

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

HOUSING COUNSELING PROGRAMS

**Housing Counseling – Local Housing
Counseling Agencies (LHCA)**

**Housing Counseling – National and Regional
Intermediaries**

**Housing Counseling – State housing Finance
Agencies (SHFA)**

Housing Counseling – Colonias

Housing Counseling – Predatory lending

**Housing Counseling – Section 8
Homeownership Voucher Program**

Housing Counseling Program

Overview Information

A. Federal Agency Name: Department of Housing and Urban Development, Office of Single Family Housing.

B. Funding Opportunity Title: Housing Counseling Program.

C. Announcement Type: Initial announcement.

D. Funding Opportunity Number: The **Federal Register** number is: FR-4900-N-09. The OMB Approval number is: 2502-0261.

E. Catalog of Federal Domestic Assistance (CFDA) Number: 14.169 Housing Counseling Assistance Program.

F. Dates: The application due date is June 23, 2004. Please see the General Section of the SuperNOFA for application submission, delivery, and timely receipt requirements.

G. Available Funds: Up to \$36.014 million is made available for eligible applicants under this program NOFA.

Full Text of Announcement

I. Funding Opportunity Description

A. Program Description

This program supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters, and the homeless. The primary objectives of the program are to expand homeownership opportunities and improve access to affordable housing. Counselors provide guidance and advice to help families and individuals improve their housing conditions and meet the responsibilities of tenancy and homeownership. Counselors also help borrowers avoid inflated appraisals, unreasonably high interest rates, unaffordable repayment terms, and other conditions that can result in a loss of equity, increased debt, default, and eventually foreclosure.

Applicants funded through this 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.

This grant program also supports the delivery of housing counseling services to potential homebuyers and homeowners utilizing Section 8 Homeownership Vouchers (hereafter

referred to as Homeownership Vouchers) under HUD's Homeownership Voucher Program. The primary objectives of counseling in conjunction with the Homeownership Voucher program are to: (1) help Homeownership Voucher Program participants make the transition from renting to homeownership; (2) assist them in evaluating their readiness and in making informed decisions; (3) help them meet the responsibilities of homeownership; and (4) encourage increased participation by Public Housing Agencies (PHAs) in HUD's Homeownership Voucher Program.

B. Grant Categories

HUD will award a single grant to qualified applicants through one of three grant categories: (1) Local Housing Counseling Agencies (LHCAs); (2) National and Regional Intermediaries; and (3) State Housing Finance Agencies (SHFAs).

1. Comprehensive Counseling

All awards through the 3 categories will consist of a specified sum for comprehensive counseling.

2. Supplemental Funding

Comprehensive counseling awards through the 3 grant categories can also be augmented with supplemental funding for the following specific activities and assistance to targeted communities:

a. Predatory Lending. Supplemental funding is available for counseling and educational activities designed to combat predatory lending, including helping borrowers avoid inflated appraisals, unreasonably high interest rates, unaffordable repayment terms, and other conditions which can result in a loss of equity, increased debt, default, and even foreclosure.

b. Homeownership Voucher Counseling. Supplemental funding is available for counseling and educational activities in conjunction with HUD's Homeownership Voucher Program.

c. Colonias. Supplemental funding is available for the counseling and educational activities targeted at Colonias. Colonias means any identifiable, rural community that is located in Arizona, California, New Mexico, or Texas; is within 150 miles of the border between the United States of America and the United Mexican States; and is determined to be a Colonia on the basis of objective need criteria,

including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, sanitary, and accessible housing.

C. 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, CHG-1, dated October 27, 1997.

The Homeownership Voucher Program refers to the homeownership option in the Housing Choice Voucher Program. The homeownership option is authorized by section 8(y) of the United States Housing Act of 1937, as amended by section 555 of the Quality Housing and Work Responsibility Act of 1998. The implementing regulations are found at 24 CFR 982.625 through 982.643.

II. Award Information

A. Amount Allocated

Of the \$39,764,000 appropriated for housing counseling in FY2004, up to \$36.014 million is made available for eligible applicants under this NOFA. Specifically, \$2 million is available for counseling in conjunction with HUD's Homeownership Voucher Program, \$350,000 is available for counseling services that specifically target Colonias, \$2.7 million is available for counseling services addressing predatory lending, and \$30.964 million is available for comprehensive counseling.

B. Specific Allocations

Funding is allocated to each Homeownership Center (HOC), regional HUD offices that oversee the Housing Counseling Program in their jurisdiction, by a formula that incorporates first-time homebuyer rates, default rates, HECM endorsements, and minority homebuyers.

1. Category 1—Local Housing Counseling Agencies (LHCAs). \$14.351 million is available from HUD to directly fund HUD-approved LHCAs, including \$12.201 million for comprehensive counseling, \$1.2 million in supplemental funding for predatory lending, \$850,000 in supplemental funding for counseling in conjunction with HUD's Homeownership Voucher Program, and \$100,000 for counseling targeting Colonias.

Allocations for Category 1 by HOC are as follows:

	Comprehensive counseling	Predatory lending	Homeownership voucher counseling	Colonias	Total
Philadelphia HOC	\$3,462,921	\$340,587	\$241,249	\$4,044,757
Atlanta HOC	3,340,830	328,579	232,744	3,902,153
Denver HOC	3,147,082	309,524	219,246	50,000	3,725,852
Santa Ana HOC	2,250,167	221,310	156,761	50,000	2,678,238
Total	12,201,000	1,200,000	850,000	100,000	14,351,000

2. *Category 2—National and Regional Intermediaries.* \$19.263 million is available from HUD to directly fund HUD-approved National and Regional Intermediaries, including \$16.763 million for comprehensive counseling, \$1.3 million in supplemental funding for predatory lending, \$1 million in supplemental funding for counseling in conjunction with HUD's

Homeownership Voucher Program, and \$200,000 for counseling targeting Colonias.

3. *Category 3—State Housing Finance Agencies (SHFA).* \$2.4 million is available to fund SHFAs that provide housing counseling services directly or serve as intermediaries to Affiliates who offer housing counseling services, including \$2 million for comprehensive

counseling, \$200,000 in supplemental funding for predatory lending, \$150,000 in supplemental funding for counseling in conjunction with HUD's Homeownership Voucher Program, and \$50,000 for counseling targeting Colonias.

Allocations for Category 3 by HOC are as follows:

	Comprehensive counseling	Predatory lending	Homeownership voucher program	Colonias	Total
Philadelphia HOC	\$567,645	\$56,765	\$42,573	\$666,983
Atlanta HOC	547,632	54,763	41,073	643,468
Denver HOC	515,873	51,587	38,690	25,000	631,150
Santa Ana HOC	368,850	36,885	27,664	25,000	458,399
Total	2,000,000	200,000	150,000	50,000	2,400,000

C. *Individual Awards*

1. *Category 1.* No individual LHCA may be awarded more than \$260,000. Specifically, the limit for Comprehensive Counseling is \$150,000. If applicable, the limit for supplemental funding for predatory lending is \$40,000, the limit for supplemental funding for Homeownership Voucher Counseling is \$30,000, and the limit for supplemental funding for Colonias is \$40,000. HUD anticipates that the average award will be approximately \$40,000.

2. *Category 2.* Awards for individual HUD-approved National and Regional intermediaries may not exceed \$3.4 million. The limit for Comprehensive Counseling is \$2.5 million. If applicable, the limit for supplemental funding for predatory lending is \$325,000, the limit for supplemental funding for Homeownership Voucher Counseling is \$275,000, and the limit for supplemental funding for Colonias is \$300,000. HUD anticipates that the average award for Intermediaries will be \$1.1 million.

3. *Category 3.* No individual SHFA may be awarded more than \$450,000. Specifically, the limit for Comprehensive Counseling is \$300,000. If applicable, the limit for supplemental funding for predatory lending is \$63,000, the limit for supplemental

funding for Homeownership Voucher Counseling is \$47,000, and the limit for supplemental funding for Colonias is \$40,000. HUD anticipates that the average award for SHFAs will be approximately \$140,000.

D. *Grant Period*

Funds awarded shall be available for a period of 12 calendar months.

E. *Award Instrument*

HUD will use a Grant Agreement. 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, local, and federally recognized 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. Grantees must ensure that any Sub-grantees and/or Branches also comply with the above requirements. OMB circulars can be found at <http://www.whitehouse.gov/omb/>.

III. **Eligibility Information**

A. *Eligible Applicants*

Eligible applicants include (1) HUD-approved Local Housing Counseling Agencies (LHCAs); (2) HUD-approved national and regional intermediaries; and (3) State Housing Finance Agencies (SHFAs).

1. *Definitions*

a. *Applicant.* Applicant means a HUD-approved housing counseling agency or SHFA applying for a Housing Counseling grant from HUD through this NOFA. In the case of an LHCA, the term Applicant includes the agency's branch offices, if applicable. In the case of an intermediary, the term Applicant includes the branch offices the Applicant proposes to fund through this NOFA.

b. *Grantee.* Grantee means the HUD-approved housing counseling agency or SHFA that receives housing counseling funds from HUD through this NOFA. In the case of an LHCA, the term Grantee includes the agency's branch offices, if

applicable. In the case of an intermediary, Grantee includes the branch offices the applicant proposes to fund through this NOFA.

c. LHCA. LHCA means a HUD-approved Local Housing Counseling Agency. LHCA's must be approved by one of HUD's four HOCs. Affiliates of HUD-approved Housing Counseling intermediaries are not HUD-approved LHCA's by virtue of their affiliation with the intermediary. They are, however, eligible to individually apply for HUD approval as an LHCA. An LHCA may have only one location or a main office with one or more branch offices within the same state or no more than two contiguous states.

d. Intermediary. Intermediary means a HUD-approved national or regional organization that provides housing counseling services through its branches or affiliates. As used in this NOFA, the term Intermediary refers to any of the following entities:

(1) *National Intermediary.* A National Intermediary provides housing counseling services through its branches

or affiliates in a number of states as determined by HUD.

(2) *Regional Intermediary.* A Regional Intermediary provides housing counseling services through its branches or affiliates in a generally recognized region or group of regions within the United States of America, such as the Southwest, Mid-Atlantic, and New England.

e. SHFA. For the purpose of this NOFA, a State Housing Finance Agency (SHFA) is the unique public body, agency, or instrumentality created by a specific act of a state legislature and empowered to finance activities designed to provide housing and related facilities and services, for example through land acquisition, construction or rehabilitation, throughout a state. The term state includes the several states, Puerto Rico, the District of Columbia, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, and the U.S. Virgin Islands.

f. Sub-grantee. Sub-grantee means an organization to which the grantee awards a sub-grant, and which is accountable to the grantee for the use of

the funds provided. A Sub-grantee may be separately incorporated or organized, but connected with an intermediary or SHFA for purposes of this NOFA.

In the case of an intermediary or SHFA, all Sub-grantees are identified in the grantee's application. Under certain conditions, grantees may amend their Sub-grantee list after awards are made.

g. Branch. Branch or Branch Office means an organizational and subordinate unit of an LHCA or Intermediary not separately incorporated or organized. A Branch or Branch Office must be in good standing under the laws of the state where it is authorized to do business and where it proposes to provide housing counseling services. A Branch or Branch Office cannot be an affiliate or sub-grantee.

h. Affiliate. Affiliate means a separately incorporated or organized housing counseling agency that is connected with a national or regional intermediary for the purposes of its housing counseling program. Affiliates can be sub-grantees.

2. Eligibility Criteria

Grant categories	Who is eligible	Total amount available
Category 1—LHCAs	HUD-approved LHCA's	\$14.351 million.
Category 2—Regional and National Intermediaries	HUD-approved Regional and National Intermediaries ...	\$19.263 million.
Category 3—SHFA's	SHFA's	\$2.4 million.

a. Eligible LHCA's and Intermediaries are private or public nonprofit organizations, including grassroots faith-based and other community-based organizations, that secure HUD approval as an LHCA, or as a national or regional intermediary, as of the publication date of the SuperNOFA, and retain such approval through the term of any grant awarded. For information on securing HUD approval visit HUD's Web site at <http://www.hud.gov/offices/hsg/sfh/hcc/hccprof13.cfm>.

