



OFFICE OF  
HOUSING COUNSELING  
LET'S MAKE HOME HAPPEN

# HUD Housing Counseling Program Diversification of Funding Sources Webinar

**Audio is available only by conference call.**

**Please call:** (800) 700-7784

**Participant Access Code:** 447802

**to join the conference call portion of the webinar**

# Webinar Logistics

- Audio is being recorded. The playback number along with the PowerPoint and a transcript will be available on the HUD Exchange at [www.hudexchange.info/programs/housing-counseling/webinars/](http://www.hudexchange.info/programs/housing-counseling/webinars/)
- An OHC LISTSERV will be sent out when the Archives are posted. Posting will usually be within 7-10 days.
- Attendee lines will be muted during presentation.
- Handouts were sent out prior to webinar. They are also available in the Control Panel. Just click on document name to download.

# Questions & Comments



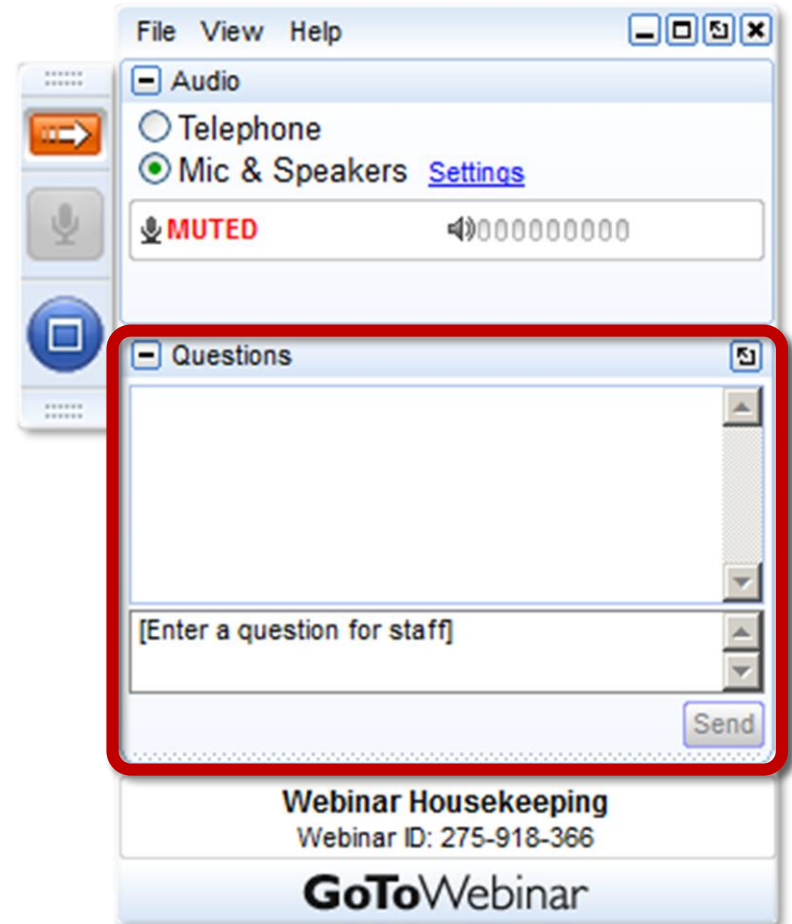
- There will be Polling Questions. Please respond to them
- There may be Q&A periods, as well as discussion opportunities.
  - If so, The operator will give you instructions on how to ask questions or make your comments.
  - If unmuted during Q&A, please do not use a speaker phone

# Other Ways to Ask Questions

## Your Participation

Please submit your text questions and comments using the Questions Panel. We will answer some of them during the webinar.

You can also send questions and comments to [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov) with **webinar topic is subject line.**



# Please Mute Your Phones During Discussions



- During the discussions, all the phones may be unmuted by the operator.
- It is critical that you mute your phone during these discussions.
  - Most phones have a Mute function so please use it.
  - \*6 will also mute and unmute your phone.

