

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

HOUSING COUNSELING

FUNDING AVAILABILITY FOR THE HOUSING COUNSELING PROGRAM**Program Overview**

Purpose of the Program. The purpose of this program is to provide comprehensive housing counseling through national, regional, multi-state housing counseling agencies, State housing finance agencies, and local HUD-approved housing counseling agencies. Counseling assists homebuyers, homeowners, and tenants to meet their housing needs and resolve their housing problems.

Available Funds. Approximately \$17.55 million.

Eligible Applicants. (1) HUD-approved national, regional, or multi-state intermediaries; (2) HUD-approved local housing counseling agencies; and (3) State housing finance agencies.

Application Deadline. May 3, 2001.

Match. None.

Additional Information

If you are interested in applying for funding under this program, please review carefully the General Section of this SuperNOFA and the following additional information.

I. Application Due Date, Further Information, and Technical Assistance

Application Due Date. If you are a Local Housing Counseling Agency or a State Housing Finance Agency you must submit to the Homeownership Center designated below, and the HOC must receive, a completed application on or before 6:00 pm, local time, May 3, 2001.

If you are a National, Regional or Multi-State Housing Counseling Intermediary, you must submit a completed application on or before 12:00 midnight, Eastern time, on May 3, 2001, to the HUD Headquarters Office designated below.

See the General Section of this SuperNOFA for specific procedures

governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Addresses for Submitting Applications. If you are a Local Housing Counseling Agency or State Housing Finance Agency, your completed application consists of an original and two copies. Send your completed application to the respective HUD Homeownership Center (HOC) having jurisdiction over the locality, area or State in which your proposed program is located. Your application should be sent to the attention of the Program Support Division Director, and the envelope should be clearly marked "FY 2001 Housing Counseling Grant Application." A list of the HUD Homeownership Centers, including their field office and State jurisdictions, and the Program Support Division Directors appears below.

Homeownership center	Field office	States
<p>U.S. Department of HUD—Detroit Office Mr. John Niebieszczanski, Patrick V. McNamara Building, SF Program Support Branch 4, 477 Michigan Ave. Rm. 1600, Detroit, MI 48226. For technical questions Contact: Robert Wright (215) 656-0527 x3406.</p>	<p>Albany, Baltimore, Bangor, Boston, Buffalo, Burlington, Camden, Charleston, Cincinnati, Cleveland, Columbus, Detroit, Flint, Grand Rapids, Hartford, Manchester, New York, Newark, Philadelphia, Pittsburgh, Providence, Richmond, Washington, DC, Wilmington.</p>	<p>Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia.</p>
<p>Atlanta Homeownership Center Ms. Gayle Knowlson, 40 Marietta Street, 8th Floor, Atlanta, GA 30303-2806. Contact: Fellece Sawyer-Coleman (404) 331-5001, x2675.</p>	<p>Atlanta, Birmingham, Caribbean, Chicago and Springfield, Columbia, Coral Gables, Greensboro, Indianapolis, Jackson, Jacksonville, Knoxville, Louisville, Memphis, Nashville, Orlando, Tampa.</p>	<p>Alabama, Puerto Rico, Florida, Georgia, Illinois, Indiana, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee.</p>
<p>Denver Homeownership Center Ms. Dawn Davis, Wells Fargo Building, 633 17th Street, Denver, CO 80202-3607. Contact: Irma Devich (303) 672-5216 x1980.</p>	<p>Albuquerque, Denver (Casper, Fargo, Sioux Falls), Dallas, Des Moines, Denver, Fort Worth, Helena, Houston, Kansas City, Little Rock, Lubbock, Milwaukee, Minneapolis, New Orleans, Oklahoma City, Omaha, Salt Lake City, San Antonio, Shreveport, St. Louis, Tulsa.</p>	<p>Arkansas, Colorado, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, Wisconsin, Wyoming.</p>
<p>Santa Ana Homeownership Center Mr. Jerrold Mayer, 1600 N. Broadway, Suite 100, Santa Ana, CA 92706-3927. Contact: Rhonda J. Rivera, Chief 1-888-827-5605 (714) 796-1200 x3210.</p>	<p>Anchorage, Boise, Fresno, Honolulu, Las Vegas, Los Angeles, Phoenix, Portland, Reno Sacramento, San Diego, San Francisco, Santa Ana, Seattle, Spokane, Tucson.</p>	<p>Alaska, Arizona, California, Hawaii, Oregon, Idaho, Nevada, Washington.</p>

If you are a National, Regional or Multi-State Housing Counseling Intermediary, your completed application also consists of an original and two copies. Submit your completed application to Director, Program Support Division, Office of Single Family Housing, HUD Headquarters, 451 Seventh Street, S.W., Washington, DC 20410, Room 9166. The envelope should be clearly marked, "FY 2001 Intermediary Application.:"

Application Kits. Application kits will not be used this year.

For Further Information and Technical Assistance. If you are a local housing counseling agency or State housing finance agency, you may call the HUD Homeownership Center serving your area. If you are a national, regional, or multi-state intermediary, you may call HUD Headquarters, Program Support Division at (202) 708-0317 (this is not a toll-free number).

Persons with hearing or speech impairments may access this number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339. Please see above for a list of offices and telephone numbers you can call to receive assistance. Before the application deadline, HUD staff will be available to provide general guidance.

Satellite Broadcast. HUD will hold an informational broadcast via satellite for potential applicants to learn more about

the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov>.

