

Date: June 28, 2023

Title: 062823-848132-HUD-SHOP

Speaker 0 00:00:00 Welcome to today's call, self-Help Home Ownership Opportunity Program, national Listening Session. Please note that all audio connections are muted at this time. Please ensure you've opened your chat panel and you can pro send a message to the host if you need help connecting. And with that, I'll introduce Marian mct. Please go ahead.

Speaker 1 00:00:23 Thanks. Hi everyone. I'm Marian McFadden. I serve as the principal deputy Assistant Secretary for Community Planning and Development here at HUD. Thank you for taking time to join us today. Uh, you may be calling in to learn more about the shop program, or you may be a grantee who's administered shop for many years, um, who wants to give us some feedback. We got a great turnout, so we're very, uh, happy that you're all willing to make the time to do this for us. Um, we have been running the shop program since it was authorized in 1996, so almost 30 years ago. And it exists to encourage innovative home ownership opportunities on a geographically diverse basis across the country for the provision of self-help housing, which you may know as sweat equity programs. Uh, what you may not know is that the shop program is actually dear to my heart because, um, when I first started my career, I worked in HUD's, office of General Counsel and Shop was the first program I got to work on.

Speaker 1 00:01:26 And so, um, if there are any old timers on the line, I worked very closely with Lou Thompson. The program has changed a bit over the years. Um, one thing that has changed is the movement of the program, which is now led, um, under the leadership of Deputy Assistant Secretary Robin Keegan and office director Jackie Williams. So the program is in strong hands there. Um, but really it exists because the great work that existing and prior grantees do to really serve families is what compels Congress to provide funding for the program every year. So thank you to those of you, uh, who have supported this program for, uh, one year or multiple years. We are very interested in hearing your thoughts and we're holding this listening session today because we know that there are opportunities to modernize and improve the way that we roll the funding out so that you can administer it, uh, with less burden and hopefully make it easier to access the funds in the first place so that we just make it easier on you to do your job and maybe even, uh, to use the funds more quickly.

Speaker 1 00:02:38 One example of feedback we've gotten in the past, um, is the need to increase the per unit cap. So it had been set for many, many years at \$15,000, and we took a hard look at that and identified that of course, costs were going up for land acquisition, uh, and construction. And so we did make that change to increase the per unit cap by \$10,000. Uh, we have not yet turned to the, the newest NOFO funded for fiscal year 23, but last year we made an announcement of 12.5 million in shop awards for four national and regional organizations. So they're doing, uh, sweat equity, home ownership programs for low income families. And just in that one year of funding, we know that we're going to help complete at least 414 shop housing units, which is, uh, a real joy for us. Uh, so before we turn to the next year, we wanted to take this opportunity to solicit some feedback. Um, and that's why we have the questions that, uh, we're posing to you today. We want to do all we can in partnership with you all to either help you get in and get a first grant or to keep it going, um, administering these funds because we so value our partnerships. With that, I'm going to hand it over to our Deputy Assistant Secretary for Economic Development, Rob Robin Keegan, who's been a longtime champion of nonprofit organizations. Robin,

Speaker 3 00:04:07 Thank you Marian. Um, thank you for your ongoing support of the program and its continued success. I'm going to talk very briefly because this listening session is really for you. We

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want to hear from you. We want to know ways that we can improve the impact of this unique program. We're proud of this program's long history. We're almost at 30 years, but we know that as, um, Pete, as McFadden mentioned, there are ways that we can modernize our delivery of the program to help improve the impact on the ground. We have five questions that we're going to talk about today around the cost concerns, other barriers to self-help home ownership, and ways we can improve the program, including how we can achieve more equitable outcomes in the communities that grantee serve. With that, I just want to thank you and I'm going to turn it over to Director Williams, and then we will get into our questions.

Speaker 0 00:05:18 Director Williams, please be insured to unmute your line.

