



## 2015 Texas Foundations Fund Draft Guidelines

### *Texas Foundations Fund Overview*

Through its Texas Foundations Fund program, the Texas State Affordable Housing Corporation (TSAHC) partners with nonprofit organizations and rural government entities across Texas to support housing services that meet the critical housing needs of very low-income households in Texas. TSAHC selects partners in each of the eight geographic regions through an annual competitive application process and provides awards ranging from \$15,000 to \$50,000 to support partners' housing service programs.

### *2015 Funding Availability*

TSAHC funds its Texas Foundations Fund awards by blending private donations with earned revenue from its affordable housing programs. TSAHC's Board of Directors approves the funding available each year under the Texas Foundations Fund. The funding available in each of the last four years was at least \$300,000. While the total funding available for 2015 has not yet been determined, it is anticipated that at least \$300,000 will be available for awards this year. Please note that donors to the Texas Foundations Fund have the ability to request their funds be used within a specific geographic region; as a result, the amount of funding available to each region may vary.

### *Eligible Partners*

1. Nonprofit organizations with a 501(c)(3) designation from the Internal Revenue Service that serve any county and/or area in Texas.
2. Government entities serving one or more rural counties, cities and/or communities.<sup>1</sup>

Previous Texas Foundations Fund awardees are eligible to apply under this cycle, barring any negative performance in the most recent funding round. Please be advised that TSAHC implemented a policy in 2014 stating that an applicant will not be eligible for funding more than twice in a 3-year period. For example, applicants receiving funding in 2014 and 2015 will not be eligible to apply in 2016.

### *Eligible Programs*

Programs that provide the following housing services are eligible for Texas Foundations Fund support:

1. **The rehabilitation and/or critical repair of single family homes<sup>2</sup> to remedy unsafe living conditions.**
  - Critical repairs may also include accessibility modifications for homes with a household member with a disability.
  - Homes receiving repairs must be owner-occupied.

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<sup>1</sup> TSAHC defines "rural" as a county that is outside a metropolitan statistical area (MSA), or a city or community that is: 1) outside the boundaries of an MSA; or 2) within the boundaries of an MSA, if it has a population of 25,000 or less and does not share a boundary with an urban area (population larger than 25,000 within an MSA).

<sup>2</sup> Throughout this document, the term "single family home" means a residential property with an attached or detached dwelling that consists of (i) a single unit on an individual lot, or (ii) a single unit in a condo project, Planned Unit Development, or duplex, triplex or fourplex, or (iii) not more than four connected units, with each unit intended as housing for one family. Dwellings that are not titled as real estate, such as RVs and houseboats, are not eligible.

- TSAHC will support the critical repair of single family rental homes owned and operated by the organization applying only if the repairs enhance accessibility for a renting household with an individual with a disability<sup>3</sup>
- All rehabilitation and/or critical repairs funded through the Texas Foundations Fund must be provided free of charge, unless the applicant can provide evidence of an existing organization policy which allows the applicant to charge a small fee based on the household's ability to pay. This policy must include a provision which states that services may be provided free of charge in some cases.

**2. The provision of supportive housing services that help individuals and families at risk of homelessness or unnecessary institutionalization gain and maintain their housing stability.**

Eligible supportive housing services include, but are not limited to:

- the provision of alcohol and drug counseling,
- adult education and/or job training,
- mental health counseling, and/or
- case management or services provided by a health care provider.

Resident Services, such as afterschool tutoring programs and computer labs, are not considered supportive housing services and will not be eligible for funding. All supportive housing services funded through the Texas Foundations Fund must be provided free of charge to residents.

Organizations that solely provide supportive services are not eligible for funding. TSAHC will only consider organizations that own and operate housing with supportive services made available to the residents as a result of their occupancy.

***Household Income Requirements***

Households served with a Texas Foundations Fund award must have incomes at or below 50% of the area median family income (very low income). While an applicant's program may serve households above this income level with other funding sources, funding from the Texas Foundations Fund may only be used to serve households meeting this income requirement. TSAHC uses the U.S. Department of Housing and Urban Development's Section 8 income limits to determine income eligibility for the Texas Foundations Fund program. To review the current income limits, visit: [www.huduser.org/portal/datasets/il.html](http://www.huduser.org/portal/datasets/il.html).