New data collection and performance measurement system. To improve HUD's ability to measure performance and target resources to the most effective housing counseling programs, HUD is undertaking an effort to modify both the Housing Counseling Handbook and the associated 9902 form, our primary data collection instrument. HUD plans to gather quantitative information (to supplement the qualitative and anecdotal information already collected) to measure the performance of each housing counseling program. To ensure that our modifications to the data collection instrument are most effective, however, we would like to hear from you, the potential grantees. If you would like to offer any suggestions or recommendations on how best to measure and assess the impact and outcomes of housing counseling services, please send your comments to Director, Program Support Division, Office of Single Family Housing, HUD Headquarters, Room 9166, 451 Seventh Street, SW, Washington, DC, 20410.

II. Amount Allocated

Under this SuperNOFA, approximately \$17.55 million of the \$20 million appropriated is made available for eligible applicants. An allocation of up to \$1.8 million of the \$20 million total in program funding has been set aside for Housing Counseling support which may include continuation of the Housing Counseling Clearinghouse, tuition assistance for housing counselors, and/or other HUD counseling initiatives and activities. An allocation of up to \$500,000 of the \$20 million appropriated is available for the Home Equity Conversion Mortgage (HECM) Program, as provided in section 255(k) of the National Housing Act (12 U.S.C. 1715z-20). An allocation up to \$150,000 is available to assist HUD's Office of Public and Indian Housing with housing counseling support in the Native American Programs.

Local housing counseling agencies, State housing finance agencies, and national, regional and multi-state intermediaries may apply for and receive a grant only under one of the three categories described below. Affiliates and branches of State housing finance agencies or national, regional and multi-state intermediaries that are not HUD-approved can apply for a subgrant under either Category 2 or 3, but not both. (The term "affiliate" or

"affiliates" includes the term "branch" or "branches" of the affiliate unless otherwise stated.) A HUD-approved local housing counseling agency applying as an affiliate for a subgrant under either Category 2 or 3 cannot apply directly to HUD for separate funding. Only one source of HUD funds is permissible under any of the three categories or within Category 2 or Category 3. For example, an organization affiliated with two or more intermediaries can only apply to one intermediary for a housing counseling subgrant. Another example is an organization affiliated with an intermediary and a State housing finance agency. This organization can apply to either the intermediary or the State housing finance agency for a housing counseling subgrant but not both.

In situations where an applicant submitted an application under two or more categories or submitted an application to two or more intermediaries within Categories 2 or 3, a decision must be made by the applicant to affirm one funding source. If two or more applications were submitted then the applicant must select one category or one intermediary within Categories 2 or 3, under which to apply and must withdraw all other applications. If two or more grants were awarded then one grant source must be selected and all others forfeited.

III. Applicant Categories

The amount of funds available for allocation are set forth below in three competing categories. Applicants must submit an application under the specific category for which they are eligible to apply for a grant.

(A) *Category 1—Local Housing Counseling Agencies (LHCA).* Approximately \$6.6 million has been made available for grants to local HUD-approved housing counseling agencies. Funding is allocated to each HUD field office jurisdiction by a formula that reflects the increased emphasis on the expansion of homeownership opportunities for first-time homebuyers and HUD's intent to ensure appropriate geographical distribution of program funds. For FY 2001, no individual local housing counseling agency may be awarded more than \$100,000.

A local HUD-approved housing counseling agency may apply for a grant to HUD, or a subgrant to a state housing finance agency, as an affiliate, or a subgrant to a national, regional, and multi-state intermediary as an affiliate. However, the local HUD-approved housing counseling agency can apply for only one grant or subgrant under any

of the three categories or within Category 2 or 3.

There will be no suballocations for field office jurisdictions this year. Allocations for use in local agency programs by HUD Homeownership Centers are as follows:

Philadelphia HOC	1,861,698
Atlanta HOC	1,924,468
Denver HOC	1,469,281
Santa Ana	1,344,553

(B) *Category 2—National, Regional, and Multi-State Intermediaries.*

Approximately \$9.95 million is being set aside to fund HUD-approved national, regional and multi-state intermediaries that apply for funding under this SuperNOFA. Awards for HUD-approved housing counseling intermediaries may not exceed \$1.2 million, except for regional intermediaries, whose awards may not exceed \$250,000.

A national, regional or multi-state intermediary may provide a subgrant to an affiliate, but not to an affiliate that applies directly to HUD, a State housing finance agency, or another intermediary in Category 2.

(C) *Category 3—State Housing Finance Agencies (SHFA).*

Approximately \$1 million is being set aside to fund State housing finance agencies that have a role as a housing counseling agency and/or as an intermediary to affiliates, offering housing counseling services. (State housing finance agencies are defined in 24 CFR 266.5 under the definition of "housing finance agency"). The amount of funding available to each of the four HUD Homeownership Center jurisdictions is as follows:

Homeownership center	Funding allocation
Atlanta, GA	\$254,285
Denver, CO	254,285
Philadelphia, PA	267,145
Santa Ana, CA	224,285
Total	\$1,000,000

There is no cap on the award amount that a State housing finance agency, or its affiliates, may receive, but HUD will take into consideration prior usage of grant funds as stated in Factor 1. A State housing finance agency may provide a subgrant to an affiliate, but not to an affiliate that applies to HUD or a national, regional, and multi-state intermediary or another State housing finance agency.

IV. Funding Policies

(A) *Remaining and Deobligated Funds/Reallocations.* If funds remain after HUD has funded all approvable grant applications in its Homeownership Center jurisdictions, or Headquarters, or if any funds become available due to deobligation or refusal to accept an award, that amount will be retained by HUD for future housing counseling use or HUD may use that amount (or any part thereof) by allocating it to another HUD office jurisdiction, and/or another allocation category.