Additionally, to be eligible to receive a grant directly from HUD under this Housing Counseling NOFA, all applicants (except SHFA's) must be (1) duly organized and existing as a nonprofit, (2) in good standing under the laws of the state of its organization, and (3) authorized to do business in the states where it proposes to provide housing counseling services. For example, applicable state licensing, corporate filing, and registering requirements must be satisfied.

(1) HUD-approved LHCA's. HUD-approved LHCA's may apply for and receive: (1) One grant under Category 1; or (2) one sub-grant from an intermediary or SHFA under Category 2 or 3, but not both. The only exception

to this rule is that HUD-approved LHCA's that have one or more HECM Network Counselors that receive a grant or sub-grant under Categories 1–3, may also receive a sub-grant, or otherwise be reimbursed, exclusively for HECM counseling activities, from a HUD-approved intermediary that exclusively provides HECM counseling.

HUD-approved LHCA's applying under Category 1 are also eligible for supplemental funding to combat predatory lending, for homeownership voucher counseling, and for Colonias.

Funded LHCA's may not make sub-grants to other HUD-approved LHCA's or non-HUD-approved entities.

(2) HUD-approved National and Regional Intermediaries may only apply for a grant under Category 2. HUD-approved intermediaries are also eligible for supplemental funding to combat predatory lending, for homeownership voucher counseling, and for Colonias.

b. Eligible SHFA's. A SHFA does not need HUD approval in order to apply for a grant through this NOFA. SHFA's may only apply for grants under Category 3. SHFA's are also eligible for supplemental funding to combat

predatory lending, for homeownership voucher counseling, and for Colonias.

c. Eligible Sub-grantees of Intermediaries and SHFA's. Eligible sub-grantees of intermediaries and SHFA's are not required to be HUD-approved, although HUD-approved LHCA's may apply to an intermediary or SHFA as a sub-grantee. Intermediaries and SHFA's that award sub-grants to counseling agencies that are not HUD-approved must assure that said organizations meet or exceed the approval standards specified in paragraph 2–1 of HUD Handbook 7610.1, Rev-4, CHG–1. Intermediaries that do not ensure their sub-grantee's compliance with HUD standards could be prohibited from participating in the Housing Counseling Program. These organizations will be monitored by HUD.

Additionally, to be eligible for a sub-grant, a sub-grantee must be (1) duly organized and existing as a nonprofit, (2) in good standing under the laws of the state of its organization, and (3) authorized to do business in the states where it proposes to provide housing counseling services. For example, applicable state licensing, corporate filing, and registering requirements must be satisfied. Additionally, eligible

sub-grantees may have only one location or a main office with one or more branch offices within the same state or no more than two adjacent states.

Eligible sub-grantees under Categories 2 or 3 must not have directly applied for or received a grant under Category 1 of this NOFA, or another sub-grant from an intermediary or SHFA under Category 2 or 3 of this NOFA. Sub-grantees may apply for and receive only one sub-grant from an intermediary or SHFA under Category 2 or 3, but not both. The only exception to this rule is that sub-grantees that have one or more HECM Network Counselors that receive a sub-grant from an intermediary or SHFA under Category 2 or 3 may also receive a sub-grant, or otherwise be reimbursed, exclusively for HECM counseling activities, from a HUD-approved intermediary that exclusively provides HECM counseling.

3. Eligibility/Supplemental Funding. No separate application is needed to be eligible for supplemental funding. However, to be eligible, applicants must meet the following requirements.

a. *Predatory Lending.* To be eligible for the supplemental predatory lending funding, an applicant must: (1) Request the supplemental funding by specifically and separately identifying "Predatory Lending" and providing the specific amount of predatory lending supplemental funding it is requesting in its response to Section V.A.4.c.(1) of this NOFA and by completing an additional copy of page 1 of Form HUD-424 CB, Grant Application Detailed Budget, for the supplemental predatory lending funding the applicant is requesting. Identify "Predatory Lending" in the field entitled "Name of Project/Activity"; (2) identify predatory lending related needs in the target community in their response to Rating Factor 2, (3) include predatory lending related activities in the proposed activities listed in response to Rating Factor 3; (4) indicate in Factor 3 how many individuals will be served with the requested supplemental funding for predatory lending, and (5) respond to all predatory lending related requests for information throughout the NOFA.

b. *Homeownership Voucher Counseling.* To be eligible for the supplemental funding available for counseling and education in conjunction with HUD's Homeownership Voucher Program, applicants must: (1) Request the supplemental funding by specifically and separately identifying "Homeownership Voucher Counseling" and providing the specific amount of Homeownership Voucher Counseling supplemental funding it is requesting in

its response to Section V.A.4.c.(1) of this NOFA and by completing an additional copy of page 1 of Form HUD-424 CB, Grant Application Detailed Budget, for the supplemental Homeownership Voucher Counseling funding the applicant is requesting. Identify "Homeownership Voucher Counseling" in the field entitled "Name of Project/Activity"; (2) respond to all Homeownership Voucher Counseling related requests for information throughout the NOFA; (3) include counseling and other related activities in conjunction with the Homeownership Voucher Program in the proposed activities listed in response to rating Factor 3; (4) indicate in Factor 3 how many individuals will be served with the requested supplemental funding for Homeownership Voucher Counseling; and (5) provide a written commitment to partner from one or more Public Housing Authorities (PHAs) with whom the applicant has an agreement to provide housing counseling to participants of the PHA's Homeownership Voucher Program. Intermediaries and SHFAs proposing to make sub-grants must provide a separate written commitment to partner from a PHA for each proposed sub-grantee. There is no requirement that the PHA commit to partner with the applicant for the provision of all housing counseling services related to its Homeownership Voucher Program, although this would be acceptable.

Written commitments to partner from PHAs do not have to be ratified by the PHA Board, although a formal document, such as a Memorandum of Understanding (MOU) between the PHA and the applicant, is acceptable. The written commitment to partner must be on PHA letterhead, specifically mention the housing counseling agency applicant and proposed sub-grantee, if applicable; and be signed by an authorized PHA official. Moreover, the written commitment to partner must indicate that the PHA is exercising its option to implement the Homeownership Voucher Program and agrees to refer Homeownership Voucher participants to the applicant to fulfill the housing counseling requirement specified in the Homeownership Voucher Program regulations. The written commitment to partner must clearly outline: (1) The broad roles and responsibilities of the PHA and the housing counseling agency applying for funding under this NOFA; (2) the estimated number of Homeownership Voucher Program participants, both pre-purchase and ongoing, to be referred by

the PHA to the applicant during the grant period October 1, 2004, to September 30, 2005; (3) the specific PHA requirements for ongoing counseling; and (4) outcome goals.

While no written commitment to partner is required from PHAs approved by HUD as housing counseling agencies, the PHA must estimate the number of voucher participants to be counseled in connection with the Homeownership Voucher Program, and describe the outcome goals to be achieved.

c. *Colonias.* To be eligible for the supplemental funding available for counseling and education targeted at Colonias, applicants must: (1) Request the supplemental funding by specifically and separately identifying "Colonias" and providing the specific amount of Colonias supplemental funding it is requesting in its response to Section V.A.4.c.(1) of this NOFA and by completing an additional copy of page 1 of Form HUD-424 CB, Grant Application Detailed Budget, for the supplemental Colonias funding the applicant is requesting. Identify "Colonias" in the field entitled "Name of Project/Activity"; (2) identify Colonias-related needs in the target community in their response to Rating Factor 2; (3) respond to all Colonias-related requests for information throughout the NOFA; (4) include counseling and other related activities targeted at Colonias in the proposed activities listed in response to Rating Factor 3; (5) indicate in Factor 3 how many individuals will be served with the requested supplemental funding for Colonias; and (6) demonstrate that the communities that the applicant will target with these funds meet the definition of Colonias provided in Section I.B.1.c. of this NOFA.

B. Cost Sharing or Matching

No specific ratio is required. However, in order to receive points under Rating Factor 4, applicants are required to demonstrate the commitment of other private and public sources of funding to supplement HUD funding for the applicant's counseling program. HUD does not intend for the Housing Counseling grants to cover all costs incurred by an applicant.

C. Other

1. Eligible Activities for Categories (1), (2) and (3) Awards

Grantees and sub-grantees will only be reimbursed for the eligible activities outlined in this Section. Grantees and sub-grantees providing housing counseling services under Categories 1 through 3 may use their HUD housing

counseling funds for one or more of the following 8 eligible activities.

a. *Pre-Purchase Homebuyer Counseling.* This includes the following types of one-on-one counseling: Pre-purchase; evaluating mortgagor readiness; search assistance/mobility; fair housing; budgeting for mortgage payments; money management (does not include debt management plan programs); selecting a real estate agent, and home inspection. This also may include guidance on: Alternative sources of mortgage credit; how to apply for housing assistance; how to identify and avoid predatory lending practices; locating housing which provides universal design and visitability; and referrals to community services and regulatory agencies.

b. *Homebuyer Education Programs.* These programs are homeownership preparation related education programs in which educational materials, including HUD's Homebuyer Education and Learning Program (HELP) guide, are used in training sessions for multiple participants, and not tailored to the unique circumstances of an individual. This activity also includes financial literacy workshops that are geared toward potential homebuyers, and group sessions that assist potential homebuyers with identifying and avoiding predatory lending practices, such as loans with unreasonable and inappropriate terms and conditions, and other unscrupulous practices intended to defraud or take advantage of homebuyers and borrowers. Applicants that provide homebuyer education must also offer individual counseling that complements the group sessions.

c. *Counseling to Resolve or Prevent Mortgage Delinquency or Default.* This includes counseling on how to: restructure debt, obtain re-certification for mortgage subsidy, establish reinstatement plans, seek loan forbearance, and manage household finances. This counseling can also include helping clients affected by predatory lending, foreclosure prevention strategies, explaining the foreclosure process, providing referrals to other sources, and assisting clients with locating alternative housing, or pursuing loss mitigation strategies.

d. *Non-Delinquency Post-Purchase Counseling on Improving Mortgage Terms, Home Equity Conversion, and Home Improvement.* This includes information and advice on finding favorable mortgage loan terms, personal money management, and relations with lenders. It also includes help in converting home equity into cash, such as counseling on HUD's HECM Program. HECM counseling assists clients who

are 62 years or older with the opportunity to convert the equity in their homes into income to pay living, medical, or other expenses. This counseling also includes counseling the client about: home improvement and rehabilitation; property maintenance; loan and grant options; the loan or grant application processes; what housing codes and housing enforcement procedures apply for the intended activity; accessibility codes and how to design features to provide accessibility for persons with disabilities; non-discriminatory lending and funding for persons who modify their dwellings to accommodate disabilities; visitability and universal design; how to specify and bid construction work; how to enter into construction contracts; and how to manage construction contracts, including actions to address the non-performance of contractors.

e. *Post-Purchase Education Programs.* These are post-purchase oriented group sessions in which educational materials are used in training sessions for multiple participants. Topics can include resolving or preventing mortgage delinquency and default, converting home equity into cash, seeking favorable mortgage loan terms, budgeting and financial management, real estate taxes and insurance, and home maintenance. Agencies that provide this service must also offer individual counseling to complement group sessions.

f. *Counseling and Education on Locating, Securing, or Maintaining Residence in Rental Housing.* This refers to one-on-one counseling and group education sessions regarding renter-related topics, including: helping clients obtain and utilize rent subsidies; pre-rental search assistance/mobility counseling; budgeting for rent payments; educating clients on landlords' and renters' rights; explaining the eviction process; ensuring clients understand their rights when faced with displacement; explaining the responsibility of the entity causing displacement; and providing assistance with locating alternate housing.

g. *Counseling on Shelter or Services for the Homeless.* Includes referrals to social, community, and homeless services such as emergency shelter or transitional housing.

h. *Marketing and Outreach Initiatives.* This includes providing general information and materials about housing opportunities and issues, conducting informational campaigns, advocating with lenders for non-traditional lending standards, and raising awareness about critical housing

topics, such as predatory lending or fair housing issues. (**Note:** Affirmative fair housing outreach should be directed at those populations least likely to seek counseling services. To do so, it may be necessary to broaden the target areas or provide translation and interpretive services in languages other than English in order to reach a greater variety of racial and ethnic minorities.)