Speaker 2 00:05:24 Thank you, Robin. Today, HUD engages leaders of national regional, local affiliate organizations and consortia of multiple nonprofit groups that directly undertake self-help housing projects. In this open forum to hear from you, this listening session will offer an opportunity for us to ask a few questions about shop and listen to your responses. This webinar will be recorded now, just a little background on the shop program, how awards shop grant funds to eligible national and regional nonprofit organizations and consortia to purchase home sites and develop or improve the infrastructure needed to set the stage for sweat equity and volunteer based home ownership programs for low income persons and families. Shop funds must be used for eligible expenses to develop decent, safe, and sanitary non luxury housing for low income persons and families who otherwise would not become homeowners home buyers must be willing to contribute significant amounts of their home own sweat equity toward the construction and rehabilitation of their homes. All program requirements are listed in the applicable shop notice of funding opportunities nofo. Once the NOFO is published, eligible applicants made applied through [brent.gov](https://www.brent.gov) to learn more about shop visit [hut.gov](https://www.hut.gov). And now we want to start engaging our conversation. Um, Robin will introduce the first question, and so we'll move to our first slide, please, Robin.

Speaker 3 00:07:15 Thank you, Jackie. Um, as we mentioned earlier, previous grantees have shared that the rising cost of land and construction in many communities has resulted in the increase in costs, um, for acquiring land and making, um, infrastructure improvements, which has, um, impacted severely the, um, the impact of the community and how many homes could be conveyed through the program. You'll note that for those of you that have participated in this program previously, that in fiscal year 2022, in our notice of funding availability, we increased the per unit cap from 15,000 to 25,000 to better keep with, um, current costs of construction and land acquisition. HUD's, office of Policy and Research Development have recently conducted research on the per unit cost to justify and support that that increase. Our first question is, how has the cost of land changed in your communities? And for those of you that may be current or past grantees of the shop program, has the cost of land impeded your ability to acquire land for your projects? We would invite you to, um, unmute and to share with us your experience

Speaker 0 00:08:48 If you'd like, if you'd like to respond verbally, you can please click the raise hand icon at the bottom of your screen, or you can put your response into the chat. Paul, you're unmuted. Please go ahead. I would like to suggest you please type your responses into the chat.

Speaker 5 00:10:06 Currently, we have received a few chat questions. We can get to them a little bit later, but people are starting to, uh, respond by putting questions in the chat.

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Speaker 3 00:10:19 Also, I'm seeing a chat, um, to the Michelle and the producers that the mute is locked, um, which is why they're not able to speak.

Speaker 0 00:10:29 If everyone, if people who want to speak would raise their hands, I can unlock them.

Speaker 7 00:10:44 Hi, this is Jessica Anderson from Habitat for Humanity. Just want to ensure that I can be heard.

Speaker 0 00:10:49 Yes, please go ahead.

Speaker 3 00:10:51 Yes, thanks.

Speaker 7 00:10:52 Thank you so much. Uh, first, just want to thank you all for, uh, hosting this listening session. We really appreciate the conversation around the shop program. Um, and then secondly, I just want to say also thank you for the efforts to increase the nofo, uh, the per unit cap from 15 to 25,000 per unit. That is a huge, um, uh, uh, that will have a huge impact on habitat's work as we have a large geography across the country. Habitat, as many of you know, work in all 50 states, and we have been seeing land, uh, uh, prices increase all over, whether it be in urban, suburban, or rural communities. So we really do see that more of our Habitat affiliates that participate in the shop program, um, we're very excited to see this per unit tap increase to allow, uh, the shop funds to go to greater use in their efforts to build, uh, homes for home ownership. So, um, just want to say thank you, and we do see that this will have significant positive impact, um, as Jackie had noted, and the question has noted, uh, states that land, uh, cost along with everything else have increased significantly.

Speaker 3 00:12:06 Thanks, Jessica, I appreciate that. Um, I know that, uh, Mr. Lipitz from Hack is also trying to get in, so I'm not sure if you were able to, um, as you're, as we're trying to unlock, uh, the, um, additional participants, I just a compendium question to that first question is really, um, and Jessica and others, just making sure that we can understand if the 25,000 seems the appropriate amount for these types of costs in your community, it tracks with what we've done in terms of our research. Um, but, you know, just wanted to hear if that is around the sweet spot of what, uh, the challenges are in the community for rising costs.

Speaker 8 00:12:57 This is Jeannie Sha, can you hear me?

Speaker 7 00:13:00 Yes, please

Speaker 3 00:13:01 Go ahead. Ahead. Yes. Thank you, Jeannie.