(B) *Funding Levels.* The Factors for Award will be used to evaluate your application for funding. If you are a successful applicant, HUD may require that you participate in negotiations to determine the specific grant amount and the terms of the grant agreement. HUD will follow the negotiation procedures described in Section III(D) of the General Section of the SuperNOFA. Housing Counseling grants are fundable for a period of twelve (12) calendar months. This period may begin from the date that your award is executed by HUD, or may begin on a date that is not more than 90 days prior to the date that you are notified of your award, which beginning date shall be determined by HUD.

(C) *Funding Methodology.* As described below, in Section VII(B) of this program section of the SuperNOFA, the Factors for Award will be used to evaluate your application and a maximum of 100 points may be awarded for each application. Only applicants who receive at least 50 points out of the 100 will be considered eligible for funding. All eligible applicants will then be funded in proportion to the score they receive, or as negotiated.

This year's formula will work as follows: every agency that receives a score of 50 points will receive a base award of \$2500, then will receive additional funds for every point above that 50 point cutoff. The total number of agencies with scores above 50 will be multiplied by \$2500 and that amount will be subtracted from the total available to the HOC. Then, the remaining balance will be divided by the total number of points each agency scores that are above the 50 point cutoff. The division will result in a dollar value for each point. The number of points that each agency scores above the 50 point base will be multiplied by that dollar value. The result of that multiplication will be added to the \$2500 base for the total award amount. For example, an agency with a score of

85 would receive \$2500 plus the dollar value for each point times 35 (35 being the number of points above the 50 point cutoff). \$66,128

(D) *Award Instrument.* All Housing Counseling Program awards shall be made on a cost reimbursement basis in accordance with the requirements in OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments; or OMB Circular A-122, Cost Principles for Non-Profit Organizations, as applicable to your organization; and the administrative requirements established in OMB Circular A-102, which was implemented by 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments and Indian Tribal Governments); OMB Circular A-110, which was implemented by 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); and OMB Circular A-133 which was implemented by 24 CFR parts 84 and 85. If you receive an award you are also required to ensure that any sub-recipients also comply with the requirements in these circulars.

After selection, but prior to award of funds, you will be required to submit to ensure to HUD's satisfaction that your financial accounting system meets the federal requirements for fund control and accountability as required by these OMB Circulars. You must also submit documentation establishing your organization's indirect cost rate. Such documentation may consist of a certification from, or your most recent audit by, the cognizant Federal agency or an Independent Public Accountant. If your organization does not have an established indirect cost rate, you will be required to develop and submit an indirect cost proposal to HUD or the cognizant Federal Agency as applicable, for determination of an indirect cost rate which will govern your award. Funds will not be awarded until the determination of the Indirect cost rate.

Your submission should include the name and telephone number of the Independent Auditor or the cognizant Federal Auditor. HUD cannot award funds to an organization unless its financial management system meets Federal requirements for funds control and accountability.

V. Program Description; Eligible Applicants; Eligible Activities

(A) *Program Description.* HUD-approved housing counseling agencies provide counseling and advice to tenants and homeowners on property

maintenance, financial management, and other matters appropriate to assist tenants and homeowners in improving their housing conditions and meeting responsibilities of tenancy and homeownership. In addition, HUD-approved housing counseling agencies conduct community outreach activities and provide counseling to individuals, including persons with visual or hearing impairments or other disabilities, with the objective of increasing awareness of homeownership opportunities and improving access of low and moderate income households to sources of mortgage credit. HUD believes that this activity is key to the revitalization and stabilization of low income and minority neighborhoods. Agencies assist first-time homebuyers by offering Homebuyer Education and Learning Program (HELP) training sessions. Agencies also meet the counseling needs of eligible persons 62 or older who desire to use the Home Equity Conversion Mortgage (HECM) to convert equity in their homes into a lump sum payment or an income stream that can be used for home improvements, medical costs, and/or living expenses.

(B) *Eligible Applicants.* Under the Housing Counseling Program, HUD contracts with qualified public or private nonprofit organizations to provide housing counseling services. There are three categories of applicants that are eligible to submit applications:

(1) *HUD-approved Housing Counseling Intermediaries.* If you are a housing counseling intermediary, you are responsible for distributing grant funds to affiliated local housing counseling agencies. In FY 2001, you must list all of your affiliates and the cities and states in which you and your affiliates maintain offices, then identify which affiliates will receive funding through this grant award. Your local affiliates are eligible to undertake any or all of the housing counseling activities described for HUD-approved local housing counseling agencies. Local affiliates receiving funding through your organization do not need to be HUD-approved in order to receive funds from you. However, you must be HUD-approved as of the date of this SuperNOFA. You must identify all of your affiliates in your application that will be seeking a subgrant. If your affiliate is not HUD-approved, you must certify the quality of services provided will meet, or exceed, standards for local HUD-approved housing counseling agencies.

HUD will permit you wide discretion in implementing your housing counseling programs with your affiliates, but your application must

clearly define your management responsibilities, the service delivery responsibilities of your affiliates and appropriate time frames for reporting results to HUD.

You can decide how to allocate funding among your affiliates with the understanding that a written record must be kept of how you determined your funding levels. This record must be made available to your affiliates and to HUD. You should budget an amount that reflects your best estimate of the cost to oversee and fund the housing counseling efforts of your affiliates. You must seek other private and public sources of funding to supplement HUD funding. HUD does not intend for its counseling grant funds to cover all costs incurred by an agency participating in this program.

