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Governor**



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New York State Housing Trust Fund Corporation

Request for Proposals

Foreclosure Prevention Services Program

October 28, 2009

Section 1: Introduction and Statement of Purpose

1.1 Background Information

According to a New York State Banking Department Report released in July of 2009, tens of thousands of New York homes are in the foreclosure process, or at risk of foreclosure, thus homeowners are in urgent need of housing counseling and support. Yet the foreclosure crisis has strained the capacity of housing counselors, legal services, mediators and other advocates to provide borrowers with the necessary help to prevent foreclosures.

The availability of trained counselors, mediators, and lawyers is an important element in supporting and educating New Yorkers facing default or foreclosure. As caseloads have grown, the sustained ability of these agencies to respond to this increasing demand for services is a critical issue.

The 2008-09 New York State budget provided \$25 million to the Housing Trust Fund Corporation (HTFC) for the development and administration of a subprime foreclosure prevention services program.

In June of 2008, HTFC released an open window Request for Proposals (RFP) seeking applicants that could provide a continuum of necessary foreclosure prevention services within a proposed service area. The required continuum of services included outreach/education, counseling, legal representation, and court-based services.

From August, 2008, through February, 2009, the HTFC approved sixty-four (64) grant awards to foreclosure prevention programs across New York which has resulted in services being available in every County within the State. The awardees were provided two-year contracts to provide the proposed services.

Due to the ongoing problems associated with foreclosure, the 2009-10 New York State budget appropriated an additional \$25 million to the Housing Trust Fund Corporation (HTFC) to continue the State's foreclosure prevention effort started in the previous budget year. The new funds have been allocated from the Fiscal Stabilization Fund provided to the State under the American Recovery and Reinvestment Act (ARRA).

1.2 Statement of Purpose

The purpose of this Request for Proposals (RFP) is to provide grants and aid to organizations to provide outreach and education, counseling, mediation, legal representation and court-based services on behalf of New York homeowners who face foreclosure.

Unmet Needs

An overriding goal of this RFP effort is to build upon the statewide foreclosure prevention services network created in 2008. Each of the foreclosure prevention programs funded from the 2008-09 NYS budget included a continuum of services including outreach/education, counseling, legal representation, and court-based services. This RFP seeks to expand services of existing programs where warranted, fund new programs where an unmet need can be

documented, and fund services to complement new or existing programs in a manner that increases the effectiveness of the overall foreclosure prevention effort in the State.

Innovative and/or New Approaches

In addition to providing additional resources to allow organizations to expand existing services, HTFC also seeks innovative and/or new approaches to foreclosure prevention services that will lead to a decrease in the rates of default and foreclosure among New York homeowners.

HTFC is especially interested in funding activities that increase the likelihood of homeowners who are at risk of default or foreclosure accessing foreclosure prevention services through education, marketing/public awareness, and targeted, direct outreach to impacted homeowners.

Mandatory Settlement Conferences

Further, HTFC is seeking innovative strategies to increase levels of participation in the State's Mandatory Settlement conferences. Examples of such activities may include but are not limited to marketing/education of the availability of the conferences, targeted outreach to homeowners who have received notice of a conference, presence in the courts or coordination with the courts to improve the level of preparedness of homeowners participating in Mandatory Settlement conferences.

Collaborative Proposals and/or Proposals that Coordinate with Existing Local Programs

Qualified applicants may submit proposals for funds to provide one or more of the following foreclosure prevention services: outreach/education, counseling, mediation, legal representation, negotiation and court-based services on behalf of borrowers facing default or foreclosure.

Collaborative proposals by multiple eligible applicants are strongly encouraged to achieve coverage of all necessary services in an efficient manner that decreases duplication and maximizes the impact of public resources. Also proposals that build upon or coordinate with existing local foreclosure prevention services programs are encouraged. Proposals should support the goal of preserving homeownership and strive to stabilize communities that face a high rate of foreclosures.

1.3 Definition of terms

The term "HTFC" or "the Corporation" in this RFP shall mean the Housing Trust Fund Corporation.

The term "eligible applicant" in this RFP shall mean nonprofit entities with active New York State Charities Registration Numbers, or an approved exemption thereof who respond to HTFC's request for proposals.

The term "borrowers/homeowners" shall mean natural persons who hold a subprime or unconventional home loan that is secured by a mortgage or deed of trust on real estate on which there is located a structure or structures intended principally for occupancy of from one to four families and which is occupied by the borrower as their primary residence.

The term "proposal" in this RFP shall mean the section of the applicant's response to this RFP that includes Exhibit A and B as provided by this RFP.

