



Homeownership Education, Counseling and Training (HECAT) Fund

Application Instructions and
Program Overview
2016-2017

Homeownership Education, Counseling and Training (HECAT) Fund 2016-2017

Application Instructions

Thank you for your interest in the HECAT Fund. The Greater Minnesota Housing Fund (GMHF), the Family Housing Fund (FHF), the Minnesota Homeownership Center (the Center), and Minnesota Housing Finance Agency (Minnesota Housing) would like to announce the anticipated availability of limited funds under the HECAT Fund.

This Request for Proposal (RFP) focus is to provide financial support to eligible organizations to deliver a variety of homebuyer/homeowner education, counseling and training services to Minnesotans. The services that are HECAT funded include in-person homebuyer education, homebuyer counseling, home equity conversion mortgage counseling, and foreclosure prevention counseling.

Funds Available and Funding Priorities

Approximately \$1,500,000 is anticipated to be available statewide. However, this amount is subject to change prior to selections. The use of some funds may have donor-imposed restrictions.

While there is no maximum proposal amount for this RFP, remember that there are limited funds available. HECAT funders will ensure that an equitable geographic distribution of funds occurs within the selections, as well as ensure to the best of their ability that services will be provided on a statewide basis.

Funding partners will give priority in awarding grants under the HECAT program to those proposals that best address the following priorities:

- Low Income/Underserved Populations
 - Households with incomes less than or equal to 80 percent of the State or Area Median Income;
 - Underserved populations as defined by the funding partners as: individuals and/or households of color, single heads of households with minor children, and individuals with disabilities.

Technical Assistance Webinar

A technical assistance Webinar will provide applicants with an opportunity to discuss HECAT program requirements and ask questions about this RFP. An overview of the RFP and application materials will be presented during the Webinar. Participation is optional.

To view a recorded version of the Webinar, contact Debbie Wuerffel at debbie@hocmn.org.

Date: Wednesday, May 25, 2016

Time: 10:00-11:00 a.m.

[Register online](#)

Dates and Submission Information

Download the HECAT application materials from the [Minnesota Housing website](#). The HECAT application is a fillable Word document and the Workbook is an Excel spreadsheet.

Application Due Date

All application materials must be received no later than **3:00 p.m. on Thursday, June 16, 2016**.

Submit all 2016-2017 materials on the forms provided by Minnesota Housing to be considered for funding. The following will not be accepted:

- A partial or incomplete submission.
- Application materials submitted on forms that were **not** provided by Minnesota Housing for 2016-2017 HECAT funds.
- Previous application documents and/or workbooks.
- Faxed, mailed, hand delivered, or late submissions.

Submission Instructions

The online [Single Family Secure File Exchange](#) is the only method for submitting HECAT applications. Applications submitted any other way will not be accepted.

Once on the site, click Secure Upload and enter the following Recipient Email: SFUpload.MHFA@state.mn.us. Review the complete [upload instructions](#) for more information.

You can upload multiple documents at once. The application should be titled *orgname_application*. The program workbook must be saved as an Excel file and titled *orgname_programworkbook*. Leverage documentation must be combined into one .pdf and titled *orgname_leveragedocs*.

Limit your application narrative to 10 pages and use the forms provided. Do not include any materials other than those specifically requested as they will not be reviewed.

All submitted materials will be final at **3:00 p.m. on Thursday, June 16, 2016** and you will not be able to upload or replace files after that time.

Contact Ruth (Hutchins) DuBose at 651.297.3128 if you are having problems uploading documents. Since this submission process is new for HECAT RFP submissions, we encourage you to submit your application materials 1-2 days before the due date.

Award Notification

Notification of HECAT awards will be posted on [Minnesota Housing's website](#) at the end of September 2016, pending final approval of all funding partner boards. Agreements will be mailed to recipients by September 30, 2016.

