

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5300-N-02]

**Notice of Funding Availability (NOFA) for HUD's Fiscal Year 2009
Housing Counseling Program**

AGENCY: Office of the Assistant Secretary for Housing--Federal Housing Commissioner, HUD.

ACTION: Notice of Funding Availability for HUD's Fiscal Year (FY) 2009 Housing Counseling Program.

SUMMARY: This NOFA announces the availability of funding appropriated for Housing Counseling grants in FY 2009. Approximately \$58 million of the \$65 million appropriated for HUD's Housing Counseling Program for FY2009 is available through this NOFA. 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 the Housing Counseling program regulations at 24 CFR part 214. This NOFA is governed by the instructions found in HUD's FY 2009 Notice of Funding Availability (NOFA) Policy Requirements and General Section to the HUD's FY2009 NOFAs for Discretionary Programs (General Section) published on December 29, 2008 (73 FR 79548), as amended on April 16, 2009 (74 FR 17685). Applicants should take particular note that they should follow the application submission instructions contained in this NOFA and not use those in the General Section.

APPLICATION RECEIPT DEADLINE DATE: The application deadline date is July 17, 2009.

FOR FURTHER INFORMATION CONTACT: Questions regarding specific program requirements should be directed to the agency contact identified in this program NOFA.

Questions regarding the 2009 General Section should be directed to the Office of Departmental Grants Management and Oversight at 202-708-0667 (this is not a toll-free number) or the NOFA Information Center at 1-800-HUD-8929 (toll-free). Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Information Relay Service at 1-800-877-8339. The NOFA Information Center is open between the hours of 10:00 a.m. and 6:30 p.m. eastern time, Monday through Friday, except federal holidays.

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: FR-5200-N-18; OMB Approval number is: 2502-0261.

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

F. Application Receipt Date: The application deadline date is July 17, 2009.

G. Available Funds: Approximately \$58 million is 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 improve financial literacy, expand homeownership opportunities, improve access to affordable housing and preserve

homeownership. 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.

Additionally, counselors may provide counseling services to homeowners to prevent or resolve mortgage delinquency, default, and foreclosure, with the primary objective to preserve homeownership. Counselors provide guidance and advice to help families and individuals meet the responsibilities of homeownership and modify or refinance their loans to avoid 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 Reverse Mortgage Counseling to elderly homeowners who seek to convert equity in their homes into income that can be used to pay for home improvements, medical costs, living expenses, or other expenses.

B. Grant Applicant Categories. HUD will award a single comprehensive grant to qualified applicants through one of four categories:

- (1) Local Housing Counseling Agencies (LHCAs);
- (2) National and Regional Intermediaries (Intermediaries);
- (3) State Housing Finance Agencies (SHFAs); and
- (4) Multi-State Organizations (MSOs).

C. Supplemental Funding for Reverse Mortgage Counseling. Also, supplemental funding is available to LHCA's, Intermediaries and MSOs for Reverse Mortgage Counseling.

D. Supplemental Funding for Loan Document Review Counseling. Additional supplemental

funding is available to all applicants approved to, and proposing to, provide pre-purchase and/or default counseling, in order to augment and improve those services by also offering and performing loan document review and counseling regarding that review. Loan document review counseling could augment traditional pre-purchase and default counseling, or be offered as a stand-alone service. Specifically, it would involve a thorough review of specific loan documents, for example the Good Faith Estimate (GFE) and HUD-1. HUD believes that loan document review service would be extremely valuable for both potential homebuyers and households in default, but currently occurs infrequently. One purpose of the loan document review supplemental funding is to incent and support counseling that will educate households that have yet to close on a loan, for example to discuss loan terms, costs, pre-payment penalties and other technical issues to help borrowers evaluate whether or not a loan offer is in their financial interest. Households with existing loans will benefit from learning if and why the counselor has concerns with their loan documents, and whether or not the review of their loan documentation reveals additional potential remedies for foreclosure avoidance. For example, if fair lending abuse or mortgage fraud is suspected, the counselor can discuss the array of rights and potential remedies that may be available to assist the household with avoiding foreclosure. In addition, after educating the households regarding their review of the loan documentation, if appropriate, counselors may discuss and recommend additional steps, such as filing a formal complaint, or referring the household for additional counseling from a counseling agency qualified and dedicated to do intensive fair lending and mortgage fraud analysis and counseling. HUD may require that counselors funded with this supplemental funding utilize a standard protocol for the purpose of conducting the loan document review and related counseling.

E. Supplemental Funding for Fair Lending Abuse and Mortgage Fraud Analysis and

Counseling. Supplemental funding is also available, to HUD-approved intermediaries only, for the purpose of supporting the provision of high quality counseling to households that may have experienced mortgage fraud or fair lending abuse to help them understand their rights and the array of remedies that might be available to assist them in avoiding foreclosure, securing the loan terms and conditions to which they are entitled, or otherwise help them improve their housing situation. One objective of this supplemental funding is to provide a single, centralized, place for counseling agencies throughout the country that lack fair lending and mortgage fraud expertise to refer clients that they think would benefit from that specialized housing counseling.

Consequently, the grantee may receive referrals from other counseling agencies, in addition to other sources. With this supplemental funding, housing counselors may perform a thorough review of the loan documents and review each file for evidence of potential fraud or misrepresentation, analyze loan documents in the context of relevant community and lending data, and have an in-depth discussion with the household, in collaboration with the referring agency, regarding their conclusions and recommendations. For example, this counseling could include, but is not limited to, a discussion between the household and the counselor regarding rights and potential remedies related to fair housing laws, truth in lending laws, predatory lending laws, etc. As with traditional default counseling, this counseling may also involve the counselor advocating or negotiating with the lender or servicer on the client's behalf in order to restructure, refinance or modify the loan, reduce fees and penalties, etc. If appropriate, this counseling could also involve providing guidance and assistance to the client regarding filing a formal complaint and pursuing a formal investigation, for example with HUD's Office of Fair Housing and Equal Opportunity, State's Attorney's General Offices, or other appropriate authorities. Clients would benefit from this counseling and expertise by gaining a better

understanding of the full array of rights and remedies potentially available to them as they work to avoid foreclosure or secure the financing for which they qualify.

F. 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). Housing Counseling regulations are codified in the Code of Federal Regulations (CFR) at 24 CFR part 214.

The Home Equity Conversion Mortgage (HECM) Program is authorized by section 255 of the National Housing Act (12 U.S.C. 1715z-20).

G. Definitions.

1. Affiliate. A nonprofit organization participating in the HUD-related housing counseling program of a regional or national intermediary, or state housing finance agency. An affiliate is incorporated separately from the regional or national intermediary or state housing finance agency. An affiliate is also:

- a. Duly organized and existing as a tax-exempt nonprofit organization;
- b. In good standing under the laws of the state of the organization; and
- c. Authorized to do business in the states where it proposes to provide housing counseling services.

2. Applicant. A HUD-approved housing counseling agency or SHFA applying for a Housing Counseling grant from HUD through this NOFA. The term "Applicant" includes the agency's branch or branch offices identified in its application.

3. Branch. An organizational and subordinate unit of a local housing counseling agency, multi-state organization, regional or national intermediary, or state housing finance agency not separately incorporated or organized, that participates in HUD's Housing Counseling program. A branch or branch office must be in good standing under the laws of the state where it proposes to

provide housing counseling services. A branch or branch office cannot be a sub-grantee or affiliate.

4. Delinquency/ Default Counseling. Counseling provided to a current homeowner to prevent or resolve mortgage delinquency, mortgage default, or foreclosure.

5. Grantee. A HUD-approved housing counseling agency or SHFA that receives housing counseling funds from HUD through this NOFA. The term “Grantee” includes the agency’s branch or branch offices identified in its application.

6. HUD HECM Network Counselor. A housing counselor that has passed the Reverse Mortgage Counseling exam administered by HUD and/or its agent, and is approved by HUD to provide Reverse Mortgage Counseling nationally by telephone. Upon publication of HUD’s HECM Standardization and Roster final rule expected in FY 2009, only counselors appearing on the HUD HECM roster will be considered HUD HECM Network Counselors.

7. Intermediary. A HUD-approved organization that provides housing counseling services indirectly through its branches or affiliates for whom it exercises control over the quality and type of housing counseling services rendered. The Housing Counseling program recognizes two types of intermediaries, which include:

a. National intermediary. A national intermediary is an organization which operates in multiple regions of the United States, which provides:

- (1) Housing counseling services through its branches or affiliates or both; and
- (2) Administrative and supportive services to its network of affiliates or branches, including, but not limited to, pass-through funding, training, and technical assistance.

b. Regional intermediary. A regional intermediary is an organization which operates in a generally recognized region within the United States, such as the Southwest, Mid-Atlantic, New

England, which provides:

- (1) Housing counseling services through its branches or affiliates or both; and
- (2) Administrative and supportive services to its network of affiliates, or branches,

including, but not limited to, pass-through funding, training, and technical assistance.

8. Local Housing Counseling Agency (LHCA). A housing counseling agency that directly provides housing counseling services. An LHCA may have a main office, and one or more branch offices, in no more than two contiguous states.

9. Multi-State Organization (MSO). A multi-state organization provides housing counseling services through a main office and branches in two or more states.

10. State Housing Finance Agency (SHFA). Any public body, agency, or instrumentality created by a specific act of a state legislature empowered to finance activities designed to provide housing and related facilities and services, through land acquisition, construction or rehabilitation, throughout an entire state. SHFAs may provide direct counseling services or sub-grant housing counseling funds to affiliated housing counseling agencies within the SHFA's state, or both. The term state includes the fifty states, Puerto Rico, the District of Columbia, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, and the U.S. Virgin Islands.

11. Sub-grantee. An affiliate of a HUD-approved intermediary or SHFA that receives a sub-grant of housing counseling funds provided under a HUD housing counseling grant. All sub-grantees must be identified in the grantee's application. Under certain conditions, including approval by HUD, grantees may amend their sub-grantee list after awards are made. See General Section.

II. Award Information

A. Amount Allocated. Of the approximately \$65 million appropriated for housing counseling in FY2009, approximately \$58 million is available for eligible applicants under this NOFA.

Approximately \$47 million is available for comprehensive counseling. Approximately \$8 million is available for Reverse Mortgage Counseling. Approximately \$2 million is available for supplemental funding for Loan Document Review Counseling. Approximately \$1 million is available for supplemental funding for Fair Lending and Mortgage Fraud Analysis and Counseling. Available funding may also include carryover and recaptured funds, in addition to the appropriations.

B. Specific Allocations. Housing counseling funding is distributed over four applicant categories, as shown below.

Applicant Categories	Who is Eligible	Total Amount Available
Category 1 – LHCAAs	HUD-approved Local Housing Counseling Agencies	\$ 18,560,000
Category 2 – Intermediaries	HUD-approved National and Regional Intermediaries	\$34,220,000
Category 3 – SHFAs	State Housing Finance Agencies	\$2,900,000
Category 4 – MSOs	Multi-State Organizations	\$2,320,000

1. Category 1 – Local Housing Counseling Agencies (LHCAs). For the grant period October 1, 2009 through September 30, 2010, approximately \$18,560,000 is available from HUD to directly fund HUD-approved LHCAs, including approximately \$17,060,000 for comprehensive counseling, \$500,000 for Loan Document Review Counseling, and approximately \$1 million for

reverse mortgage counseling. An LHCA can only request funding for its main office and branches located in no more than two contiguous states.

