

**DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

**Office of Housing—Federal Housing
Commissioner**

[Docket No. N-95-3902; FR-3888-N-01]

**Notice Inviting National, Regional, and
Multi-State Nonprofit or Public
Organizations To Apply for Approval
as a HUD Housing Counseling Agency**

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

ACTION: Application for approval of national, regional and multi-state nonprofits or public entities as HUD-approved housing counseling agencies.

SUMMARY: This Notice describes the criteria for approval by the U.S. Department of Housing and Urban Development (HUD) of national, regional, and multi-state nonprofit or public organizations as housing counseling agencies and sets forth the application approval process.

All organizations wishing to participate in HUD's FY '95 housing counseling program must first receive HUD approval as a housing counseling agency. Although HUD has an established process for approving local counseling agencies, FY '95 will mark the first year that HUD will approve national, regional, and multi-state organizations for participation in its counseling program. National, regional, and multi-state nonprofit or public organizations that apply for HUD approval under this Notice are not necessarily guaranteed HUD housing counseling funding for FY '95. However, the HUD approval process outlined in this Notice is a prerequisite to the application for FY '95 funding by national, regional, or multi-state nonprofit or public organizations. The NOFA announcing the availability of FY '95 funds is expected to be published at a later date.

DATES: Complete applications must be submitted for HUD approval no later than 4:30 p.m. e.s.t. on May 10, 1995. In order to be assured of eligibility for FY '95 funding, all applications for HUD certification must be physically received by this deadline date and hour by Emelda P. Johnson, Deputy Assistant Secretary for Single Family Housing, Department of Housing and Urban Development, 451 7th Street SW., Room 9282, Washington D.C. 20410.

FOR FURTHER INFORMATION CONTACT: Written inquiries about this Notice may be mailed or faxed to the attention of Marion F. Connell, Office of Housing,

Department of Housing and Urban Development, 451 7th Street SW., Room 9282, Washington D.C. 20410; fax number (202) 708-4006. Telephone inquiries may be directed to (202) 708-0740 (voice) or (202) 708-4594 (TDD). Please note: these are *not* toll free numbers.

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act Statement

The information collection requirements contained in this notice have been approved by the Office of Management and Budget, under section 3504(h) of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501-3520), and assigned OMB control number 2502-0261.

I. Purpose and Substantive Description

A. Authority and Purpose

Section 106 of the Department of Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) authorizes the Secretary of HUD to provide, or contract with public or private organizations to provide, counseling and advice to tenants and homeowners with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership. In accordance with its responsibilities under the Fair Housing Act and other Civil Rights laws, the Department requires housing counseling agencies to be familiar with these laws. Appropriations acts for the past several years have consistently provided funds for counseling and advice under Section 106 to current and prospective tenants and homeowners. Under the counseling program, HUD funds housing counseling agencies which offer a range of services to renters, first-time homebuyers, and current homeowners.

In order to participate in the HUD program, housing counseling agencies must first be approved by the Department. In previous fiscal years, HUD provided all of its housing counseling funding directly to local housing counseling agencies. The approval process for local housing counseling agencies requires that the local agency submit information documenting minimum levels of experience and technical expertise. Once approved, these local agencies are eligible to apply for HUD funding. Currently there are 661 HUD-approved local housing counseling agencies, of which 431 received funding in FY '94.

For FY '95, HUD will fund both local counseling agencies and national,

regional, or multi-state nonprofit or public organizations. These national, regional, or multi-state nonprofit or public organizations (sometimes referred to as "intermediaries") will assist HUD to manage the use of housing counseling funds in a more efficient and effective manner. These organizations may use the HUD program to fund local affiliates which offer housing counseling services, and/or may provide counseling services directly to the public.

All national, regional, or multi-state organizations wishing to participate in the program must receive HUD approval before applying for funding. HUD will publish a separate NOFA announcing the availability of FY '95 housing counseling funding. In order to allow sufficient review time, the Department requires that all applications for approval as a HUD housing counseling agency be submitted by the date stated above. Organizations that are not HUD-approved as of the NOFA publication date will be ineligible to participate in the FY '95 program.