Program Contacts

If you have questions regarding the application or would like technical assistance with your proposal, please contact:

Application Questions

Debbie Wuerffel
Minnesota Homeownership Center
651.236.8976 or 866.462.6466 x976
debbie@hocmn.org

Document Upload Questions

Ruth (Hutchins) DuBose
Minnesota Housing
651.297.3128 or 800.710.8871
ruth.hutchins@state.mn.us

Role of Funding Partners

Four funding partners have come together to offer HECAT resources through a single statewide RFP process. Each of the funding partners contributes financial resources and participates in the grant-making process. Below is a summary of the role each partner will play in this RFP.

Minnesota Housing: Provides technical assistance to RFP applicants, participates during the initial review and the selection committee review scoring process, and participates in determination of funding award amounts. Minnesota Housing is responsible for administering program agreements. Minnesota Housing's board approves final awards.

Minnesota Homeownership Center: Provides technical assistance to RFP applicants, participates during the initial review and selection committee review scoring process, and participates in determination of funding award amounts. The Center is responsible for all aspects of reporting for the HECAT fund. The Center provides certification and ongoing training for homebuyer education, homebuyer counseling, and foreclosure counseling. The Center provides technical assistance and participates in monitoring of the funding recipients. The Center's Board of Directors approves final awards.

Greater Minnesota Housing Fund: Participates in selection committee review scoring process and determination and approval of funding award amounts. Their Board of Directors approves final awards.

Family Housing Fund: Participates in selection committee review scoring process and determination and approval of funding award amounts. Their Board of Directors approves final awards.

Selection Process

I. Initial Review

Applications will be reviewed and scored by two reviewers. Applications that receive a total score of 30 or higher will be forwarded to the selection review committee for further review or funding determination.

Section	Maximum Points
1. Quality of Housing Counseling Activities (Program Delivery Plan, Need and Extent of Problem Target Service Area/Partnerships, and Outreach Plan)	20 points
2. Evaluation and Results	20 points
3. Budget and Leverage	20 points
Total Points for Initial Review	60 points

II. Selection Committee Review

Representatives from each funding organization participate in the selection committee review meeting. Each selection committee representative scores applications as pass or fail. Applicants must receive at least three passing scores during selection committee in order for the proposal to be considered for funding. The selection committee evaluates the applicant's capacity and feasibility to deliver services and uses the following areas as guidelines:

- Staffing and agency capacity to deliver program(s)
- Feasible delivery plan
- A viable funding plan
- Need and geographic coverage

III. Grant Award Determination

Applicants that pass the selection committee review are placed in one of four capacity tiers with a dollar range assigned to each tier. Tier assignments are based on the prior twelve months of production data (households served) and application score. There may be additional considerations to tier assignments, such as:

- Funding partners may establish a cap for recipients participating in the program for the first time;
- Past difficulty achieving production goals may drop a members' tier; or
- Funding partners may establish a minimum decrease or a maximum increase amount from previous year awards.
- Applicants with a strong track record in primarily serving underserved populations as program delivery times are often longer, impacting the number of households served.

Grant ranges are based on amount of funding available for the program year.

Homeownership Education, Counseling and Training Fund (HECAT) 2016-2017

Program Overview

Program Goals

1. To provide financial support for the continuum of homeownership education and counseling services.
2. To support cooperative relationships and partnerships that provide access to clients for a full range of homeownership education and counseling activities.

Eligible Applicants

Eligible entities include nonprofit housing organizations as defined in MN Statutes 462A.03, subd. 22, which includes housing and redevelopment authorities and other political subdivisions.

Eligible Use of Funds

HECAT may be used for the following activities:

Homebuyer Services, which may include:

- Homebuyer (pre-purchase) counseling to assess mortgage readiness, provide homebuying information and referrals, and develop an action plan to address barriers to homeownership.
- In-person homebuyer education workshops to teach the steps of the homebuying process and prepare consumers for successful home ownership. Workshops are typically eight hours delivered in single- or multi-day sessions and utilize Home Stretch or other approved curriculum.
- Homebuyer clubs to teach the steps of the homebuying process and prepare consumers for successful home ownership. Homebuyer clubs are typically 12 or more hours delivered over the course of several months and utilize Home Stretch or other approved curriculum.