2. Category 2 – Intermediaries. For the grant period October 1, 2009 through September 30, 2010, approximately \$34,220,000 is available from HUD to directly fund HUD-approved Intermediaries, including approximately \$25,720,000 for comprehensive counseling, \$1 million for Loan Document Review Counseling, \$1 million for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling, and approximately \$6.5 million for reverse mortgage counseling.

3. Category 3 -- State Housing Finance Agencies (SHFAs). For the grant period October 1, 2009 through September 30, 2010, approximately \$2,900,000 is available to fund SHFAs that provide housing counseling services directly or serve as intermediaries to Affiliates who offer housing counseling services, including \$2,650,000 for comprehensive counseling and \$250,000 for Loan Document Review Counseling.

4. Category 4 – Multi-State Organizations (MSOs). For the grant period October 1, 2009 through September 30, 2010, approximately \$2,320,000 is available to fund MSOs to provide housing counseling services directly through branch offices throughout their HUD-approved multi-state service area, including approximately \$1,570,000 for comprehensive counseling, \$250,000 for Loan Document Review Counseling, and approximately \$500,000 for reverse mortgage counseling.

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

1. Category 1. No individual LHCA may be awarded more than \$260,000 which may include supplemental funding for reverse mortgage counseling and Loan Document Review Counseling. The maximum amount for the reverse mortgage counseling is \$50,000. The maximum amount for Loan Document Review Counseling is \$40,000. The maximum amount for comprehensive

counseling is \$170,000. HUD anticipates that the average total award for LHCA's will be approximately \$50,000.

2. Category 2. Awards for individual HUD-approved intermediaries may not exceed \$6.85 million, which includes any Reverse Mortgage counseling, Fair Lending Abuse and Mortgage Fraud Analysis and Counseling, or Loan Document Review Counseling supplemental funding. The limit for Comprehensive Counseling is \$2.7 million and the limit for Reverse Mortgage counseling is \$3 million. The maximum amount for Loan Document Review Counseling is \$150,000. The maximum amount for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling is \$1 million. HUD anticipates that the average total award for Intermediaries will be \$1.3 million.

3. Category 3. No individual SHFA may be awarded more than \$550,000, which includes Reverse Mortgage Counseling and Loan Document Review Counseling supplemental funding. The maximum amount for comprehensive counseling is \$500,000. The maximum amount for Loan Document Review Counseling is \$50,000. HUD anticipates that the average total award for SHFAs will be approximately \$150,000.

4. Category 4. No individual MSO may be awarded more than \$1,225,000 which includes Reverse Mortgage Counseling and Loan Document Review Counseling supplemental funding. The limit for Comprehensive Counseling is \$675,000 and the limit for Reverse Mortgage Counseling is \$500,000. The maximum amount for Loan Document Review Counseling is \$50,000. HUD anticipates that the average total award for MSOs will be approximately \$500,000.

D. Award Instrument. HUD will use a Grant Agreement. All Housing Counseling Program awards will be made on a cost reimbursement basis.

III. Eligibility Information

A. Eligible Applicants. Eligible applicants include: HUD-approved Local Housing Counseling Agencies (LHCAs); HUD-approved national and regional intermediaries (Intermediaries); State Housing Finance Agencies (SHFAs); and HUD-approved Multi-State Organizations (MSOs).

B. Cost Sharing or Matching. No specific matching funds are 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 its Housing Counseling grant to cover all costs incurred by an applicant. 24 CFR part 214 explains the conditions under which agencies participating in HUD's Housing Counseling Program are permitted to charge fees to counseling recipients. While agencies are strongly encouraged to aggressively leverage funds from other private and public sources, fee income can be used to help satisfy this requirement.

C. Other.

1. Eligible Activities for Comprehensive Counseling Awards under all Applicant

Categories. Grantees and sub-grantees will only be reimbursed for the applicable activities outlined in this Section.

a. Individual counseling or group education/classes regarding the following topics:

(1) Pre-Purchase/Homebuying. This includes: improving financial literacy; evaluating mortgagor readiness; search assistance; fair housing and fair lending, including whether or not the beneficiary belongs to a protected class, and how to recognize discrimination; budgeting for mortgage payments; money management (does not include administration of debt management plans whereby an organization pays bills on behalf of a client); selecting a real estate agent; home inspection; alternative sources of mortgage credit; how to apply for special programs

available to potential homebuyers; how to identify and avoid predatory lending practices and mortgage fraud; loan document review; locating housing that provides universal and accessible design for persons with disabilities; locating sources and methods to help pay for accessibility modifications; how to purchase a home using the Section 8 Homeownership Voucher Program, how to address utility costs and energy efficiency; and referrals to community services and regulatory agencies. Applicants that provide homebuyer education must also offer individual counseling that complements the group sessions.

(2) Resolving or Preventing Mortgage Delinquency or Default. This includes: restructuring debt; financial literacy; obtaining re-certification for mortgage subsidy; establishing reinstatement plans; seeking loan forbearance, and managing household finances. This can also include helping clients affected by lending discrimination, predatory lending and mortgage fraud homeownership preservation and foreclosure prevention strategies, explaining the foreclosure process, loan document review, providing referrals to other sources, and assisting clients with locating alternative housing, or pursuing loss mitigation strategies.

(3) Non-Delinquency Post-Purchase. This includes information and advice on finding favorable mortgage loan terms, personal money management and financial literacy, and relations with lenders. It also includes information and advice on 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; and accessibility and universal design. Agencies that provide post-purchase education classes must also offer individual counseling to complement group sessions.

(4) Locating, Securing, or Maintaining Residence in Rental Housing. This refers to renter-related topics, including: helping clients obtain and utilize rent subsidies; pre-rental search assistance/mobility counseling; financial literacy; 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.

(5) Shelter or Services for the Homeless. Includes financial literacy, and referrals to social, community, and homeless services such as emergency shelter or transitional housing.

(6) Reverse Mortgage Counseling. This counseling and education assists elderly homeowners who seek 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 includes providing the statutorily-required counseling to individuals/families that may be eligible for, or are interested in obtaining, an FHA-insured HECM.

b. 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 fair housing, lending discrimination, predatory lending, mortgage fraud, other fair lending issues, or energy efficiency options to reduce homeowner energy costs. (Note: affirmative fair housing outreach should be directed at those populations least likely to seek counseling services, including those of racial, religious or national groups not normally served by the sponsoring agency. 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. It may also require providing outreach and

services in alternative formats for persons with disabilities).

c. Training. Training to increase the capacity of housing counselors and program managers.

d. Computer equipment/systems. Computer equipment/systems with the objective of improving the quality of counseling and education services available.

e. Administrative Costs. For intermediaries and SHFAs, this includes administrative costs associated with managing a network of housing counseling agencies and providing technical assistance.

f. Capacity Building. This includes costs associated with hiring additional staff to meet the demand for counseling and effectively spend grant awards.

2. 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 sub-grantees must meet the Threshold Requirements in the **General Section**.

b. *Minimum grant request for Comprehensive Funds.* LHCA applicants must request a minimum of \$20,000. SHFAs and MSOs must request a minimum of \$50,000 and Intermediaries must request a minimum of \$300,000. For applicants requesting only comprehensive counseling funding, HUD will consider the amount of the comprehensive counseling grant being requested to be the value entered into box 18a on form SF-424.

c. *Minimum grant request for Reverse Mortgage Counseling Supplemental Funds.*

Intermediaries must request a minimum of \$500,000 for reverse mortgage counseling supplemental funding. LHCA's must request a minimum of \$5,000 for reverse mortgage counseling supplemental funding. MSOs must request a minimum of \$50,000 for reverse mortgage counseling supplemental funding.

d. *Minimum grant request for Loan Document Review Counseling Supplemental Funds.*

Intermediaries must request a minimum of \$40,000 for Loan Document Review Counseling supplemental funding. LHCA's must request a minimum of \$5,000 for Loan Document Review Counseling supplemental funding. MSOs and SHFAs must request a minimum of \$25,000 for Loan Document Review Counseling supplemental funding.

e. *Minimum grant request for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling Supplemental Funds.* Intermediaries must request a minimum of \$200,000 for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling supplemental funding.

f. *Total Grant Request.* Box 18a of Form SF-424 should reflect the total award being requested, including any supplemental funds. For applicants requesting supplemental funding, box 18a of Form SF-424 should reflect the total of the comprehensive, loan document review and the reverse mortgage counseling supplemental funds requested, if applicable. For those applicants requesting supplemental funding, the narrative response to Factor 3 must make clear the exact comprehensive and supplemental amounts being requested.

g. *Only HUD-approved Housing Counseling Agencies and SHFAs may apply.* Applicants must be currently approved by HUD as an LHCA, a housing counseling intermediary or a multi-state organization, and have secured HUD approval as a housing counseling agency by the publication date of this Housing Counseling Program NOFA. SHFAs are not required to be HUD-approved, but must meet the eligibility requirements listed in this NOFA and the in the CFR, codified at 24 CFR part 214. Affiliates of HUD approved intermediaries are not considered HUD approved LHCA's simply as a result of this affiliation. Approval as an LHCA must be secured directly from a HUD Homeownership Center (HOC).

h. *Client Management System.* The applicant, and all affiliates and branches, if applicable, must utilize a client management system that interfaces, or is working to interface, with HUD's

databases. Information on client management systems and interfacing with HUD's database is found on HUD's website:

<http://www.hud.gov/offices/hsg/sfh/hcc/hccprof21.cfm>.

i. All applicants must propose a work plan that includes the provision of housing counseling.

Providing education or marketing and outreach does not fulfill this requirement.

j. *Applicants Requesting Supplemental Reverse Mortgage Counseling Funding.* Only LHCA's, MSOs and Intermediaries are eligible to apply for reverse mortgage counseling supplemental funding. Applicants who apply for Reverse Mortgage Counseling Supplemental funding must also apply for comprehensive funding with the exception of LHCA's and MSOs included in the comprehensive counseling application of an intermediary organization or SHFA. Only LHCA's and MSOs meeting this requirement can apply for Reverse Mortgage Counseling Supplemental Funding exclusively. A separate application is not needed to apply for supplemental funding. However, applicants requesting supplemental Reverse Mortgage counseling funding must meet the following requirements:

(1) LHCA's must have at least one HUD HECM Network counselor; Intermediaries must have at least 20 HUD HECM Network counselors within their network of affiliates or branches. MSOs must have at least 15 HUD HECM Network counselors within their network of branches.

(2) Request the supplemental funding by identifying in box 18a of Form SF-424 total of the comprehensive request and any supplemental funding request, and making clear in the narrative response to Factor 3 the exact comprehensive and reverse mortgage counseling supplemental amounts, if applicable, being requested;

(3) Identify reverse mortgage counseling related needs in the target community in its response to Rating Factor 2;

(4) Respond to all reverse mortgage counseling related requests for information throughout the NOFA;

(5) Respond to the Rating Factors describing activities related to the proposed counseling and the reverse mortgage counseling supplemental funding;

(6) Indicate in the Rating Factors how many individuals will be served specifically with the requested supplemental funding for Reverse Mortgage counseling in addition to those served under the comprehensive counseling award. Be sure to clearly identify the total number projected to be served, the activities to be provided, and the output and outcome goals to be achieved with the supplemental funding.

(7) Identify reverse mortgage counseling related training and certifications received by counselors and program managers; and

(8) Identify all HUD HECM Network counselors associated with the proposed application.

k. *Applicants Requesting Supplemental Loan Document Review Counseling Funding.* Applicants who apply for loan document review counseling supplemental funding must also apply for comprehensive funding. A separate application is not needed to apply for this supplemental funding. However, applicants requesting supplemental loan document review funding must meet the following requirements:

(1) Only applicants approved, and proposing to, provide pre-purchase and/or default counseling are eligible to apply for loan document review supplemental funding.