(2) *HUD-approved local housing counseling agencies.* These agencies are private and public non-profit organizations, approved by HUD to provide housing counseling services directly to clients. If you are a HUD-approved local housing counseling agency, HUD will fund your activities according to the budget submitted with your application. The amounts you request should reflect anticipated operating needs for your housing counseling activities, based upon your counseling experience during the previous fiscal year and your current agency capacity.

If you apply directly to HUD, you cannot apply as an affiliate for a subgrant to a State housing finance agency or to a national, regional or multi-state intermediary. In addition, you must disclose all funding sources to HUD. If you are a local housing counseling agency that is not currently HUD-approved, you may receive FY 2001 funding only as an affiliate of a HUD-approved national, regional, or multi-state intermediary; or State housing finance agency.

(3) *State housing finance agencies.* Your primary activity under this grant as a State housing finance agency is to provide housing counseling services as a local housing counseling agency and/or serve as an intermediary distributing counseling funding to local housing counseling organizations that operate in your State or territory. You and your local affiliates are eligible to undertake any or all of the housing counseling activities described for HUD-approved local housing counseling agencies.

As either a housing counseling agency or intermediary, you and your local affiliates do not need to be HUD-approved in order to receive these funds.

As an intermediary, you must list all of your affiliates in your application and designate those affiliates that will be seeking a subgrant. The amount you request should reflect anticipated operating needs for housing counseling activities, based upon the counseling experience during FY 2000 and your current capacity.

In your role as an intermediary, the amount you request should reflect your best estimate of costs to oversee and fund your housing counseling affiliates. The amount you request should reflect anticipated operating needs for housing counseling activities, based on past experience. For State Housing Finance Agencies who participated in the program in FY 1998 or FY 1999, the request should reflect your past usage of HUD housing counseling grant funds. HUD will give you wide discretion to implement your housing counseling program with your affiliates.

As an intermediary, you must execute subgrant agreements with your affiliates that clearly delineate the mutual responsibilities for program management, including appropriate time frames for reporting results to HUD. As part of the subgrant agreement, your affiliate must certify that it has not applied for a grant from any other Housing Counseling grant allocation or category, or another State housing finance agency. Your affiliate may be a local housing counseling agency. Local housing counseling agencies may also be affiliates of national, regional, or multi-State intermediaries or HUD approved local housing counseling agencies. You must decide how to allocate funding among your affiliates and keep a written record of how your determination was made. This record must be made available to the affiliates and to HUD. You must certify that, if your affiliate is not HUD-approved, the quality of services provided will meet, or exceed, standards for local HUD-approved housing counseling agencies.

You must seek other private and public sources of funding to supplement HUD funding. HUD does not expect its counseling grant funds to cover all costs incurred by your organization's participation in this program. You may use the HUD grant to undertake any of the eligible counseling activities.

(C) *Eligible Activities.* Housing counseling services/activities include:

(1) *Homebuyer Education Programs* that offer potential purchasers general information on the homebuying process. These types of programs include HUD's Homebuyer Education and Learning Program (HELP), where HUD's educational materials are used in sessions consisting of approximately

eight to twelve (8-12) hours of training. HUD staff at each HUD Homeownership Center will be available to provide you with the HELP materials.

(2) *Pre-purchase Homeownership Counseling, which focuses more specifically on the client's needs and circumstances. This type of counseling covers purchase procedures, mortgage financing, down payment/closing cost fund accumulation, accessibility requirements, and if appropriate, credit improvement, and debt consolidation.*

(3) *Post-purchase Counseling, including property maintenance, and personal money management.*

(4) *Mortgage delinquency and default resolution counseling including restructuring debt, arrangement of reinstatement plans, loan forbearance, and other loss mitigation tools available.*

(5) *Home Equity Conversion Mortgage (HECM) counseling to assist clients who are 62 years old or older with the complexities of converting the equity in their homes into income to pay living expenses or medical expenses.*

(6) *Loss Mitigation Counseling for clients who may be facing default and foreclosure, and need mortgage default resolution and foreclosure avoidance counseling.*

(7) *Marketing and Outreach Initiatives including providing general information about housing opportunities within your target area and providing housing counseling services and information to persons with disabilities. Under this program, you are required to extend marketing and outreach services to all segments of the population.*

(8) *Renter Assistance Counseling including information about rent subsidy programs, rights and responsibilities of tenants, and lease and rental agreements.*

(9) *Fair Housing Assistance including:*

(a) *Advocating with lenders, appraisers and developers on behalf of clients to recognize the value of non-traditional lending standards, the vitality of housing values in all areas, and the added value of accessible housing design; and*

(b) *Advising clients on how to recognize discriminatory acts, and how to file a Fair Housing complaint. (This will require being familiar with the provisions of the Fair Housing Act.)*

Your potential clients may include: first-time homebuyers, homebuyers and homeowners eligible for, and applying for HUD, VA, FmHA (or its successor agency), State, local, or conventionally financed housing or housing assistance; or persons who occupy such housing and seek the assistance of a housing counseling agency to address a housing need. You may elect to offer this

assistance in conjunction with any HUD housing program; however, to do this, you must be familiar with FHA's single family and multifamily housing programs.

(10) *Mobility Counseling*, to help families and individuals who are seeking new rental housing opportunities understand the wide range of housing options available.

VI. Program Requirements

(A) *General Requirements*. The requirements listed in Section II of the General Section of the SuperNOFA apply to this program.

