

The Hyams Foundation, Inc.

GRANTMAKING GUIDELINES

February, 2008

Introduction

As the result of a strategic planning and assessment process in 2007, trustees of the Hyams Foundation reaffirmed the Foundation's mission and articulated a new vision for the Foundation's work.

Our Mission

Our mission is to increase economic and social justice and power within low-income communities in Boston and Chelsea, Massachusetts.

Our Vision

Our vision is that Boston and Chelsea be cities where success is not determined by race, and where low-income communities of diverse racial and ethnic backgrounds:

- Can afford to live;
- Have opportunities to advance; and
- Contribute to civic life and community well-being.

Our Grantmaking Goals

To further its mission, and to achieve its vision, over the next five years the Hyams Foundation will devote its expertise and resources to three major goals of critical importance to Boston and Chelsea.

These goals are:

- To increase **civic engagement** in communities of color and other low-income communities (see page 3);
- To increase access to **affordable housing** for families of color, extremely low-income (ELI) families and other low-income families (see page 6); and
- To increase **teen development** by supporting long-term success among teens of color and other low-income teens who are at high risk (see page 8).

The Special Opportunities Fund

The trustees also have created a Special Opportunities Fund setting aside 10% of the Foundation's annual grantmaking budget to support significant public policy efforts focused on economic self-sufficiency, asset development and racial disparities and to provide timely responses to unanticipated and compelling community issues (see page 10).

Program-Related Investments and Mission-Related Investments

Finally, the Foundation plans to expand the use of Program-Related Investments (PRIs) and will look for opportunities to make PRIs that will further the impact of its funding strategies under all three of its major program goals. For the first time, the Foundation also will explore the use of market rate Mission-Related Investments (MRIs) in support of the Foundation's funding strategies and goals. Please refer to the "How to Apply" section of the grantmaking guidelines for additional information about how to apply for a PRI.

What is a PRI?

A Program-Related Investment (PRI) is an *investment*, rather than a grant, to achieve a charitable purpose. It often takes the form of a loan, with a specified maturity or repayment date. PRIs are another way for foundations to support the nonprofit community. PRIs are common in the housing arena, but the Hyams Foundation plans to explore ways to use them in all of our funding areas. (See "How to Apply" for more information.)

What is an MRI?

As the Foundation uses the term, a Mission-Related Investment (MRI) is not a form of direct support of grantees but an investment designed to advance the Foundation's goals while producing a market rate of return.

Our Commitment to Racial Equity and Diversity

In choosing its major areas of focus, one key criterion used by the trustees was whether the Foundation's grantmaking would have the potential to reduce racial and ethnic disparities. As you will see in the grantmaking guidelines, significant and troubling racial and ethnic disparities are present in Boston and Chelsea today in the civic engagement and housing areas and for low-income teens. The Foundation will seek specific grantmaking opportunities that directly address these disparities and will be aware of and sensitive to them in all of its program areas.

The Foundation also will continue to consider organizational diversity in all of its funding decisions. The Foundation believes that well-functioning organizations that also have racially and ethnically diverse boards and staff are more effective in serving and empowering Boston and Chelsea's communities. It will continue to use board and staff diversity as an important funding criterion while also exploring with applicants the connection between diversity and organizational effectiveness.

Civic Engagement

What we believe

Boston and Chelsea are currently “minority-majority” cities where people of color and with immigrant backgrounds are under-represented in decision-making positions in public and private sectors. In addition, significant economic, social and racial disparities persist between white communities and those of color. The development of grassroots leaders and activists of color, including immigrants and teens, who are actively engaged in civic and electoral processes and in elected and appointed public office, ensures that low-income communities play a vital role in identifying issues, working toward solutions and reducing disparities. Community-based organizations that involve and support their constituents in decision-making roles are crucial to promoting civic engagement and leadership development of community members. Organizations that are run by and serve people of color and immigrants play a particularly critical role in supporting and developing leaders and activists.

What we will fund

I. Grassroots Leadership Development

Community-based organizations that have a commitment to working *with*, not just on behalf of, community members offer valuable opportunities to develop broader civic engagement, activism and leadership. The Foundation will make grants to increase the capacity and effectiveness of individual organizations and collaborations of organizations, especially those led by people of color, immigrants and/or teens, to incorporate civic engagement, leadership development and community organizing of community members as an integral part of their approach to identifying and solving community issues.