Speaker 8 00:13:02 Yes. Oh, great. Wonderful. Um, so the cost

Speaker 3 00:13:07 Of land, would

Speaker 2 00:13:09 You state your name and organization and

Speaker 8 00:13:12 Then comment? Yes. My name is Jeannie Shaw. I'm with Terra Elso Housing Corporation. Um, we provide shop home ownership opportunities in three states, um, New Mexico, Arizona, and Colorado. And we have seen a significant cost, um, in increase in land values over the past few years. Um, land values have practically doubled or are on their way to being two and a half times what we, uh, paid previously. I don't see any indication that that upward pressure is going to diminish

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much in the future. And the same, uh, rising cost of constructing infrastructure. Um, very, very expensive. Uh, many times when these, uh, projects are proposed at, at the time of the shop application, uh, we have a cost estimate in hand, and by the time the infrastructure gets ready to be built with, uh, subdivision plans and contractors, et cetera, um, those infrastructure costs have also increased significantly. So then we are, um, we have to come up with the gap, and fortunately we've been able to work with, uh, local and community lenders to cover that gap. Um, but, uh, the concern is that the, um, uh, we, we don't want to exceed, um, total costs versus what the ultimate value of the homes are or what the family can afford.

Speaker 8 00:14:53 So the increase in shop funds from 15 to \$25,000 per lot is definitely a, a wonderful aspect to covering more of those costs. Thank you.

Speaker 3 00:15:12 Thank you, Jeannie. Appreciate that. Are there any other, uh, in comments for this particular question? If you do have a comment and you're not able to get in, oh, sorry. Is there someone who can come?

Speaker 9 00:15:46 Yeah, I believe I've been unmuted. This is Jeff nicely with, I'm Jeff nicely with Community Frameworks, one of the shop grantees and, uh, longtime, longtime grantee. And I'm longtime employee, uh, with community frameworks. And, and, and prior, I, I worked for a community frameworks, uh, shop affiliate, um, and have seen, um, uh, at, you know, echoing in part what I've heard already, uh, significant increases in the cost of land, and then that has to be, of course passed on to the home buyers. So it is getting more difficult to, um, more and more difficult to, uh, qualify home buyers, uh, for these opportunities. And in, in a few cases are affiliates because of the cost of land in their, uh, service areas or, uh, due to, uh, the competitive nature, uh, competing with private developers for the limited resource of land. Um, uh, there have been some, you know, affiliates who have had to shelve their programs, uh, because of, uh, uh, because of those dynamics and which of course creates that, uh, situation of, of, um, fewer opportunities for the local, uh, community members, uh, to, uh, pursue home ownership. And yes, I, I, again, echoing, um, what has been said, the, our affiliates and community frameworks very much appreciate the, uh, the increase to the \$25,000 per unit. Uh, we're anxious to get under contract, so we, uh, for that so we can, uh, for our new grants so we can, uh, proceed to, uh, issue earmarks and, um, and our, our affiliates can start to plan, uh, for, uh, the use of those, uh, uh, those new funds. Thank you.

Speaker 3 00:17:49 Thank you so much. I appreciate that. Any other, um, responses for this question? And again, if you haven't been able to get in, we apologize for the technical difficulty. Please do use the chat, um, again, if you, if you're not able to do the raise the hand function. Um, but Jackie, I would suggest that we can move on to the next question, maybe the next question since we knocked those two out there.

Speaker 10 00:18:29 Good afternoon, everyone. I'm delve Bryant with the Office of Rural Housing and Economic Development, and I'll be asking the next question, what other barriers to creating this model of self-help sweat equity, affordable housing at the national, regional, or local level? If you would like to speak, please raise your hand so that you can be unmuted by our producer. Thank you.

Speaker 0 00:19:11 Once again, please use the raise icon, the bottom of your screen to be unmuted. Thank you.

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Speaker 3 00:19:20 And this is,

Speaker 8 00:19:23 This is from Del Salt. Um, regarding the barriers to creating a model of self-help with equity at the national, regional, and local level, I think one of the things is I, I see self-help as a vehicle for low income families overcoming the barrier to home ownership, but I don't see that there are other mortgage products that support that, uh, similar to what the U S D A section 5 0 2 loan allows, where you, the home buyer can use the funds to put it into a construction account, build the homes with their sweat equity, and then have a closeout at the end. Um, so I, I would like to have that explored. Is there a financial product that can mimic what, uh, 5 5 0 2 loans provide? Um, there, of course, 5 0 2 loans are, are limited to only rural communities. Um, you know, if there was a similar product that you could use in urban areas, I think that this would really be a boon for low income families that are basically every day get more locked out from becoming homeowners. Thank you.