(2) Request the supplemental funding by identifying in box 18a of Form SF-424 total of the comprehensive request and any supplemental funding request, and making clear in the

narrative response to Factor 3 the exact comprehensive and loan document review supplemental amounts being requested;

(3) Identify mortgage fraud and fair lending abuse related needs in the target community in response to Rating Factor 2;

(4) Respond to all loan document review counseling related requests for information throughout the NOFA;

(5) Respond to the Rating Factors describing activities related to the proposed loan document review counseling activities and the requested loan document review counseling supplemental funding;

(6) Indicate in the Rating Factors how many individuals will be served specifically with the requested supplemental funding for loan document review in addition to those served under the comprehensive counseling award. Be sure to clearly identify the total number projected to be served, the activities to be provided, and the output and outcome goals to be achieved with the supplemental funding.

(7) Identify mortgage fraud and fair lending abuse related training and certifications received by counselors and program managers;

(8) Identify all counselors that would perform loan document review counseling utilizing the proposed supplemental funding; and

(9) respond to policy priority (A) in Factor 2 of this NOFA.

1. Applicants Requesting Supplemental Funding for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling. Applicants who apply for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling supplemental funding must also apply for comprehensive funding. A separate application is not needed to apply for this supplemental funding. However, applicants

requesting supplemental Fair Lending Abuse and Mortgage Fraud Analysis and Counseling funding must meet the following requirements:

(1) Only HUD-approved Housing Counseling intermediaries are eligible to apply for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling supplemental funding.

(2) Request the supplemental funding by identifying in box 18a of Form SF-424 total of the comprehensive request and any supplemental funding request, and making clear in the narrative response to Factor 3 the exact comprehensive and Fair Lending Abuse and Mortgage Fraud Analysis and Counseling supplemental amounts being requested;

(3) Identify mortgage fraud and fair lending abuse related needs in the target community in response to Rating Factor 2;

(4) Respond to all Fair Lending Abuse and Mortgage Fraud Analysis and Counseling related requests for information in the rating factors throughout the NOFA;

(5) Indicate in the Rating Factors how many individuals will be served specifically with the requested supplemental funding for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling, in addition to those served under a comprehensive counseling award or other supplemental funding. Be sure to clearly identify the total number projected to be served, the activities to be provided, and the output and outcome goals to be achieved with the supplemental funding.

(6) Identify mortgage fraud and fair lending abuse related training and certifications received by counselors and program managers;

(7) Identify all counselors that would perform Fair Lending Abuse and Mortgage Fraud Analysis and Counseling utilizing the proposed supplemental funding;

(8) respond to policy priority (A) in Factor 2 of this NOFA; and

(9) agree to establish a centralized referral process, so that counselors can refer potential cases of fair lending abuse or mortgage fraud, resources permitting.

m. *Affirmatively Furthering Fair Housing*. Under Section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. See Section III.B.4.b of the General Section for the actions you must take to address this requirement. Describe your organization's counseling and education activities that seek to make clients aware of discriminatory practices.

3. Other Program Requirements

a. To receive a grant or sub-grant under this Housing Counseling NOFA, all applicants and sub-grantees must be:

(1) In good standing under the laws and regulations of the state of their organization; and

(2) Authorized to do business in the states where they propose to provide housing counseling services.

(3) All grantees and sub-grantees must use counseling facilities and services that are accessible to persons with disabilities or provide other means of accommodation for persons with disabilities, in accordance with Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR parts 8 & 9, and Title III of the Americans with Disabilities Act. In addition, counseling services must comply with effective communication requirements under these laws. All grantees and sub-grantees must help persons with disabilities locate suitable housing in locations throughout the applicant's community, target area, or metropolitan area, as defined by the applicant.

b. Limits on Applications.

Except as provided below, applicants and sub-grantees are limited to choosing one grant

applicant category to apply for and access comprehensive funds and supplemental funding. Applicants and their sub-grantees may not “double-dip”. In other words, applicants are prohibited from accessing these types of funding from multiple sources within a grant applicant category.

(1) HUD-approved LHCAs. HUD-approved LHCAs may either:

(a) apply directly to HUD for grant funding, including comprehensive and supplemental funding for Loan Document Review Counseling and/or Reverse Mortgage Counseling supplemental funding, under Applicant Category 1; *or*

(b) be included in the respective application of, and receive one sub-grant for comprehensive counseling, and supplemental funding, if applicable, from, an intermediary, MSO or SHFA under Applicant Category 2, 3, or 4.

The only exceptions to this rule are:

(c) HUD-approved LHCAs with one or more HUD HECM Network Counselors that are awarded comprehensive funds directly from HUD, but do not receive Reverse Mortgage Counseling supplemental funding directly from HUD, may receive a sub-grant or be reimbursed exclusively for Reverse Mortgage counseling activities from a HUD-approved intermediary administering the Reverse Mortgage supplemental funds made available through this NOFA or by another entity designated by HUD; and

(d) HUD-approved LHCAs that receive comprehensive counseling funds through an intermediary or SHFA, but do not receive Reverse Mortgage supplemental funding from an intermediary, may apply directly to HUD and receive a supplemental grant for reverse mortgage counseling under Category 1; and

(e) HUD-approved LHCAs that are awarded comprehensive funds directly from HUD

may also be reimbursed for default counseling by an intermediary that receives a category 2 award that provides default counseling exclusively.

Funded LHCAs may not make sub-grants to other HUD-approved LHCAs or non-HUD-approved entities.

(2) HUD-approved Intermediaries. HUD approved intermediaries may only apply for a grant, including comprehensive and/or supplemental funding, under Applicant Category 2.

(3) SHFAs. SHFAs may only apply for grants under Applicant Category 3 for comprehensive counseling funds and supplemental funding for Loan Document Review Counseling.

(4) MSOs. HUD-approved MSOs may either:

(a) apply directly to HUD for grant funding, including comprehensive and/or supplemental funding, under Applicant Category 4 ; or

(b) be included in the respective application of, and receive one sub-grant for comprehensive counseling, and supplemental funding, if applicable, from an intermediary or SHFA under Applicant Categories 2 or 3.

The only exceptions to this rule are:

(c) HUD-approved MSOs with one or more HUD HECM Network Counselors that are awarded comprehensive funds directly from HUD, but do not receive Reverse Mortgage Counseling supplemental funding directly from HUD, may receive a sub-grant or be reimbursed exclusively for Reverse Mortgage counseling activities from a HUD-approved intermediary administering the Reverse Mortgage supplemental funds made available through this NOFA or by another entity designated by HUD; and

(d) HUD-approved MSOs that receive comprehensive counseling funds through an

intermediary or SHFA, but do not receive Reverse Mortgage supplemental funding from an intermediary, may apply directly to HUD and receive a grant for reverse mortgage counseling under Category 4; and

(e) HUD-approved MSOs that are awarded comprehensive funds under category 4 may also be reimbursed for default counseling by an intermediary that receives a category 2 award that provides default counseling exclusively.

(5) Sub-grantees of Intermediaries and SHFAs.

(a) Sub-grantees or branches of intermediaries, MSOs and SHFAs are not required to be HUD-approved, although HUD-approved LHCAs may apply to an intermediary or SHFA as a sub-grantee.

(b) Intermediaries, MSOs and SHFAs that award sub-grants to counseling agencies that are not HUD-approved must assure that the sub-grantee organizations meet or exceed HUD's approval standards.

(c) Sub-grantees must also be in compliance with all civil rights threshold requirements. For a listing of civil rights threshold requirements, refer to the General Section. Intermediaries that do not ensure their sub-grantee's compliance with HUD standards may be prohibited from participating in the Housing Counseling Program. HUD will monitor sub-grantees.

(d) To be eligible for funding under Categories 2, 3 or 4, proposed sub-grantees branches must not have directly applied for or received a grant under Category 1 of this NOFA, or applied for or received a sub-grant or funding from another intermediary, MSO or SHFA under Category 2, 3 or 4 of this NOFA. Sub-grantees or branches may apply for and receive funding for comprehensive counseling, and supplemental funding, if applicable, from only one intermediary, MSO or SHFA under Category 2, 3 or 4. The only exceptions to this rule are:

1. sub-grantees or branches that have one or more HUD HECM Network Counselors that receive a sub-grant or funding for comprehensive counseling from an intermediary, MSO or SHFA under Category 2, 3, or 4 may also receive a sub-grant, or be reimbursed exclusively for reverse mortgage counseling activities, from a HUD-approved intermediary administering the reverse mortgage supplemental funds made available through this NOFA or by another entity designated by HUD; and

2. sub-grantees and branches that receive a sub-grant or funding for comprehensive counseling from an intermediary, MSO or SHFA under Category 2, 3, or 4, may also be reimbursed for default counseling by an intermediary that receives a category 2 award that provides default counseling exclusively.

(e) 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, MSOs and SHFAs have wide discretion to decide how to allocate their HUD Housing Counseling funding among branches and sub-grantees, with the understanding that a written record must be kept documenting and justifying funding decisions. These records, which must meet the data requirements of the Transparency Act (see General Section), must be made available to sub-grantees, branches and to HUD, within 30 days of making the sub-award or allocation to branches.

c. List of HUD-approved and Participating Housing Counseling Agencies. Pursuant to section 106(c)(5)(D) 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 that interested persons can access. All HUD-approved LHCA's and their branches, and all sub-

grantees and branches that receive funding under Applicant Categories 2, 3 and 4 of this NOFA may be placed on this list and must accept subsequent referrals, or when they do not provide the services sought, make a reasonable effort to refer the person to another organization in the area that can provide the services.

d. Non-Discrimination Requirement.

(1) Grant recipients and sub-grantees are prohibited from discriminating on behalf of or against any person because of race, color, familial status, age, religious creed, ancestry, sex, national origin or disability in the provision of services or in outreach.

(2) 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 and not a condition of the HUD programs or services.

e. Indirect Cost Rate. Grantees that plan to use grant funds to cover direct costs **only** are not required to provide an indirect cost rate. However, Grantees that plan to use grant funds to cover any indirect costs must submit their approved indirect cost rate established by the cognizant federal agency. 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 can be located at 2 CFR part 230. Applicants can review Indirect Cost Training on

www.hud.gov at: <http://www.hud.gov/offices/adm/grants/training/odgmotraining.cfm>

f. Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Woman-Owned Businesses. See the **General Section** for information on this topic.

g. Subcontracting. Grantees and sub-grantees must deliver all of the housing counseling set forth in the applicant's work plan provided in response to 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 or exceed the standards for a HUD approved agency.

h. Conflicts of Interest. See the **General Section** and 24 CFR part 214.

i. Accessible Technology. See the **General Section**.

j. Participation in HUD Sponsored Program Evaluation. See the **General Section**.

IV. Application and Submission Information

A. Application Package Available on HUD's Internet Site

Copies of the published **Housing Counseling Assistance Program** NOFA and application forms may be downloaded from the HUD website at www.hud.gov .

B. Submission Dates and Times

1. Applications for the Housing Counseling Assistance Program NOFA must be postmarked at or before midnight of the application due date and received by the office that is designated for receipt of the application (see Section IV.C.1) on or within five days after the application due date.

2. Applications received more than five days after the application due date will be deemed late and will not be considered.

3. Only one application will be accepted from any given organization. If more than one

application is received from an organization, the application that was received first will be considered for funding. Any subsequent application from that organization will be deemed ineligible.