Note: Applicants that are awarded funding for homebuyer services are required to follow all guidelines as established in the Standards Guide of the Minnesota Homeownership Center. All applicants for homebuyer services should review the [Standards Guide](#) prior to completing a proposal.

Home Equity Conversion Mortgage Counseling, which may include:

- Tailored one-on-one counseling to help consumers make informed decisions regarding Home Equity Conversion Mortgage and Reverse Mortgage programs.

Foreclosure Prevention Counseling, which may include:

- Providing information to homeowners regarding the foreclosure process, prevention options and referral services.
- Triage, assessment, development of action plans, and communication with lenders/servicers regarding workout options.

Note: Applicants that are awarded funding for foreclosure counseling are required to follow all guidelines as established in the Standards Guide of the Minnesota Homeownership Center, including the Foreclosure Counseling Program Model. All applicants for foreclosure counseling services should review the [Standards Guide](#) prior to completing a proposal.

Certification and Industry Standards

Certification Standards

Staff delivering homeownership education and counseling services must have strong technical knowledge and skills to deliver quality homeownership services to consumers. Training and certification 1) ensures Advisors have attained a level of knowledge that qualifies them to perform the services required; 2) encourages excellence in the homeownership profession and develops criteria for assessing the level of excellence; and 3) promotes the professional growth of educators and counselors by implementing a system of continued professional education.

Educators and counselors are required to be certified in the program area(s) for which they provide services. Certification details are outlined in the Minnesota Homeownership Center's [Standards Guide](#).

National Industry Standards

Homeownership education and counseling stakeholders are increasingly looking to verify educators and counselors are providing high quality, trustworthy services that are in the best interest of consumers. The National Industry Standards for Homeownership Education and Counseling provide a baseline for what constitutes quality homeownership education and counseling. The HECAT funders have endorsed the National Industry Standards as a recognized measure of the professionalism and quality assurance expected of the programs supported by HECAT.

Adopting National Industry Standards

Proposals funded under the 2016-2017 HECAT program year that provide in-person homebuyer education (workshops or clubs), homebuyer (pre-purchase) counseling or foreclosure counseling are required to adopt the [National Industry Standards](#) in those program areas. If awarded funds, the National Industry Standards website must reflect adoption no later than September 30, 2016 of the standards for the programs approved for funding.

Grant Term, Agreements and Reporting

Grant Term

Funds for the above eligible activities will be made available for a period of 12 months from October 1, 2016 through September 30, 2017.

Grant Agreements

Administrator agreements will be mailed to the contact person upon approval of the respective boards of the funding organizations. Funding will not be disbursed until a fully executed (signed by authorized person(s)) grant agreement is in place.

Reporting

A reporting packet will be sent to each grantee. The reporting packet will include necessary reporting forms and instructions for submitting reports. Reports must cover all services provided under the grant during the grant period. All reporting should be submitted to the Minnesota Homeownership Center as described in the reporting packet. All agencies awarded funding are required to report to the Center using CounselorMax™ (a web-based case management system). Costs associated with reporting requirements and systems are eligible expenses under this grant.

This RFP is subject to all applicable federal, state, and municipal laws, rules, and regulations. Minnesota Housing reserves the right to modify or withdraw this RFP at any time and is not able to reimburse any applicant for costs incurred in the preparation or submission of proposals. It is the policy of Minnesota Housing to further fair housing opportunities in all Minnesota Housing programs and to administer its housing programs affirmatively, so that all Minnesotans of similar income levels have equal access to programs regardless of race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to receipt of public assistance, disability, or family status.