

Houston Equity Fund

Wells Fargo Open for Business Grant Program

ROUND 3 - NONPROFIT FUNDING OPPORTUNITY

APPLICATIONS DUE MARCH 26, 2024, at 11:59pm CST



Open for Business Grant Program

The Wells Fargo Open for Business Fund is a roughly \$420 million national small business recovery effort with a focus on racially and ethnically diverse small business owners, who have been disproportionately affected by the pandemic. The fund was created from the gross processing fees that Wells Fargo received from Paycheck Protection Program loans made in 2020. Wells Fargo has donated funds to Community Development Financial Institutions (CDFIs) and local nonprofits across the nation.

In February 2022, Wells Fargo announced a \$20 million donation to the Houston Fund for Social Justice and Economic Equity, known as the Houston Equity Fund, to provide small business owners with new ways to grow and own more of their businesses. The Houston Equity Fund will distribute the funding in the form of grants towards the purchase of property, equipment and other tangible assets, supporting economic development in underserved communities.

Awarding nearly \$3 million in grant funding for Round 3 of the Wells Fargo Open for Business Grants Program!

This opportunity supports mission-aligned diverse-owned small businesses and nonprofits within the City of Houston that positively impact vulnerable communities. Grant funds must be used to acquire or upgrade tangible assets. The Grant Program is intentionally inclusive of nonprofits, at various stages of maturity, that demonstrate a need for a grant to support their start-up, stabilization, or growth.

Houston Equity Fund’s Pillars for Transformational Change

The purpose of the Open for Business Grant Program (Grant Program) is to advance the mission of the [Houston Equity Fund](#) to enact transformational change by investing resources into organizations and initiatives that empower and uplift communities of color. A key aspect to being transformative is to embrace a rigorous process to select and fund organizations that can demonstrate direct, tangible and meaningful impact related to the pillars of the Houston Equity Fund listed below.

Social and Racial Justice	Economic Development	Youth Empowerment & Education	Community Building
Social Services, Criminal Justice, Healthcare, Civic Engagement, Immigrant Rights, Environmental Justice, Domestic Violence/Human Trafficking	Support future talent, startups, business owners, and workforce development activities that aim to address income and wealth disparities	Provide education, literacy, innovation, mentorship, advancement, scholarship and career opportunities	Secure access to vital resources, revitalize community spaces, celebrate Black history and culture

The Houston Equity Fund will distribute the **third and final round of funding (about \$3 million)** in the form of grants to small businesses and nonprofits. The Grant Program will serve mission-aligned nonprofits with 0 – 100 employees that advance the mission and pillars of the Houston Equity Fund within the City of Houston. Grant funds must be used to purchase or upgrade tangible assets, including but not limited to property, machinery, equipment, and inventory that support vulnerable communities and/or foster entrepreneurship and a rich small business ecosystem in Houston.

In addition to grant investments, nonprofits will receive technical assistance and educational programming to support their success. Topics will align with grantee interests and needs, including but are not limited to how to file for 501c3 status, nonprofit accounting (including 990 support), effective fundraising strategies, technology and data analysis, business systems and personnel resources, leadership and management, planning and control systems, and expanding capacity.

To accomplish these goals, the following **prioritization criteria** will be used to assess applicants.

<p>Grant Priorities</p>	<ul style="list-style-type: none"> • Advance the charitable mission and four pillars of the Houston Equity Fund • Support mission-aligned, diverse-led nonprofits that are historically underserved, including grassroots and community-led organizations. • Special consideration for organizations with limited access to philanthropic capital
<p>Who is Eligible?</p>	<p>To be eligible to apply for funding, nonprofits must meet ALL the following requirements:</p> <ul style="list-style-type: none"> • 501c3 status (or fiscal sponsorship) prior to December 31, 2022 • 0-100 employees, including full-time and part-time employees and 1099 contractors engaged in an ongoing way to support your nonprofit; and • Be located within the 8-county region of Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, or Waller counties. <p>Nonprofit organizations must meet ONE of the following additional funding criteria to be considered:</p> <ul style="list-style-type: none"> • Invest the tangible asset(s) in a community included on our Geographic Eligibility Map -or- • Invest the tangible asset(s) in the City of Houston AND have a mission-aligned program or focus area that supports the ecosystem for ongoing success of small businesses within the City of Houston, to develop a pipeline of future employees and entrepreneurs through such programs as incubators, internships and apprenticeships, mentorships, educational programs, small business grants and other investments, as well as training and/or technical assistance. <p>Ineligible Nonprofit Types: Religious institutions and nonprofit organization(s) that primarily operate programs associated with faith-based activities, including, but not limited to, bible study, mission trips, or proselytizing are not eligible to apply. Nonprofit organizations may not require participation in religious or faith-based activities as a requirement to receive services or benefits.</p>