2. Eligible Activities—Supplemental Funding

a. *Predatory Lending.* Recipients of supplemental funding for Predatory Lending must use the supplemental funds for any of the marketing and outreach initiatives, group sessions, or one-on-one counseling activities outlined in Section I.C. of this NOFA, in a manner that clearly and directly assists clients affected by predatory lending or helps to prevent predatory lending.

b. *Homeownership Voucher Counseling.* Recipients of supplemental funding for counseling in conjunction with HUD's Homeownership Voucher Program must use the supplemental funds for any of the group sessions or one-on-one counseling activities outlined in Section I.C. of this NOFA, in a manner that clearly and directly assists recipients of Homeownership Vouchers to utilize those vouchers toward the purchase and maintenance of a home.

According to the Final Rule on the Homeownership Voucher Program (FR-4427-F-02), suggested topics for the HUD-required pre-assistance counseling program include: How to negotiate the purchase price of a home; how to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing; alternative sources of mortgage credit; how to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction; mobility counseling, including purchasing a home outside the PHA's jurisdiction; advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas; how to design features to provide accessibility for persons with disabilities; how to obtain funding for modifications that will make housing accessible and available to clients and their family members with disabilities; information on fair housing, including fair housing lending and local fair housing enforcement agencies; information about the Real Estate Settlement Procedures Act (12 U.S.C.

2601 *et seq.*) (RESPA), state and federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions; home maintenance; budgeting and money management; and credit counseling.

Counseling services in conjunction with HUD's Homeownership Voucher Program can be adapted to reflect local circumstances, fit the pre- and ongoing post-purchase needs of the individual families, and fulfill specific requirements established by the PHA. The PHA has the discretion to require ongoing counseling for all or select participants in the homeownership option.

For example, agencies may provide on-going counseling on issues such as home improvement and rehabilitation. This could include educating the client about their loan and grant options; the loan or grant application processes; what housing codes and housing enforcement procedures apply for the intended activity; accessibility codes; visitability and universal design; non-discriminatory lending for persons who modify their dwellings to accommodate disabilities; how to identify and hire a construction contractor; how to specify and bid construction work; how to enter into construction contracts; and how to manage construction contracts, including actions to address the non-performance of contractors.

Additional ongoing counseling needs may include default counseling and loss mitigation strategies such as debt restructuring, establishing reinstatement plans, seeking loan forbearance, and managing household finances. Counselors can also help program participants that are affected by predatory lending, provide referrals to emergency and social service providers, and assist clients with locating alternative housing.

c. *Colonias*. Recipients of this supplemental funding may provide any of the eligible activities outlined in Section I.C., so long as they serve communities that meet the definition of a Colonia provided in Section I.B.1.c. of this NOFA.

3. Threshold Requirements

Applications that do not meet all of the following Threshold Requirements are not eligible to receive an award from HUD.

a. Applicants, and if applicable sub-grantees, must meet the Threshold Requirements in the General Section of the SuperNOFA.

b. Applicants must be currently approved by HUD as an LHCA or as a national or regional housing counseling intermediary, and have secured HUD

approval as a housing counseling agency by the publication date of this NOFA. SHFAs must meet the eligibility requirements listed in this NOFA.

c. Applicants that received a HUD Housing Counseling grant or grants through the FY2002 HUD Housing Counseling NOFA, and did not receive an extension approved by HUD, must have drawn-down at least 80 percent of award monies by September 30, 2003, the end of the relevant grant period.

d. Applicants that were for any reason required to submit Form HUD-9902, covering the period October 1, 2002, through September 30, 2003, must have submitted the form to HUD by the extension deadline of January 31, 2004. Applicants that were required to submit the Form HUD-9902 and failed to do so, must submit a copy of the required report with their application, or the application will not be rated and ranked.

e. Code of Conduct. Awardees are required to submit a written code of conduct. For information on this subject, refer to the General Section of the SuperNOFA.

f. Financial Management Systems. Consistent with the requirements of the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-07), if the applicant expended \$500,000 or more in Federal awards in its most recent fiscal year, and is selected for funding through this NOFA, the applicant must provide documentation demonstrating that the applicant's financial management systems satisfy the requirements in the applicable regulations at 24 CFR 84.21(b) and 85.20. Such documentation must include a certification from, or most recent audit by, the applicant's Independent Public Accountant that the applicant maintains internal controls over Federal awards; complies with applicable laws, regulations, and contract or grant provisions; and prepares appropriate financial statements. The applicant will have at least 30 calendar days to respond to this requirement. If an applicant does not respond within the prescribed time or responds with insufficient documentation, then HUD may determine that the applicant has not met this requirement and may withdraw the grant offer.

If the applicant has not received a Federal award before and is therefore not subject to the A-133 Audit Requirements, HUD may conduct an accounting system review to ensure that the applicant has an accounting system that meets Federal requirements. If the applicant system does not meet Federal requirements, the applicant may be required to make arrangements for the

management of the funds awarded or HUD may make a determination not to award funds due to poor financial management capability.

g. DUNS Requirement. All applicants must have a DUN and Bradstreet Data Universal Numbering Systems number to receive an award of funds from HUD. Please refer to the General Section and HUD's regulation in 24 CFR Part 5 concerning requirements for a DUNS number.

h. Name Check Review. HUD may elect to conduct a name check review for applicants selected for funding. See the General Section of the SuperNOFA for more information on this topic.

4. Program Requirements

Program requirements are outlined in detail in HUD Handbook 7610.1, REV-4, CHG-1, dated October 27, 1997, which can be viewed on HUD's Web site at <http://www.hud.gov/offices/hsg/sfh/hcc/hccprof7.cfm>.

Additionally, the following also apply:

a. *List of HUD-approved Housing Counseling Agencies*. Pursuant to section 106(C)(5) of the Housing and Urban Development Act of 1968, HUD maintains a list of all HUD-approved and HUD-funded counseling agencies, including contact information, which interested persons can access. All HUD-approved LHCA's and their branches, and all sub-grantees and their branches under Categories 2 and 3 of this NOFA will be placed on this list and must accept subsequent referrals, or when they do not provide the services sought, refer the person to another organization in the area that does provide the services.

b. *Accessibility*. All Grantees and sub-grantees must 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.

For each of the eight general activities proposed, grantees must be prepared to meet the needs of all individuals requesting services, including persons with disabilities, regardless of the complexity of the services involved. Additionally, services must be affirmatively marketed to persons with disabilities, including visual and hearing disabilities, as they would be to any other segment of the population not likely to apply for such services.

c. *Religious Discrimination*. Grant recipients and sub-grantees are prohibited from discriminating on behalf of or against any segment of the population in the provision of services

or in outreach, including those of other religious affiliations.

Additionally, organizations funded under this program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded under this program. If an organization conducts such activities, these activities must be offered separately, in time or location, from the programs or services funded under this part, and participation must be voluntary for the HUD-funded programs or services.

d. *Indirect Cost Rate.* Grantees must also submit documentation establishing the organization's indirect cost rate. Such documentation may consist of a certification from most recent audit by, or indirect cost rate agreement by, the cognizant federal agency or an Independent Public Accountant. If the grantee does not have an established indirect cost rate, it 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 that will govern the award. Applicants that do not have a previously established indirect cost rate with a federal agency shall submit an initial indirect cost rate proposal immediately after the applicant is advised that it will be offered a grant and, in no event, later than three months after the start date of the grant. OMB Circular A-122 established the requirements to determine allowable direct and indirect costs and the preparation of indirect cost proposals, and can be found at <http://www.whitehouse.omb.gov>. Applicants can review Indirect Cost Training on <http://www.hud.gov> at: <http://www.hud.gov/offices/adm/grants/training/training.cfm>

e. *Economic Opportunities for Low- and Very Low-Income Persons (Section 3).* See General Section.

f. *Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Woman-Owned Businesses.* See General Section.

g. *Sub-grant Agreements.* Intermediaries and SHFAs that make sub-grants must execute sub-grant agreements with sub-grantees that clearly delineate the mutual responsibilities for program management, including appropriate time frames for reporting results to HUD. Intermediaries and SHFAs have wide discretion to decide how to allocate their HUD Housing Counseling funding among sub-grantees, with the understanding that a written record must be kept documenting and justifying funding decisions. This record

must be made available to sub-grantees and to HUD.

h. *Limited English Proficiency.* Applicants obtaining an award from HUD must seek to provide access to program benefits and information to persons with limited English proficiency (LEP) through translation and interpretive services in accordance with HUD's published LEP Recipient Guidance.

i. *Subcontracting.* Grantees and sub-grantees must deliver all of the counseling activities set forth in the applicant's work plan provided in Factor 3 of this NOFA. Subcontracting with other entities is permitted only in geographical areas where no HUD-approved housing counseling agency exists; however, the subcontractor must meet the HUD approval eligibility standards in HUD Handbook 7610.1. In addition, a grantee or sub-grantee that is using grant funds to pay a subcontractor for housing counseling services pursuant to a housing counseling sub-agreement is prohibited from having a controlling interest in that subcontractor or vice versa. In other words, a grantee or sub-grantee cannot use grant funds to pay for housing counseling services by a subcontractor, if the subcontractor is partially or fully-controlled by the grantee or sub-grantee, or affiliate or vice versa.

j. *Subsidiaries.* A board member, employee/staff or contractor of an organization applying for a housing counseling grant from HUD, or receiving a sub-grant, under this NOFA, shall not be a board member, employee/staff or contractor of any other organization applying for a housing counseling grant from HUD, or receiving a sub-grant, under this NOFA.

IV. Application and Submission Information

A. Addresses To Request Application Package

Applicants may request general information, and copies of the General Section and Program Sections of the SuperNOFA, from the SuperNOFA Information Center (800-HUD-8929 or 800-877-8339 (TTY)) between the hours of 9 a.m. and 8 p.m. (eastern time) Monday through Friday, except on Federal holidays. When requesting information, please refer to the name of the program in which you are interested. Be sure to provide your name, address (including zip code), and telephone number (including area code). To ensure sufficient time to prepare your application, requests for copies of this NOFA can be made immediately following publication of the

SuperNOFA. The SuperNOFA Information Center opens for business simultaneously with the publication of the SuperNOFA. You can also obtain information on this NOFA through the Web site www.grants.gov.

There is no application kit. Specific application submission requirements are outlined in this section.

B. Content and Form of Application Submission

In addition to reviewing the instructions below, all applicants should consult the General Section of the SuperNOFA and review the procedures that affect application submission.

1. Packaging

Because applications will be handled by various readers, they must be secured in a binder.

2. Size Limitations

Please be as specific and direct as possible. For LHCA's, responses to each factor must be limited to 10 double-spaced, size 12 font, single-sided pages. Additional submissions by LHCA's will not be read. National and regional intermediaries, and SHFAs, are limited to 20 double-spaced, size 12 font, single-sided pages in response to each factor, and no more than two 4-inch binders in total.

3. Application Checklist

Use the checklist below to organize the application. Include a table of contents and tabs. All pages must be numbered. Unless indicated below, all applicants must submit the following:

a. *Standard forms, certifications, and assurances.* Submit the following forms with the application. If a form is not applicable, indicate this on the form and submit it anyway. These forms are available at: <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

■ SF-424, Application for Federal Assistance.

■ The figure identified by the Applicant in Section 15a. of the Form SF-424 represents the total award being requested by the applicant. This total award should include the amount the applicant is requesting for comprehensive counseling, as well as the amounts of supplemental funding being requested, if applicable. Applicants must specify in Section V.A.4.c.(1), and distinguish between the separate amounts they are requesting for comprehensive counseling and the applicable supplemental funding areas.

■ SF-424 Supplement—Survey on Ensuring Equal Opportunity for Applicants.

■ SF-424B, Assurances Non-Construction Programs.

■ HUD-424CB, Grant Application Detailed Budget.

■ While the form is designed for multiple year grants, applicants to this NOFA should assume a one-year grant period. Applicants requesting supplemental funding must complete an additional copy of page 1 of Form HUD-424 CB, Grant Application Detailed Budget, for each type of supplemental funding the applicant is requesting. Identify the type of supplemental funding in the field entitled "Name of Project/Activity."

■ HUD-9902, Housing Counseling Agency Fiscal Year Activity Report.

■ SF-LLL, Disclosure of Lobbying Activities (if applicable).

■ HUD-2880, Applicant/Recipient Disclosure/Update Report (if applicable).

■ HUD-2990, Certification of Consistency with the RC/EZ/EC Strategic Plan (if applicable).

■ HUD-2991, Certification of Consistency with the Consolidated Plan (if Applicable).

