is the organization's public relations and outreach plan. This topic is included in the lesson on budgeting and fundraising because a good communications plan can greatly improve your fundraising effort, by virtue of having a clear message and simply getting the word out about the garden. It can also help organize your garden group around common ideas and goals for the garden.

Crafting Your Message

Your message to the public should be clear, consistent, and simple; common themes should be repeated several times to ensure the public remembers your key points. This message can be used in local articles about the garden, in short news segments, in cocktail party conversations, with neighbors when they stop by, etc. The purpose of having a message is to promote others to perceive the garden as you perceive it and its potential benefits, without confusion that can occur when people hear about the garden from multiple sources. The core garden group should determine the main ideas it would like to communicate with the public. The following can help you determine that message:



1. **Target audience:** Determining whom your message targets will help determine what kind of language to use. Your message should use language that is familiar and meaningful to your target audience. For example, if you're trying to appeal to neighbors of the garden, the message should highlight the gardens benefits to the local community and tie into common hopes that neighbors share for their area.
2. **Goal of the message:** The core garden group needs to decide on the purpose and goal of its communications. Consider whether you want your audience to:
 - a. join the garden
 - b. advocate for community gardens
 - c. visit the garden
 - d. donate money or supplies to the gardenEven if the goal of the message is not fundraising, it may result in donations because your communications are increasing opportunities for potential donors to hear about your project. Additionally, the venue of your message will likely vary (e.g., city council meeting, neighborhood association meeting, conversation with potential donor), but the overall goal of the message should remain the same every time.
3. **Branding package:** It's helpful to have several pre-crafted versions of your message: project summary, project synopsis in paragraph form, project slogan, you're your organization's logo. The packaged statements and logo can help your group communicate its message quickly and systematically. The items can also be used individually when appropriate.

Communicating Your Message

Once you have a message that you want to get out into the public, your communications plan can also help you determine who will present the message and in what venues. Presentation of the message may not end up going exactly as you plan, but thinking about your goals for communication will ease the process.

1. **Brainstorm all possible media outlets** and opportunities to get the message out. These might be online social media sites (Facebook, Twitter) local TV and radio news stations, local newspapers, message boards, events, newsletters, brochures, promotional videos, emails, website, print ads, etc.
2. **Prioritize media outlets** based on available connections and available funds. Ask whether anyone in the group knows members of the media.
3. **Delegate pursuit of these different prioritized venues** to those in the group with the most interest and ideally experience with media. Set deadlines among the group for checking back in with updates on each outlet.

Fundraising

This section is adapted from the LA Master Gardeners-Common Grounds "Community Gardens Start-up Guide" and Wasatch "From Neglected Parcels to Community Gardens" guide mentioned in previous lessons.

Gardeners are often charged plot fees for participation in a community garden. In addition to plot fees, it's likely that additional funds will need to be raised to cover costs, especially when getting started.

Guiding Principles

There are always donations to be found, you just have to look in the right places and maintain a positive attitude. Use the following general guidelines to increase your success and prevent frustration.

1. **Don't be afraid to ask:** If you don't ask, you won't get the donation. As a core group, be creative and thorough in brainstorming a list of possible donors, including friends, gardeners, neighbors, faith communities, local businesses (both garden related and not), and nonprofits. Include companies that might donate a particular thing (like unused seeds from a seed company or lumber from a home improvement store), in addition to or instead of money.

2. **Be patient, persistent, and polite:** Funds may not pour in overnight, so it's important to have patience and keep trying. Follow up with potential donors about a week after your initial request if you haven't heard a response. It's ok to keep in touch with people and businesses who initially turned you down and make a second request a year or more later. Always be polite in all interactions, both formal and informal, with donors and potential donors. Always say 'thank you' regardless of the response to your request.
3. **Dress for success:** Present organization and care in yourself, the garden, and the donation needs. People generally wish to donate to organizations when they are confident that their donations will be used carefully and for a purpose they support. It therefore helps to communicate the garden goals, target audience, benefits, and needs in an attractive, appealing way. A sloppy presentation or brochure does not instill confidence in donors even if your goals are commendable.

Nonprofit Status for Tax-deductible Donations

Donations are only tax-deductible if they are made to an organization with 501(c)3 tax-exempt status. You have two options to make this a possibility:

1. Apply for 501(c)3 status for the garden. Filing initially costs about \$700 and it can take up to a year to complete the process. The nonprofit will also have recurring administrative costs including insurance for the Board of Directors, maintaining a separate bank account, as well as accounting and tax-filing expenses.
2. Affiliate the garden with an existing nonprofit organization like a faith community that can accept donations on behalf of the garden and administer funds. This is much faster than gaining 501(c)3 status and the garden can benefit from the organization's existing structure and network. It also means the finances of the garden are not independent and nonprofits usually a charge a fee or percentage for acting as another organization's fiscal agent.

Approaches to Asking

Using a variety of fundraising approaches rather than a single approach will increase your success in fundraising. Just like an organic garden relies on diversity of plants to have a strong, resilient system, diversity in fundraising approaches will create more chances to appeal to your potential donors. The following are the types of approaches you might use:

1. **Direct mail appeals:** Direct mail requires that you create an appealing, simple donation-request packet that is, ideally, delivered personally to individuals and businesses; however, it can be mailed. The packet should include a personalized request letter, a wish list, and a brochure on the project with goals and photos of the community garden members at the garden or desired site. It should also outline recognition packages available to sponsors for their donations, such as placement of their logo on the community garden sign or verbal acknowledgement at special events. Develop a schedule to call or email potential funders if you have not yet heard back from them after a week.
2. **Survey letter:** Another direct approach is to create a survey for local residents and businesses to gather their input on the garden. This can be delivered along with a donation request, or separately as an initial contact. It can start with non-donation questions such as the following:
 - a. "Do you support the creation of a community garden in your neighborhood?"
 - b. "What type of garden would you like to see in your neighborhood (Youth Garden/Food Bank Garden/Educational Garden/Neighborhood Garden/Flower Garden, etc.)?"
 - c. "What type of programs would you like to see the garden organization offer?"These questions can be followed by questions on their willingness to donate.





3. **Door-to-door solicitation:** It's generally disliked as a strategy, but it can be very effective. Door-to-door presenters should have plenty of information (brochures, wish lists) available to leave at homes. They should really listen to the concerns and suggestions of the people they visit, be polite, and always thank people for their time regardless of whether they donate.
4. **Fundraising events:** Possible ideas include car washes, craft or bake sales, benefit concerts or lectures, auctions and raffles of donated items, plant sales, garden tours, and harvest festivals. Additionally, garden members can create and sell garden cookbooks and hold workshops taught by volunteer experts. Be careful not to overspend on the events or wear out your core group with all of the logistics. Make it easy to donate at the event, with a donation can or box. The more your event is tied to your mission, the greater likelihood of success.
5. **Grant proposals:** Grant writing is generally a more feasible approach for relatively established nonprofits. Most grantors require that the grantee be a nonprofit or government agency, rather than an individual or for-profit company. Grant writing takes research to target likely grantors, careful writing, time, persistence, and repeated attempts. Nonetheless, it can yield high payoffs. Please refer to one of the resources in the reference section for more information on effective grant writing.



ACTIVITY 2

Brainstorm the types of fundraising activities that would be most comfortable to your garden group. Try to begin developing a fundraising strategy.

References

1. Los Angeles Master Gardeners, UCCE, and Common Ground. 2001. "Community garden start-up guide."
2. Wasatch Community Gardens. "From neglected parcels to community gardens: a handbook."