C. Other Submission Requirements.

1. *Address for Submitting Applications.* Completed applications (one original and two complete copies) must be submitted to the appropriate office that is designated for receipt of the application:

a. *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, Robert C. Weaver Federal Building, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410. The package should be clearly marked “FY 2009 Housing Counseling Assistance Intermediary Grant Application.”

b. *All Other applicants.* LHCAs applying under Category 1, SHFAs applying under Category 3, and MSOs applying under Category 4 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 located (see Section VII.B of this NOFA). The package should be clearly marked “FY 2009 Housing Counseling Assistance Grant Application (indicate category).”

2. *Delivery and Receipt Procedures.* The following procedures apply to the delivery and receipt of applications in HUD Headquarters. Please read the following instructions carefully and completely, because failure to comply with these procedures may disqualify your application. HUD’s delivery and receipt policies are:

a. Hand Deliveries. Hand deliveries will be permitted. However, if HUD staff are not available

to accept your package or the courier service is not allowed to enter the building to deliver the package due to security or other reasons, the package will be determined not delivered and not accepted by HUD. In such instances, HUD recommends that you, the applicant, or your agent take your package to the nearest post office and follow the mailing instructions for postal service timely delivery. HUD will not take responsibility for ensuring that staff is available to take your package or breach security measures in order to accept an undeliverable package.

b. Facsimile. HUD will not accept or consider any application sent by facsimile.

c. Courier. HUD requires applicants sending packages to the Robert C. Weaver Headquarters Building to use courier service, because mail using the United States Postal Service can be delayed in reaching HUD Headquarters. Moreover, HUD urges intermediary applicants to use the following courier services, because these services have unescorted access to the HUD Headquarters building: Federal Express (FedEx) and United Parcel Service (UPS). HUD recommends all applicants submit their applications using courier service.

d. United States Postal Service. Except for applications being sent to HUD Headquarters, packages may be mailed using the United States Postal Service. Please remember that mail sent to federal facilities is screened prior to delivery, so please allow sufficient time for your package to be delivered. If an application is received late because of the processing time required for the screening, the application will not be considered for funding.

e. Incorrect Location. Applications mailed to a location or office not designated for receipt of the application, which results in the designated office not receiving your application in accordance with the requirements for timely submission, will result in your application being considered late and will not receive funding consideration. HUD will not be responsible for directing packages to the appropriate office.

Applicants should pay close attention to these submission and timely receipt instructions as it can make a difference in HUD accepting your application for funding consideration.

3. *Proof of Timely Submission.* Proof of timely submission of an application is specified below.

a. Courier. In the case of packages sent to HUD via a delivery service, other than the United States Postal Service, timely submission shall be evidenced via a delivery service receipt indicating that the application was delivered to a carrier service at least 24 hours prior to the application deadline, and, if applicable, that through no fault of the applicant, the delivery could not be made on or before the application due date. Couriers turned away from an HUD facility due to security issues will not be considered as meeting the requirement of “no fault of the applicant,” because applicants have been advised that delivery delays can arise when using courier services, resulting in a late application submission.

b. United States Postal Service. For packages submitted via the United States Postal Service, proof of timely submission shall be a postmark not later than the application due date or receipt not later than five days after the application due date at the designated HUD facility and, upon request by an HUD official, proof of mailing using USPS Form 3817 (Certificate of Mailing) or a receipt from the Post Office which contains the post office name, location and date and time of mailing. Mailed applications will be accepted as being timely submitted if they are received at the designated HUD location (including specified room number for receipt) within five days after the due date and show a postmark of being delivered to the postal facility for mailing by the application due date and time. If the Postal Service does not normally postmark large packages, the proof of timely submission shall be receipt of the application within five days after the due date at the designated HUD location and, upon request by an HUD official, proof of mailing using USPS Form 3817 (Certificate of Mailing) or a receipt from the Postal Service which

contains the post office name, location, and date and time of mailing. For submission through the United States Postal Service, no other proof of timely submission will be accepted.

Applications not meeting the timely submission requirements will not be considered for funding.

4. *Addresses.* You, the applicant, must submit a complete application and the required number of copies to the location identified in this NOFA. See Section IV C.1 of this NOFA for the address to which to send your application. When submitting your application, the package must refer to the name of the program for which you are applying and include the correct room number to ensure that your application is properly directed.

5. *Required Copies.* If you do not submit the required original and two copies of your application, HUD may request that you provide the additional copies to the appropriate HUD office(s) in accordance with the procedures described in the General Section regarding corrections to deficient applications.

D. Content and Form of Application Submission.

1. Size Limitations and Format for Narrative Statements. Applicants must be as specific and direct as possible. For LHCA's, the narrative portion (responses to all factors) must be limited to 50 double-spaced, 12-point font, single-sided pages. Intermediaries, MSOs and SHFAs are limited to a total of 100 double-spaced, 12-point font, single-sided pages for the narrative portion. Pages in excess of the size limit will not be read. Number the pages of the narrative statements and include a header that includes the applicant's name and the Rating Factor number and title. Within each narrative, clearly identify each sub-factor immediately above the response for that sub-factor.

2. Application Checklist. The Application Checklist indicates forms, information, certifications and assurances that apply to this NOFA.

Housing Counseling NOFA Application Checklist

- a. SF-424, Application for Federal Assistance**
- b. SF-424 Supplement – Survey on Ensuring Equal Opportunity for Applicants** (optional)
- c. HUD-424 CB, Grant Application Detailed Budget** On the form HUD 424 CB, clearly specify the proposed HUD housing counseling grant amount, including Reverse Mortgage Counseling supplemental funds, and itemize proposed expenses. NOTE: This amount should be consistent with the figure shown in Rating factors 3, 4 & 5, Form SF-424, Form HUD-424 CB and HUD-2880. Also, if all budget line items could not be itemized using the Form HUD-424 CB, submit a more detailed, comprehensive budget itemizing all proposed expenses under the grant. At a minimum, if applicable, the budget must include salaries, fringe and other benefits, training, travel, rent, phone, postage, supplies, technology/equipment, and indirect costs.

Intermediaries, MSOs and SHFAs that reimburse branches and sub-agencies at a fixed cost per counseling/education activity, and type, or per office, are not exempt from this requirement.

Intermediaries, MSOs and SHFAs that pass through funds to sub-agencies must also itemize how administrative funds are spent.
- d. SF-LLL, Disclosure of Lobbying Activities** (if applicable).
- e. HUD-2880, Applicant/Recipient Disclosure/Update Report**
- f. HUD-2990, Certification of Consistency with the RC/EZ/EC-II Strategic Plan** (LHCAs only, if applicable) (Must be signed by the official authorized to certify the RC/EZ/EC-II).
- g. HUD-2991, Certification of Consistency with the Consolidated Plan** (optional).
- h. HUD-2994, You Are Our Client Grant Applicant Survey** (optional).
- i. HUD-96010, Program Outcome Logic Model**
- j. HUD-9902, Housing Counseling Agency Fiscal Year Activity Report, for the Period**

October 1, 2007 through September 30, 2008 (only required for Applicants who did not electronically submit to HUD a form HUD-9902 for the period October 1, 2007 through September 30, 2008, for example, applicants that received approval as a HUD housing counseling agency after September 30, 2008.) HUD will utilize the HUD-9902 data in HUD's Housing Counseling System (HCS). However, HUD will consider a revised 9902 submitted with this application if it is accompanied by an acceptable explanation regarding why the data was revised. If the structure of the applicant is different than the structure of the organization for which a HUD-9902 exists in HCS, for example an organization that was previously approved as an LHCA, but has subsequently been approved and is applying to this NOFA as an MSO, the applicant must submit with the application a HUD-9902 reflecting the activity of the new network/structure reflected in the application. An LHCA receiving supplemental funding for reverse mortgage counseling, or funding for default counseling under Section III C 3b (2) (a)(c) from an intermediary, must submit a HUD-9902 for its activity funded by the subgrant from the MSO, SHFA or intermediary for the period October 1, 2007 through September 30, 2008.

k. SHFA Statutory Authority. SHFAs must submit evidence of their statutory authority to operate as a SHFA, as defined in this NOFA, and must submit evidence of their authority to apply for funds and subsequently use any funds awarded. Applicants should verify that their agency profile information is accurately represented in HUD's Housing Counseling System (HCS) and validate the information prior to submitting the grant application.

l. Organization Description. Applicants must provide a brief description, no more than 225 words, as they would like it to appear in the press release issued by HUD in the event that the applicant is funded through this NOFA. Each description should contain: organizational history; purpose and mission; years of service; affordable housing services provided; number of clients

served to date; and agency web address for additional information.

m. Narrative statements as required in this NOFA.

E. Intergovernmental Review. The Housing Counseling Program is not subject to Intergovernmental Review.

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

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 all applications. The maximum number of points for each applicant is 102 for LHCA's and 100 for all other applicants.

1. Bonus Points - "RC/EZ/EC-II." ONLY LHCA's are eligible for 2 bonus points. See the **General Section** for information regarding "RC/EZ/EC-II" bonus points. Form HUD-2990 must be signed by the organization head of the RC/EZ/EC-II not the representative of the jurisdiction in which the RC/EZ/EC-II exists.

2. Additional Information. HUD may rely on information from performance reports, financial status information, monitoring reports, audit reports, and other information available to HUD to make score determinations to *any* relevant 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. The Rating Factors contain requests for additional information from applicants interested in supplemental Reverse Mortgage counseling funding.

In response to the various factors and sub-factors, intermediaries, MSOs and SHFAs should not submit a separate response for each proposed sub-grantee and branch, but should

provide a brief profile of each and summary response for their entire network, highlighting individual activities, partnerships, needs and/or results when appropriate.

a. Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (30

Points). HUD uses responses to this Rating Factor to evaluate the readiness and ability of an applicant and proposed sub-grantee and branch staff, to immediately begin, and successfully implement, the proposed work plan detailed in Rating Factor 3. HUD will also evaluate how effectively the applicant managed work plan adjustments that may have been required if performance targets were not met within established timeframes and how often work plan adjustments were required.

(1) Applicants must provide the following information to support evaluation of this Rating Factor. Information must be provided in a chart or table.

(a) Number of full-time (35 hours + per week) housing counselors working for the applicant and, if applicable, proposed sub-grantees or branches;

(b) Number of part-time housing counselors (less than 35 hours per week) for the applicant and, if applicable, proposed sub-grantees or branches;

(c) Number of bilingual housing counselors working for the applicant and, if applicable, proposed sub-grantees or branches;

(d) Average years of housing counseling experience for housing counselors working for the applicant and, if applicable, proposed sub-grantees or branches;

(e) Average years of housing counseling program management experience for the project director(s) for the applicant and, if applicable, proposed sub-grantees or branches;

(f) Average years of related experience, such as experience in mortgage lending, for counselors and project managers. Experience is related if it corresponds directly to projects of a similar scale and purpose, for example, real estate or housing finance;

(g) Proposed average hourly labor-rate for housing counselors and project managers, including benefits;

(h) Percentage of counselors that have participated in 2 or more formal trainings in the past 2 years.

(2) Knowledge and Experience (11 points).

Using the information provided above, demonstrate that the applicant, including 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.

(a) Years of Experience. Specifically, for LHCAs, scoring will be based on the number of years of experience of Housing Counseling Program project directors and housing counselors.