■ HUD-96010, Program Outcome Logic Model.

■ HUD-2994, Client Comments and Suggestions (optional).

■ HUD-2993, Acknowledgement of Application Receipt.

■ HUD-27300, Questionnaire for HUD's Initiative on Removal of Regulatory Barriers (see Appendix A to General Section).

b. Statutory Authority / SHFAs.

SHFAs must submit evidence of their statutory authority to operate as a SHFA, as defined in this NOFA, and apply for and use, any funds awarded.

c. *Form HUD-9902, Housing Counseling Agency Fiscal Year Activity Report*, for Fiscal Year October 1, 2002, through September 30, 2003. If applicable, in the space provided on the form, indicate the amount of the FY2002 HUD grant(s) or sub-grant(s) the applicant received that corresponds with this data. If the applicant did not participate in HUD's Housing Counseling Program during the period October 1, 2002, through September 30, 2003, this report should be completed to reflect the applicant's counseling workload and budget during that period. A copy of this form is included in Appendix A of this NOFA.

d. *Written Commitment to Partner.*

For applicants applying for Supplemental Funding for Homeownership Voucher Counseling,

and for applicants proposing to counsel clients in conjunction with HUD's Homeownership Voucher Program with comprehensive counseling funds, provide a copy of a written commitment to partner from each PHA with which the applicant, and if applicable proposed sub-grantees and branches, have entered into an agreement, as described in Section III of this NOFA.

e. *National and Regional Intermediaries* must provide a list of the states in which they maintain offices, including the central office and all affiliates or branch offices. Provide this information for all affiliates and branch offices, not just the ones the applicant proposes to fund through this grant.

f. *Organization Description.* Provide a brief description, no more than 225 words, of the applicant's history and activities as it would like it to appear in the press release issued by HUD in the event that the applicant is funded through this NOFA.

g. *Narrative statements* addressing the Rating Factors in Section V below.

C. Submission Dates and Times

1. Application Due Date

The application due date is June 23, 2004. Please see the General Section of the SuperNOFA for application submission, delivery, and timely receipt requirements.

2. Proof of Timely Submission

See the General Section of the SuperNOFA for more information on this topic.

D. Intergovernmental Review

The Housing Counseling Program is not subject to Intergovernmental Review. See the General Section of the SuperNOFA for more information on this topic.

E. Funding Restrictions

1. *Funding* is limited to the eligible activities described in Section III.C. of this NOFA.

2. *Pre-award Costs.* Applicants selected for award must receive prior HUD approval to incur costs prior to the date of the grant agreement. Grantees may incur pre-award costs 90 calendar days prior to the effective date of the grant agreement. All pre-award costs are incurred at the applicant's risk and HUD has no obligation to reimburse such costs if the award is inadequate to cover such costs or the award offer is withdrawn because of the applicant's failure to satisfy the requirements of this NOFA.

F. Other Submission Requirements

1. *Application Submission Procedures.* See the General Section of the SuperNOFA for mailing instructions and procedures and acceptance of hand-carried submissions.

2. *Category 1 and Category 3.* LHCA's applying under Category 1 and SHFAs applying under Category 3 must submit an original and two copies of a complete application to the contact person listed for the HOC whose jurisdiction includes the geographic area in which the applicant is proposing to provide services (see Section VII.A. of this NOFA.) The envelope should be clearly marked "FY 2004 Housing Counseling Grant Application (indicate Category 1 or 3.)"

3. *Category 2.* National and regional intermediaries applying under Category 2 must submit an original and two copies of a complete application to: Director, Program Support Division; Office of Single Family Housing; Robert C. Weaver Federal Building; 451 Seventh Street, SW., Room 9274; Washington, DC 20410. The envelope should be clearly marked, "FY 2004 Housing Counseling Intermediary Application."

V. Application Review Information

A. Criteria

The Factors for Award, and maximum points for each factor, are outlined below. These factors will be used to evaluate applications under Categories 1-3, and the maximum number of points for each applicant is 102 points for LHCA's and 100 for all other applicants.

1. Bonus Points

LHCA's are eligible for 2 bonus points. Section V(A)(1)(a) of the General Section of the SuperNOFA, entitled "RC/EZ/EC," contains additional information regarding these bonus points.

2. Additional Information

HUD may rely on information from performance reports, financial status information, monitoring reports, audit reports, and other information available to HUD in making score determinations under any Rating Factor.

3. Responses to Factors for Award

Responses to the following rating factors should provide HUD with detailed quantitative and qualitative information and relevant examples regarding the housing counseling work of the organization.

Applicants applying for supplemental funding must describe the relevant

Predatory Lending, Homeownership Voucher Counseling, and/or Colonias-related needs and corresponding activities. The Rating Factors below contain requests for additional information from applicants interested in this supplemental funding.

In responding to the various factors and sub-factors, intermediaries and SHFAs should not submit a separate response for each proposed sub-grantee and branch, but should provide a summary response for their entire network, highlighting individual activities, partnerships, needs or results when appropriate.

4. Rating Factors Used To Evaluate and Rate Applications

a. *Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (35 Points)*. HUD uses responses to this Rating Factor to evaluate the readiness and ability of an applicant, and if applicable proposed sub-grantees and branches, to immediately begin, and cost-effectively and successfully implement, the proposed work plan.

(1) Applicants must provide the following information. Applicants may use the following outline as a convenient format:

- (a) Number of full-time (35 hours + per week) housing counselors working for the applicant, or if applicable, proposed sub-grantees or branches;
- (b) Number of part-time housing counselors working for the applicant, or if applicable, proposed sub-grantees or branches;
- (c) Number of bilingual housing counselors working for the applicant, or if applicable, proposed sub-grantees or branches;
- (d) Average years of housing counseling experience for counselors working for the applicant, or if applicable, proposed sub-grantees or branches;
- (e) Average years of housing counseling program management experience for the project director(s) for the applicant, or if applicable, proposed sub-grantees or branches;
- (f) Average hourly labor rate for housing counselors working for the applicant, or if applicable, proposed sub-grantees or branches;
- (g) Average hours of housing counseling per client, for the period October 1, 2002, through September 30, 2003, for each of the following applicable service types, including follow-up:
 - (i) Pre-purchase Counseling.
 - (ii) Homebuyer Education.
 - (iii) Delinquency/Default Counseling.
 - (iv) Non-Delinquency Post-Purchase Counseling.

(v) Home Equity Conversion Mortgage (HECM) Counseling.

(vi) Post-Purchase Education.

(vii) Rental Counseling.

(viii) Homeless/Displacement Counseling.

(ix) Predatory Lending Counseling.

(x) Homeownership Voucher Counseling and Education.

(xi) Other (describe).

(h) FY2002 HUD housing counseling grant(s) or sub-grant(s), if applicable. If the applicant received one or more FY2002 HUD housing counseling grants or sub-grants covering the period October 1, 2002–September 30, 2003, indicate the grant amounts and make sure that these grants are properly recorded in section 8 of the Form HUD–9902 submitted with this application.

(i) FY2002 total housing counseling budget, covering the period October 1, 2002–September 30, 2003, including HUD housing counseling grant(s) or sub-grants, if applicable, as well as other resources leveraged specifically for housing counseling. Do not include funds for down payment or closing cost assistance, Individual Development Accounts, emergency services, or other resources not used for the direct provision of housing counseling.

(j) Total number of clients served under the “HUD Grant Activities” column, if applicable, on the Form HUD–9902 submitted with this application, covering the grant period October 1, 2002, through September 30, 2003. This figure should represent individuals served entirely with HUD housing counseling grant or sub-grant funding. If it does not, the applicant must prorate their response to reflect a figure representing services provided with only funding from a HUD housing counseling grant(s).

(k) Total number of clients served under the “All Counseling Activities” column on the Form HUD–9902 submitted with this application, covering the grant period October 1, 2002 through September 30, 2003. This total should reflect all the counseling activities performed by the applicant, and if applicable Affiliates and Branches, during the grant period, both with HUD Housing Counseling grant or sub-grant funds, if applicable, and with other leveraged resources.

(l) The number of clients recorded on the Form HUD–9902 submitted with this application, covering the period October 1, 2002, through September 30, 2003, that participated only in Homebuyer Education Workshops or other types of classes offered as group sessions:

(i) Under the “HUD Grant Activities” column, if applicable;

(ii) Under the “All Counseling Activities” column.

(m) The number of clients recorded on the Form HUD–9902 submitted with this application, covering the period October 1, 2002, through September 30, 2003, that participated in one-on-one counseling only:

(i) Under the “HUD Grant Activities” column, if applicable;

(ii) Under the “All Counseling Activities” column.

(n) The number of clients recorded on the Form HUD–9902 submitted with this application, covering the period October 1, 2002, through September 30, 2003, that participated in group sessions and also received one-on-one counseling:

(i) Under the “HUD Grant Activities” column, if applicable;

(ii) Under the “All Counseling Activities” column;

(o) If applicable, for the grant period October 1, 2002, through September 30, 2003, indicate:

(i) The number of individuals and families counseled by the applicant that participated in HUD’s Homeownership Voucher Program;

(ii) The number of clients that received one-on-one counseling from the applicant related to predatory lending, or if applicable, from sub-grantees and branches;

(iii) The results of one-on-one counseling pertaining to predatory lending, including the number of clients for whom loans have been successfully restructured, credit fixed, and the success of other loss mitigation strategies;

(iv) The number of clients that participated in group educational sessions related to predatory lending.

(p) For intermediaries and SHFAs, the number of sub-grantees and branches that received funding from the applicant through an FY2002 HUD housing counseling grant(s), if applicable, covering the period October 1, 2002–September 30, 2003.

(q) For intermediaries and SHFAs, the total number of sub-grantees and branches that received funding, specifically for housing counseling, from the applicant, both through an FY 2002 HUD housing counseling grant(s), if applicable, or other sources of funds, during the grant period October 1, 2002, to September 30, 2003.

(2) (7 points) Knowledge and Experience. Demonstrate that the applicant, including if applicable proposed sub-grantees and branches, has sufficient personnel with the relevant knowledge and experience to implement the proposed activities in a

timely and effective manner, and bilingual language skills, if appropriate.

Specifically, for LHCA's, scoring will be based on the number of years of recent and relevant experience of Housing Counseling Program project directors and recent housing counseling and relevant experience of housing counselors.

For national and regional intermediaries and SHFAs, scoring will be based on: the number of years of recent and relevant experience of project directors of proposed sub-grantees and branches; the number of years of recent housing counseling and relevant experience of counselors in proposed sub-grantees and branches; and the number of years, for key intermediary or SHFA personnel, of recent experience running a housing counseling program consisting of a network of multiple housing counseling agencies.

Related experience, such as experience in mortgage lending will also be considered, but will not be weighted as heavily as direct housing counseling or housing counseling program management experience. HUD will also factor in other information that demonstrates the capacity of the applicant, such as relevant trainings and competency exams and certifications.

(a) Submit the names and titles of employees, including subcontractors and consultants, performing the activities proposed in Rating Factor 3. Clerical staff should not be listed. Describe each employee's, subcontractor's, or consultant's relevant professional background and experience, and bilingual language skills, if applicable. Experience is relevant if it corresponds directly to projects of a similar scale and purpose. Individual descriptions should be limited to one page, and do not count toward narrative page limitations. Provide the number of years of experience for each position listed, and indicate when each position was held. Indicate whether the position is full-time or part-time, and in the case of part-time positions, provide the number of hours per week.

National and regional intermediaries and SHFAs should summarize in a single chart listing, each applicable employee, subcontractor, and consultant of your proposed sub-grantees or branches, the number of years of direct counseling or counseling program management experience, and the number of years or relevant experience. Please total each column.

(b) All applicants must indicate whether counselors in their agency, or if applicable, proposed sub-grantees and

branches are required to take and pass an exam evaluating housing counseling competency. Describe the test and testing process and the implications of the exam.

(c) Indicate for each counselor listed the specific counseling activities with which they have experience, distinguishing between group sessions and one-on-one counseling, and the relevant number of years of experience for each counseling type. In scoring this section, HUD will evaluate whether the applicant has experience providing the proposed services.

