

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING

HOUSING COUNSELING ASSISTANCE

PROGRAM PERFORMANCE

STRATEGIC GOAL/OBJECTIVE	ACTUAL 2002	ESTIMATE 2003	ESTIMATE 2004
Strategic Goal A: Promote decent affordable housing.			
Discretionary BA (Dollars in Thousands)	\$4,000	\$7,000	\$9,000
FTE			
Headquarters	1	1	2
Field	17	18	18
Subtotal	18	19	20
S&E Cost (Dollars in Thousands)			
Personal Services	\$1,463	\$1,586	\$1,727
Travel	35	29	32
Transportation of Things	0	0	0
Printing	1	1	2
Other Services	2	1	1
Supplies	0	0	1
Subtotal	1,501	1,617	1,763
Strategic Objective A.4: Help HUD-assisted renters make progress toward self-sufficiency.			
Indicator: The number of households receiving housing counseling from HUD-approved housing counseling agencies to assist them in utilizing their Housing Vouchers to become homeowners increases by 1,050.	NA	900 additional households	1,050 additional households
Indicator: Number of clients receiving rental-counseling increases by 60,000.	Estimate 110,000 households	68,000 additional households	60,000 additional households

EXPLANATION OF PERFORMANCE

Performance/Means and Strategies

Funding in the amount of \$9 million in program funding and \$1.8 million in Salaries and Expenses for a total of \$10.8 million to support Strategic Goal A: Promote decent affordable housing

The Housing Counseling Assistance program, administered by the Office of Housing, supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters, and the homeless counselors provide guidance and advice to help families and individuals improve their housing conditions and choices and meet the responsibilities of tenancy and homeownership agencies in the program may also provide Home Equity Conversion Mortgage (HECM) counseling to elderly homeowners who are looking to convert equity in their homes into income that can be used to pay for home improvements, medical costs, living expenses, or other expenses.

Housing Counseling Assistance

Housing Counseling is a key element in the Department's efforts to promote decent, affordable housing. Rental and mobility counseling help individuals make smart choices and evaluate their housing options. The fiscal years 2003 and 2004 funding level would provide rental counseling to 60,000 additional individuals (250,524 total). The Housing Counseling grant cycle is such that, for fiscal year 2004 funding, grants will be implemented in fiscal year 2005 than in fiscal year 2004. The resulting per unit cost for rental counseling, on a full-cost accounting basis, is \$42.96 per client.

Housing counseling is a key element to the Department's efforts to provide residents of public housing and users of Housing Choice vouchers with more choices and opportunities for homeownership. For example, HUD's new Section 8 Homeownership Program, which allows low-income individuals to use rental vouchers to purchase homes, requires participants to receive housing counseling. HUD's Office of Public and Indian Housing predicts that caseload could approach 2,000 families by fiscal year 2004, and that housing counseling could cost approximately \$1,400 per family. Additional funds will allow housing counseling agencies to partner with PHAs and facilitate homeownership for qualified voucher recipients. FHA intends to target as much as \$2 million of the fiscal year 2003 and \$2.5 million of the fiscal year 2004 housing counseling budgets to support counseling related to the Section 8 Homeownership Program.

Housing counseling also assists the elderly in avoiding predatory lending and in securing Home Equity Conversion Mortgages (HECM), also known as reverse mortgages, that help elderly homeowners convert equity in their homes into income that can be used to pay for home improvements, medical costs, living expenses or other expenses. Fiscal year 2004 funding will provide for an additional 4,779 individuals to obtain a Home Equity Conversion Mortgage (16,000 total) compared to fiscal year 2003.

Resource Management Information

FTE increases slightly from fiscal years 2003 to 2004 to support the expected programmatic growth due to the Department's commitment to increase decent affordable housing.