



# HEART

HOUSING & ECONOMIC ASSISTANCE TO REBUILD TEXAS

## **Phase II Program Guidelines: Housing and Economic Assistance to Rebuild Texas (HEART) Program**

### ***Program Overview***

The Texas State Affordable Housing Corporation (TSAHC) and Enterprise Community Partners (Enterprise) have partnered with the Rebuild Texas Fund to create the Housing and Economic Assistance to Rebuild Texas (HEART) Program, a program that awards grants to nonprofits providing critical home repairs and other housing assistance to families displaced or otherwise affected by Hurricane Harvey. In addition to grant funding, the program also provides direct technical assistance to grantees to help them build capacity and scale their programs to assist more Texas families.

As of May 2018, TSAHC and Enterprise have awarded more than \$1.3 million in grants to 34 nonprofit organizations. The initial funding was provided by the Rebuild Texas Fund, the Meadows Foundation, the Center for Disaster Philanthropy and a commitment from TSAHC.

The Rebuild Texas Fund has awarded TSAHC and Enterprise additional funding for a Phase II round of grants that will be reserved for high performing nonprofits providing home repairs and programmatic support to households affected by Hurricane Harvey.

### ***Funding Availability***

A total of \$1,040,000 in initial funding is available for critical home repair and programmatic grants under Phase II of the HEART Program.

Critical home repair grants will support repairs that alleviate health and safety issues, such as mold remediation, roof repairs, repairing/replacing broken windows and doors, repairing damaged electrical systems, and fixing cracked pipes and foundation issues caused by flood waters.

Funding for Programmatic grants will support:

- Case management and supportive housing services; financial counseling; nonprofit donation centers; direct financial assistance; volunteer coordination; outreach services and events;
- Develop comprehensive disaster preparedness plans to protect buildings, residents and business operations.

Housing recovery repair grants will be administered by TSAHC and programmatic grants will be administered by Enterprise.

## ***Eligibility Requirements***

To qualify for grant funding, applicants must meet all of the following requirements:

1. **Organization Type:** Applicant must be a nonprofit organization with a 501(c)(3) designation from the Internal Revenue Service.
2. **Experience Requirements:** Applicant must have a successful track record of providing housing-related services for at least two years.
3. **Financial Requirements:** Applicant must be able to provide annual financial audits for its two most recent fiscal years (TSAHC and Enterprise will accept financial reviews in lieu of audits from organizations with an annual operating budget of \$750,000 or less) and must be prepared to submit its audits, as well as other financial documents, when requested.
4. **Household Requirements:** To ensure the HEART program reaches those who are most in need, each applicant must use critical repair funds only for critical home repairs<sup>1</sup> of single-family homes<sup>2</sup> to households at or below 80% of the area median family income (low income)<sup>3</sup>. Homes receiving repairs must be owner-occupied.
5. **Geographic Requirements:** Applicant must provide critical repairs to hurricane damaged homes and housing related services in counties eligible for individual assistance as part of the Federal Emergency Management Agency's federal disaster declaration. A map of the counties included in the federal disaster declaration is included as an attachment to these guidelines. The number of grants and funding available to Harris and/or Waller County are limited to no more than 20% of the total amount of critical repair grants and funding available.
6. **Exceptions:** To best meet the needs of households affected by Hurricane Harvey, TSAHC and Enterprise may allow for exceptions for an applicant's experience or financial requirements on a case-by-case basis for otherwise qualified applicants.

## ***Administration***

1. Applications will be accepted on an invitation-only basis.
2. Applicants must have been awarded funds during the first phase of the HEART program and demonstrated a high level of performance in administration of their grant funding, and/or be specifically recommended for funding by the Rebuild Texas Fund.
3. Applicants will be notified of their invitation to Phase II of the HEART program and will be asked to submit a proposal describing their proposed use of funds.
4. After reviewing each proposal, TSAHC, Enterprise and the Rebuild Texas Fund will determine if the applicant's proposal is satisfactory.