- ***Direct Grants:*** Operating, program and technical assistance grants will be made to community-based organizations that work to:
 - Engage and expand the number of community leaders and activists identifying issues and working together to plan and implement organizing actions and campaigns;
 - Train community members in organizing and other leadership skills;
 - Collaborate with other organizations and groups, when appropriate, to coordinate efforts and resources in achieving common goals; and
 - Provide, for organizations working with teens and in addition to the above objectives, programming that is based on sound youth development practices, including meaningful opportunities for youth decision-making, engaging youth over a sustained period of time and offering connections with caring adults.

- **Grants through the Immigrant Leadership Fund (ILF):** The Foundation will continue this special three-year initiative to support and increase the capacity of immigrant-led organizations to engage and develop leadership in their communities. The ILF provides: operating and technical assistance funding to four emerging organizations; support for technical assistance to four to six more established organizations each year; and mini-grants open to any immigrant-run organization for discrete leadership development training and networking opportunities, including workshops and conferences. Currently, only one cycle of technical assistance grants for established organizations remains, with an RFP expected to be released in October, 2008. Mini-grants will be provided for the first time in 2008 based on a letter of interest process.

II. Voter Engagement

Voting is the fundamental way for people to exercise their individual and collective power and ensure that public policies are reflective of and responsive to diverse communities. However, in both Boston and Chelsea, low-income neighborhoods of color have lower rates of electoral participation and people of color are under-represented in elected and appointed positions in municipal offices and state government. To address these disparities, the Foundation will continue to support a funders collaborative called the Civic Engagement Initiative (CEI). The CEI funds an intermediary organization, MassVote, to re-grant and provide technical assistance to community-based organizations that:

- Incorporate effective voter registration and Get Out The Vote (GOTV) efforts to increase voter engagement in targeted low-income communities of color;
- Work collaboratively to hold candidate forums in the communities to encourage candidates to address issues of concern to community residents; and
- Work with MassVote to train staff on effective GOTV strategies and track the actual work and effectiveness in turning out the vote

The Foundation also will make a very limited number of direct grants to support voter engagement work among community-based organizations with a demonstrated ability to organize and engage community members.

III. Public Policy/Community Organizing

Public policies can promote or inhibit the civic engagement of teens and adults from low-income communities of color. A number of public policy issues are of particular concern. These include “racial profiling” by public agencies, efforts to increase identification requirements and other barriers for voting and registration, the escalation of anti-immigrant sentiment, and the increasing number of federal Immigration and Customs Enforcement raids in immigrant communities.

These and other actions contribute to an escalation of fear, civic disengagement and disenfranchisement within communities of color. To help counter this, the Foundation will support advocacy and organizing that have the potential to change public policy and increase resources to maintain civil rights and promote greater civic engagement. Some examples of possible public policy goals include but are not limited to: same day registration and voting; lowering the voting age to 16 for local elections to expand the civic engagement of teens;

allowing immigrants to vote in municipal elections and referendums; increasing funding for citizenship education funding; and incorporating civic engagement curricula in public education.

Civic engagement public policy/community organizing grants will be made to organizations that have:

- A demonstrated commitment to broad-based constituent engagement, mobilization and coalition building;
- An understanding of the legislative process; and
- Relationships with key allies in elected office who will help to pursue public policy changes.

How we define some terms related to this grantmaking area

Civic engagement is to be involved in social and/or political action, in concert with others, to address issues that impact one's community, city and/or broader society.

Grassroots activist is a community member who works closely with others to create positive change but not necessarily in a leadership role. An activist could provide input into strategy development, contact a decision maker, attend a hearing or rally and/or respond to mobilization efforts around a key vote or action.

Grassroots leader is a community member who works to engage others in creating positive change. A leader could undertake outreach and education, develop organizing strategies, organize events, run meetings and/or speak at public forums or hearings. Leaders may include elected or appointed office holders, paid staff of community-based organizations and volunteer activists. The Foundation recognizes that different cultures define a "leader" and "leadership" in different ways.

Affordable Housing

What we believe

Access to decent and affordable housing is essential to the health and well being of every family. The Foundation's goal is to increase access to affordable housing for families of color, extremely low-income (ELI) families—with annual incomes below 30% of the Area Median Income—and other low-income families. The Greater Boston area continues to experience an affordable housing crisis, especially for very low-income families. Access to housing is a particularly significant need for ELI families, who are over represented by families of color. Therefore, the Foundation will increase its efforts to support community-driven advocacy efforts that are designed to increase public sector resources for affordable housing creation and preservation—and that increase access to affordable housing for low-income people, particularly for families of color.