Speaker 10 00:20:58 We have a comment from David Lipes in the chat. So many other barriers such as higher construction costs, higher interest rates, and limited availability of skills, labor. Some of the other barriers to this model,

Speaker 7 00:21:19 This is Jessica from Habitat for Humanity. Um, I want to echo what David just put in the chat about higher construction costs and interest rates and limited availability of skills labor. I think another thing to add that we are trying to wrap our head around as potential, um, impacts slash barrier is the Build America by America provisions. That was, that were included, um, in the, I think it was the bipartisan infrastructure law. Um, I know HUD has been working on figuring that out and the implications, but when it's already so expensive to, uh, build affordable housing for low and moderate income individuals and families, uh, the potential of having to then also add the b uh, the Build America Buy America provisions potentially to shop projects is just another added barrier. So, um, I don't know what everything is around that, but, uh, and the implications for shop specific pro programs, but wanted to flag that as a potential concern barrier.

Speaker 10 00:22:31 Thank you. And, uh, we have a full disclosure note from Eileen Ley who is using David Lipsit. Uh, I email link. Thank you Eileen, for letting us know. We'll make sure to attribute comments, uh, appropriately. Thanks. If there are no other comments, we will move to question three. Oh, wait, we do have a question that just, uh, popped up in the chat and something for our panelists to think about, um, as we do move to question three. What about cottages? Would that be included in that category as built in America for America? The By America Build America at Baba Jot, that's tied to a previous comment about, from Ms. Anderson about the cottage style and doing tiny homes assembled off site and brought and put together on site that could be used for land that had previously been harder to use or access in a lease or outright purchase for this use. With that, we will move to question three. How do leveraging strategies make shop financially viable?

Speaker 3 00:24:00 JoVE, just really quickly before we get there, Ms. Anderson, we'll, we'll consider what you're asking about I in, in light of the requirements for the Self-Help Home Ownership program, um, because we do require sweat equity from the homeowner, um, typically built, the homes are built on site, but we, we will take that under consideration. So I appreciate your question. Um, both for that and for the Build America By America, sorry, go ahead.

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Speaker 10 00:24:29 Oh, no problems at all. Again, question three, how do leveraging strategies make shop financially viable? And again, you may provide comments via the chat or raise your hand to be recognized and unmuted by our producer.

Speaker 9 00:24:55 It's Jeff nicely, again, with community frameworks and, um, uh, pretty simple answer that, um, operating shop funded programs, uh, and the sweat equity programs in many, uh, communities in, in the Northwest are not viable at all without leveraging, without very significant leveraging. And so the, besides the mortgage question for the home buyers, uh, the additional subsidy, uh, for, um, uh, for land acquisition for infrastructure is, is, um, uh, is essential, uh, with sometimes lots, uh, developed, lots costing, uh, more than a hundred thousand dollars in, in some of our service areas. So \$25,000 is an impact. Uh, but, uh, without leveraging, um, our affiliates, um, uh, would be unable to operate their programs. And their, their, their strategies vary, of course, uh, from, uh, using C D B G or, or home funds. Um, uh, there's, you know, the philanthropy side is, you know, for some organizations they, they can, uh, uh, they can, uh, work with, uh, uh, community fund funds, philan, philanthropic, um, uh, funding, uh, but, uh, oftentimes, uh, it's going, uh, having to use, uh, lines of credit with banks with higher interest rates. Um, and that of course, presently is, uh, is, um, growing concern makes, and the higher interest rates makes it even that more, much more difficult, uh, for projects to pencil.

Speaker 10 00:27:03 Thank you for your comment, Jeff. We, we welcome Any other comments and thoughts regarding leveraging strategies to make shop financially viable?

Speaker 8 00:27:32 This is Jeannie Shaw, again with Teal Saul. Uh, and I agree, uh, with what has previously been said, uh, leveraging is the only way that shop is viable. Um, shop does help to cover a big piece of the ultimate cost of the projects. Um, but without having the remaining funds to cover land acquisition or infrastructure or home construction or after the home is completed, having sources of, uh, mortgage lenders to finance the mortgage for the home buyers, uh, within the parameters that are affordable for low income families at that, um, 33% of monthly income, uh, uh, front end ratio. Um, so it, it would not be successful without all those partnerships being in place. Thank you.

Speaker 10 00:28:46 Thank you, Jeanie, for sharing those comments. We have a comment from Jessica Anderson. We second that leveraging is a critical part of making the program successful. It's a critical source, but other resources are necessary.