***Administrative Allowance***

Selected partners may use five percent (5%) of the awarded funds for administrative or technical assistance costs associated with the eligible program. In certain circumstances, TSAHC will allow partners to use up to 10% of the awarded funds for administrative or technical assistance costs. However, applicants requesting more than 5% must justify and explain the need for additional administrative or technical assistance funds in their application.

The remaining funds must be used for direct costs<sup>4</sup> associated with the rehabilitation and/or critical repair of single family homes or the provision of supportive housing services. Award funds may not be used for

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<sup>3</sup> In exceptional circumstances, TSAHC may allow a selected partner to perform critical repairs on a rental home owned by a private landlord and occupied by a very low-income household. Selected partners must notify TSAHC in advance if they wish to use a portion of their Texas Foundation Fund award for this purpose. Additional information, including documentation that the landlord is financially unable to perform the repairs, will be required.

<sup>4</sup> TSAHC defines direct costs as the costs directly incurred to perform the proposed program. These costs may include, but are not limited to, contractor fees, materials, salaries for staff performing critical repair work, salaries for staff providing supportive housing services, salaries for staff directly coordinating and supporting the program, building permits and inspection fees.

costs not associated with the eligible program such as general operating costs, developer fees, or other housing programs.

### ***Funding Priorities***

To ensure our Texas Foundations Fund assists those who are most in need:

1. One award will be given to the highest scoring applicant that serves only persons with disabilities, AND one award will be given to the highest scoring applicant that serves only rural counties, cities or communities; OR
2. One award will be given to the highest scoring applicant that serves both (for example, an applicant using their award to serve persons with disabilities is also providing those services in a rural county, city or community).

While TSAHC does not require nonprofit applicants to meet one of the above priorities to be considered for a Texas Foundations Fund award, government entities are eligible to apply for funding only if they meet the rural priority.

### ***Application Process***

TSAHC has implemented an online application to facilitate the application submission and review process. The online application will be available on TSAHC's website at [www.tsahc.org](http://www.tsahc.org) when the application round opens in mid-April 2015. Interested applicants should first complete an eligibility quiz to determine if they meet the application requirements. Only organizations that pass the eligibility quiz will be instructed to complete the online application.

Applications must be submitted online no later than **5:00 pm on Friday, June 5, 2015**. TSAHC anticipates making award announcements by the end of September 2015.

After submitting an application, applicants may not contact members of TSAHC's Advisory Council or Board of Directors regarding their application. Failure to comply will result in the disqualification of the application.

#### **1. Geographic Regions**

In an effort to achieve broad geographic distribution of Texas Foundations Fund awards, TSAHC has designated eight geographic regions comprising the entire State of Texas and will make an effort to award at least one qualified applicant in each region. As part of the online application, applicants will need to select the geographic region they plan to serve with the award. Applicants will also need to select the county(ies) they plan to serve within that region. Applicants will only be able to select one geographic region; however, applicants may select as many counties within that region as are applicable. A copy of the map with the geographic regions has been attached as the last page of the draft Guidelines.

#### **2. Application Deficiencies**

If an application contains deficiencies that require clarification or correction, TSAHC will contact the applicant to request clarification or correction of such deficiencies. TSAHC has adopted the following process to address deficiencies:

- TSAHC will send a deficiency notice by email to the applicant.
- The applicant must follow the instructions in the email detailing how to submit the additional information requested.
- The applicant will have three business days, beginning the day following the date of the deficiency notice, to provide the information requested to correct the deficiency.

- If deficiencies are not clarified or corrected to the satisfaction of TSAHC staff by 5:00 p.m. on the third business day following the date of the deficiency notice, the application will be considered ineligible and not considered for an award.

### ***Grant Agreement***

Grant awardees will be required to execute a grant agreement that outlines:

1. the purpose of the funding award,
2. eligible expenditures,
3. the scheduling of interim and final reports,
4. TSAHC's right to inspect properties or service records and to review financial documents, and
5. performance measures that must be met. **Failed performance may result in the delay or cancelation of any future disbursements, cancelation of a grant award, or request for repayment of the grant award.**