The next several years are critical for community-based nonprofit housing developers and other community stakeholders to control development through geographically targeted housing efforts that can combat future gentrification. The time is ripe to assist housing developers to strengthen the future of neighborhoods as places where diverse, low-income families can afford to live over the long term. Owing to the scale and complexity of these efforts, the Foundation is focusing its funding, recognizing that long-term involvement will be necessary in order to have a measurable impact. As a result, it has selected three geographic areas and grantees as described below.

What we will fund

I. Affordable Housing Production and Preservation

The Foundation has made a major commitment to increasing and preserving the supply of affordable rental housing and homeownership units, especially for very low-income families, in two ways:

- ***Geographically-Targeted Affordable Housing Production Initiative:*** To increase the scale of our work and impact in the area of direct production, the Foundation is focusing on three geographic areas in Boston and Chelsea. These include Jackson Square in Jamaica Plain/Roxbury; the Fairmount Line MBTA commuter rail corridor as it traverses Dorchester/Mattapan; and the City of Chelsea. These three geographic areas were chosen to help reduce the pressures of gentrification and encourage the development of a significant number of new affordable housing units. The Fairmount Line and Jackson Square initiatives represent transit-oriented development adjoining rapid transit points, which encourages people to live, work and shop near public transit, reduces their reliance on cars, and helps them save money. Households living near rapid transit can save up to \$5,000 per year on transportation costs. Only specific community development corporations (CDCs), with the expertise to produce housing on a large scale in these specific geographic areas, are receiving funding under this strategy. Funding also may be provided for complementary planning, coordination and technical assistance in these geographic areas.

- ***Increasing production and preservation of Extremely Low-Income housing through Home Funders:*** Through a \$3 million Program-Related Investment (PRI) to *Home Funders*, the Foundation is supporting a collaborative funding initiative designed to create additional housing units for homeless and extremely low-income families—with annual incomes of 30% of the Area Median Income or less. *Home Funders* loans are available to affordable housing producers through the Community Economic Development Assistance Corporation (CEDAC) and Massachusetts Housing Partnership (MHP).

No other grants for direct affordable housing production and preservation will be made at this time.

II. Affordable Housing Public Policy/Community Organizing

The Foundation will make grants for public policy advocacy and community organizing to increase the supply of affordable housing and provide access to affordable housing for low-income individuals and families. Priority will be given to organizations that actively engage diverse low-income leaders and activists in the public policy advocacy work. The Foundation will make grants for community-driven efforts that are working to increase public sector resources for affordable housing creation and preservation (including programs for production as well as the Massachusetts Rental Voucher Program). Examples of other potential policy targets in this area would be to: increase fair housing laws and enforcement; address systemic issues related to sub-prime and predatory lending; strengthen inclusionary zoning regulations; and preserve long-term access for tenants to stable and affordable housing by supporting tenant organizing. Grants also will be made to increase the capacity of these organizations.

Teen Development

What we believe

In Boston and Chelsea today, too many low-income teens, especially teens of color, are simply not succeeding in school or in the workplace. High school dropout rates are at crisis levels, and youth employment at all-time lows. Positive development of teens not only leads to their personal success but to stronger communities, because they represent such promising resources for positive change. With access and opportunity, every young person—including those who are low-income and at risk—can develop the knowledge and skills necessary to succeed in life. Much more needs to be done to re-engage teens in school and to connect them to meaningful jobs. And new approaches should be developed that address teens with specific needs created by gender, race and ethnicity, or cultural and language differences. Too often, teens are viewed primarily through a “public safety” lens, leading to cuts in community-based preventive programs and a skewing of resources toward public safety interventions. To ensure the success of all low-income teens, Massachusetts public policy should view their complex needs in a holistic way, see teens for the tremendous assets they represent, and reflect the understanding that today’s teens are the workforce and adult leaders of tomorrow.