Speaker 10 00:29:07 And again, if you have any comments or thoughts, please raise your hand to be unmuted by our producer. We have a comment question that has just come into the chat from Patricia H. Ross. I know that HUD has been looking at manufactured homes as another way to build economically sound homes. If this is the case, would this make leveraging, um, the leveraging amount decrease? And a comment from Jerron, Brandon, please excuse, if I pronounced mispronounced your name, \$25,000 in California does not unfortunately get very far. Perhaps if it was able to be applied to a, and some things for our hunt leadership to think about in the future, uh, coming of the shop program with that and seeing that there are no other comments, we'll move on to question four.

Speaker 8 00:30:36 Uh, hello, this is Jeannie Shaw again. I just wanted to comment on, um, the discussion about using manufactured housing, uh, for shop homes. Um, because of the sweat equity element, even though it's very minimal, if you're, um, not doing a 5 0 2, um, mutual self-help housing construction, um, the HUD has typically viewed manufactured units as coming as finished, and they don't typically view landscaping as an eligible sweat equity contribution. So there would be some other,

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um, type of construction that would have to be incorporated if, uh, I'd ultimately approve the use of manufactured housing units, um, that that may help to reduce the cost of the homes, um, in some areas. Um, but I find that under the 502, um, mutual self housing program with the families contributing 65% of the labor, they are, um, earning significant amounts of sweat equity at this time. Uh, generally, um, over 20 or \$30,000 upwards I've seen of, uh, 70, \$80,000 depending on what the market's doing with home values. So, um, and then, uh, ADU because shop is limited to, um, being used for acquisition or infrastructure, the only thing that you could use shop funds for if you were doing an ADU would be if you had to put in infrastructure to serve the ADU, which is sewer and water and electrical and things like that. So, um, yeah, I guess that deserves more discussion. Thank you.

Speaker 10 00:32:39 Thanks Jamie. And we did have some additional comments. Get going to your points from Paula Arnot, and apologies if I'm mispronouncing your name, \$25,000 doesn't get very far in rural Missouri either that doesn't cover the cost of laterals and, uh, and which are b laterals, meaning water and sewer laterals. And from, uh, Samantha, we are sorry to see you go, but we thank you for joining today's call. With that we'll move on to question four. In addition to the shop equity model, shop has an impact on small businesses and communities that supply material. Who are the suppliers that support the construction and conveyance of housing units changed? Jean, I see that your hand is raised.

Speaker 8 00:33:44 Uh, yes, thank you. Um, I, I, I haven't seen where the suppliers have changed as much as the pricing has changed. Um, but they are buying those supplies locally. Um, so, uh, in, in some of the communities where subdivisions are being built, it does contribute significantly to the economic, um, activity in that community. So, uh, I haven't, um, uh, I think, um, most, most of our, uh, shop grantees are very dedicated to negotiating the best price for the home buyers that'll be building the homes. So, thank you.

Speaker 10 00:34:37 Thank you. And to clarify, we are asking who are the suppliers that support the construction and conveying conveyance of housing units in your localities or for your affiliate organizations that you work with? And again, you know, please raise your hand if you would like to speak live, or you are more than welcome to type your comments in the chat and just, I see that your hand is raised, Jeff nicely.

Speaker 9 00:35:19 Yes, thank you. Um, yeah, our affiliates, uh, certainly use, uh, local suppliers and, um, and contractors. Uh, the, uh, of course the elephant in the room is, uh, uh, the pandemic and, uh, the cause, uh, the, uh, uh, the consequences of the pandemic have been, uh, in, have included that. There are in some areas of some, some trades, uh, fewer, uh, fewer suppliers, fewer contractors, that is suppliers of course. The, uh, inflationary impact, um, has, has been extremely significant. Uh, so, um, of course, fewer suppliers, fewer, um, uh, contractors means higher costs. And, and also a lot of developers, um, uh, of, of raw land, uh, the, uh, the developers of the building, lots that our affiliates, uh, purchase lots from, um, uh, were slowed very significantly. So until we get out of this, uh, uh, this, the fog of, uh, uh, the pandemic, um, uh, there's going to be continuing issues. Fortunately, I am hearing that, um, that some costs have stabilized, uh, some have reduced, but others are seeing it's the new normal, uh, those, uh, the higher costs, um, and the, um, uh, the lower number of, of, um, contractors available in their, in their service areas, especially in the rural areas.