For intermediaries, MSOs and SHFAs, scoring will be based on:

- The number of years of experience of housing counseling program management experience of project directors of proposed sub-grantees and branches;
- The number of years of housing counseling experience of counselors in proposed sub-grantees and branches;
- The number of years, for key intermediary, MSO or SHFA personnel, of experience administering a housing counseling program consisting of a network of multiple housing counseling agencies. HUD will award higher scores to applicants with more experienced staff and management;

For all applicants, related experience, such as experience in mortgage lending, will also be considered, but will not be weighted as heavily in the scoring as direct housing counseling or housing counseling program management experience.

In scoring this section, HUD will evaluate whether the applicant has experience providing the proposed services. HUD will award higher scores to applicants with staff and management that have the greatest combination of experience, training and demonstrated competency.

LHCAs must provide individual descriptions of staff limited to one page per counselor and program manager included in the proposed work plan. These descriptions do not count toward narrative page limitations. Provide the number of years of experience for each position listed, including starting and ending dates and indicate:

- Where and when each position was held;
- Whether the position was full-time or part-time;
- In the case of part-time positions, the number of hours per week.

Intermediaries, MSOs and SHFAs acting as intermediaries should summarize, in a single chart, work experience and qualifications for each applicable employee of proposed sub-grantees or branches. Total and provide averages, if applicable, for each column. Do not submit individual resumes for sub-grantee or branch staff. HUD staff may verify experience information submitted during monitoring reviews.

The following must be included in each individual description and summary chart:

- The names and titles of employees, including subcontractors and consultants who will perform the activities proposed in the applicant's work plan in Rating Factor 3. Clerical staff should not be listed.

- Individual current housing counseling duties and responsibilities, Multi-service applicants should differentiate between time spent on housing counseling versus time spent on other issues;
- The number of years of direct counseling, education, and/or counseling program management experience;
- The number of years of related experience.
- The number of years of experience providing one-on-one counseling and group education separately;
- Related professional background and experience, and;
- Bilingual language skills, if applicable.

HUD will also factor in other information that demonstrates the capacity of the applicant.

Indicate if the applicant, and proposed sub-grantees and branches, if applicable, have endorsed or adopted the National Industry Standards for Homeownership Education and Counseling (<http://www.homeownershipstandards.com/>).

In scoring this section, HUD will evaluate whether the applicant has experience providing the proposed services. HUD will award higher scores to applicants with staff and management that have the greatest combination of experience, training and demonstrated competency.

Applicants for Reverse Mortgage counseling supplemental funding must specify the Reverse Mortgage counseling experience of project directors, HUD HECM Network Counselors and the organization. Identify the HUD HECM Network Counselors that are in the applicant's network at the time of application, and that the applicant proposes to fund with the requested award.

Applicants for Loan Document Review Counseling supplemental funds must identify experience related to this activity and describe the nature of the services offered, as well as the utilization and impact of those services. Applicants for fair lending abuse and mortgage fraud analysis and counseling supplemental funding must describe the experience of project directors, counselors and the organization in providing housing counseling services related to mortgage fraud and fair lending abuse, Identify the counselors with this type of experience that are in the applicant's network at the time of application, and that the applicant proposes to fund with the requested supplemental award.

(b) Specialized Training. Also indicate in the chart for all housing counselors and project directors the specialized trainings received within the last two years relevant to the proposed housing counseling activities, including specific trainings regarding FHA programs. Include dates for when the training was received and who provided it. Do not include on-the-job training, only formal classes with established curriculum.

Applicants that seek supplemental funds for Reverse Mortgage counseling must indicate what relevant training counselors received to prepare them as Reverse Mortgage counselors.

Applicants that seek supplemental funds for Loan Document Review Counseling *and/or* Fair Lending Abuse and Mortgage Fraud Analysis and Counseling must indicate what relevant training counselors have received to prepare them for this activity. Any training that is not related to the proposed activities will not be considered.

Indicate which housing counselors are certified housing or financial counselors. Describe what type of certification is held, who provided it, when certification was received, and if applicable, the date certification expires.

(3) Grant and Program Requirement Compliance (14 points).

In scoring this Section, HUD will evaluate how well the applicant met the Program requirements, including reporting and grant document execution, if applicable, for the period October 1, 2007, to September 30, 2008, and its ability to spend all grant funds allotted.

If the applicant did not receive a HUD Housing Counseling grant for that period, it must provide a response, with sufficient detail for HUD to evaluate compliance, based on activities and requirements under other sources of funding, such as other federal, state, or local grant awards. Identify the source(s) and amount(s) of funds used for housing counseling. Provide relevant contact information for the agencies or organizations administering these programs so HUD can verify that the information you report is accurate.

(a) Grantee Requirements. (3 points) HUD will evaluate the applicant's performance with regard to the timeliness and completeness with which the applicant satisfied grant requirements, including grant document execution, and grant reporting requirements including quarterly (if applicable), mid-term and final reports.

(b) Activity Data. (2 points) HUD may deduct points if the applicant was required to submit a form HUD-9902, and a Logic Model (form HUD-96010) during the period October 1, 2007 through September 30, 2008, but failed to do so in a timely manner, or if the form was completed, or the data was submitted, incorrectly.

(c) Expending Grant Funds. (2 points) If grant awards were not fully expended during the grant period October 1, 2007, to September 30, 2008, provide an explanation as to the reason why and the steps the applicant has taken to ensure that future funding will be expended according to the terms of the grant agreement.

(d) Performance Reviews. (5 points) Significant findings on performance reviews conducted by HUD staff will be taken into consideration when scoring this section. Significant

findings may be findings that suggest an applicant has operated its agency in a manner inconsistent with the Housing Counseling program. HUD will develop and apply a scoring scale based on the number of significant findings documented during a review(s), and incidence of repeat findings.

(e) Housing Counseling System (HCS). (2 points) HUD will evaluate applicant's timeliness and effectiveness in validating and updating agency information in HCS. Intermediaries, MSOs and SHFAs must describe procedures and quality control measures used to verify sub-grantee, and if applicable branch or affiliate, information is validated in HCS on a regular basis.

(4) **Management - Goals and Results (5 points)**. In scoring this section, HUD will compare applicant output goals and actual results for the period October 1, 2007 through September 30, 2008, and evaluate subsequent changes in approach resulting from any differences, if applicable. HUD's primary concern is outputs, specifically accomplishments relative to the projected total number of households to be served, both for one-on-one counseling and education.

HUD will also evaluate how the applicant managed change, when needed. Applicants must indicate how they track actual accomplishments against anticipated achievements and ensure that the program can provide the services projected to be delivered and outcomes projected to be achieved.

(a) Performance Evaluation. Describe the applicant's procedures for measuring outputs and outcomes. Describe follow-up activities with clients to collect outcome information. Indicate how the information is evaluated, and the steps the applicant has in place to make adjustments to the work plan if performance targets are not met within established timeframes.

Intermediaries, MSOs and SHFAs should indicate if and how the performance of sub-grantees and branch offices affects current and future-grants and allocations, and describe any specific adjustments that took place during the period October 1, 2007 through September 30, 2008 due to performance issues, if applicable. LHCA's should also describe any work plan adjustments that took place during the period October 1, 2007 through September 30, 2008 because goals were not being met, if applicable.

(b) Goals / Results. For applicants that received a HUD housing counseling grant covering the period October 1, 2007 to September 30, 2008, HUD will compare the HUD-grant specific projections made in the Program Outcome and Output Logic Model, Form HUD-96010 submitted with the FY2007 Housing Counseling NOFA, including any adjustments based on actual award amounts, to the corresponding actual HUD-grant specific results for that period reported by the applicant. Provide a clear explanation as to why goals were not met, if applicable.

Applicants who did not receive a FY2007 Housing Counseling Grant and therefore did not finalize outcome and output projections, or who are recently approved, or who were a sub-grantee of an intermediary or SHFA for the period of October 1, 2007 through September 30, 2008, and are now applying for funding must indicate the detailed, quantifiable goals the organization set for itself for the period covering October 1, 2007 to September 30, 2008, or for the 12 month period ending December 31, 2008 if more appropriate to the applicant's or other grant-requiring reporting schedule. Also provide the actual results corresponding to these goals and explain any differences in goals versus actual results and indicate what measurement reporting tools were used as well as describe the evaluation process. The Logic Model Instructions, which is tab 1 of Form HUD-96010, provide information regarding measurement

reporting tools and the evaluation process. Provide relevant contact information for the agencies or organizations administering those programs so HUD can verify that the goals and corresponding achievements you report are accurate. Provide a clear explanation as to why goals were not met, if applicable.

b. Rating Factor 2: Need/Extent of the Problem (5 Points).

This factor addresses the extent to which there is a need for funding the proposed activities described in the applicant's work plan, and the degree to which the applicant's work plan substantively addresses departmental policy priorities.

(1) **Needs Data (3 points)**. 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 in Factor 3 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 that the applicant serves has documented need in its Consolidated Plan, Analysis of Impediments to Fair Housing Choice (AI), or other planning documents, provides these in the response. Economic and demographic data must include persons with disabilities and persons with limited English proficiencies 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 website:

<http://www.census.gov/hhes/www/disability/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 for supplemental funding must identify the loan document review counseling, mortgage fraud and fair lending abuse analysis and counseling, and/or reverse

mortgage counseling related needs in the target community, as applicable.

In scoring this Section, HUD will evaluate the degree to which the applicant provides 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 projected work plan activities detailed in Rating Factor 3. Applicants that fail to identify current or recent objective data, including adequate source citation, will not receive full points for this factor.

(2) **Departmental Policy Priorities (2 points)**. The Departmental policy priorities are described in detail in the **General Section** under Section V.B.2, Application and Review Information, Part B.1, Policy Priorities. The total number of points an applicant can receive under this subfactor is two (2). Each policy priority addressed has a point value of one (1) point, with the exception of the policy priority *Promoting Energy Star and Green Development*, which has a point value of up to two (2) points, one point for Energy Star and one point for Green Development. An applicant may address as few or as many of the policy priorities as they wish. It is up to the applicant to determine which combination of the policy priorities are addressed, if applicable, to be eligible for the two (2) points. Regardless of the combination selected, a maximum of two (2) points is available.

The following policy priorities apply to the Housing Counseling Program for the purpose of this NOFA. Indicate if, and describe how, the applicant's work plan substantively addresses the departmental policy priority. Applicants are advised to review the policy priorities in the **General Section** (See Section V.B.2.a), to assure full understanding of each policy priority, prior to responding to this sub-factor.

(a) Improving the Knowledge of Homeowners, Homebuyers and Renters to be Aware of Discriminatory Practices and Their Rights and Increase Financial Literacy to

Prevent Foreclosure and to Address the Needs of Households Facing Foreclosure.

Applicants seeking a policy priority point must identify the specific activities to be undertaken and the expected outcomes to be achieved as a result of the activities.

(b) Participation of Minority Serving Institutions (MSIs) in HUD Programs.

Applicants must specifically identify the MSI(s) with which they partner and describe the partnership in detail. A listing of MSIs can be found on the Department of Education website at <http://www.ed.gov/about/offices/list/ocr/edlite-minorityinst.html>.

(c) Ending Chronic Homelessness. Applicants are encouraged to support the targeting of assistance to chronically homeless persons by undertaking activities that will result in a range of outcomes, including the establishment of counseling programs that assist homeless persons in finding housing and managing finances.

(d) Promoting Energy Star and Green Development. Applicants will receive a policy priority point if, when providing services, they include information on Energy Star appliances and products and information on the potential cost savings associated with buildings constructed using Energy Star standards.

Similarly, Applicants will receive one additional policy priority point if, when providing services, they present information on Green Design, Development and Certification Standards in addition to the Energy Star information in the preceding paragraph.