"Subprime home loan" for the purposes of this RFP shall mean a home loan that meets either of the following definitions: i) a home loan that has an annual percentage rate of three or more percentage points above the yield on treasury securities of comparable maturity measured as of the fifteenth day of the month immediately preceding the month in which the application for the loan is received by the lender for a first lien loan, or that has an annual percentage rate of five or more percentage points above the yield on treasury securities of comparable maturity measured as of the fifteenth day of the month immediately preceding the month in which the application for the loan is received by the lender for a second lien loan; or ii) a home loan with a fully-indexed annual percentage rate (APR) that exceeds by more than 175 basis points for a first-lien loan, or by more than 375 basis points for a subordinate-lien loan, the average commitment rate for loans in the northeast region with a comparable duration as published in the weekly Freddie Mac Primary Mortgage Market Survey (PMMS) in the week prior to the week in which the lender either received a completed loan application or provided the good faith estimate required under 12 U.S.C. section 2601 et seq.

"Unconventional home loan" for purposes of this RFP is that which is described in the "Interagency Guidance on Nontraditional Mortgage Product Risks" issued September 29, 2006 and published in 71 Federal register, 58609, on October 4, 2006 as updated. www.federalreserve.gov/boarddocs/srletters/2006/SR0615a2.pdf

Section 2: Functional Description of the RFP

2.1 Direct Provision of outreach, housing counseling, mediation, & legal services

HTFC is seeking proposals from eligible applicants to provide outreach/education, housing counseling, mediation, legal representation, and court-based services on behalf of borrowers facing default or foreclosure. Such proposals must demonstrate an existing unmet need in the service area which they are proposing to serve. Proposals that build upon an existing foreclosure prevention program funded by the HTFC from the NYS 2008-09 budget must demonstrate how the current request for funding coordinates/complements with the services previously funded. The list of foreclosure prevention programs funded in 2008-09 can be found at:

<http://nysdhcr.gov/Programs/ForeclosurePrevention/SubprimeAwards2008.htm>

Joint proposals are strongly encouraged, provided that a primary applicant is identified, the respective responsibilities of the applicants are clearly defined, and the primary applicant acknowledges that it is fully responsible for the quality, timeliness of work, and reporting.

Proposals should demonstrate the eligible applicant's ability to quickly make proposed services available to the community. Additionally, due to pending federal and state legislation regarding foreclosure, proposals should demonstrate the eligible applicant's ability to meet potential changing needs for service.

Proposals should provide services for a period of approximately twelve (12) to eighteen (18) months depending upon the needs of the service area. Since funding for this RFP is being provided through the Fiscal Stabilization Fund of the American Recovery and Reinvestment Act (ARRA), all funding awards under this RFP must be expended by January 30, 2012. Those proposals which build on previous awards made under the State's Foreclosure Prevention Services Program and which demonstrate sustainable organizational capacity are preferred.

2.2 Quantifiable Results

It is important that results be measurable with regard to both how many households have been reached through the program and results achieved (e.g., refinance achieved, short sale, bankruptcy, etc). In addition to the documentation of the foreclosure assistance provided, successful applicants will be required to provide information which satisfies ARRA requirements including but not limited to the number of jobs created or retained from ARRA funding.

Applicants who are awarded grant contracts will be required to report to HTFC on the results of their Program on a quarterly basis (Oct. 15th, Jan. 15th, April 15th, and July 15th) starting with the first reporting period of activity following contract execution. Reporting of program results and job creation/retention must include data as outlined in Exhibit C. Additionally, such reporting is necessary to meet the requirements of ARRA.

2.3 Funding Award Amounts

HTFC expects to make up to \$20 million in grant awards to eligible applicants under this RFP. HTFC may release additional funds under this RFP, or alter the RFP based upon changes in needed foreclosure prevention services due to new legislative changes.

There are no minimum or maximum grant award amounts; however, applicants are encouraged to evaluate the need in the proposed service area and estimate the number of homeowners that they can assist within a 12 or 18 month period.

HTFC reserves the right to award applicants less than their full funding requests. Funding amount decisions will be based upon, but not limited to:

- Total demand for funding across the State.
- Evidence of the need for foreclosure assistance in the proposed geographic service area based upon the rates of default and foreclosure.
- Documentation of an existing unmet need for the proposed services.
- Coverage in areas of greatest need.
- Collaborative approach to the delivery of all necessary foreclosure services in a service area.
- The proposed ratio of total grant award to number of households to be served.
- Remaining program funding at the time of application.

These grant funds are not meant to replace current or future fee-for-service arrangements between eligible applicants and servicers, lenders, or other interested parties.

Section 3: Eligibility Requirements/Selection Criteria

3.1 Eligibility Criteria

Eligible applicants are non profit entities with active New York State Charities registration numbers, or an approved exemption thereof, which have experience or are partnering with an entity that has experience providing community outreach/education, direct housing counseling, mediation, legal services, court-based services, and relocation counseling assistance.

Organizations that have demonstrated ability and experience in providing foreclosure prevention and intervention services are encouraged to apply. Eligible applicants with a demonstrated history of providing community outreach/education, housing counseling, advocacy or legal services that may only have limited experience in providing foreclosure prevention and intervention services are encouraged to seek partnerships with other more experienced foreclosure prevention providers in their geographic service area to develop proposals/programs to ensure that the needs of their service area are met in the most efficient manner possible. Should such a partnership be a hardship due to geography or other valid reason, then single agency applications will be given due consideration.