(B) *Specific Requirements*.

(1) *Civil Rights Threshold Requirements*—All eligible applicants and subrecipients must meet the Civil Rights Threshold requirements that are listed in Section II(B) of the General Section of the SuperNOFA.

(2) *Accessibility*—All eligible applicants and subrecipients will make counseling offices and services accessible to persons with a wide range of disabilities and help persons locate suitable housing in locations throughout the applicant's community, target area, or metropolitan area, as defined by the applicant.

(C) *Requirements Applicable to Religious Organizations*. Where your organization is, or you propose to contract with, a primarily religious organization, or a wholly secular organization established by a primarily religious organization, to provide, manage, or operate a housing counseling program, you and your subrecipients must undertake your responsibilities in accordance with the following principles:

(1) You will not discriminate on behalf of or against any segment of the population in the provision of services or in outreach, including those of other religious affiliations.

(2) You will not provide religious instruction or religious counseling, conduct religious services or worship, engage in religious proselytizing, and exert religious influence in the provision of assistance under your housing counseling program.

(D) *Performance Measurement*. You are required to complete and submit a form HUD-9902, Fiscal Year Activity Report. The information compiled from this report provides HUD with its primary means of measuring your program performance.

VII. Application Selection Process

(A) *General*. Your application will be evaluated competitively, and ranked against all other applicants that applied in the same funding category. National,

regional, and multi-State applications will be rated and ranked in HUD Headquarters, and initially selected for funding in rank order. Local agency and State housing finance agency applications will be rated and ranked by the HUD Homeownership Centers and initially selected for funding in rank order. However, after the initial selection, the actual amount funded will be based on successful completion of negotiations.

(B) *Factors for Award Used to Rate and Rank Applications*. The factors for rating and ranking applicants, and maximum points for each factor, are provided below. The maximum number of points for each applicant is 100. Your response to the following rating factors should provide HUD with detailed information regarding the housing counseling work of your organization. Please be specific, providing relevant examples and complete descriptions of your services.

Rating Factor 1: Capacity, Experience, and Effective Use of Resources (35 Points)

This factor addresses the scope and effective use of your organizational resources in successfully implementing your proposed activities and complying with the OMB Circulars set forth in this Notice. Your rating or the rating of your organization and staff for technical merit will include any subcontractors, consultants, subrecipients, and members of consortia that are identified as participants in your proposal. In rating this factor, HUD will consider the extent to which your proposal demonstrates:

(1) (10 points) The knowledge and experience of your proposed project director and staff, including the day-to-day program manager, consultants and contractors in planning and managing programs for which you are requesting funding. Your experience will be judged in terms of recent and relevant experience of your staff to undertake eligible program activities. You are expected to have sufficient personnel, or be able to quickly access qualified experts or professionals, to deliver the proposed activities in a timely and effective fashion. HUD will assess the readiness and ability of your organization to immediately begin your proposed work program. To demonstrate that you have sufficient personnel, you must submit the proposed number of staff for each task to be conducted, by the employees and experts allocated to each activity you plan to undertake in your program. You must identify their titles and relevant professional background and experience

related to the tasks they are to perform. In addition, you must allocate the staff hours for each task of these employees and experts.

(2) (25 points) Your past performance, specifically your ability to attain measurable progress in the implementation of your most recent activities where your performance has been assessed and the costs associated with that performance.

HUD will consider your performance as measured by your expenditures of previous year's grant awards and demonstrated progress in achieving the purpose of the activities associated with those grant dollars. HUD will also consider any documented evidence, such as form HUD-9902, of your ability under past awards to comply with grant award provisions. Any organization that used less than 90 percent of its grant award in FY 99 will receive no points under this subsection.

The extent to which your services are reasonable and cost-effective in meeting the needs identified in Factor 2 and in complying with OMB Circular A-122, by: relating your service tasks to your proposed budget costs providing cost estimates for salary levels, staff assignments, number of staff hours, and all other budget items to show they are reasonable, allowable, and appropriate for the proposed activities; and documenting and justifying all costs.

Rating Factor 2: Need/Extent of the Problem (10 Points)

This factor addresses the extent to which there is a need for funding your proposed program activities to address a documented problem in your target area. To the extent that the community served by your housing counseling organization has documented the need in the community's Consolidated Plan or Analysis of Impediments to Fair Housing Choice (AI); or requirements of court orders or consent decrees, settlements and voluntary compliance agreements, references to these documents should be included in the response. If your proposed activities are not covered under the scope of the Consolidated Plan or AI, you should indicate such and use other sound data sources to identify the level of need for your proposed program of activities.

In responding to this factor, you will be evaluated on the extent to which you document a critical level of need for your proposed activities in the area where activities will be carried out. The documentation of need should demonstrate the extent of the problem addressed by the proposed activities. Examples of data that might be used to demonstrate need, include economic

and demographic data relevant to the target area and your proposed activities. There must be a clear relationship between the proposed activities, community needs and the purposes of this program for an applicant to receive points for this factor.

HUD will also consider your involvement in addressing barriers to equal homeownership or rental housing opportunities, including:

(a) The extent to which your proposed activities undertake Affirmatively Furthering Fair Housing (AFFH) may be undertaken in a variety of ways, as appropriate to your target area. The following are some suggestions for all housing counseling agencies:

(i) Implementing affirmative marketing strategies to attract all segments of the population regardless of race, color, religion, national origin, sex, familial status, and disability, especially those least likely to request housing counseling services to purchase or retain their homes.