Speaker 10 00:37:10 Thank you for those insights, Jeff. We have received some comments via the chat from Patricia Ross. Yes, I agree. The supplier prices have gone up such as Lowe's and Home Depot from Parer Ock. Local suppliers will stay in business if they are more than a hundred miles from a major

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metropolitan area. Otherwise, they order from bigger supply houses if they are within 100 miles from Jerron. Brandon, as background, I live in a rural, relatively cheap area that produces timber. It's fairly blue collar and capable an outside that doesn't use this program much. Our medium home price is still near \$400,000. The average in the state is \$800,000. If such a program could be aligned with job programs that pays them to work on it, perhaps that could stretch it or an individual being able to apply for the program where jurisdiction has pre-approved a D U type designs and gets their own contractor.

Speaker 10 00:38:25 A comment from Paula Ache, contractors who are local within 30 or 40 miles of this site will come in. Another comment for jerron pre-apprenticeship program cohorts are a tool to developing that workforce, as is funding for school CTE programs that gets them in the pipelines. Also from Paula Aox, developers often use contractors and suppliers who are loyal to them no matter where the project is. And from Jessica Anderson, we echo Jeff's comment. Habitat affiliates are having issues getting an adequate number of bidders at times. There are instances where they only get one bid. This is mostly in relation to contractors, but we don't see the number of local suppliers increasing, just prices increasing. And I see that Jeff nicely has his hand raised.

Speaker 0 00:39:31 Yes, please go ahead.

Speaker 9 00:39:32 Thank you. Um, I just had another thought, and I think this is, uh, the best place, uh, this question is, uh, appropriate for, for this additional comment. I think an un unintended consequence, or I know an unintended consequence of the increase to \$25,000 per unit is that more of our affiliates projects that, um, where we are financing infrastructure, um, will trigger section three. It had been that it would, it took up to 14 units of shop financing at \$15,000 per lot, um, uh, before, uh, the section three requirements were triggered. Now it is eight units. And so that is for some of our affiliates, that's daunting. Uh, we, of course, we embrace the, uh, the good intentions of the section three rules, um, in terms of providing, uh, making sure that, uh, significant portion of those, uh, that contracting and those job opportunities, uh, go to local, uh, businesses that employ low income, low income residents. Uh, so that, that, that aside, um, I would, I would implore that, uh, the, uh, shop, uh, management team at HUD, uh, tried to work with the other, um, whoever, you know, the others in HUD that oversee section three, uh, to increase that \$200,000 threshold. Uh, because that \$200,000 threshold has, is not, uh, for triggering section three, uh, requirements is not taking into consideration the higher costs of contracting and, um, and materials.

Speaker 10 00:41:29 Thank you for that additional comment and insights. And Jeff, I see that you have your hand raised again. Would you like to add any additional comments?

Speaker 9 00:41:43 Uh, no. I, it's the click, it's the clicking thing. Thank you. Oh,

Speaker 10 00:41:51 Thank you. And seeing that there are no additional comments in the chat, we will move on to question five. Recently, in an effort to increase equitable health outcomes, HUD included funding cap on the organizational categories, national, regional and consortia. What are the ways that organizations supporting self-help home ownership programs plan for and ensure equity in selection and success of homeowners in the self-help program? And you may raise your hand or type comments in the chat. Uh, David Lipsit, uh, and I, we Neely will be speaking. Aileen, I believe you are able to speak now. If you could open the line for David Lipsit. Thank you.

Speaker 0 00:43:17 Yes, David's unmuted. I might be some audio connection issue there.

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Speaker 10 00:43:32 Okay. Ilene, if you would like, just raise your hand again under David's profile. And again, if you have a comment that you'd like to provide live, please raise your hand or you're welcome to check to type your comment in the chat,

Speaker 12 00:43:50 Figured out how to unmute myself. Um, so this is Eileen. Thank you for recognizing that I'm Eileen and not David. I don't really understand the, uh, rationale behind the thinking that putting the funding caps on the organizational categories, um, really increased equitable outcomes. Um, if you're trying to get into new states, relying on the national organizations and instead of the regional and the consortium might have better impact. So I just don't understand that the rationale behind that. Um, I, that's my comment.

Speaker 10 00:44:44 Eileen, thank you for your comment. I see the hand of Jessica Anderson raised.