What we will fund

I. *Girls’ Initiative*

Since 2003, the Foundation has provided multi-year support to a group of community-based organizations providing services targeted to high-risk girls who have been or are under the jurisdiction of the Juvenile Court, the Department of Social Services, or the Department of Youth Services as a result of CHINS (Children in Need of Services) or delinquency. These direct grants will continue through 2008, and funding to the initiative’s intermediary will continue through 2009. The Foundation will continue to help sponsor forums and training focused on the specific needs of high-risk girls and will share what we have learned through this initiative with the nonprofits serving this population and fellow funders. While the specific *Girls’ Initiative* will conclude in 2009, the Foundation will continue to consider the special needs of girls in our other teen grantmaking strategies.

II. *Re-engaging Teens in School and in the Workforce*

Trustees of the Hyams Foundation are exploring the creation of a new and expanded grantmaking focus on teens of color who have dropped out of school and are not in the workforce. Hyams staff is currently involved in reaching out to organizations and individuals in the community for information and ideas. The Foundation plans additional research and group meetings to determine program gaps and identify compelling funding ideas and opportunities. The Foundation’s work in this area is still being developed and will be shared as soon as it is made final by the Trustees.

III. Chelsea REACH

The Foundation will continue to support a new after-school resource for 7th – 10th graders in Chelsea that was developed in partnership with community-based organizations, the Chelsea Public Schools and community members. Chelsea REACH is designed to increase school and career success for teens—with a special focus on the critical transition from middle school to high school. The Foundation recently made a five-year funding commitment to this effort through the Chelsea Public Schools, which in turn coordinates grants to partnering community-based organizations and is advised by a special community oversight committee.

IV. Public Policy/Community Organizing

Public policy advocacy focused on the needs of low-income teens must be stronger and more effective in order to create the policies and resources needed to support and sustain effective teen development programs. Many youth-serving organizations, including those that serve high-risk teens, want to become more effective policy advocates and are open to building their capacity and collaborative skills in order to achieve that goal. The Foundation will support organizations, coalitions and networks that have a demonstrated commitment to affecting public policies and directly engaging teens and their families in these advocacy efforts.

The Foundation will support public policy and community organizing that focuses on increasing long-term success among teens of color and other low-income teens who are at high risk. Examples of potential policy targets include but are not limited to: increasing public funding for summer and year-round jobs for low-income teens; increasing resources to address the high school drop-out crisis; and reforming the criminal record information system. Priority will be given to applicants that:

- Have identified one or more issue areas that impact low-income teens as a focus for their public policy advocacy work;
- Utilize fact-finding and research to develop their policy agenda(s);
- Work in coalition with other organizations with similar priorities and goals or be open to developing this type of collaboration; and
- Directly engage teens in public policy and organizing work and provide them with meaningful roles as leaders and activists, including identifying advocacy priorities and creating policy/advocacy agendas.

Operating, project/program and/or capacity-building grants will be made to individual teen-serving organizations, coalitions or networks of teen-serving organizations that meet the public policy criteria stated above and other nonprofits that contribute added capacity to these organizations.

Special Opportunities Fund

What we believe

While the Hyams Foundation is committed to focusing the majority of its resources on its three major program goals, we also want the flexibility to support a limited number of efforts that fall outside of those goals but relate to the Foundation's overall mission and especially to its commitment to promoting racial justice and to addressing racial disparities. It has created a Special Opportunities Fund for this purpose and will designate 10% of each annual grantmaking budget to it.

What we will fund

The Foundation will use the Special Opportunities Fund for the following two purposes:

1. ***Addressing significant policy opportunities related to economic self-sufficiency, asset development and racial justice that have strong community support and backing***

In 2008 and 2009, grants will be made to a small number of organizations that are focused specifically on public policy and community organizing agendas designed to address the significant racial and ethnic disparities in financial assets and wealth that exist in the Greater Boston area and are major barriers to the economic well-being, security and success of families of color. The Foundation will use a special invitation process to identify these grantees.

Grants in this area also will be designated for the public policy components of the English for New Bostonians (ENB) and SkillWorks funding collaboratives, should these initiatives proceed to their next phase. The Foundation has been an active participant in ENB and SkillWorks since 2000 and 2002 respectively, in order to expand public resources for workforce development and ESOL/ABE programs. The Foundation also will consider continuing its funding for direct ESOL services through ENB.

2. ***Responding to unanticipated and compelling community issues***

A very limited amount of funding will be available for this purpose each year. There will be no formal application process for these funds, and any organization interested in accessing them should send a letter to the Foundation's Executive Director. These funds may not be used to address cash flow or related financial emergencies of individual nonprofit organizations.