(ii) Being pro-active in reducing concentrations of poverty and/or minority populations in the target area. This could include working with, or adopting the counseling practices of, agencies which conduct housing opportunity counseling to encourage low-income and minority persons to move to low-minority-concentration areas, and helping to locate suitable housing in such areas if the client chooses to move to one.

(iii) Working with local lenders to develop alternative lending criteria. For instance, you may make referrals to lenders of clients with good credit and payment histories, but who do not fit the standard profiles for lending practices, or advocate with financial institutions on behalf of clients with financial patterns which reflect cultural differences (such as family savings pools, which are common among some Asian populations). Your activities should also focus on finding appropriate housing, free from environmental hazards, for all segments of the population in neighborhoods with good transportation, schools, employment opportunities, and other services.

(b) The following are some suggested activities for national, regional, or multi-state intermediaries and State housing finance agencies:

(i) Training affiliates in Fair Housing issues.

(ii) Making national or regional agreements with lenders, insurers, and organizations which train appraisers and loan appraisers on fair housing requirements, accessibility, and financing methods which support your

organization's fair housing and housing opportunity efforts.

Rating Factor 3: Scope of Housing Counseling Services (35 Points)

This factor addresses the quality and effectiveness of your proposed housing counseling plan (work plan), which describes your housing counseling needs, goals, and objectives related to the scope of services you propose to provide, including a description of all counseling activities to be performed. In rating this factor, HUD will consider:

(1) The scope of housing counseling services and/or activities that you will provide, how these services/activities will be delivered, and the extent to which the design and scope of your services/activities provide geographic coverage for the target areas as defined by the applicant and meet the needs of persons traditionally underserved in the community as identified in Rating Factor 2. In addition, you should identify the immediate benefits to be achieved, indicators by which these benefits will be measured, and the costs associated with providing your services, to prove cost-effectiveness.

(2) The number of clients served by your organization and the complexity of the services offered. The rater will consider the variety and complexity of the housing counseling services you provide, taking into account the level of work involved in meeting the needs of your clients. For example, if you offer comprehensive default counseling, you should explicitly describe the comprehensive nature of the counseling activities, such as stating that it takes approximately 16 hours of one-on-one sessions to help one family. Or, if you offer homebuyer education workshops, explain that you can serve 10 families at a time, completing a full course in 12 hours total. Again, you should identify the benefits associated with your services, citing relevant past experience as evidence of your potential achievement, and identifying indicators by which these benefits can be measured. The rater will be assessing the level of effort required to provide your services and the costs associated with that effort.

Intermediaries, including state Housing Finance Agencies, must provide details on the activities of the intermediary organization (*e.g.* training affiliates or coordinating partnerships with lenders) and the activities of the affiliates or branches, explicitly stating the types of services offered and the time and resources associated with providing those services.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses your ability to secure private and public resources which can be combined with HUD's program resources to provide housing counseling services. In evaluating this factor HUD will consider:

(1) The extent to which you have obtained additional resources, or partnered with other entities to secure additional resources, to increase the effectiveness of your housing counseling activities. Resources may include funding or in-kind contributions, such as services or equipment, allocated to the purpose(s) of your program. Resources may be provided by governmental entities, public or private nonprofit organizations, for-profit private organizations, or other entities willing to partner with you. You may also partner with other program funding recipients to coordinate the use of housing counseling and support services in your target area.

(2) You must provide evidence of leveraging/partnerships by including in your application letters of firm commitments, memoranda of understanding, or agreements to participate from entities identified as partners in your application. Each letter of commitment, memoranda of understanding, or agreement to participate should include the partnering organization's name, proposed level of commitment and responsibilities as they relate to your proposed program. The commitment letter must also be signed by an official of the organization legally able to make commitments on behalf of the partnering organization.

(3) If you are a housing counseling agency funded under this SuperNOFA, you may use your HUD and leveraged funds to deliver comprehensive housing counseling, or may specialize in delivery of particular housing counseling services. Either way, your services/activities must reflect the housing counseling needs you submitted in your funding application for your target area and identified in your plan. You may conduct a wide range of housing counseling services that are eligible under this program.

(4) If you are a national, regional or multi-state intermediary or a State housing finance agency, you must distribute the majority of your HUD award and leveraged funds to your housing counseling affiliates and branches. HUD will give you wide discretion to implement your housing counseling program with your affiliates and branches. You must execute

subgrant agreements with your affiliates and branches that clearly delineates the mutual responsibilities for program management and appropriate time frames for reporting results to HUD. You can decide how to allocate the HUD and leveraged funding among your affiliates with the understanding that a written record must be kept of how you determined your funding levels. This record must be made available to your affiliates and to HUD.

Note: HUD housing counseling funding is not intended to fully fund either an organization's housing counseling program, nor that of its local affiliates. All organizations that use housing counseling grant funds and their local affiliates are expected to seek other private and public sources of funding for housing counseling to supplement HUD funding.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

This factor addresses the extent to which you have coordinated your activities with other known organizations, participated or promoted participation in a community's Consolidated Planning process and are working towards addressing identified needs in a holistic and comprehensive manner through linkages with other activities in your community. In evaluating this factor, HUD will consider the extent to which you can demonstrate you have:

(1) Coordinated your proposed activities with those of other groups or organizations prior to submission in order to best complement, support and coordinate all known activities; and, if funded, the specific steps you will take to share information on solutions and outcomes with others. Any written agreements or memoranda of understanding in place should be described.