Applicants for supplemental funding for Homeownership Voucher Counseling must provide detailed information regarding the Homeownership Voucher Program-related experience of the applicant and each PHA with whom the applicant, or its proposed sub-grantees and branch offices have a written commitment to partner, including the number of years of experience that the applicant and partnering PHA(s) have working with HUD's Homeownership Voucher Program. If different from the applicant, explain what counseling agency or other organization provided the housing counseling related to the PHA's program.

Similarly, applicants for supplemental funding for predatory lending and Colonias must specify the predatory lending or Colonias-specific experience of project directors and counselors and the organization. Applicants for Colonias supplemental funding must also highlight the bilingual capacity of relevant counselors.

(d) Indicate for all housing counselors and project directors the specialized trainings and certifications received relevant to the proposed activities. Indicate when the training was received and who provided it.

Applicants for supplemental funding must also indicate whether or not relevant staff has received recent and relevant specialized training. For example, applicants for supplemental funding for predatory lending must indicate if relevant personnel received FHA loss mitigation training or other training relevant to predatory lending.

(3) (9 points) Quality and Complexity of Services. In scoring this Section, HUD will evaluate the quality of, the variety of, and the level of effort and time associated with the housing counseling services provided by the applicant during the period October 1, 2002, to September 30, 2003, both with HUD housing counseling grant funds, if applicable, and with other resources leveraged for housing counseling. For

applicants that did not receive an FY2002 HUD housing counseling grant, the analysis will be based on services provided with other sources of funding.

(a) Applicants must carefully document the various types of housing counseling and education services provided during the period October 1, 2002, through September 30, 2003, both with FY2002 HUD grant funds, if applicable, and other resources leveraged for housing counseling. Also describe follow-up activities, if applicable.

If applying for supplemental funding for predatory lending, describe the applicant's activities for the grant period October 1, 2002, to September 30, 2003, in assisting individuals, through outreach and group education, in identifying and avoiding predatory lending. For example, describe group workshops, community meetings, mass media, or material distribution (provide copies of relevant letters, brochures, *etc.*) Also describe the applicant's outreach strategy, including the various types of individuals targeted (*e.g.*, sub-prime borrowers, elderly homeowners with substantial equity in their homes, *etc.*), explain the rationale for targeting specific areas, types of community forums that are effective, methods through which ideas and materials are disseminated, and all other relevant information.

Also, if applicable, describe efforts through one-on-one counseling for the period October 1, 2002, to September 30, 2003, to assist individuals in identifying and avoiding predatory lending, and describe efforts through one-on-one counseling to assist clients affected by predatory lending.

If applying for supplemental Homeownership Voucher Counseling funds, describe counseling and education activities during the period October 1, 2002, to September 30, 2003, performed in conjunction with HUD's Homeownership Voucher Program.

If applying for supplemental funding for Colonias, describe the applicant's activities for the grant period October 1, 2002, to September 30, 2003, in assisting individuals in Colonias.

(b) Describe the level of effort and time required to provide the housing counseling services described in part (a) and to meet the needs of clients. Explain the average counseling time per client figures provided in Section V.A.4.a.(1). Scoring will be based on the degree to which the applicant demonstrates that, as compared to similar applicants, sufficient time, and resources were devoted to ensure that clients received quality counseling.

(c) Explain the figures provided in Section V.A.4.a.(1) regarding group session participation and one-on-one counseling. Describe how clients come to participate in one or the other, the relationship between the two, and the role that each plays in the applicant's overall service provision.

Applicants for supplemental funds should also provide this information for the activities relevant to the specific supplemental funding for which they are applying.

Scorers will evaluate the extent to which, as compared to similar applicants, an agency encouraged and provided one-on-one counseling, which HUD considers the most effective form of housing counseling, instead of over-relying on homebuyer education workshops and other forms of group sessions.

(d) Indicate whether the applicant, and if applicable, affiliates and branches, utilized an on-line Client Management System during the grant period October 1, 2002, to September 30, 2003. If a system was used, identify which system.

(4) (9 points) Impact/Outcomes. In scoring this Section, HUD will evaluate the applicant's, and if applicable, affiliates' and branches', clients served numbers for the grant period October 1, 2002, to September 30, 2003. The quantity of clients the applicant was able to serve will be compared to similar applicants providing similar services. Clients served numbers will also be analyzed in the context of the total housing counseling budget, which applicants must provide, FY2002 HUD housing counseling grant(s), if applicable, costs; spending decisions; the types of services provided; level of effort expended; and the performance of similar applicants providing similar services. HUD will also consider the degree to which the services provided are time and resource intensive.

Additionally, HUD will evaluate the geographic coverage of the applicant's activities for the grant period October 1, 2002, through September 30, 2003. For national and regional intermediaries and SHFAs, the number of sub-grantees under an FY2002 HUD housing counseling grant(s), if applicable, and the overall size of the housing counseling network during that period will be factors in the scoring.

(a) To evaluate the applicant's program results, provide a context for, or qualify, the number of clients indicated, on the Form HUD-9902 submitted with this application, and in Section V.A.4.a.(1), were served under the column "All Counseling Activities." This total should reflect all the

counseling activities performed by the applicant during the period 10/1/02 through 9/30/03, both with HUD housing counseling grant funds, if applicable, and with other leveraged resources. Indicate how location, counseling and client type, and expenses may have affected client volume.

If the applicant received one or more FY2002 HUD housing counseling grants, indicate differences in how the HUD grants were spent compared to other leveraged resources. Justify expenses and explain why they were reasonable, strategic, and appropriate for the counseling activities identified above.

If applying for supplemental funding, quantify the applicant's relevant predatory lending, Homeownership Voucher Counseling, and Colonias results during the period 10/1/02 through 9/30/03 and provide the total budget for each. For example, if applying for supplemental funding for Homeownership Voucher Counseling, provide the number of families that participated in the applicant's Homeownership Voucher Program in the past complete fiscal year, and the number of current homeowners receiving voucher assistance to date, and other notable outcomes and information demonstrating the effectiveness of the existing program. Provide the same information for PHAs with whom the applicant, and if applicable, proposed sub-grantees and branches have written commitments to partner.

(b) National and regional intermediaries and SHFAs that received one or more FY2002 HUD housing counseling award(s) for the grant period October 1, 2002, to September 30, 2003, must also indicate what percentage of their award(s) was passed through directly to sub-grantees or branches, and explain how funds not passed through were spent.

LHCAs applying under Category 1 that received one or more FY2002 HUD housing counseling award(s) for the grant period October 1, 2002, to September 30, 2003, must indicate what percentage of their award(s) was spent on the salaries and benefits of housing counselors and project director. Explain how other funds were spent.

Applicants that did not receive a FY2002 HUD housing counseling grant should characterize their performance through other housing counseling funding sources.

(c) LHCAs must list all branch offices for the grant period October 1, 2002, through September 30, 2003. Also describe the applicant's geographic coverage for that period. For example,

indicate the percentage of a metropolitan area covered by the grantee, and indicate if the applicant operated in more than one state.

National and Regional Intermediaries and State Housing Finance Agencies must identify the sub-grantees, affiliates and branches, and corresponding states, the applicant provided housing counseling funding, for the period October 1, 2002, through September 30, 2003, through:

(i) FY2002 HUD housing counseling grant funds, if applicable;

(ii) All housing counseling resources.

(5) (6 points) Performance. In scoring this section, HUD will evaluate the applicants performance in relation to pre-established performance goals. Additionally, results of HUD monitoring will be factored into the scoring.

(a) So HUD can evaluate the applicant's performance at meeting goals, indicate prior goals for the outcome categories listed below that correspond to the results shown on the Form HUD-9902 submitted with this application, covering the grant period, October 1, 2002, to September 30, 2003, under the "All Grant Activities" column, and the "HUD Grant activities" column:

(i) The number of individuals receiving pre-purchase counseling that purchased a home;

(ii) The number of individuals receiving pre-purchase counseling that are working toward becoming mortgage ready;

(iii) The number of individuals receiving pre-purchase counseling that, after evaluating their unique financial situation and the costs of homeownership, elected not to purchase a home;

(iv) The number of individuals receiving default counseling that successfully avoided foreclosure;

(v) The number of individuals seeking help in locating or securing residence in rental housing that found alternative rental housing.

For applicants applying for the predatory lending supplemental funding, the number of clients affected by predatory lending counseled that were able to have their mortgage modified, refinanced, or otherwise assisted to avoid foreclosure. Compare these outcome goals with the applicant's actual performance outcomes for these categories, reported in the Form HUD-9902 submitted with this application, covering the grant period October 1, 2002, to September 30, 2003.

Characterize the applicant's performance at meeting its goals regarding activities for that time period. Explain any differences between goals

and results. Describe relevant market conditions and other circumstances that affected reported outcome numbers.

If the applicant did not establish outcome projections/goals for these specific categories prior to the grant period October 1, 2002, to September 30, 2003, indicate the specific quantitative goals that it did make, if any, and explain any difference between goals and results.

[**Note:** Starting with the FY2003 HUD Housing Counseling NOFA, applicants were asked to provide projections in Factor 5 for the specific categories listed above. Form HUD-9902 data submitted with the FY2005 NOFA will be compared to those projections. In other words, in that NOFA and in ensuing NOFAs, HUD will evaluate the degree to which actual performance on a grant, as reported through the Form HUD-9902, compares to the corresponding outcome projection made by applicants when applying for those funds.]

(b) If the applicant received a FY2002 HUD housing counseling grant covering the period October 1, 2002–September 30, 2003, indicate the number of clients that it proposed to serve with its HUD grant in Factor 3 of the FY2002 Housing Counseling NOFA application (submitted May 17, 2002), and compare it with the number attributed to the HUD grant appearing on the Form HUD-9902 form submitted with this application, covering October 1, 2002–September 30, 2003, which corresponds to the FY2002 application and resulting award. Explain any differences between goals and results, including differences in proposed and actual grant amounts.

Applicants that did not apply for or receive a FY2002 HUD housing counseling grant(s) should characterize their performance at meeting performance goals proposed in applying for and implementing other housing counseling funding sources.

(c) Significant findings on biennial reviews conducted by HUD staff will be taken into consideration when scoring this Section. Explain how the applicant has taken steps to address and correct any significant findings, if applicable.

(6) (4 points) Grant Requirements / Compliance. In scoring this Section, HUD will evaluate how well the applicant satisfied the requirements, including reporting and grant document execution, of its FY2002 HUD housing counseling grant, for the grant period October 1, 2002, to September 30, 2003, and its ability to spend all grant funds allotted to them. If the applicant did not receive an FY2002 HUD grant, base the response on activities and requirements under other sources of funding, such as other federal, state, or local grant awards.

(a) Characterize the applicant's performance with regards to the timeliness and completeness with which they satisfied grant document execution and reporting requirements, such as Form HUD-9902 submission, and quarterly (if applicable), mid-term and final reports.

(b) Also, indicate whether or not the applicant fully expended grant awards during the grant period October 1, 2002, to September 30, 2003. If not fully expended, indicate the percentage of funds that went unspent, and provide an explanation as to the reason why the funds were not fully expended and the steps the applicant has taken to ensure that future funding will be expended in a timely manner. To receive full credit, 100 percent of grant funds must have been expended in a timely manner.

b. Rating Factor 2: Need/Extent of the Problem (10 Points). This factor addresses the extent to which there is a need for funding the proposed activities described in the applicant's response to Rating Factor 3, and the degree to which the applicant's work plan substantively addresses departmental policy priorities.

(1) (5 points) *Needs Data*. Provide current or recent economic and demographic data, and any other evidence, that demonstrates housing counseling need relevant to the target area. All proposed activities must have corresponding need-related data. Sources for all data provided must be clearly cited. Do not submit copies of reports or tables.

To the extent that the community the applicant serves has documented need in its Consolidated Plan, Analysis of Impediments to Fair Housing Choice (AI), or other planning documents, reference these in the response. Economic and demographic data must include persons with disabilities located in the target area. The U.S. Census Bureau, for example, maintains disability data by state, county, and metropolitan statistical area (MSA) at the following Web site address: <http://www.census.gov/hhes/www/disability.html>. Additionally, the HUD USER Research Information Service and Clearinghouse, available at <http://www.huduser.org/>, allows users to search over 800 HUD publications by subjects and keywords.

Applicants applying for predatory lending supplemental funding must provide current or recent economic and demographic data, and any other evidence, that demonstrates the prevalence and impact of predatory lending within the target area.