B. Applicability of Handbook

The Housing Counseling Program is generally governed by HUD Handbook 7610.1, REV-3. However, since the current version of that handbook did not contemplate the inclusion of national, regional, and multi-state housing counseling agencies, its provisions are hereby superseded with respect to this new category of participants. Although the handbook does not apply to this category of participants, these participants are responsible to provide, either directly or through their affiliates, housing counseling services of the same quality as are provided by the HUD-approved independent housing agencies that are subject to the provisions of the handbook.

C. Eligible Applicants

(1) Type of Organization

In order to apply for HUD approval under this Notice, an organization must be a nonprofit or public agency that is authorized to provide housing counseling; and a national, regional, or multi-state organization. (Local agencies may continue to apply for approval at the appropriate HUD Field Office under existing procedures.) For purpose of determining the type of organization, national, regional, and multi-state organizations are defined as follows:

- National organizations are entities that have branches or affiliates covering more than one regional area of the country.

- Regional organizations serve a "regional area" such as the Southwest or Northeast. The regional organization's operational boundaries need not conform precisely to the typically accepted definition of a particular area.

- Multi-state organizations serve two or more states. The states need not be contiguous and the operational boundaries of the organization need not precisely conform to State boundaries.

(2) Civil Rights Compliance

The organization may have no outstanding finding of a violation of: Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and regulations pursuant thereto (24 CFR Part 1); the Fair Housing Act (42 U.S.C. 3601-19); Executive Order 11063, as amended by Executive Order 12892 and HUD regulations (24 CFR Part 107); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and regulations issued pursuant thereto (24 CFR Part 8); Title II of the Americans with Disabilities Act of 1990 and applicable regulations at 28 CFR Part 36); the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and regulations issued pursuant thereto (24 CFR Part 146); Executive Order 11246 and all regulations issued pursuant thereto (41 CFR Chapter 60-1); and Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and regulations pursuant thereto (24 CFR Part 135).

II. Application Process

A. Submitting an Application Package

The signed original and one signed copy of the application information must be submitted in a sealed envelope addressed to Emelda P. Johnson, Deputy Assistant Secretary for Single Family Housing, U.S. Department of Housing and Urban Development, 451 7th Street SW., Room 9282, Washington D.C. 20410. Envelopes should be clearly marked, "Housing Counseling Application". Applicants should retain a copy of the application for their records. Where the application requests submission of existing legal or corporate documents, send only a copy—not the original document.

Applications must be physically received by no later than the date stated above in the "Dates" section. Applicants have the option of submitting their response to sections B 4-9 below after receiving preliminary approval. In that case, the first phase of the application must be submitted within five working days of publication of this Notice. HUD will respond by telephone within two working days of receipt of the first

phase. The second phase of the application must then be received by the date stated above in the "Dates" section of this Notice. HUD recommends a one-step application process in the interest of timeliness and efficiency for the applicant but is making the two-step option available in conformance with previous practice.

The above stated application deadline is firm as to its date and hour. In the interest of fairness to all applicants, the Department will treat as ineligible for consideration any application that is received after the deadline. Applicants should take this policy into account and make early submission of their materials to avoid any risk of loss of eligibility brought about by unanticipated delays or other delivery-related problems.

Facsimile (FAX) applications are not acceptable and will not be reviewed.

B. Application Content

Applicants must submit an application following the format prescribed in forms HUD-9900C and HUD-9900D to HUD by the date and time stated above. After review and approval of this application, HUD will send the applicant a letter stating that the organization is recognized as a HUD-approved housing counseling agency with a copy of HUD's standard approval certificate. The following sections of this Notice state the submission requirements for each portion of the application package.

All application materials should be on 8.5x11" paper and should be typewritten or produced using other methods of wordprocessing. For identification purposes, assure that the name and complete address of the applicant appear on the top or bottom of each page. Use the outline format specified below and do not deviate or add or skip sections. Applicants should ensure that submitted materials are clear and concise.

National, regional, or multi-state organizations seeking HUD approval as a housing counseling agency must submit the following information as part of their application package:

(1) Transmittal Letter

In the transmittal letter, or cover sheet, to the application, clearly list the following information about the applicant:

- Official name of organization;
- Acronym, if any, for official name;
- Address of main office; (If the applicant will use a location other than the main office for counseling coordination activities, please indicate this address as well.)

- Main office telephone and FAX number. Also, toll free 800 # if applicable;

- Name and title of chief operating officer;

- Counseling program administrator's name and title;

- The name, title, and telephone number of the person to contact regarding the organization's application.