# Welcome

## Cheryl Appline

Director, Office of Oversight and Accountability  
U.S. Department of Housing and Urban  
Development (HUD)

# Presenters and Q and A

- Presenters –**Les Warner**, ICF and **Jason Zavala**, MitiGate, subcontractor to ICF
- Q and A – supported by **Tracy Fields** and **Shae Williams**  
HUD


# Agenda

- Introduction to Diversification of Funds
- HUD Programs
- Other Federal and Non-Federal Funding
- Wrap Up



## **Polling question 1: What type of organization do you represent?**

1. Participating local housing counseling agency
2. Participating housing counseling agency as a sub-grantee or affiliate of an oversight agency
3. Participating oversight agency (e.g., HUD Approved Intermediary, State Housing Finance Agency or Multi-state organization)
4. Non-participating agency
5. Other



## **Polling question 2: What type of funding does your agency use for your housing counseling program?**

1. HUD Housing Counseling Grant Funds
2. Other HUD funds
3. Other Federal Funds
4. Non-Federal funds (e.g., private, fundraised funds, state/local)
5. All of the above

# Introduction to Diversification of Funds

# Introduction to Diversification of Funds

- HUD OHC funds are a small percentage used for housing counseling across the country
  - Less than 20% on average
- Agencies need to identify multiple funding streams and avoid a reliance upon one or two sources
- Diversified funds can include other HUD funds, other federal sources, state or local sources and private funds; this may include fee for service work
- Opportunities vary based on current housing trends, national and local resources, and networking

# Introduction to Diversification of Funds (cont)

- This presentation will cover diversification of housing counseling funds
- This presentation will not cover what counts as “leveraged funds” as defined in the HUD Housing Counseling Program NOFA
  - Another webinar will be held once the 2018 NOFA becomes available which will review this detail

# Changing Trends in Funding

- Prior sources of diversified funds included Hardest Hit, Neighborhood Stabilization Program (NSP), National Foreclosure Mitigation Counseling Program (NFMC), and FHA's Back to Work Extenuating Circumstances Initiative
- Implementation of the Housing Counseling Rule will be required to use HUD Certified Housing Counselors if housing counseling:
  - Required under a HUD program, or
  - Provided in connection with a HUD program
- Agencies have a variety of methods of delivery including in person or virtual, one on one or group education

# Which Programs Fund Housing Counseling?

- Other programs utilizing housing counseling may have the budget to pay for counseling
- Agencies will need to determine if they have the capacity to provide the needed services
- Reporting and other updates will likely be required

# HUD Programs



# Community Planning and Development (CPD)

- HOME Investment Partnerships, Housing Trust Fund (HTF), Community Development Block Grant (CDBG), and CDBG-Disaster Recovery (CDBG-DR)
  - Program activities include homebuyer assistance and rental housing, disaster related assistance
    - HOME funded entities must provide housing counseling for homebuyer activities
    - CDBG funded entities may be seeking agencies to provide housing counseling services
    - A HUD-approved housing counseling agency can apply for CDBG public service funds to provide housing counseling directly
  - Funding is provided to Cities, Counties and States
    - Except Housing Trust Fund (HTF) which goes to states only
  - Program budgets may pay for counseling as either a direct program cost or as an administrative expense (rare)

# Community Planning and Development (CPD) (cont)

- Emergency Solutions Grants (ESG) and Housing Opportunities for Persons with Aids (HOPWA)
  - Funding is provided through Cities, Counties, and States
  - Housing counseling is an eligible activity
- Continuum of Care (CoC)
  - Funding is provided through competitive application
  - Housing counseling is an eligible supportive service

# Public and Indian Housing (PIH)

- Housing Choice Voucher Program (HCV)
  - Administrative fee reserve (if any) may be used for housing counseling activities
  - If HCV Homeownership Program is active, housing counseling is required
- Family Self Sufficiency (FSS)
  - HUD requires that every public housing authority (PHA) to run a Family Self-Sufficiency Program
  - Many PHA will contract out services, including counseling
    - Funded through a competitive NOFA or program administered by a public housing authority or Tribe
    - May be referred to a HUD-approved housing counseling agency
  - Escrows may also be set up for saving for homeownership