Applicants proposing counseling in conjunction with HUD's

Homeownership Voucher Program must demonstrate that the local market will support affordable homeownership. For example, describe the income and wealth characteristics of Homeownership Voucher Program participants, such as average income as a percent of area median income, and average savings available for downpayment, and then demonstrate the availability in the local market of homes that are affordable to these participants. National and regional intermediaries and SHFAs must provide this information for each sub-grantee or branch included in their application that they propose to provide this activity.

In scoring this Section, HUD will evaluate the degree to which the applicant is able to provide current or recent economic and demographic data, and any other evidence, that demonstrates housing counseling need relevant to the target area and the activities proposed in Rating Factor 3. Applicants that fail to identify current or recent objective data will receive no points for this factor.

(2) (5 points) *Departmental Policy Priorities*. The Departmental policy priorities are described in detail in the General Section of the SuperNOFA. Of those listed, the following four apply to the Housing Counseling Program for the purpose of this NOFA. Indicate if and describe how the applicant's work plan substantively addresses each of these departmental policy priorities.

In scoring this section, the applicant will receive one point for each of the departmental policy priorities (a)–(c) that its work plan substantively addresses. Up to 2 points are available for priority (d). See the General Section of the SuperNOFA for more information on each priority. If the activities are not part of the applicant's work plan in Factor 3 of this NOFA, the applicant will not get any points for the policy priority.

(a) Providing Increased Homeownership and Rental Opportunities for Low- and Moderate-Income Persons, Persons with Disabilities, the Elderly, Minorities, and Families with Limited English Proficiency.

(b) Providing Full and Equal Access to Grassroots Faith-Based and Other Community-Based Organizations in HUD Program Implementation.

(c) Participation of Minority-Serving Institutions in HUD Programs.

(d) Removal of Regulatory Barriers to Affordable Housing. See the General Section of the SuperNOFA for more information on the criteria involved with this priority. All applicants must

submit Form HUD-27300, Questionnaire for HUD's Initiative on Removal of Regulatory Barriers (see Appendix of General Section).

c. *Rating Factor 3: Soundness of Approach / Scope of Housing Counseling Services (40 Points)*. This factor addresses the quality and effectiveness of the applicant's proposed housing counseling activities. If the response to any of the sub-factors in Factor 3 is identical to the response in Factor 1 and will not change, for example for proposed activities, staff allocation, hours per client for each counseling, etc., it is sufficient to simply indicate this and not repeat the same language provided previously. Any changes should be highlighted without repeating text from Factor 1.

(1) Applicants must provide the following information. Applicants may use the following outline as a convenient format.

(a) The amount of funding being requested for Comprehensive Counseling, and for supplemental funding, if applicable.

(i) To distinguish the Comprehensive Counseling portion of the award the applicant is requesting from requested supplemental funding, the amount must be labeled "Comprehensive Counseling."

(ii) Also, indicate the separate amounts, if applicable, the applicant is requesting for supplemental funding. To distinguish between the types of supplemental funding, and the "Comprehensive Counseling" portion of the requested award, the amounts must be labeled "Predatory Lending," "Homeownership Voucher Counseling," and "Colonias." The following sample is suggested as a convenient format. Amounts provided are simply examples:

Funding type	Amount
Comprehensive Counseling	\$40,000
Predatory Lending	\$20,000
Homeownership Voucher Counseling	N/A
Colonias	\$25,000

(b) *Projected Clients Served*. Provide the following figures. Do not provide ranges or percentages, but a specific numbers of clients. These amounts should represent individuals to be served entirely with HUD housing counseling funding. If, in reality, various funding sources will contribute to the services provided each individual, the applicant must prorate their response to reflect a figure representing services provided with only funding from the proposed grant.

(i) The total number of clients the applicant projects it, and if applicable,

sub-grantees, will serve under the total proposed HUD grant, including all requested supplemental funding.

(ii) If requesting supplemental funding, indicate the specific number of clients the applicant projects it, or if applicable, sub-grantees, will serve under the comprehensive counseling portion of the requested award.

(iii) If requesting supplemental funding, separately indicate for each specific type of supplemental funding being requested, the number of clients the applicant projects it, or if applicable, sub-grantees, will serve under the proposed supplemental funding.

(c) Average hours of housing counseling the applicant estimates per client, for each of the following activities the applicant proposes, including follow-up:

- (i) Pre-purchase Counseling;
- (ii) Homebuyer Education;
- (iii) Delinquency/Default Counseling;
- (iv) Non-Delinquency Post-Purchase Counseling;
- (v) Home Equity Conversion Mortgage (HECM) Counseling;
- (vi) Post-Purchase Education;
- (vii) Rental Counseling;
- (viii) Homeless/Displacement Counseling;
- (ix) Predatory Lending Counseling;
- (x) Homeownership Voucher Counseling and Education;
- (xi) Other (describe).

(c) The total number of clients that will receive only Homebuyer Education Workshops or other types of classes offered as group sessions with the proposed award in general, and under each of the applicable supplemental funding types.

(d) The number of clients that will participate in one-on-one counseling only, with the proposed award in general, and under each of the applicable supplemental funding types.

(e) The number of clients that will participate in group sessions and also receive one-on-one counseling, with the proposed award in general, and under each of the applicable supplemental funding types.

(f) The proposed average hourly labor rate for housing counselors working for the applicant, affiliate, or branch network, if applicable, including benefits.

(g) For national and regional intermediaries and SHFAs, the total number of sub-grantees and branches, and corresponding number of states, that the applicant estimates will receive funding through the proposed FY2004 HUD Housing Counseling Grant. If applying for supplemental funding, indicate the number of sub-grantees and branches the applicant estimates for

comprehensive counseling, and for each type of supplemental funding requested.

(h) For intermediaries and SHFAs, the total number of sub-grantees and branches that the applicant estimates will receive funding, specifically for housing counseling, from the applicant, both through the proposed FY2004 HUD Housing Counseling Grant, and other sources of funds, during the grant period October 1, 2004, to September 30, 2005.

(2) (16 points) *Work Plan/Quality and Complexity of Services*. In scoring this Section, HUD will consider the types and variety of housing counseling and education services being offered, and other activities occurring in support of the applicant's housing counseling program.

In scoring this section, HUD will also evaluate the quality of the applicant's proposed housing counseling services, and level of effort and time associated with providing the proposed counseling services to the number of clients it estimates it will serve. Scoring will be based on the degree to which the applicant demonstrates that, for each type of counseling service delivered, and compared to other applicants, sufficient time and resources will be devoted to ensure that clients receive quality counseling.

Additionally, scorers will evaluate the extent to which, as compared to similar applicants, an applicant will encourage and provide one-on-one counseling, which HUD considers the most effective form of housing counseling, instead of over-relying on homebuyer education workshops and other forms of group sessions. HUD will also factor in other information that increases the likelihood that quality counseling will occur, such as the use of Client Management Systems.

(a) Describe the various types of housing counseling and education services, and if applicable intermediary activities, including training, the applicant proposes to undertake, and identify the geographic area the services will cover. Also, describe planned follow-up activities, if applicable. Applicants must also identify housing counselors in their agency, and if applicable proposed sub-grantees and branches, that are AARP tested and certified HECM Network Counselors.

To receive full credit in this section, applicant work plans must include both pre-purchase counseling and post-purchase counseling, including default counseling, and a broad array of counseling services in general. Additionally, proposed housing counseling staff must include one or more, depending on the size of the

Applicant, AARP tested and certified HECM Network Counselors.

Intermediaries and SHFAs must also:

(i) Describe the housing counseling and education activities to be provided by proposed sub-grantees and branches, explicitly stating the types of services to be offered, preferably in a chart;

(ii) Describe the applicant's legal relationship with sub-grantees (*i.e.* membership organization, field, or branch office, subsidiary organization, etc.);

(iii) Explain the process that will be used to determine sub-grantee funding levels and distribute funds. If applicable, indicate how sub-grantee funding levels are adjusted on an on-going basis based on performance.

(b) Describe the level of effort and time the applicant anticipates is required to provide the proposed counseling services to, and meet the needs of, the number of clients it indicates in Section V.A.4.c.(1) that it will serve with the proposed grant. Explain and describe the activities corresponding to the average counseling time figures for each counseling type provided in Section V.A.4.c.(1).

(c) Explain the figures provided in Section V.A.4.c.(1) regarding proposed group session participation and one-on-one counseling. Describe how clients are selected for one or the other, the relationship between the two, and the role that each will play in the overall service provision.

(d) Indicate the names and titles of employees, including subcontractors and consultants, allocated to each proposed activity, as well as the corresponding staff hours for each task, and demonstrate that the applicant has the human resources to accomplish the proposed activities and serve the number of individuals the applicant proposes to serve.

(e) Indicate whether the applicant, or if applicable, proposed sub-grantees and branches, will utilize an on-line Client Management System in administering the proposed grant. If a system or systems will be used, identify which system(s).

(3) (6 points) *Coordination*. In scoring this Section, HUD will consider the extent to which, as compared to similar applicants, the applicant can demonstrate it will coordinate proposed activities with other organizations, and if applicable with other services and products offered by the applicant's organization, in a manner that benefits their clients. Scoring will also be based on the degree to which the applicant takes steps to avoid conflicts of interest, and discloses to clients that they have a choice in matters such as the loan

product they choose and the house that they purchase.

(a) Describe partnerships and efforts to coordinate proposed activities with other organizations, including, but not limited to, emergency and social services providers, lending organizations, homeowner insurance providers, down payment and closing cost assistance programs, and nonprofit housing providers. For example, describe agreements with lenders regarding non-traditional lending standards. Any written agreements or memoranda of understanding in place should be described and copies provided.

National and regional intermediaries, and LHCAs if applicable, should also highlight internal products and functions, such as loan products available to clients, downpayment and closing cost assistance programs, as well as internal affordable housing programs that can be a resource for clients.

Applicants requesting supplemental funding should highlight the partnerships or internal products that are relevant to the proposed predatory lending, Homeownership voucher counseling, or Colonias activities. For example, applicants for supplemental funding for predatory lending should also describe relevant partnerships and relationships with other organizations, including state and local government regulatory agencies, Legal Aid groups, and other organizations with whom the applicant collaborates on predatory lending cases and issues, or to whom the applicant refers clients affected by predatory lending.

(b) Describe plans to avoid conflicts of interest, such as methods for disclosing to participants that they are free to choose lenders, lending products, and homes, regardless of the recommendations made by counselors. To receive full credit in this Section, the applicant must provide copies of the disclosure forms and materials used by the applicant to communicate to clients that, while affordable homes, lending products and other forms of assistance might be available through the applicant, and partnerships in which the applicant has entered, the client is under no obligation to utilize these services.

(4) (18 points) *Impact/Efficient Use of Resources—Proposed HUD Grant*. In scoring this Section, HUD will evaluate the number of clients that the applicant estimates will be served under the proposed HUD grant, by the applicant and sub-grantees, if applicable, for the grant period October 1, 2004, to September 30, 2005. Scoring will be based on the quantity of clients the

applicant proposes to serve, compared to similar applicants providing similar services. Proposed clients served numbers will also be analyzed in the context of budget, costs, spending decisions, the types of services provided, level of effort expended, etc. HUD will also factor in other information that demonstrates that resources are being used efficiently; for example, the percentage of grant funds intermediaries and SHFAs pass through to sub-grantees. Additionally, HUD will evaluate the geographic coverage of the applicant's proposed activities.

In the case of intermediaries and SHFAs, the number of proposed sub-grantees and branches, the overall size and scope of the counseling network will be a factor in the scoring.

(a) Provide a context for, or qualify the number of clients the applicant projects to serve with the proposed HUD grant. Indicate how location, counseling and client types, and expenses may affect client volume, and whether the impact will be short-term or long-term. Justify proposed expenses and explain why they are reasonable, strategic, and appropriate for the counseling activities identified above.

Explain and justify significant changes, relative to past performance and grant/budget size described in Rating Factor 1, in the number of clients the applicant proposes to serve. For example, describe changes in the types of counseling being delivered, costs, etc.

(b) National and regional intermediaries and SHFAs must also indicate what percentage of their proposed award will be passed through directly to sub-grantees and branches, and explain how funds not passed through will be spent.

LHCAs applying under Category 1 must indicate what percentage of their proposed award will be spent on the salaries and benefits of housing counselors and project directors. Explain in detail how other proposed funds will be spent.