Speaker 7 00:44:53 Um, I think Eileen kind of stole part of the answer, uh, part of my answer as well. I think we're still at Habitat trying to understand how the buckets are achieving, um, equity. And so I think understanding HUD's perspective on that would be helpful. I see from our perspective, we now see with the 22 nofo with the, uh, HUD including caps for, or, uh, for the organizational categories, it has led to a majority or at least half of the funding, um, being just focused on the West coast versus organizations that work in 45 to 50 states work in all types of geographical, um, racial different, uh, types of categories. We have a ways to, um, there's many different ways that our affiliates are ensuring equity in the selection and success of homeowners. Uh, I would say that with the shop program, we are able to support home buyers becoming homeowners through the shop program with, from lots of different backgrounds, whether it be, uh, economic, racial, uh, first time home buyer, et cetera. And so I think if we could get more un uh, more background, more understanding of the goal of capping the organizational categories to achieve equity, that would be helpful. Cause I think we, looking at it just through a geographical lens, it does not seem to be more equitable with most of the funding being targeted just to the West Coast in and of itself.

Speaker 3 00:46:29 Hi, this is Robin. So I would just, um, say, this is why we have this question because we know that we've gotten comments back about your, the question that you asked and, uh, the question that Eileen asked, so that what we're, what we're trying to understand through this question is really what are your recommendations, how you do it. And I thank you for sharing how you do that work, um, in terms of ensuring equity, that that's really the, the genesis of this question so that we can rethink, uh, the potential strategy. That's why we're asking the question.

Speaker 10 00:47:13 We have two raised hands, and we'll start with David Lip. I,

Speaker 12 00:47:20 I, I can, uh, tell you what Hack does in terms of ensuring equity. Um, we have a very competitive process to select our affiliates. Um, and so we, when we review all of our applications, and we're often oversubscribed by three or four times, which shouldn't surprise, um, hu since you are too in the shop program. Um, we school give extra points for people who have a, um, more diverse wait list than the PO than the county that they're serving with their current, um, within their current project. We give, um, points to organizations that are represented both on their board and their leadership and in their staff at a more diverse, um, uh, way than the county in which they're located. We also give higher points to organizations who are proposing to serve, uh, a higher percentage of extremely low and, um, very low income families. So those weigh heavily in our scoring and selecting of our affiliates and our awards.

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Speaker 10 00:48:44 Thank, thank you Eileen and Jessica Anderson in our chat. Thanks, Robin. Helpful to think this through more with you all in parent and question two questions from Williams Jones. Uh, will this session recording be sent, registered attendees? And also is there a directory of attendings, attendees where we can reach out to others? And I will defer those questions to our directors. Raquel, we will follow up with you after today's webinars. Um, if there are no other comments to questions to question five or any of the previous questions, I will now turn the program over to Robin

Speaker 2 00:50:27 And Jackie for closing.

Speaker 3 00:50:32 Thanks Jo. Um, sorry Jackie, did you,

Speaker 3 00:50:38 Uh, I just wanted to say, yeah, I just wanted to say thanks everyone, um, for this time. We really, this is really important feedback to us. Um, we definitely appreciate the questions in the chat. We definitely appreciate the dialogue. Um, we will, the, the importance of this is really as we stated upfront and as our, uh, principal, deputy assistant Secretary Mary McFadden stated, is to sincerely integrate this, um, information into how we think about this program and how we, um, develop our next nofo as well as future nofo. Um, notice of funding availability for those of you that are not in the lingo, um, sorry about the acronym, but we just really sincerely appreciate the partnership. Um, for those of you that have been or are currently part of the program, and for those of you that are interested in this program, we really appreciate the time today. We know this wasn't as much of an info session as we have some time, so I would invite you to look out for those information sessions. Also look at our website, um, for the shop program to learn more. Um, and with that I just, again, just want to say some Sarah, thanks. And, um, turn it back over to Jackie for closing comments.

Speaker 2 00:51:57 Um, thank you Robin. Uh, I want to also thank those who participated as well. The conversation does not end today. Of course, at any time that you would like to provide comments about the Self-Help Home Ownership Opportunity program, uh, send us, uh, questions or comments at R H E d@hut.gov. Um, for more information about the shop program, visit hut.gov. Uh, and also be on an outlook for, uh, the next no phone notice of funding availability. They will be posted on grants.gov. And, um, that's it for today. Thanks and have a good week.

Speaker 0 00:52:43 Thank you for attending today's webinar and thank you for using event services. Your conference has ended and you may disconnect.