The cover sheet or transmittal letter should be signed and dated by the person authorized by the applicant's governing body to submit this application. Beneath the signature and date, type the signer's name and title and affirmatively state that this person is authorized to submit the application.

(2) Executive Summary

Provide a one page summary of the organization's proposed housing counseling plan and describe how this plan meets the housing needs and problems of the organization's targeted population. Also note how the organization's resources will enable it to implement its plan.

(3) Type of Organization

- National Organizations: Note the number of the States where housing counseling services will be provided. State the number of offices (main, branch, or affiliate) where these services will be provided.

- Regional Organizations: State the name of the region where services will be provided. Note the number of the States which are included in the organization's region. State the number of offices (main, branch, or affiliate) where these services will be provided.

- Multi-State Organizations: List the names of the States where housing counseling services will be provided. For each state, list the number of offices (main, branch, or affiliate) where these services will be provided.

(4) Community Base

- Describe the applicant's experience and record of achievement in housing counseling during the past year. This experience should be specific to the communities where the organization proposes to offer housing counseling services.

- List the following information for all affiliates or branch offices:

- Official Name.
- Address, including ZIP code.
- Mailing address (if different).
- Telephone and FAX number (if a toll free number is available please note that number as well).
- Name, title, and telephone number of the person in charge of the housing counseling program.

Please note: The information requested in this section (b.) may alternatively be submitted at the time a HUD-approved organization applies for funding. HUD recognizes that some national groups are still forming their counseling network.

c. If housing counseling services will be offered to non-English speaking persons, please attach evidence of staff members who fluently speak the clients' native language.

(5) Target Area

a. Describe the organization's proposed target area for housing counseling, including: size of population; racial and ethnic make-up of the population; socio-economic factors; and age and condition of the housing stock. Do not exceed two typewritten pages.

b. State why the organization selected this particular target area and why the organization believes it is particularly well situated to service this area. Do not exceed one typewritten page.

c. If other housing counseling agencies serve this same target area, describe why the applicant believes that it should also target this area. Do not exceed one typewritten page.

d. List the U.S. Postal Service ZIP codes for all areas serviced by the main office and its affiliates or branch offices over the past 12 months.

(6) Housing Needs and Problems

Describe the housing needs and problems of the target area serviced by the organization. Include special needs and problems, such as those related to available housing stock, low income or poverty, homelessness, language, persons with disabilities, and ethnic, minority, and racial factors.

(7) Resources

Submit a narrative statement of the resources the applicant has on-hand as of the submission date of this application. "On-hand" is defined as the staff, facilities, and funding which the applicant either possesses or has a written commitment to receive but does not include amounts which the organization hopes to receive or plans to seek. Break out the statement of resources by staff, facilities, and funding categories:

- a. Staff.
 - Attach a brief resume for each person who will oversee the housing counseling program at the applicant's headquarters. Each resume should indicate position title and duties.
- b. Facilities.
 - Provide a general description of the applicant's facilities. State whether

privacy and accessibility for persons with disabilities is provided at each affiliate or branch location. An opportunity for privacy during consultation and reasonable accommodations for accessibility are required at each location. If access for persons with disabilities, including persons with mobility, hearing, visual, and other disabilities, is not possible at all sites, indicate how counseling will be provided to persons with disabilities as needed. Also state whether public transportation is available within a 15 minute walk of each housing counseling location, to ensure accessibility of all populations needing to be served.

c. Funding.

- List the sources and amount of funds available "on-hand" within the initial 12 month period of working as a HUD-approved housing counseling agency. The Department will give priority consideration to organizations that can demonstrate the ability to leverage funding received from HUD.

- Submit a copy of the organization's current housing counseling budget and indicate the sources of funds for that budget.

(8) Community Resources

List the names of the types of community resources from which you expect your branches or affiliates to receive services or other forms of assistance for clients either at your facilities or those of the resource. Community resources consist of the types of local, state, and federal public and private resources with whom the applicant expects branches or affiliates to have firm working relationships. This may also include other HUD-approved housing counseling agencies.

(9) Housing Counseling Plan

Describe in detail the housing counseling which will be provided by the applicant organization. This plan should take into account the resources, housing needs and problems, and target areas identified by the applicant. Be concise.