### ***Grant Term***

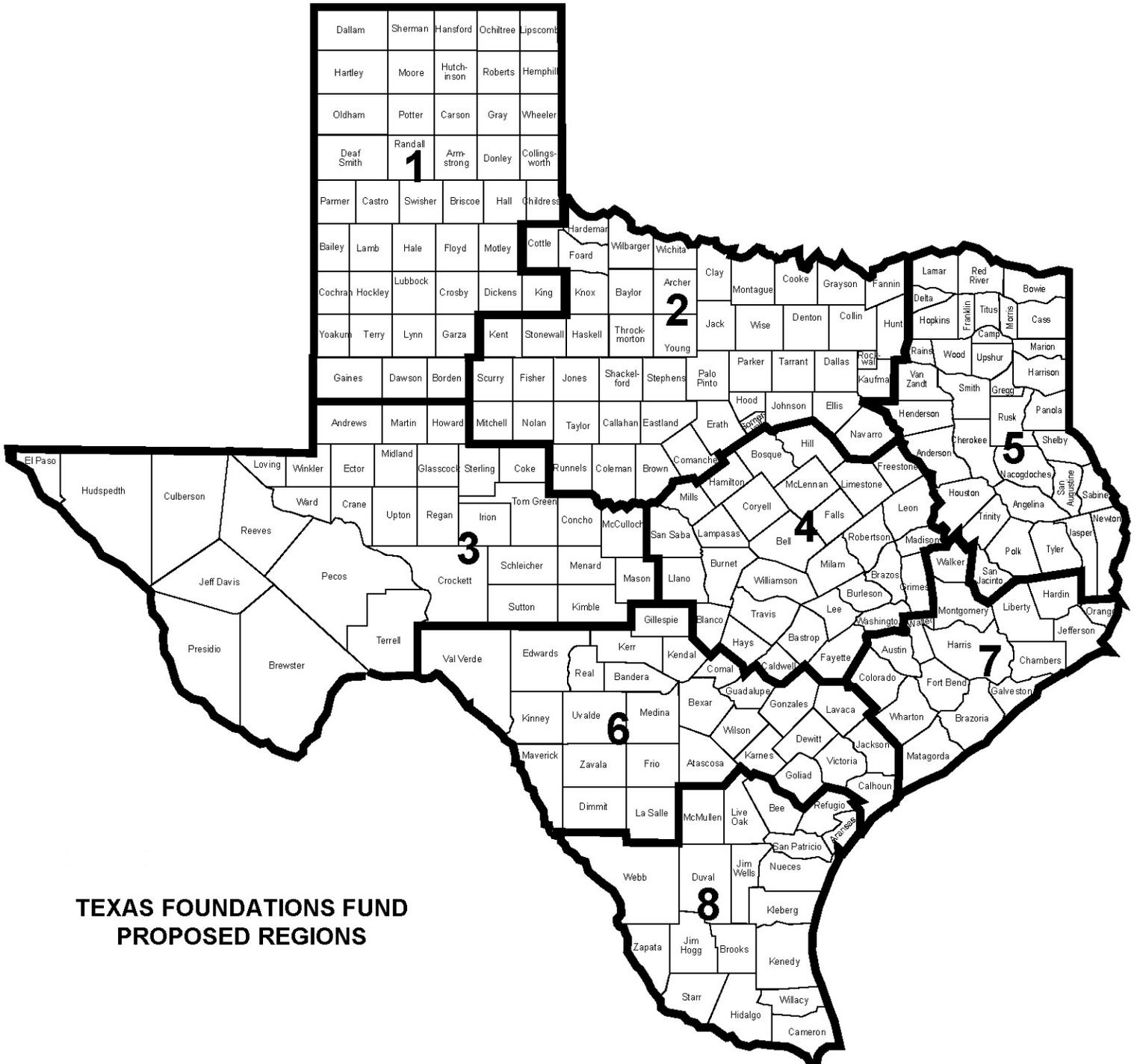
The grant is a one year grant. Organizations must spend 100% of their award and complete all activities proposed in their application within one year of signing their grant agreement.

### ***Disbursement of Funds***

While most selected partners will receive their entire funding award in one installment, TSAHC reserves the right to disburse funding in multiple installments if it deems appropriate.

### ***Questions***

Questions should be submitted in writing to Katie Howard Claflin by email at [kclaflin@tsahc.org](mailto:kclaflin@tsahc.org). Applicants are highly encouraged to review the Texas Foundations Fund's Question and Answer section of TSAHC's website at [www.tsahc.org](http://www.tsahc.org) for pertinent application information.



**TEXAS FOUNDATIONS FUND  
PROPOSED REGIONS**