	<p>Round 1 and 2 grantees are eligible for Round 3 if they have met <u>ALL</u> the below requirements:</p> <ul style="list-style-type: none"> • Attended the mandatory grant activation session and reporting webinars. • Spent all grant funds and provided accurate, sufficient, and timely documentation on how grant funds were spent. • For Round 1 Grantees only: Completed both the midterm and final impact reports. • For Round 2 Grantees only: Completed the midterm impact report. <p>Please do not reach out to verify if you are eligible to apply. Due to the high volume of applicants, we are unable to individually respond to inquiries.</p>
<p>Grant Terms</p>	<p>Grant funds must be used to acquire or upgrade one of the following types of <u>tangible assets</u>:</p> <ul style="list-style-type: none"> • Purchase of or improvements to land • Construction of new buildings or facilities • Renovations of existing buildings or facilities • New or upgraded machinery or equipment • New or updated technology • Purchase of inventory • Improvements or modernization of streets, utilities, parking lots, landscaping <p>The grant period is 30 days. All funds must be spent within 30 days of the date awarded. Applicants must request assets that can realistically be purchased within a 30-day period.</p>
<p>Award Range</p>	<p>Grant awards will range from \$5,000 - \$65,000. Grant award amounts will vary by applicant. For all applicants, award size is determined based on, but not limited to, the following factors:</p> <ul style="list-style-type: none"> • External objective reviewer scores and award recommendation • Rigorous due diligence process • 2022 Gross Revenue <p>Limited Funding Opportunity</p> <p>In Round 3, the Houston Equity Fund has allocated \$500,000 to award approximately six or fewer grants ranging from \$75,000 - \$100,000 to high scoring applicants that qualify. To be considered for this opportunity, applicants must:</p> <ul style="list-style-type: none"> • Have plans to invest in a capital-intensive asset, such as facility construction or renovations, land, machinery, or equipment, which will facilitate the organization’s growth and greater community impact. • Complete supplemental proposal questions that demonstrate how this investment will impact the nonprofit and the community served by the nonprofit. • If needed, be willing to participate in an interview process prior to selection. Translation support will be made available for applicants in Spanish, Chinese, Vietnamese, and American Sign Language.

	<p>We recommend applying for a grant award size reasonable to your nonprofit’s operating capacity, goals, and needs. All funds must be spent within 30 days of the date awarded. Applicants must request assets that can realistically be purchased within a 30-day period.</p>
<p>Supporting Documents</p>	<p>Applicants must provide these supporting documents:</p> <ul style="list-style-type: none"> • IRS Letter of Determination • Two 990s for most recent years available (990-Ns/990-EZs allowable) • 2024 Operating Budget • Quote or documentation related to cost and value of tangible asset(s) • List of Board of Directors • Biography of President/CEO/Executive Director • Other financials may be requested or obtained during a final review process <p>Applicants that want to be considered for an award ranging between \$75,000 - \$100,000 must also submit supplemental materials with their application, including:</p> <ul style="list-style-type: none"> • Supplemental Budget Request • Most recent Annual Audited Financial Statements or Annual Financial Statements (if audited statements are not available) • Any <u>ONE</u> of the following documents <u>currently available</u> for the nonprofit: <ul style="list-style-type: none"> • Current Strategic Plan • Most recent Annual Report • A copy of a grant proposal submitted to another funder
<p>Impact Reporting</p>	<p>Grantees will be required to submit two reports, due by or before November 1, 2024. Reports will include, but are not limited to the following key impact metrics set by Wells Fargo:</p> <ul style="list-style-type: none"> • Documentation proving grant funds were spent on approved assets (e.g., receipt, paid invoice, etc.). • Hours and type of technical assistance received from The Houston Equity Fund • Revenue growth • Number of jobs preserved, or new jobs created. • Of the new jobs created, how many include health care benefits/how many pay a living wage.