(10) Legal Status

Submit a copy of the document which verifies that the applicant is a nonprofit organization, such as a copy of a 501 (c) determination from the IRS, or official document duly authorizing a public agency. This document must include the official name, address, and telephone number of the entity that granted this status. HUD assumes, and the applicant assures, that all affiliates and branch offices are also nonprofit organizations or public agencies.

(11) Charter

Attach a copy of the organization's document that authorizes housing counseling activities. This document might include the charter, by-laws, board resolution, etc.

(12) Audit Report

Attach a copy of an audit report conducted within the 12 month period prior to the date of the application. HUD assumes and the applicant assures that affiliates and branch offices have also been audited within the last 12 months. If an audit has not been conducted within the last 12 months, certification must be received that one will be immediately undertaken, and a copy provided to HUD when completed. Regardless of how recently the last audit was done, a copy of the organization's most recent audit must be immediately submitted. The applicant must also assure that each affiliate or branch has a functioning management system in accordance with generally accepted accounting standards.

(13) Assurances and Signatures

Affirmatively state that the applicant will comply with the following requirements:

- a. Administer its housing counseling program in compliance with Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and applicable provisions of the Americans with Disabilities Act of 1990.

- b. Provide its housing counseling services without subagreements with agencies other than the stated affiliates and branches or other HUD-approved housing counseling agencies. Written agreements must be executed with affiliates or branches delineating the respective responsibilities of the various organizations party to the agreement.
- c. Represent its clients without any conflicts of interest on the part of the applicant or its staff that might compromise the agency's ability to represent fully and impartially the best interests of the client.

- d. Meet all local, State, and federal requirements necessary to provide the applicant's housing services. Agency staff must possess a working knowledge of all current laws and ordinances that relate to housing counseling, such as debt management and a range of mortgage loan products available in their area.

- e. Comply with fee guidelines set forth in HUD's Handbook 7610.1 REV-3, if the applicant plans to charge a fee to some of its clients.

C. Corrections to Deficient Applications

After the deadline, applicants that met the deadline may cure only non-substantive, technical deficiencies in their application. Applicants have a 14 calendar day "cure period" to correct deficiencies in the application that are not integral to HUD's review of the application. Applicants have 14 days from the date HUD notifies the applicant of any problem to submit the appropriate information to HUD. Notification of a technical deficiency may be in writing or by telephone. If the notification is by telephone, a written confirmation will be transmitted by HUD to the applicant. Such deficiencies should be cured prior to application for HUD funding; however, exceptions may be made if circumstances warrant.

III. Other Matters

Environmental Review

A Finding of No Significant Impact with respect to the environment was made in accordance with HUD regulations at 24 CFR part 50 that implement section 102(2)(C) of the National Environmental Policy Act of 1969, 42 U.S.C. 4332, in connection with the Notice of Funding Availability

published in connection with the Housing Counseling program on March 21, 1994 (59 FR 13366). That Finding is available for public inspection during business hours in the Office of the Rules Docket Clerk, Office of General Counsel, room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410.

Federalism Impact

The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, Federalism, has determined that this notice does not have "federalism implications" because it does not have substantial direct effects on the States (including their political subdivisions), or on the distribution of power and responsibilities among the various levels of government. This notice only affects multi-state, regional and national nonprofit or public organizations who want to apply to participate in HUD's program to provide housing counseling services, assisting and advising housing consumers about how to develop competence and responsibility in meeting their housing needs.

Impact on the Family

The General Counsel, as the Designated Official under Executive Order 12606, the Family, has determined that this notice has potential significant impact on family formation, maintenance, and general well-being only to the extent that the entities who qualify for participation in HUD's housing counseling program under this notice will provide families with the counseling and advice they need to avoid rent delinquencies or mortgage defaults, and to develop competence and responsibility in meeting their housing needs. Since the potential impact on the family is considered beneficial, no further review under the Order is necessary.

Catalog

The Catalog of Federal Domestic Assistance Program number is 14.169.

Authority: 12 U.S.C. 1701x; 42 U.S.C. 3535(d).

Dated: April 13, 1995.

Nicolas P. Retsinas,

Assistant Secretary for Housing—Federal Housing Commissioner.

[FR Doc. 95-10140 Filed 4-24-95; 8:45 am]

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