# Public and Indian Housing (PIH) (cont)

- Other PIH programs
  - Operating Funds may be used for housing counseling activities (rare)
  - The Resident Homeownership Option program (if implemented) requires that housing counseling be provided
  - The Rental Assistance Demonstration (RAD) Program or Conversion of Distressed Public Housing to Tenant-Based Rental Assistance (TBRA)
    - Counseling necessary to assist tenants to relocate
    - May be contracted through a request for proposal (RFP) to a third party

# Federal Housing Administration (FHA)

- Home Equity Conversion Mortgage (HECM) Program
  - Housing counseling is required
- While not all FHA programs/products require housing counseling and/or certified counselors, funds may be available from lenders and other partners

# Other Federal and Non-Federal Funding

# Other Federal Funding

- U.S. Dept. of Agriculture – Rural Development programs including 502 and 504
- Health and Human Services (HHS)
  - Temporary Assistance for Needy Families (TANF) and Maintenance of Effort (MOE) funds for homeless counseling
  - Assets for Independence (AFI)
  - Community Services Block Grant (CSBG)
- Veterans Administration (VA)

# Non-Federal Funding

- Sources might include:
  - Federal Home Loan Bank (FHLB) members
  - Banks
  - Foundations
  - Employers (e.g., employer-assisted housing grants)
  - Insurance and loan servicers
  - Fannie Mac/Freddie Mac
  - Habitat for Humanity or other non-profits providing first mortgage financing



# Non-Federal Funding (cont)

- Sources might also include:
  - State Housing Finance Agency
    - Mortgage Revenue Bond (MRB) programs and other home loans
  - State and Local Housing General Funds or Housing Trust Funds
  - Other housing development programs
    - E.g., land trusts, inclusionary zoning development of affordable housing, etc
    - Contracted directly by a owner/developer of inclusionary units

## Polling question 3: What funds are you likely to pursue in the next year for your housing counseling program?

1. Other HUD Funds
2. Other Federal Funds
3. Non-Federal funds (private, fundraised funds, state and local)
4. All of the above
5. None of the above – we're good

# Wrap Up

# Seeking Out New Funding Sources

- Identify the provider and determine the type of counseling services that might be needed
- For those that counseling is optional tell the story of the benefits of housing counseling; for programs required to provide HUD certified counseling demonstrate your agencies capacity to provide the needed services
- Define the scope of services to be provided and your cost then work to put a written agreement in place

# Resources

- HUD Exchange OHC Main and Program Applicability (incl. HECM)
  - <https://www.hudexchange.info/programs/housing-counseling/>
  - <https://www.hudexchange.info/resources/documents/Other-HUD-Programs-Covered-Under-HUDs-Final-Rule-for-Housing-Counseling-Certification.pdf>
- HUD Exchange CPD Grantee Contacts
  - <https://www.hudexchange.info/grantees/>
- HUD Exchange CDBG-DR Grantee Contacts
  - <https://www.hudexchange.info/programs/cdbg-dr/cdbg-dr-grantee-contact-information>
- HUD PHA Contacts
  - [https://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/pha/contacts](https://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/pha/contacts)
- HUD Exchange Program Information (CPD, some PIH/MF)
  - <https://www.hudexchange.info/programs/>
- HUD PIH Programs
  - [https://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/hcv](https://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv)
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  - <https://portal.hud.gov/hudportal/HUD?src=/RAD>

# Resources (cont)

- Other Federal Links (USDA, VA)
  - <https://www.rd.usda.gov/programs-services/all-programs/single-family-housing-programs>
  - <https://www.benefits.va.gov/homeloans/>
    - <https://www.vets.gov/housing-assistance/home-loans/loan-options/purchase-loan/>
- State based links
  - <https://www.ncsha.org/housing-help>
- Federal Home Loan Bank
  - <http://www.fhlbanks.com/>

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