How to Apply

Application materials are available at www.houstonequityfund.org in English, Spanish, Vietnamese, and Chinese (Simplified).

Please follow these steps to access the application, **opening on March 12, 2024, at 12:00 AM CST:**

- Step 1) Complete the required **Eligibility Screener**.
- Step 2) If eligible, check your **email** for a link to the online **Application Portal**.
 - Only applicants determined eligible will receive a link to create an account and profile required to access the application portal.
 - If your organization is determined eligible, but you do not receive an email, please check your spam folder.
- Step 3) Create a **Profile**.
- Step 4) Complete the **Application** and upload all supporting documents.
 - Use the **Checklist** to gather all supporting documents.
- Step 5) Submit by the **Deadline** below.

Application Deadline: 11:59 PM CST on Tuesday, March 26, 2024

Key Dates	
Information Sessions - <i>In-person & Online!</i>	March 4 – March 22, 2024
Application Opens	March 12, 2024, at 12:00 AM CST
Application Closes	March 26, 2024, at 11:59 PM CST
Award Announcements	Fall 2024

Questions?

For more information about this grant opportunity, please visit the Houston Equity Fund website at www.houstonequityfund.org. On this page you can access the program materials including **Sample Application**, **Frequently Asked Questions (FAQ)**, and a supporting documents **Checklist**. In addition, you will find more information about **Informational Sessions** that will be hosted for interested applicants.

Please submit all **questions about the application or eligibility requirements** online at: <https://houstonequityfund.org/contact-us/>.

Due to the high volume of applicants expected, the Houston Equity Fund will not have capacity to individually respond to inquiries. Frequently Asked Questions (FAQ) will be addressed in a FAQ document updated to the extent possible.

Please direct all **technical support inquiries** related to issues with the online application portal at: <https://webportalapp.com/webform/ofb-technicalsupport>.

Application Rules & Conditions

All applicants must observe the following rules and conditions to be considered for funding. Applicants that fail to meet these rules and conditions will be declined from consideration of this grant opportunity.

- **One Application Per Person.** No person or entity shall submit more than one application per round. Applicants who own or lead two or more different entities (businesses or nonprofits), even if they operate under separate Tax Identification Numbers, may only apply for a grant for one entity. Applicants who submit multiple applications, whether for the same entity or different entities, will be declined.
- **No Contact.** Applicants who directly contact the Houston Equity Fund Board of Directors, Program Staff, or the Grant Administrator (GHCF) to request endorsement or preference for their application will be immediately declined.
- **Shared Application Information.** Applications that shared duplicated information, whether exact or approximate, will be declined. Application information should be unique to your specific business.
- **Ineligible Asset Requests.** Applications requesting any ineligible asset(s), such as rent, operating expenses, payroll, or employee benefits, will be declined. This policy applies to all applicants, including those who request both eligible and ineligible assets within the same application.
- **Incorrect or Inaccurate Supporting Documents.** All applicants must verify that the information provided in their supporting documents is accurate before submission. Supporting documents will be reviewed to verify information provided in your application. Applications with incorrect or inaccurate supporting documents will be declined.
- **Clean Hands Policy.** Applicants should be aware that Grantees will be asked to affirm that they have not been convicted or named as a defendant in any criminal or civil matter involving fraud, theft, embezzlement, perjury or misrepresentation. If such a conviction or charge has occurred against the Grantee and/or an applicable lawsuit has been filed against the Grantee, the grantee must fully advise the Houston Equity Fund of the facts and circumstances surrounding such conviction, charge, and/or lawsuit to determine whether applicant remains eligible to receive the grant.
- **Good Business Standing.** Applicants that are not in compliance with applicable federal, state, and local laws, regulations, codes, and requirements will be declined. Applicants should not owe any federal, state, or local taxes prior to July 31, 2024.

For more information on learning opportunities available to the public, please sign up for our newsletter at <https://www.houstonequityfund.org/>