(2) Taken or will take specific steps to become active in the Consolidated Planning process (including the Analysis of Impediments to Fair Housing Choice) established in your target area to identify and address needs/problems related to the activities you propose in your application. If you reported in your FY 1999 application that you "will take specific steps", describe what steps you have taken.

(3) Taken or will take specific steps to develop linkages to coordinate comprehensive solutions through meetings, information networks, planning processes or other mechanisms with:

(a) Other HUD-funded projects/activities outside the scope of those covered by the target area's Consolidated Plan; and

(b) Other Federal, State or locally funded activities, including those proposed or on-going in your target area.

If you reported in your FY 2000 application that you "will take specific steps," describe what steps you have taken.

VIII. Application Submission Requirements

(A) *General.* The contents of your application will differ if you are a local housing counseling agency; or a national, regional, or multi-state intermediary; or a State housing finance agency. For all applicants, however, your application must include the standard forms, certifications, and assurances listed in the General Section of the SuperNOFA (collectively, referred to as the "standard forms"). The standard forms can be found in Appendix B to the General Section of the SuperNOFA. The remaining application items that are forms (i.e., excluding such items as narratives, letters), referred to as the "non-standard forms" can be found as Appendix A to this program section of the SuperNOFA. The items are as follows:

(1) *Narrative statements* addressing the five Rating Factors in Section VII.(B) of this program section of the SuperNOFA. Your narrative responses should be numbered in accordance with the rating factors and subfactors identified in Section V(B) of this program section of the SuperNOFA. The narrative responses must include the quantitative, as well as qualitative, information requested in the rating factors.

(2) *Form HUD-9902, Housing Counseling Agency Fiscal Year Activity Report*, for fiscal year October 1, 1998 through September 30, 1999. If you did not participate in HUD's Housing Counseling Program during FY 1999, this report should be completed to reflect your counseling workload during that period. This form must be fully completed and submitted by every applicant for FY 2000 HUD funding. A copy of this form is included in the Appendix to the program section of this SuperNOFA.

(3) *Budget Work Sheet.* A proposed budget for use of the requested HUD funds.

(4) *Evidence of Housing Counseling Funding Sources* (required of all applicants).

(5) *Narrative of Prior Fiscal Year Performance.* You must provide a descriptive narrative that sets forth your (and, if applicable, your affiliate organizations) prior fiscal year's performance as related to its goals, objectives, and mission. Your narrative

must describe the most recent operational and program activities of your organization.

(6) *Current Housing Counseling Plan.* See Rating Factor 3 for a description.

(7) *Direct-labor and Hourly-labor rate and Counseling Time Per Client* for proposed tasks.

(8) *The Congressional District* in which your proposed activities are to occur.

(9) *Intermediary.* If you are an intermediary, you must provide and certify to the number of states in which you maintain offices, including the national office and all affiliate or branch offices.

(10) *Authority to Operate as State housing finance agency.* If you are a State housing finance agency, you must submit your statutory authority to operate as a State housing finance agency.

(B) *National, Regional, and Multi-State Intermediaries and State Housing Finance Agencies.* If you are a national, regional, or multi-state intermediary or a State housing finance agency, you must submit an application that covers both your network organization and your affiliated agencies. In FY 2001, you must list all of your affiliates and the cities and states in which you and your affiliates maintain offices, then identify which affiliates will receive funding through this grant award. Your application must include:

(1) *A description of your affiliated agencies.* For each affiliated agency, list the following information:

- (a) Organization name;
- (b) Address (city, state, and zip code);
- (c) Director and contact person (if different);
- (d) Phone/FAX numbers (including TTY, if available);
- (e) Federal tax identification number;
- (f) ZIP code service areas;
- (g) Number of staff providing counseling;

(h) Type of services offered (defined by homebuyer education programs, pre-purchase counseling, post-purchase counseling, mortgage default and delinquency counseling, HECM counseling, outreach initiatives, renter assistance, mobility counseling, and other);

(i) Number of years of housing counseling experience.

(2) *Relationship with Affiliates.* You must briefly describe your relationship with your affiliates (i.e. membership organization, field or branch office, subsidiary organization, etc.).

(3) *Oversight System.* You must briefly describe the process that will be used to determine affiliate funding levels, distribute funds, and monitor affiliate performance.

VIII. Corrections to Deficient Applications

The General Section of the SuperNOFA provides the procedures for corrections to deficient applications.

IX. Environmental Requirements

In accordance with 24 CFR 50.19(b)(9) and (12) of the HUD regulations,

activities assisted under this program are categorically excluded from the requirements of the National Environmental Policy Act and are not subject to environmental review under the related laws and authorities.

X. Authority

HUD's Housing Counseling Program is authorized by section 106 of the

Housing and Urban Development Act of 1968 (12 U.S.C. 1701x), and is generally governed by HUD Handbook 7610.1, REV-4, dated August 9, 1995.

Appendix A

The non-standard forms, which follow, are required for your Housing Counseling Program application.

BILLING CODE 4210-32-P

Housing Counseling Agency Fiscal Year Activity Report

**U.S. Department of Housing
and Urban Development**
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0261
(exp. 6/30/2002)

Read the Instructions and Public Reporting Statement on the back of this form.