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<sup>1</sup> HEART program defines critical repairs as repairs to a failed system, including electrical, roofing repairs/replacements, structural damage, plumbing, mechanical systems, and heating and air conditioning. Critical repairs must be vital to the health and safety of the occupants and meet state and local building codes. Critical repairs may also include complete rebuilds for homeowners whose homes were completely destroyed by the hurricane.

<sup>2</sup> HEART program defines "single family home" as 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.

<sup>3</sup> HEART program uses the U.S. Department of Housing and Urban Development's Section 8 income limits to determine income eligibility for the HEART program. To review the current income limits, visit: [www.huduser.org/portal/datasets/il.html](http://www.huduser.org/portal/datasets/il.html)

5. The maximum grant per applicant is \$100,000 for critical repair applicants and \$50,000 for programmatic applicants, and the maximum amount that can be used to assist an individual household is \$15,000. No grant awards will exceed \$100,000.
6. Grantees will receive funding as a lump sum award. In certain circumstances, HEART may disperse critical repair funds in one or more installment(s).
7. Grantees must spend 100% of their award and complete all activities proposed in their application within one year of signing their grant agreement.
8. Grantees will be required to provide income certifications for all households assisted with critical repairs.
9. Grantees will be required to provide evidence that the housing receiving critical repairs was damaged by Hurricane Harvey. Evidence may include proof of application to the Federal Emergency Management Agency, Insurance Claim Statements, or property assessment form completed by another entity. Grantees must also provide documentation demonstrating that the repairs were not funded through federal funds, an insurance claim, or another funding source.

### ***Evaluation Criteria***

- Proposed program/project aligns with HEART program priorities
- Proposal presents significant impact to the capacity of the organization, the needs of households with low income (80% AMI or lower) and the community(ies) served.
- Capacity of the applicant and relevant organizational experience
- Proposed grant budget and activities are feasible

### ***Reporting Requirements***

Grantees will be required to submit online quarterly reports and a final report.

For all housing recovery repair grants, a final report will be required to document that the repairs are complete and funding expended, to include:

- Number of homes repaired
- Number of volunteers and volunteer hours leveraged
- Photos and descriptions of each repair performed
- Evidence (through surveys or testimonials) of homeowner satisfaction with work completed
- Income certifications for each homeowner assisted
- Evidence that each home receiving repairs was damaged by Hurricane Harvey or the resulting flood waters
- Evidence that the homeowner did not already receive assistance through insurance, or through a federal funding source, or that the assistance received did not cover the full damage
- Other public and private funding leveraged to perform repairs (both by the nonprofit and families assisted)

For programmatic grants, grantees will be required to submit a final report that documents:

- Number of outreach events conducted by grantee
- Number of households served
- Average Median Income (AMI) of households
- Volunteers and volunteer hours leveraged

### **Grant Agreement**

Grantees will be required to execute a grant agreement that outlines:

- a description of how the grant will be used,
- eligible expenditures<sup>4</sup>,
- reporting requirements, and
- TSAHC's right to inspect properties or service records and to review financial documents.

**Failure to adhere to the terms of the grant agreement may result in the delay or cancelation of grants, termination of the agreement, or request for repayment of all or part of the grants disbursed.**

### **Questions**

Questions should be submitted in writing to Michael Wilt by email at [heart@tsahc.org](mailto:heart@tsahc.org) or Monica Gonzalez at [mgonzalez@enterprisecommunity.org](mailto:mgonzalez@enterprisecommunity.org). Applicants are highly encouraged to review the HEART Program Question and Answer section of TSAHC's website at [www.tsahc.org](http://www.tsahc.org) for pertinent application information.

### **HEART Program Partners:**



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<sup>4</sup> Grantees may use up to 5% of their grant for administrative costs. The remaining amount must be used for direct costs for critical home repairs and/or programmatic expenses. These costs may include, but are not limited to, contractor fees, materials, salaries for staff performing critical repair work or delivering programs, materials for outreach events, building permits and inspection fees for homes to be repaired. The grant agreement will include a full list of expenses eligible for a grant.