(c) LHCAs must list all branch offices, if applicable, and indicate if they will be funded through the proposed award.

Also, describe the applicant's geographic coverage. For example, indicate the percentage of a metropolitan area covered by the grantee, and indicate if the applicant operates in more than one state.

National and regional intermediaries and SHFAs must also identify the sub-grantees and branches, and corresponding states, the applicant proposes will receive funding through this grant award. In the event that different sub-grantees or branches will be selected for comprehensive

counseling and/or the three supplemental funding types, separately list proposed sub-grantees and branches for each. Applicants unable to precisely identify proposed sub-grantees and branches to receive funding through the proposed grant must identify the most likely sub-grantees and branches, based on past experience, and explain what resources will be used to select actual sub-grantees and branches. Pursuant to the applicable regulations at 24 CFR 84.82(d)(3)(iii) and 85.30(d)(4), grantees must receive HUD's prior written approval for sub-grants.

d. Rating Factor 4: Leveraging Resources (10 Points). HUD housing counseling funding is not intended to fully fund an applicant's housing counseling program, or that of its sub-grantees, if applicable. All organizations that use housing counseling grant funds are expected to seek other private and public sources of funding for housing counseling to supplement HUD funding. Any agency that does not have other resources available will receive no points for this factor.

Applicants will be evaluated based on their ability to provide evidence that they have obtained additional resources for their housing counseling activities, including: Direct financial assistance; in-kind contributions, such as services, equipment, office space, labor; *etc.* Resources may be provided by governmental entities, public or private nonprofit organizations, for-profit private organizations, or other entities committed to providing assistance.

(1) All applicants must provide a comprehensive list of all leveraged funds and in-kind contributions being claimed. Include the amount and the source. All contributions, including cash and third party in-kind, shall be accepted as part of the recipient's cost sharing or matching when such contributions meet all of the criteria set forth in 24 CFR 84.23.

(2) Additionally, in order to obtain points under this factor, the applicant must demonstrate leveraging by providing letters and, if applicable, copies of relevant grant agreements from entities or individuals, or both, committing resources to the project that include:

(a) The identity of the entity or individual committing resources to the project.

(b) Dollar value of the resources to be committed. For in-kind resources with no clear total dollar value indicated, applicants should estimate their value and describe in detail how the estimate was determined. Values for recipient contributions of services and property

shall be established in accordance with the applicable cost principles.

(c) The type of resources to be committed.

(d) An indication that the resources will be available during the grant period pertaining to this NOFA, October 1, 2004–September 30, 2005.

(e) An indication that the award, or a specific portion of it, is intended for housing counseling.

(f) The signature of an official of the entity legally able to make commitments on behalf of the entity.

(g) No conditions that would nullify the commitment. (It is, however, acceptable for the commitment to be conditional on HUD funding.)

(3) Additionally, resources provided by the applicant, (recorded as "Applicant" and "Program Income" on the Form SF-424) will count as leveraged resources.

These are the only circumstances under which applicants are permitted to self-certify to leveraged resources. These amounts must only include funds that will directly result in the provision of housing counseling services, but not resources for activities such as down payment and closing cost assistance, IDA programs, and emergency services.

(4) National and regional intermediaries and SHFAs should include evidence of leveraged resources for their entire counseling network and program, not simply anticipated sub-grantees to be funded through this application.

(5) Points for this factor will be awarded based on the satisfactory provision of evidence of leveraging and financial sustainability, as described above, and the percentage of the applicant's total housing counseling budget that the requested HUD housing counseling funds would represent. Depending on organization type, the following scales will be used to determine scores for this factor:

LHCAS AND SHFAS

Percentage	Points
01–25	10
26–40	9
41–48	8
49–55	7
56–65	6
66–75	5
76–85	4
86–91	3
92–95	2
96–99	1

NATIONAL AND REGIONAL INTERMEDIARIES

Percentage	Points
01–15	10
16–23	9
24–29	8
30–35	7
36–41	6
42–47	5
48–53	4
54–59	3
60–65	2
66–99	1

e. Rating Factor 5: Achieving Results and Program Evaluation (5 Points). This factor emphasizes HUD's determination to ensure that applicants meet commitments made in their applications and grant agreements and assess their performance to realize performance goals, and reflects HUD's goal to embrace high standards of ethics, management and accountability.

The purpose of this factor is for the applicant to identify program outputs and outcomes that will allow it and HUD to measure actual achievements against anticipated achievements. Outputs and outcomes must be objectively quantifiable.

In scoring this section, HUD will consider the thoroughness of the response, as well as the appropriateness of the proposed outcomes given the proposed HUD award and past performance, as compared to similar applicants.

(1) *Submission Requirements for Factor 5.* Applicants must submit an effective, quantifiable, outcome-oriented evaluation plan for measuring performance and determining that output and outcome goals have been met. Applicants must submit a program evaluation plan, consisting of a completed Form HUD-96010, Program Outcome Logic Model, and corresponding narrative, that identifies what will be measured, how it will be measured, and the steps the applicant has in place to make adjustments to the work plan if performance targets are not met within established timeframes. Specifically, the plan must identify:

(a) *Outputs.* Outputs are the direct products of the applicant's activities that lead to the ultimate achievement of outcomes. Examples of outputs include, but are not limited to, the number of individual counseling sessions, the number of group sessions to be provided, the number of materials to be distributed, and outreach activities. Identify interim and full grant term outputs, and time frames for accomplishing these goals. The plan must show how the applicant will

measure actual accomplishments against anticipated achievements.

(b) *Work Plan Adjustments.* Describe steps in place to make adjustments to the work plan if outputs are not met within established time frames or if the applicant begins to fall short of established outputs and time frames. National and regional intermediaries and SHFAs should indicate if and how the performance of sub-grantees and branch offices, affects current and future sub-grants and allocations.

(c) *Outcomes.* Outcomes are benefits accruing to the families as a result of participation in the program. Outcomes are performance indicators the applicant expects to achieve or goals it hopes to meet over the term of the proposed grant. For the period October 1, 2004–September 30, 2005, provide the following anticipated outcomes for clients as a result of the proposed grant. In other words, provide the figure that the applicant estimates for that outcome category under the HUD grant activities column on the Form HUD–9902.

- The number of individuals receiving pre-purchase counseling that will purchase a home;
- The number of individuals receiving pre-purchase counseling that are working toward becoming mortgage ready;
- The number of individuals receiving pre-purchase counseling that, after evaluating their unique financial situation and the costs of homeownership, will elect not to purchase a home;
- The number of individuals receiving default counseling that will successfully avoid foreclosure;
- The number of individuals seeking help in locating or securing residence in rental housing that found alternative rental housing;
- Applicants proposing to address predatory lending should indicate the number of clients affected by predatory lending counseled that will have their mortgage modified, refinanced, or otherwise assisted to avoid foreclosure.

These specific outcomes correspond to the Form HUD–9902. The proposed outcomes the applicant provides will be compared with the results captured in the HUD–9902 the applicant submits in the FY2006 Housing Counseling NOFA, if applicable, to evaluate the impact the applicant was able to achieve with this proposed award, if applicable, and the degree to which the applicant was able to meet or exceed proposed outcomes. Not all outcome categories will be relevant to every organization, depending upon the services provided.

(d) *Information Collection.* Describe the applicant's strategy for following-up

with clients and collecting outcome information.

B. Reviews and Selection Process

Two types of reviews will be conducted.

1. Technical Review

First, each application will be reviewed for technical sufficiency, in other words, whether the application meets the threshold requirements set out in this NOFA and the General Section of the SuperNOFA, and whether all required forms have been submitted. The General Section of the SuperNOFA provides the procedures for corrections to deficient applications.

2. General Review

The second review considers the responses to the rating factors outlined above and other relevant information. Applications will be evaluated competitively, and ranked against all other applicants that applied in the same funding category.

3. Rating Panels

Detailed information on the rating review panels appears in the General Section of the SuperNOFA.

4. Minimum Score for Fundable Applications

The minimum score for fundable applications is 75 points.

5. Funding Methodology

a. *Comprehensive Counseling.* The following funding formula will be used to calculate the comprehensive counseling portion of the awards under Categories 1–3. Only applicants who receive a score of 75 points or above will be considered eligible for funding. All eligible applicants will then be funded in proportion to the score they receive. Regarding the comprehensive counseling portion of an award, all grantees will receive the lower of either the comprehensive award amount determined with the formula, or the amount actually requested by the applicant, as indicated in the applicant's response to Section V.A.4.c.(1) of this NOFA. This amount must be labeled "Comprehensive Counseling" to distinguish it from requested supplemental funds, if applicable.

The formula will work as follows for each category:

(1) *Funding Round 1.* Every applicant that scores 75 points or above will receive a base award (\$15,000 for LHCA's; \$50,000 for SHFA's; and \$200,000 for intermediaries). The total number of applicants receiving the base

award will be multiplied by the relevant base amount, and that amount will be subtracted from the total amount available under the Category, or in the cases of Categories 1 and 3, available to the HOC.

(2) *Funding Round 2.* Then, the remaining balance after funding the Round 1 base awards will be divided by the total number of points all applicants in that Category, and HOC in the cases of Categories 1 and 3, score that are above the 75-point cutoff. The calculation will result in a dollar value for each point. The number of points that all applicants in a Category, and in a HOC in the cases of Categories 1 and 3, score above the 75 point base will be multiplied by that dollar value. The result of that calculation will be added to the base award. Any remaining funds after this calculation will carry over into the next funding round.

(3) This same methodology will be used for each subsequent round of funding until all available funds are awarded, or until all eligible applicants are funded to the maximum dollar amount allowed. Subsequent rounds of calculations, if needed, will distribute remaining funds to applicants that scored above 95 points, 91–95 points, 86–90 points, and 80–85 points, respectively.

b. *Supplemental Funding.* The same methodology described above in section a. will be used to distribute the available supplemental funds for Predatory Lending, Homeownership Voucher Counseling, and Colonias to eligible applicants.

Regarding supplemental funding, all grantees will receive the lower of either the supplemental award amount determined with the formula, or the specific amount of supplemental funding actually requested by the applicant, as indicated in the applicant's response in Section V.A.4.c.(1).(b). of this NOFA.

Each applicant will only submit one application and receive a score based on the application for the comprehensive counseling grant. Comprehensive counseling funds will be allocated based on this score. Subsequently, for each supplemental funding category requested, responses to each rating factor will be evaluated on a yes/no, adequate/inadequate basis. An adequate response will result in a score for the supplemental funding identical to the comprehensive score on each respective rating factor. An inadequate supplemental response will result in a 1-point deduction from the comprehensive score. After all five rating factors have been evaluated, the adjusted ratings will result in a distinct

score for the supplemental funds. This method will result in scores for supplemental funding that may be equal to the comprehensive score, or up to five points less than the comprehensive score. In no case can an applicant receive a higher score on an application for supplemental funding that it received on its comprehensive application. This process will be repeated for each supplemental funding allocation. An applicant will receive a separate score for its application for comprehensive counseling, and each supplemental funding category for which it applies.

The base awards for all three supplemental funding categories will be \$2,000 for LHCA's, \$10,000 for SHFA's, and \$40,000 for intermediaries. Only applicants scoring 75 points or above are eligible for supplemental funding. However, because of the limited amount of funds available, all applicants scoring 75 points or above are not guaranteed supplemental funding.

(1) For National and regional intermediaries, up to the top 5 scoring applicants (scoring 75 points or above) for supplemental funding for predatory lending and Homeownership Voucher Counseling that are eligible for supplemental funds, and have not already been fully funded in accordance with the funding methodology described in this section, will receive supplemental funding. For supplemental funding for Colonias, up to the top 3 scoring intermediary applicants (scoring 75 points or above) that are eligible for supplemental funds, and have not already been fully funded in accordance with the funding methodology described in this section, will receive supplemental funding.

(2) For SHFA's, up to the top 2 scoring applicants (scoring 75 points or above) in each HOC for each supplemental category that are eligible for the supplemental funds, and have not already been fully funded, will receive supplemental funding.

(3) For LHCA's, up to the top 10 scoring applicants (scoring 75 points or above) in each HOC for each supplemental category that are eligible for the supplemental funds, and have not already been fully funded, will receive supplemental funding.