Check here if this is a new address

1. Counseling agency name and address		2. Reporting Year (yyyy) from Oct 1, _____ to Sep 30, _____					
3. Number of Clients Counseled this Report Period	1. Homeowners (mortgage paid off)	All Counseling Activities	HUD Grant Activities				
	2. Mortgagors (own property covered by mortgage)			Potential Mortgagors	23. Purchased housing		
	3. Potential Mortgagors (want to purchase housing)				24. Decided not to purchase		
	4. Renters (occupy rental property)				25. Other		
	5. Potential Renters (want to rent housing)				26. Total		
	6. Homeless			Renters	27. Purchased housing		
	7. Disabled Persons				28. Rented alt. housing		
	8. Other				29. Other		
	9. Total				30. Total		
	Race/Ethnicity				Potential Renters	31. Purchased housing	
a. American Indian /Alaskan Native					32. Rented alt. housing		
b. Asian /Pacific Islander					33. Other		
c. Black Non-Hispanic					34. Total		
d. Hispanic				Homeless	35. Occupied "transitional" housing		
e. White Non-Hispanic					36. Occupied "emergency shelter"		
4. Results of Counseling					37. Occupied permanent hsg. for handicapped		
Homeowners					38. Entered public or prvt. section traditional hsg.		
10. Obtained a Home Equity Conversion Mort.(HECM)					39. Other		
11. Other					40. Total		
12. Total				5. HUD Grant Activity - Summary Data			
Mortgagors				HUD Grant No. From Block 3, Form HUD-1044	HUD Grant Amount From Block 14, Form HUD-1044	Number of Clients	Amount Invoiced
13. Obtained a HECM							
14. Brought mortgage current							
15. Forbearance agreement							
16. Mortgage assigned to HUD							
17. Executed a deed-in-lieu							
18. Sold their property							
19. Mortgage foreclosed				Total			
20. Rented alternative housing				6. Name of Person Authorized to Sign this Report			
21. Other				Title _____			
22.Total				Signature _____ Date (mm/dd/yyyy) _____			

Public reporting burden for this collection of information is estimated to average 1.17 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This information is collected in connection with HUD's Housing Counseling Program, and will be used by HUD to determine that the grant applicant meets the requirements of the Notice of Funding Availability (NOFA) and to assign points for awarding grant funds on a competitive and equitable basis. The information is required to obtain funding under Section 106 of the Housing and Community Development Act of 1974. The information is considered sensitive and is protected by the Privacy Act which requires the records to be maintained with appropriate administrative, technical and physical safeguards to ensure their security and confidentiality.

Instructions for Form HUD-9902, Housing Counseling Agency Fiscal Year Activity Report

This **HUD Fiscal Year** Activity Report enables a HUD-approved housing counseling agency to report all of its housing counseling activity for clients with housing needs and problems. Paragraph 1-7A of the HUD Housing Counseling Program Handbook 7610.1 provides the definition of "client," "housing need," and "housing problem."

1. **Counseling Agency Name & Address** - Enter the official name of your agency in the format you submitted to HUD. If the address you enter is a new address, check the box indicating this change.
2. **Enter Report HUD Fiscal Year** - This is an annual report covering the HUD Fiscal Year. Indicate the HUD Fiscal Year covered by the report. Even if your agency was approved by HUD for less than the full year report period, include clients counseling during the full report year.

General

Clients - Please remember that you report **clients** as defined in paragraph 1-7A of HUD's Housing Counseling Program Handbook 7610.1. You are **not** reporting the number of individual persons you counseled.

Examples:

- a. A **husband and wife** or a **brother and sister** or **three friends** who are mortgagors under the same note count as **one client**.
- b. **Three renting families** who experience the **same problem** with the **same landlord** and come to your agency together for assistance count as **one client**.

Columnar Entries - The report contains two data columns.

- a. **All Counseling Activities** - Enter data covering all housing counseling activities, including those performed under one or more HUD housing counseling grants.
 - b. **HUD Grant Activities** - Enter data covering **only** counseling provided under one or more HUD counseling grants during the report period. Include this data in the "All Counseling Activities" column.
3. **Clients Counseled This Report Period** - Enter the number of clients to whom you provided counseling during the report period. This might include clients who entered your work load the previous report period but you carried over into and counseled during the current report period. Enter the client count in the box that best describes the status of the clients when they first entered your work load.

Disabled Person - A person reported on this line is defined in the Fair Housing Act, Sec. 802 (h) as follows:

Handicap means, with respect to a person -- (1) a physical or mental impairment which substantially limits one or more of such person's major life activities, (2) a record of having an impairment, or (3) being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802))."

Homeless - A client reported on this line must meet the definition for "homeless" or "homeless individual" set forth in Section 103., General Definition of Homeless Individual, of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77).

Racial/Ethnic Categories - Enter number of clients to whom you provided counseling during this period.

- a. **White (Non Hispanic)** - A person having origins in any of the original peoples of Europe, North Africa, or the Middle East.
- b. **Black (Non Hispanic)** - A person having origins in any of the black racial groups of Africa.
- c. **Hispanic** - A person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race.
- d. **American Indian or Alaskan Native** - A person having origins in any of the original peoples of North America, and who maintains, cultural identification through tribal affiliation or community recognition.
- e. **Asian or Pacific Islander** - A person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands. This area includes, for example, China, Japan, Korea, the Philippine Islands, and Samoa.

Other - Throughout the form, "other" provides a general category into which you place clients who do not fall under any specific category on the form.

4. **Results of Counseling** - You might achieve more than one result for the same client during the report year.
Example: A mortgagor in default enters into a **forbearance agreement** and later **sells the property**. Report both results on the appropriate lines.
5. **HUD Grant Activity - Summary Data** - Enter summary data from the "HUD Grant Activities" column for each grant under which you provided counseling during the report period. In the "Total" row, enter totals for the "No. of Clients" and the "Amount Invoiced" columns.
6. An authorized staff person must sign and date the report.