(e) Promoting Assistance to Veterans. HUD will provide a policy priority point to applicants that support the provision of services to veterans, for example outreach or other targeted activities to individuals who have previously served in the United States Military. Applicants must identify the outreach or other activities and provide specific examples.

c. Rating Factor 3: Soundness of Approach / Scope of Housing Counseling Services (45 Points). This factor addresses the quality and effectiveness of the applicant's historical and proposed housing counseling activities.

(1) Historical Performance-Quality and Complexity of Services (8 Points)

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 from all funding sources during the period October 1, 2007 through September 30, 2008. Responses should contain "Historical Performance" as part of the heading for the response. Applicants must provide the following information:

(a) Average Hours. Provide the average amount of time spent, per household, for of the following services types. Include only direct housing counseling and education service provision, not follow-up, preparation, etc. Intermediaries, SHFAs and MSOs must provide an average for the entire network of affiliates and branches, if applicable, included in their application. Counseling is defined as counselor to client assistance that addresses unique financial circumstances and housing issues. Educational services are defined as formal classes, with established curriculum and instructional goals provided in a group or classroom setting. Do not provide a range of hours. The service types are:

- (i) Pre-purchase Counseling
- (ii) Homebuyer Education
- (iii) Delinquency/Default Counseling
- (iv) Non-Delinquency Post-Purchase Counseling
- (v) Reverse Mortgage Counseling
- (vi) Non-Delinquency Post-Purchase Education

(vii) Rental Counseling

(viii) Homeless/Displacement Counseling

(ix) Fair Housing Education

Scoring will be based on the degree to which the applicant demonstrates, as compared to other applicants, that sufficient time and resources were devoted to ensure that clients received quality counseling.

(b) Types of Counseling and Services Offered: HUD will retrieve this information the Form HUD-9902, "All Counseling Activities" column, through the Counseling System (HCS). Verify that the information from this is accurate. Scoring of the variety of housing counseling services is weighted to incentivize Reverse Mortgage and Delinquency/Default counseling.

(c) Group Education and One-On-One Counseling. For the period October 1, 2007, through September 30, 2008, HUD will retrieve from Section 6 of form HUD-9902, "All Counseling Activities" column, the number of clients that participated in Homebuyer Education Workshops or other types of classes as group sessions and will retrieve from Section 7a-e, the number of clients that participated in one-on-one counseling. Applicants should explain figures provided in Form HUD-9902, "All Counseling Activities" column, 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, including how it contributes to improved efficiency and effectiveness. Indicate the percentage of group education participants that also participate in one-on-one counseling. The scoring in this section is designed to reward applicants that effectively use group education to complement counseling.

(d) Marketing and Outreach. Describe outreach and marketing efforts, with particular emphasis on diverse emerging markets, for example, to first time homebuyers in minority communities and limited English proficient persons in the target area.. Indicate the amount from all sources of funding, spent on marketing and outreach.

(2) **Historical Performance - Impact/Outcomes (10 points)**. To score this Section, HUD will evaluate the applicant's performance for the period October 1, 2007, to September 30, 2008 as reported on the HUD 9902, "All Counseling Activities" column. The quantity of clients the applicant served will be compared to similar applicants providing similar services. Clients served will also be analyzed in the context of the applicant's total housing budget for the same period, FY2007. HUD will also consider the extent to which the services provided were time and resource intensive. Additionally, for MSOs and SHFAs, HUD will evaluate the geographic coverage and scope of the applicant's activities for the period October 1, 2007, through September 30, 2008, and the overall size of the housing counseling network during that period.

(a) Cost per client. Clients served figures will be obtained from the Form HUD-9902, "All Counseling Activities" column, for the period October 1, 2007 through September 30, 2008, submitted to HUD by the applicant, which reflects activities funded both with HUD housing counseling grant funds, if applicable, and with other leveraged resources. Applicants that were not required to submit Form HUD-9902 for the period October 1, 2007 through 30, 2008, must complete one as part of this application. In addition, the applicant must provide the following information.

(i) Total housing counseling budget for the period October 1, 2007 - September 30, 2008, 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. Of that total housing counseling budget, indicate the dollar value that corresponds to one-on-one counseling and the dollar value that corresponds to group education, if applicable, so that HUD can separately calculate cost per client for one-on-one counseling and group education. The dollar values for each must add up to the total housing counseling budget provided.

(ii) Indicate how factors, such as, location, type of counseling, client type, and expenses, may have affected client volume. Justify expenses and explain why they were reasonable, strategic, and appropriate.

(b) Capacity. In scoring this section HUD will evaluate the number of education participants and housing counseling clients served by the applicant, during the period October 1, 2007, to September 30, 2008, with all sources of funding.

(c) Training Expenditures: Indicate the amount spent, from all sources of funding, on formal staff training during the grant period October 1, 2007, to September 30, 2008. Do not include on-the-job training. Include travel cost paid for by the applicant for staff to attend training. If sufficient training was available to staff through other sources of funding, therefore making a training investment on behalf of the applicant unnecessary, indicate what specific trainings were made available, their cost, and how they were funded.

(d) Percentage of Grant Funding Passed Through: Intermediaries, MSOs and SHFAs that received one or more FY2007 HUD housing counseling grants for the grant period October 1, 2007, to September 30, 2008, must also indicate what percentage of their grant(s) was passed through directly to sub-grantees or branches for the provision of housing counseling services and explain how funds not passed through were spent.

LHCAs applying under Applicant Category 1 that received one or more FY2007 HUD housing counseling grants for the grant period October 1, 2007, to September 30, 2008, must indicate what percentage of their grant(s) was spent on the salaries and benefits of housing counselors and project directors. Explain how other funds were spent.

Applicants that did not receive a FY2007 HUD housing counseling grant must indicate what percentage was spent on salaries and indirect costs utilizing their other housing counseling funding sources, for example other federal, state or local government grants, providing as much detail, similar to that requested above, as possible.

(e) Scope / Geographic Coverage: MSOs and SHFAs must identify the sub-grantees, affiliates and branches, and, for MSOs, corresponding states, to which the applicant provided housing counseling funding, for the period October 1, 2007, through September 30, 2008, through:

(i) FY2007 HUD housing counseling grant funds, if applicable

(ii) All housing counseling resources

(iii) SHFAs and MSOs must describe methods and results of efforts to integrate existing agencies/systems in the state or states within which services are provided. SHFAs must also describe the process used to identify and rectify service delivery deficiencies within the state or states.

(3) Projected Performance/Work Plan – Quality and Complexity of Services (10 points)

This section involves information on the housing counseling services and other activities to be conducted during the period October 1, 2009, through September 30, 2010. 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.

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, as compared to other applicants that, for each type of counseling service delivered, average, greater than average or less than average time and resources, will be devoted to ensure that clients receive quality counseling.

Applicants must provide the following information, which will be used in conjunction with responses in Rating Factor 5, as a basis to support the scoring of the sub-factors below. There should be consistency between Rating Factor 3 and the projected outputs and outcomes in Rating Factor 5. Responses must contain "Projected Performance" as part of the heading for the response.

(a) Counseling and Education Services. Describe the various types of housing counseling and education services, and if applicable, intermediary activities, applicant proposes to undertake. The proposed work plan must be consistent with the most current work plan on file with the appropriate HUD office, i.e., an applicant cannot propose to provide services which are not currently approved by HUD. Also, describe planned follow-up activities, if applicable. Indicate if the applicant anticipates providing counseling services in conjunction with the *Making Home Affordable* Program, the Administration's loan modification and refinancing initiative. To learn more about Making Home Affordable, visit <http://www.financialstability.gov/> or HUD's Housing Counseling Page at http://www.hud.gov/offices/hsg/sfh/hcc/hcc_home.cfm

Applicants applying for Loan Document Review Counseling supplemental funding must describe the proposed loan document review process, including: how households would learn about the availability of, and request, these services; what documents will be reviewed; what criteria or information counselors will look for; what questions would be asked of the homeowner or homebuyer; and the corresponding counseling. Additionally, describe efforts through the loan document review to identify and counsel regarding possible mortgage fraud or fair lending abuse.

Applicants applying for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling must describe the process through which they would receive referrals from other counseling agencies. They must also explain in detail the steps that the counselors would take to analyze and counsel on these cases, including: what documents will be reviewed; what criteria or information counselors will look for; what community, lending and other data will be utilized; what questions would be asked of the homeowner or homebuyer; communication with lenders/servicers, etc.; in order to effectively counsel the household regarding possible mortgage fraud or fair lending abuse and their rights and remedies.

Proposed services and activities must relate to the needs identified in Rating Factor 2. Scoring of the variety of housing counseling services offered is weighted to provide the most points for Reverse Mortgage and Delinquency/Default counseling.

(b) Average Hours. For each of the service types listed in part (a), indicate the average hours of direct housing counseling and education service provision, by the applicant, and affiliates and branches if applicable, per client, for the period October 1, 2009, through September 30, 2010. Do not provide a range of hours. If the projected average times are the same as those listed for the period covering October 1, 2007 – September 30, 2008, the applicant

may simply state so in lieu of listing them again here. Counseling is defined as one-on-one guidance to individuals on a specific housing related topic. Educational services are defined as housing counseling provided in a group setting, i.e., workshops used to explain home buying principles and processes.

(c) Sufficient Staff. LHCA's must indicate the names and titles of employees 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. The staff information should include who from Factor 1 will be involved, and any new staff, subcontractors or consultants that will be hired for the October 1, 2009 - September 30, 2010 grant period.

(d) Training. Indicate proposed amount to be spent, from all funding sources, on formal staff training during the grant period October 1, 2009, to September 30, 2010. Indicate amount to be spent by the applicant with HUD Housing Counseling grant funding, if applicable, and amount to be spent from other sources of funding. If sufficient free or subsidized training will be available to staff through other sources of funding, therefore making a training investment on behalf of the applicant unnecessary, indicate what specific trainings will be available, the cost, and the source of funds, if known. HUD will reward agencies that utilize other sources of funding, besides HUD housing counseling grant funding for training. Do not include on-the-job training. Intermediaries, MSOs and SHFAs should describe in detail their plans to train proposed sub-grantees and branches if applicable, provide technical assistance, and evaluate compliance with program requirements, for example through site visits.

(e) Persons with Disabilities/LEP. Describe plans to take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP), pursuant to Title VI of the

Civil Rights Act of 1964, for example, materials that are available in languages other than English. Applicants may refer to the Department's January 22, 2007 Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 FR 2732). Applicants that identified multi-lingual counselors in Factor 1, must demonstrate the applicability of their capacity to provide services in multiple languages to the language needs of the community they serve.

Also describe plans to effectively serve and /or communicate with persons with disabilities, in accordance with Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR parts 8 & 9, and Title III of the Americans with Disabilities Act, for example, materials that are available in large print or Braille.

(f) Budget Explanation. Explain the proposed budget in detail. Indicate why the proposed expenditures of the requested grant funding, and associated costs, are necessary and justified, and contribute to improved efficiency and effectiveness of service delivery. In scoring this section, HUD will evaluate the degree to which the budget and the narratives clearly explain how requested grant funds will be spent, and whether those proposed expenditures represent an appropriate and responsible use of the grant funding.

(4) **Projected Performance/Work Plan – Impact (8 points)**. In scoring this Section, HUD will evaluate the proposed outputs from the logic model, specifically 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, 2009, to September 30, 2010. Scoring will be based on the cost per client, compared to historical averages similar services and

similar applicants. 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.