6. *Reallocation of Unspent Funds.* If funds designated for a specific grant Category, HOC, or for supplemental funding remain unspent after the formulas have been run and award

recommendations are determined, HUD may, at its discretion, reallocate those funds to any other funding Category or supplemental funding area under this NOFA. Additionally, HUD may reallocate unspent funds to any HOC jurisdiction or to HUD Headquarters for awards under this NOFA. HUD may also reallocate unspent funds for housing counseling support activities.

VI. Award Administration Information

A. Award Notices

Following selection, applicants will receive from HUD notification regarding their application.

1. Publication of Recipients of HUD Funding

HUD's regulations at 24 CFR part 4 provide that HUD will publish a notice in the **Federal Register** to notify the public of all decisions made by the Department to provide:

- a. Assistance subject to Section 102(a) of the HUD Reform Act; and/or
- b. Assistance provided through grants or cooperative agreements on a discretionary (non-formula, non-demand) basis, but that is not provided on the basis of a competition.

2. Debriefing

Beginning 30 days after the awards for assistance are publicly announced and for at least 120 days after awards for assistance are announced publicly, HUD will provide a debriefing to any applicant requesting one. All debriefing requests must be made in writing or by e-mail by the authorized official whose signature appears on the SF-424, or his or her successor in office, and submitted to the person or organization identified as the contact in Section VII.A. of this NOFA. Information provided during a debriefing will include, at a minimum, the final score received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which assistance was provided or denied.

For more information on debriefings, consult the General Section of the SuperNOFA.

B. Administrative and National Policy Requirements

1. 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.

2. Other Matters

- a. Requirements for Funding Competitions. *See* General Section.
- b. Relocation. *See* General Section.
- c. OMB Circulars and Government-wide Regulations Applicable to Financial Assistance Programs. *See* General Section.
- d. Conflicts of Interest. *See* General Section.
- e. Prohibition Against Lobbying Activities. *See* General Section.
- f. Accessible Technology. *See* General Section.
- g. Procurement of Recovered Materials. *See* General Section.
- h. Participation in HUD Sponsored Program Evaluation. *See* General Section.
- i. Executive Order 13202, Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects. *See* General Section.
- j. Executive Order 13166, Improving Access to Persons With Limited English Proficiency (LEP). *See* General Section.
- k. Executive Order 13279 Equal Protection of the Laws for Faith-Based and Community Organizations. *See* General Section.
- l. Salary Limitation for Consultants. *See* General Section.
- m. Executive Order 13132, Federalism. *See* General Section.
- n. Sense of Congress. *See* General Section.

C. Reporting

Grantees are required to complete and submit a Form HUD-9902, Fiscal Year Activity Report (APPENDIX A). The information compiled from this report provides HUD with its primary means of measuring program performance.

VII. Agency Contact(s)

A. For Technical Assistance

LHCA's and SHFA's should contact the HOC serving their area, as indicated below. Hearing and speech challenged persons may access the telephone numbers listed below by calling the Federal Information Relay Service at 800-877-8339.

Homeownership center	States
<p><i>Philadelphia Homeownership Center:</i> Mr. Adam Deveney, Acting Director, Program Support Division, Wannamaker Building, 100 Penn Square East, 12th Fl, Philadelphia, PA 19107-3389. For technical questions contact: Robert Wright (215) 656-0527 x3406.</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><i>Atlanta Homeownership Center:</i> Ms. Gayle Knowlson, 40 Marietta Street, 8th Floor, Atlanta, GA 30303-2806. For technical questions contact: E. Carolyn Hogans (404) 331-5001, x2129.</p>	<p>Alabama, Puerto Rico, Florida, Georgia, Illinois, Indiana, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee.</p>
<p><i>Denver Homeownership Center:</i> Ms. Irma Devich, Director, Program Support Division, 1670 Broadway, Denver, CO 80202-4801. For technical questions contact: 303-672-5200 Vic Karels X1995, Jonna Munson X1987.</p>	<p>Arkansas, Colorado, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, Wisconsin, Wyoming.</p>
<p><i>Santa Ana Homeownership Center:</i> Mr. Jerrold Mayer, 1600 N. Broadway, Suite 100, Santa Ana, CA 92706-3927. For technical questions contact: Rhonda J. Rivera, Chief, rhonda_j_rivera@hud.gov 1-888-827-5605 x 3210.</p>	<p>Alaska, Arizona, California, Hawaii, Oregon, Idaho, Nevada, Washington.</p>

National and regional intermediaries should contact HUD Headquarters, Program Support Division at (202) 708-0317 (this is not a toll-free number). Persons with hearing or speech impairments may access any of these numbers via TTY by calling the toll-free federal Information Relay Service at 800-877-8339.

VIII. Other Information

A. Satellite Broadcast. HUD will hold an informational broadcast via satellite for potential applicants to learn more about the program and the application. For more information about the date and time of the broadcast, consult the HUD Web site at <http://www.hud.gov/grants>.

B. Federal E-Grants Information. See the General Section of the SuperNOFA for more information on this topic.

C. Public Access, Documentation, and Disclosure. See the General Section of the SuperNOFA for more information on this topic.

Appendix A—Form HUD-9902, Fiscal Year Activity Report

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. 12/31/2006)

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

1. Counseling agency name and address/telephone/fax/contact person/e-mail Check here if any of this is new information <input type="checkbox"/>	2. Reporting Year (yyyy) from Oct 1, _____ to Sep 30, _____
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	All Counseling Activities	HUD Grant Activities
3. Ethnicity of Clients (select only one)		
a. Hispanic		
b. Not Hispanic		
4. Race of Clients		
Single Race		
a. American Indian/Alaskan Native		
b. Asian		
c. Black or African American		
d. Native Hawaiian or Other Pacific Islander		
e. White		
Multi-Race		
f. American Indian or Alaska Native <i>and</i> White		
g. Asian <i>and</i> White		
h. Black or African American <i>and</i> White		
i. American Indian or Alaska Native <i>and</i> Black or African American		
j. Other multiple race		
5. Income Levels		
a. < 50% of Area Median Income (AMI)		
b. 50 - 80% of AMI		
c. 80 - 100% of AMI		
d. >100% AMI		
6. Numbers of Clients Receiving Educational/Outreach Services (if client also receives counseling, please include in count below)		
a. Completed Homebuyer Education Workshop		
b. Completed Post-Purchase Homeowner Workshop		
c. Sought Help with Fair Housing Issue		
d. Sought Help with or Attended Workshop on Predatory Lending		
7. Numbers of Clients Counseled, by Purpose of Visit and Results		
a. Seeking Pre-Purchase Homebuyer Counseling		
Purchased Housing		
Client will be Mortgage Ready within 90 Days		
Client will be Mortgage Ready after 90 Days; Receiving Long-Term Prepurchase Counseling		
Entered Lease Purchase Program		
Decided Not to Purchase Housing; No Further Effort to Prepare Needed		
Other		
Total		
b. Seeking Help with Resolving or Preventing Mortgage Delinquency		
Brought Mortgage Current		
Mortgage Refinanced		
Mortgage Modified		
Received Second Mortgage		
Initiated Forbearance Agreement/Repayment Plan		
Executed a Deed-in-Lieu		
Sold Property/Preforeclosure Sale, Chose Alternative Housing Solution		
Mortgage Foreclosed		

7. Numbers of Clients Counseled, by Purpose of Visit and Results (continued)	All Counseling Activities	HUD Grant Activities
Currently Receiving Foreclosure Prevention/Budget Counseling		
Partial Claim		
Other		
Total		
c. Seeking Help Converting Home Equity into Cash or Seeking Better Mortgage Loan Terms		
Obtained a Home Equity Conversion Mortgage (HECM)		
Received Home Equity or Home Improvement Loan		
Received Consumer Loan (Unsecured)		
Mortgage Refinanced		
Referred to Other Social Service Agency		
Sold House, Chose Alternative Housing Solution		
Counseled on HECM; Decided Not to Obtain Mortgage		
Currently Receiving Counseling		
Other		
Total		
d. Seeking Help in Locating, Securing, or Maintaining Residence in Rental Housing		
Received Housing Search Assistance		
Obtained Temporary Rental Relief		
Referred to Agency with Rental Assistance Program		
Advised on Recertification for HUD/Other Subsidy Program		
Referred to Other Social Service Agency		
Counseled or Referred to Legal Aid Agency for Eviction or Other Fair Housing Assistance		
Found Alternative Rental Housing		
Decided to Remain in Current Housing Situation		
Entered Debt Management/Repayment Plan		
Currently Receiving Counseling		
Other		
Total		
e. Seeking Shelter or Services for the Homeless		
Occupied Emergency Shelter		
Occupied Transitional Housing		
Occupied Permanent Housing with Rental Assistance		
Occupied Permanent Housing without Rental Assistance		
Referred to other Social Service Agency		
Remained Homeless		
Currently Receiving Counseling		
Other		
Total		

8. HUD Grant Activity - Summary Data

HUD Grant No.	HUD Grant Amount	Number of Clients	Amount Invoiced
	Total		

9. Name of Person Authorized to Sign this Report

Title	
Signature	Date

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.

- 1. Counseling Agency Name & Address** - Enter the official name of your agency in the format you submitted to HUD. If the data you enter is new, 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.
- 3. Ethnicity of Clients** Enter number of clients to whom you provided counseling during this period. If your client came in for homebuyer education or fair housing in addition to other types of counseling, do not count them twice.

Hispanic or Latino - A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term "Spanish origin" can be used in addition to "Hispanic or Latino."

Not Hispanic or Latino - A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

4. Race of Clients Categories -

American Indian or Alaskan Native - A person having origins with any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community recognition.

Asian - A person having origins with any of the original peoples of the Far East, Southeast Asia, or the Indian Subcontinent, including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.

Black or African American - A person having origins with in of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American."

Native Hawaiian or Other Pacific Islander - A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

- 5. Income Levels** - Enter the client's income level based on the percentage of the Area Median Income (AMI), adjusted for family size.

6. Number of Clients Receiving Educational or Outreach Services

Homebuyer Education (6a). Enter data for clients who completed a homebuyer education course or workshop. Homebuyer education differs from counseling in that it is usually conducted in a group setting and is not tailored to the unique circumstance of the individual. Counseling goes beyond the general education, is more rigorous, and involves one-on-one and longer-term relationships. Note that you will also count the client who receives or is receiving counseling under the prepurchase counseling heading.

Post-Purchase Homeowner Workshop (6b). Enter data for clients who completed a post-purchase homeowner education course or workshop. This includes topics such as budgeting and financial management, real estate taxes and insurance, and property maintenance. Please also count the client who supplements education with one-on-one counseling under the appropriate counseling heading.

Fair Housing (6c). Enter data for clients who, in addition to seeking other types counseling as described on this form, had issues affecting a protected class as defined under the Fair Housing Act, 42 USC 3601-3631. The law prohibits discrimination on basis of race, color, religion, sex, handicap, or familial status. Remember to include these clients under the appropriate type of counseling sought.

Predatory Lending (6d). Enter data for clients who attended a predatory lending workshop or outreach program. Please also count the client who supplements education with one-on-one counseling under the appropriate counseling heading.

7. Number of Clients Couseled, by Purpose of Visit and Results.**General**

Clients - Please remember that you report clients as the number of individual households 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 and receive the same problem resolution count as **one client**.

Columnar Entries - The report contains two data columns.

- c. **All Counseling Activities** - Enter data covering **all** housing counseling activities, including those performed under one or more HUD housing counseling grant. **Results of**
- d. **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.

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.

Instructions for Form HUD-9902 continued

Counseling (7a through 7e) - Enter the number of clients to whom you provided counseling during the report period, by the purpose of their visit and results. This count might include clients who entered your workload the previous report period but who carried over into and received counseling 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 workload.

Counseling (7a through 7e) continued -For each of the five types of counseling sought, enter data for the appropriate results listed. NOTE: You might achieve more than one result for the same client during the report year. In the rare event that there is more than one result, **please report only one**. You should select the result that most closely relates to the counseling received.

Example: A mortgagor in default enters into a **forbearance agreement** and later **sells the property**. You report the first result because the counseling enabled the client to seek and enter into forbearance. Also, in the Pre-Purchase Counseling outcomes, enter the client as mortgage ready after 90 days, if the client has entered a homebuyer savings plan, debt management plan, or some other type of long-term financial plan to prepare for homeownership.

8. 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.

9. An authorized staff person must sign and date the report.

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 information unless that collector 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.