(a) Cost Per Client. Of the total housing counseling grant requested, indicate the dollar value that corresponds to one-on-one counseling and the dollar value that corresponds to group education, if applicable, so that HUD can separately calculate cost per client for one-on-one counseling and group education. The dollar values for each must add up to the total housing counseling grant requested. 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, whether the impact will be short-term or long-term. Agencies that anticipate, under the proposed grant, providing counseling services in conjunction with the *Making Home Affordable* Program must follow the *Making Home Affordable* Housing Counseling protocol posted on HUD's website at http://www.hud.gov/offices/hsg/sfh/hcc/hcc_home.cfm and should use the description of services described in the protocol to estimate the cost of that counseling.

(b) Projected Performance - Group Education and One-On-One Counseling. HUD will utilize Logic Model output projections to evaluate what percentage of total clients the applicant estimates will participate in group education, and what percentage will participate in one-on-one counseling.. Applicants must complete each of these output projections. 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, including how it contributes to improved efficiency and effectiveness. Indicate the percentage of group education participants you project will also receive one-on-one counseling. Scoring is designed to reward applicants that effectively use group education to complement counseling.

(c) Marketing and Outreach. Describe marketing and outreach strategies planned, including strategies to reach out to diverse emerging markets and households at risk of default and foreclosure. These strategies should be designed to reach clients in need of the counseling services described in the work plan. Provide the amount of the proposed HUD grant budgeted, and the amount of total budget, all sources of funding, earmarked for marketing and outreach for the period covering October 1, 2008 – September 30, 2009. Indicate any marketing and outreach activities planned that are at no cost to the applicant. Describe specific plans to conduct marketing and outreach regarding the *Making Home Affordable* Program, if applicable.

(d) If requesting HECM Counseling Supplemental funding in addition to a Comprehensive Counseling grant, indicate exactly how many households you project to serve exclusively with each pot of money.

(5) Projected Performance/Work Plan – Coordination (6 points). HUD will evaluate the extent to which, as compared to similar applicants, the applicant can demonstrate it will coordinate proposed activities with other organizations, 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 they choose and the house that they purchase.

(a) Partnerships / Multi-service Organizations. Identify and describe partnerships and efforts to coordinate proposed activities with other organizations, including, but not limited to loan servicers, emergency and social services providers, lending organizations, homeowner insurance providers, down payment and closing cost assistance programs, nonprofit housing providers, and local or state government. No points will be given for simply a list of other

organizations.

Applicants should also describe internal products and functions, if applicable, such as loan products available to clients, down payment and closing cost assistance programs, as well as internal affordable housing programs that can be a resource for clients.

Applicants for Loan Document Review Counseling *and/or* Fair lending Abuse and Mortgage Fraud Analysis and Counseling supplemental funding must identify and describe partnerships and efforts to coordinate proposed activities with other organizations. For example, describe the agencies or organizations to which they propose to refer suspected cases of mortgage fraud or fair lending abuse, if necessary. HUD may require that grantees and recipients of Loan Document Review Counseling supplemental funding refer suspected fair lending abuse or mortgage fraud to specific agencies or organizations.

Applicants requesting Reverse Mortgage supplemental funding should highlight the partnerships or internal products that are relevant to Reverse Mortgage activities.

SHFAs and MSOs should describe plans to integrate existing counseling agencies/systems within their state or states within which they operate.

(b) Complementing Other HUD Programs. Indicate what other HUD programs that your counseling services complement or support. For example, indicate involvement, if applicable, in conjunction with state or local government in HUD's Neighborhood Stabilization Program (NSP), downpayment assistance programs, or FHA Programs. For additional information about NSP, visit <http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/>, or for information on FHA visit <http://www.fha.gov>

(c) Conflict of Interest. Describe plans to avoid conflicts of interest, such as methods for disclosing to participants that they are free to choose lenders, loan products, and homes,

regardless of the recommendations made by counselors. To receive full credit in this Section, the applicant must submit the disclosure forms used by the applicant to communicate to clients that, while affordable homes, lending products and other forms of assistance might be through the applicant, and partnerships in which the applicant has entered, the client is under no obligation to utilize these services. These plans and disclosures will also be reviewed by HUD staff as a part of the biennial reviews and on-site monitoring visits.

(6) Projected Performance/Work Plan - Capacity/Efficient Use of Resources (3 points). In scoring this Section, HUD will evaluate the capacity of the applicant and the applicant's proposed spending decisions.

Intermediaries, MSOs and SHFAs must:

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.

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

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

(a) Percentage of Grant Funding To Be Passed Through. Intermediaries, MSOs and SHFAs must indicate what percentage of their proposed award will be passed through directly to sub-grantees and branches, and explain how funds passed through will be spent. LHCA's that apply under Applicant 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.

(b) Capacity: Intermediaries, MSOs and SHFAs must identify the sub-grantees and branches, and corresponding states, the applicant proposes will receive funding through this grant award. 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 process 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 approval for sub-grants. SHFAs should describe plans to identify and rectify service delivery deficiencies within their states.

d. Rating Factor 4: Leveraging Resources (10 Points). HUD housing counseling grants are not intended to fully fund an applicant's housing counseling program, or that of its sub-grantees. 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 show that they have obtained additional nonfederal resources for their housing counseling activities, for the period October 1, 2009 – September 30, 2010, including: direct financial assistance; fees; 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. Grantees will be required to maintain evidence that leveraged funds were actually provided to the agency. Files will be reviewed by HUD staff as a part of the biennial reviews and on-site monitoring visits.

(1) All applicants must provide a comprehensive list of all leveraged funds and in-kind contributions being claimed. Include the total amount and the source of funds. Applicants are

required to list the names of the organizations providing the funds, the sources of those funds, and amounts of the funds to be devoted to the proposed program. Applicants that fail to provide this information may not receive any points for this factor. Intermediaries and SHFAs must itemize the list of leveraged resources by each proposed sub- and/or funded branch office. All leveraged resources claimed by an applicant, including cash and third party in-kind, must meet all of the criteria set forth in 24 CFR 84.23 and must be accounted for in the budget form 424CB. Responses should be consistent with the leveraged funds amount shown on the SF Form 424, HUD Form 424 CB and the documentation for this rating factor.

Applicants requesting supplemental funding for reverse mortgage counseling, loan document review counseling *and/or* fair lending abuse and mortgage fraud analysis and counseling, must separately identify which leveraged resources, if any, will be devoted to specifically complement the proposed supplemental funding. HUD will analyze leveraging related to the supplemental funding request separately from the comprehensive request, so as not to penalize applicants for requesting the additional funds. Leveraged resources associated with the supplemental reverse mortgage counseling request will not be counted toward the comprehensive grant request.

(2) Additionally, for Category 1 – Local Housing Counseling Agencies (LHCAs), 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, 2009 – September 30, 2010.

(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.)

(h) If a LHCA has a history of funding over the past two years from a particular source the applicant can provide a verification of the receipt of the grant in the past and make a statement that they have applied for and expect to receive the grant during the period October 1, 2009 – September 30, 2010.

(3) Additionally, resources provided by the applicant may count as leveraged resources. These amounts must include only funds that will directly result in the provision of housing counseling services, but not resources for activities as down payment and closing cost assistance, IDA programs, and emergency services. These funds must be reflected in the SF-424 and HUD-424 CB, and be described in the narrative, including the source, and proposed use, of funds.

(4) 24 CFR part 214 explains the conditions under which agencies participating in HUD's Housing Counseling Program are permitted to charge fees to counseling recipients. While agencies are strongly encouraged to aggressively leverage funds from other private and public

sources, fee income can be counted as leveraged resources. Fee income would be identified as program income on required budget forms. Applicants claiming fee income must project the number of households that will be charged fees, explain why that projection is reasonable, and indicate their fee structure, in other words a description of fee charges for relevant service types, sliding scale if applicable, etc.

(5) Intermediaries, MSOs and SHFAs should include information on leveraged resources by the main office, and by only anticipated sub-grantees and branches that will be funded with this application.

(6) Points for this factor will be awarded based on the amount of leveraging that meets the criterion in this section and the percentage of the applicant's total housing counseling budget that the requested HUD housing counseling funds would represent. The amount of grant funds requested will impact the ratio to score this factor, as this factor evaluates the proposed HUD grant as a percentage of the total counseling budget. For example, a LHCA requesting the maximum comprehensive grant amount of \$150,000 with leveraged funds equaling that grant will only receive 7 points. If that same LHCA requests only \$100,000 with the same leveraged funds of \$150,000 the score will be 9. Depending on organization type, the following scales will be used to determine scores for this factor:

LHCAs, MSOs and SHFAs

1 – 25% -- 10 points

26 – 40% -- 9 points

41 – 48% -- 8 points

49 – 55% --7 points

56 – 65% --6 points

66 – 75% -- 5 points

76 – 85% -- 4 points

86 – 91% --3 points

92 – 95% --2 points

96 – 99% --1 point

Intermediaries

1 – 20 % -- 10 points

21 – 26% -- 9 points

27 – 32% -- 8 points

33 – 41% -- 7 points

42 – 47% -- 6 points

48 – 53% -- 5 points

54 – 59% -- 4 points

60 – 65% -- 3 points

66 – 71% -- 2 point

72 – 99% --1 point

e. Rating Factor 5: Achieving Results and Program Evaluation (10 points). This factor emphasizes HUD's determination to ensure that applicants meet commitments made in their applications and grant agreements and assess their performance in achieving agreed upon performance goals. This reflects HUD's Strategic goal to embrace high standards of ethics, management and accountability.

The purpose of this factor is for the applicant to identify projected outputs and outcomes corresponding to the proposed work plan in Factor 3. The developed logic model submitted with

the application will serve as a reporting tool for applicants selected to receive an award, allowing HUD to compare proposed program outputs and outcomes with actual results. In scoring this Factor, HUD will consider the appropriateness of the goals given the award the applicant is applying for and evaluate the proposed outputs and outcomes for their effectiveness and efficiency in delivering housing counseling services to the population to be serviced.

The Logic Model submission is valued at up to 10 points. The point structure for review of the Logic Model is contained in the General Section.

(1) **Program Outcome Logic Model.** Applicants must select appropriate outputs and outcomes from a series of “pick lists” for the Housing Counseling Program. The pick lists can be found in the form HUD- 96010. Using the pick lists, for each column of the logic model, applicants can select and insert their outputs and outcomes in the appropriate columns of the logic model. Each housing counseling and education related output and outcome should only be selected once, not multiple times throughout the form.

The pick lists also provide for an associate unit of measure for each output and outcome, and applicants must utilize the measure provided that is associated to the activity. Applicants must identify projected output and outcome values that correspond to the unit of measure. For example, insert whole numbers, not percentages, when the unit of measure is ‘Households’.

These amounts should represent results to be achieved entirely as a result of the HUD housing counseling funding. If, in reality, various funding sources will contribute to the services provided each individual, the applicant must only project, and subsequently report, activity for which HUD housing counseling grant funding supports the majority of the cost of the service delivery.

Applicants should use the same methodology to complete the logic model as they do form HUD-9902. For example, the logic model is not designed to record the exact number of clients projected or served, but rather the number of unique counseling or education services provided. So an individual or household that receives multiple, distinct types of counseling or education in a reporting period is recorded on the logic model multiple times. For example, if an individual comes in for one type of counseling (e.g. pre-purchase), they are recorded. If, later in the reporting period, the same individual comes in for another type of counseling, for example default counseling, record this new activity. By contrast, if multiple topics are covered in one counseling session, it is only recorded as one activity. Moreover, the form is designed to capture participation in each complete course on a unique education topic. For example: whether or not the course is completed in one 8 hr session, or four 2-hour classes, it is counted as one course.

In addition, HUD has provided a series of management questions, which awardees will be expected to respond to in reporting back to HUD. The management questions place a framework around the data you will be reporting to HUD. The management questions are included in the logic model and applicants should use them as a guide to understanding what HUD is interested in learning about the major element of your program.

Applicants must complete and submit Form HUD-96010 reflecting projected outputs and outcomes under the proposed HUD Housing Counseling grant.

The Form HUD 96010 must identify the following:

(a) Services / Outputs. Outputs are the direct products of the applicant's activities that lead to the ultimate achievement of outcomes. Based on the proposed work plan in Factor 3 and the amount being requested through this NOFA, applicants should select the appropriate outputs and their associated units of measure from the choices provided in the pick list, and provide the

corresponding number to be achieved for each proposed output. Agencies that anticipate, under the proposed grant, providing counseling services in conjunction with the *Making Home Affordable* Program must follow the *Making Home Affordable* Housing Counseling protocol posted on HUD's website at http://www.hud.gov/offices/hsg/sfh/hcc/hcc_home.cfm and should use the description of services described in the protocol to estimate the cost of that counseling and in making output projections.

If requesting supplemental funding, indicate in the narrative the specific number of households the applicant projects it, or if applicable, sub-grantees and branches, will serve under the comprehensive counseling portion of the requested award and with requested supplemental funding. If applying for both comprehensive counseling funds and supplemental funding, submit a separate logic model for each.

If requesting Loan Document Review Counseling *and/or* Fair Lending Abuse and Mortgage Fraud Analysis and Counseling supplemental funding, indicate in the narrative the specific number of households the applicant projects it, or if applicable, sub-grantees and branches, will serve under the comprehensive counseling portion of the requested award and with requested supplemental funding. Loan document review counseling and fair lending abuse and mortgage fraud analysis and counseling should be considered pre-purchase or default counseling in the logic model, depending on the loan status of the household to be served.

(b) Outcomes. Outcomes are benefits accruing to the households 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. Using the pick lists provided, applicants should select each appropriate outcome and associated unit of measure related to the proposed work plan, and provide the corresponding number to be achieved for each

proposed outcome. Projected outcomes should reflect the number you expect to report in the HUD Housing Counseling Grant Activities column on the Form HUD-9902.

(c) Projections. In scoring this section, HUD will evaluate the degree to which projected output activity is realistic and justified, and the degree to which the logic model corresponds to the work plan described in the narrative. Applicants should make sure their entries reflect all proposed counseling and education activity under the grant. The mix of services described in the narratives should be consistent with the completed logic model. The outputs and outcomes projected in the logic model must be consistent with the projected number of clients proposed in the narrative responses to the Rating Factors.

(d) Evaluation Tools. The applicant must also submit an evaluation plan that explains how they are going to track actual accomplishments against anticipated achievements and ensure that the program can provide the services projected to be delivered and outcomes projected to be achieved. The evaluation plan should identify what an applicant is going to measure, how an applicant is going to measure it, and the steps in place to make adjustments to its work plan if performance targets are not met within established timeframes. See the Logic Model Evaluation Matrix in the General Section.

B. Review 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** and whether all required forms have been submitted. The **General Section** 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.**

4. Minimum Score for Fundable Applications. The minimum score for fundable applications is 75 points.

5. Funding Methodology

a. Comprehensive Counseling. 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. HUD will consider the amount of the comprehensive counseling grant being requested to be the value entered into box 18a on form SF-424. The minimum comprehensive award is \$20,000 for LHCAs; \$50,000 for SHFAs; \$300,000 for intermediaries; and \$50,000 for MSOs.

b. Supplemental Funding. The same methodology described above in section a will be used to distribute the available supplemental funds for reverse mortgage counseling, fair lending abuse and mortgage fraud analysis and counseling, and loan document review counseling. 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.

For applicants requesting reverse mortgage counseling supplemental funding, box 18a of Form SF-424 should reflect the total of the comprehensive request and the supplemental funding request. The narrative response to Factor 3 must make clear the exact comprehensive and

supplemental amounts being requested.

Each applicant will submit only one application, even if applying for both comprehensive and reverse mortgage counseling supplemental funds.

(1) For applicants applying for both comprehensive and supplemental counseling grants, comprehensive counseling funds will be allocated based on the funding methodology in Section a above. Subsequently, for supplemental funding, 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 up to a 2-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 reverse mortgage counseling supplemental funds. This method will result in scores for supplemental funding, that may be equal to the comprehensive score, or up to ten points less than the comprehensive score. In no case can an applicant receive a higher score on an application for supplemental funding than it received on its comprehensive application.

(2) Applicants requesting supplemental funding only will be scored based on the methodology funding in Section a above, similar to the comprehensive application.

The base award for the reverse mortgage counseling supplemental funding will be \$40,000 for intermediaries, \$50,000 for MSOs, and \$5,000 for LHCA's. The base award for Loan Document Review Counseling supplemental funding will be \$30,000 for intermediaries, \$20,000 for MSOs and SHFAs, and \$5,000 for LHCA's. The base award for Fair Lending Abuse and Mortgage Fraud Analysis and Counseling supplemental funding is \$200,000.

Only applicants scoring 75 points or above are eligible for supplemental funding. HUD

may award one or more supplemental grants per category. Supplemental grant funds are awarded based upon scores beginning with the highest until the funds are expended.

Applications that receive 75 points or more will not necessarily receive supplemental funding.

HUD's intention with the Fair Lending Abuse and Mortgage Fraud Analysis and Counseling supplemental funding is to make a single award, but reserves the right to make multiple awards if a single intermediary lacks the capacity to spend those funds and provide that service effectively.

6. Reallocation of Unallocated Funds. If funds designated for a specific grant Category, HOC, or for supplemental funding remain unallocated 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 or the Housing Counseling Training NOFA. If authorized, HUD may also reallocate unspent funds for housing counseling support activities. Any reallocation will be based on demand and unmet need.

7. Funds Recapture. HUD may recapture any funds unspent in the time allotted. Grantees are required to cooperate with recapture requests, including any paperwork requests. HUD may utilize recaptured funds in subsequent NOFAs, or utilize the funds in other ways authorized by the Program's appropriation. Recaptured funds will be awarded on a competitive basis.

VI. Award Administration Information

A. Award Notices: Following selection, applicants will receive notification from HUD 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. Please see the **General Section** for more information on this topic.

2. Publication of Logic Models. The logic models of applicants selected for award and their

subsequent logic model reports will be made available to the public on HUD's website or via a link on HUD's website.

3. Debriefing. Applicants may receive a debriefing on their application submission. Please see the **General Section** for a further discussion of the time frame in which the debriefing request may be submitted.

B. Administrative and National Policy Requirements:

1. Environmental Requirements. In accordance with 24 CFR 50.19(b)(2), (3), (4), (9), (12), (13) 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. Audit Requirements. Grantees that expend \$500,000 or more in federal financial assistance in a single year (this can be program year or fiscal year) must be audited in accordance with the OMB requirements as established in 24 CFR part 84. Additional information regarding this requirement can be accessed at the following website: <http://harvester.census.gov/sac>

3. Other Matters.

a. Relocation. See the **General Section**.

b. OMB Circulars and Government-wide Regulations Applicable to Financial Assistance Programs. See the **General Section**.

c. Prohibition Against Lobbying Activities. See the **General Section**.

d. Procurement of Recovered Materials. See the **General Section**.

f. Executive Order 13279 Equal Protection of the Laws for Faith-Based and Community Organizations. See the **General Section**.

g. Salary Limitation for Consultants. See the **General Section**.

h. Executive Order 13132, Federalism. See the **General Section**.

C. Reporting.

1. Fiscal Year Activity Report. Grantees are required to submit Form HUD-9902, Housing Counseling Activity Report, quarterly via HUD's web-based Housing Counseling System (HCS). The information compiled from this report provides HUD with its primary means of measuring program performance.

2. Program Outcome Logic Model. If the actual award amount differs from the proposed award, Grantees are required to submit an updated Form HUD-96010, Program Outcome Logic Model, and a corresponding budget, before the grant agreement will be executed. Additionally, Grantees will be required to submit an updated Form HUD-96010, Program Outcome Logic Model, reflecting actual achievements, with each quarterly, midterm and final report, in accordance with the reporting requirements of the grant agreement. The information in this form provides the primary means through which HUD will monitor the ongoing performance of the grantee.

VII. Agency Contact(s)

A. Technical Assistance and Programmatic Information. For program related information, LHCA's, MSOs and SHFA's should contact the HOC serving their area, as indicated below. Intermediaries should contact HUD Headquarters, Program Support Division at (202) 708-0317 (this is not a toll-free number). **Hearing and speech challenged persons** may access the telephone numbers listed below by calling the Federal Information Relay Service at 800-877-8339.

<u>Homeownership Center</u>	<u>States</u>
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<p><u>PHILADELPHIA</u> <u>HOMEOWNERSHIP CENTER</u> Ms. Brenda Bellisario Director, Program Support Division Wanamaker Building 100 Penn Square East, 12th Fl Philadelphia, PA 19107-3389 For programmatic information contact: Robert Wright Robert_Wright@hud.gov (215) 861-7268</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><u>ATLANTA</u> <u>HOMEOWNERSHIP CENTER</u> Ms. Gayle Knowlson Director, Program Support Division 40 Marietta Street, 9th Floor Atlanta, GA 30303-2806 For programmatic information contact: Carolyn Hogans E.Carolyn.Hogans@hud.gov (678) 732-2129</p>	<p>Alabama, Puerto Rico, Florida, Georgia, Illinois, Indiana, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee</p>
<p><u>DENVER</u> <u>HOMEOWNERSHIP CENTER</u> Program Support Division 1670 Broadway 23rd floor Denver, CO 80202-4801 For programmatic information Contact: Vic Karels Victor.E.Karels@hud.gov (303) 675-1640</p>	<p>Arkansas, Colorado, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, Wisconsin, Wyoming</p>
<p><u>SANTA ANA</u> <u>HOMEOWNERSHIP CENTER</u> Mr. Jerrold Mayer Director, Program Support Division Santa Ana Federal Building 34 Civic Center Plaza, Room 7015 Santa Ana, CA 92701-4003 For programmatic information contact: Rhonda J. Rivera, rhondaj.rivera@hud.gov (714) 796-1200 x3210</p>	<p>Alaska, Arizona, California, Hawaii, Oregon, Idaho, Nevada, Washington</p>

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. The Program Office will notify all eligible applicants regarding the timing of this broadcast and provide viewing information. Additionally on February 17, 2009, HUD held an informational broadcast via satellite for potential applicants to learn more about the FY 2009 Logic Model requirements. To view the broadcast, visit the HUD website at:

<http://www.hud.gov/offices/adm/grants/training/odgmotraining.cfm>.

B. Paperwork Reduction Act. The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2502-0261. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. Public reporting burden for the collection of information is estimated to average 68 hours per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting the data for the application, semi-annual reports and final report. The information will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

C. Environmental. This NOFA provides funding under 24 CFR part 214, which does not contain environmental review positions because it concerns activities that are listed in 24 CFR 50.19(b) as categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4231) (“NEPA”). Accordingly, under 24 CFR 50.19(c)(5), this NOFA is categorically excluded from environmental review under NEPA.

Dated: _____

Brian D. Montgomery
Assistant Secretary for Housing—
Federal Housing Commissioner

[FR-5300-N-02]