The applicant and/or any partners cited in the proposal must be in good standing with HTFC, the NYS Division of Housing and Community Renewal (DHCR) and other state funding sources. Prior performance with other state programs must be documented by the applicant.

3.2 Evaluation Process

- Proposals under this program will be accepted on a continuous basis from October 28, 2009 through August 1, 2010 or until discontinued by HTFC.
- Proposals first will be examined for completeness. All proposals determined to be complete will continue to the evaluation stage. Incomplete proposals and proposals that do not meet the minimum requirements will be rejected, but the eligible applicant may re-apply with amended applications.
- Proposals will be evaluated based on evaluation criteria outlined in Section 3.3 and Section 4 below in their entirety.
- HTFC also reserves the right to refuse funding to any proposal that does not meet HTFC goals and to cap funding based on the HTFC's evaluation of submitted proposals, existing needs throughout the State, and availability of program funding.
- All applicants will receive written notice of the success or failure of their application. Successful applicants will be provided with contract processing instructions at the time of award notice.

3.3 Proposal Scoring Criteria

The following scoring criteria will be used to select proposals for funding. The relative weight of each criterion is indicated by the number of points shown; the maximum possible score for a proposal is 100 points. Proposals must achieve a threshold score of 75 to be considered for

funding. Those proposals achieving at least the minimum threshold score will be further considered for funding.

A. Applicant Experience (20 points) : Points will be awarded on the basis of how the proposal evidences:

- Existing successful program operation in the proposed program area.
- Sufficient organizational and staffing capacity or plan to achieve necessary capacity, or documentation of partnerships with other organizations to achieve necessary capacity.
- Qualifications and experience of existing staff.
- Existing quality certifications such as HUD certification, endorsement or adoption of the National Industry Standards for Homeownership Education and Counseling (www.homeownershipstandards.com), or NeighborWorks® America membership.
- For legal service providers, experience in foreclosure defense, consumer protection, or work on behalf of low to moderate income households.
- Established relationships with financial institutions, mortgage servicers, and local, state or federal government agencies.
- Successful experience in participating in other state, federal, or local foreclosure prevention initiatives.

B. Needs to be Served (30 points) : Points will be awarded on the basis of how the proposal evidences:

- The current needs of borrowers in the geographic area proposed to be served by identifying rates of foreclosure and default.
- How do services proposed complement or enhance all existing foreclosure prevention services in the proposed service area.
- The responsiveness of the proposal to the needs of the community served and the impact of proposed services on vulnerable communities and individuals.

C. Collaboration (25 points) : Points will be awarded on the basis of how the service and delivery system evidences:

- Two or more eligible applicants cooperating to provide all proposed necessary foreclosure services in proposed service area.
- A single eligible applicant demonstrating how the program serves all needs of homeowners in proposed service area.
- Existing relationships with financial institutions, servicers, and other foreclosure prevention programs.
- Strategy for identifying and marketing services to targeted homeowners who are at risk for default or foreclosure.
- Leveraging of all existing foreclosure prevention services within the proposed service area.

D. Efficiency and Innovation of Program (25 points) : Points will be awarded on the basis of how the proposal evidences:

- Cost effectiveness of proposed services and budget relative to the number of homeowners proposed to be served.

- Quantifiable services to be provided with the grant funds in a 12 or 18 month contract term.
- How quickly proposed services to homeowners can be delivered following grant award.
- Foreclosure services will be offered in an innovative and efficient manner.
- Identification of realistic, measurable performance criteria that will be used to monitor and evaluate the benefits realized as a result of the grant.
- Use of partnerships with other existing nonprofit organizations to provide all necessary foreclosure prevention services in lieu of creating new services within the organization.

Section 4: Proposal Deadline and Submission Requirements

In order to fairly evaluate all proposals, a uniform proposal format is required. Each proposal section is listed below, along with the exact contents required. Brochures, reproduced copies, or printouts of standard manuals or sales literature may not be substituted for the proposal narratives and responses specified and will not be considered or evaluated.

4.1 Submission Deadline

Proposals will be accepted starting on October 28, 2009 on a continuous basis until all funding designated has been awarded or until discontinued by HTFC.

4.2 Instructions for Submission

Proposals should be written in a concise manner and the information provided should be directly relevant to the requirements of this RFP. Proposals may be emailed, mailed or delivered to HTFC.

Email responses should be sent to: ForeclosureProgram@nysdhcr.gov

Responses that are mailed or delivered must include: One (1) response, plus four (4) copies, and must be submitted to the address listed below.

Deliver to: NYS DHCR
Community Services Bureau
38-40 State Street, 6th floor
Albany, NY 12207

The outside of the mailing packaging must also be clearly marked: "Foreclosure Prevention RFP"

4.3 Submission

All proposal submissions must include:

- A. Exhibit A – Project Summary Sheet**

B. Organizational Narrative of No More Than Five (5) Pages That Include:

1. The mission and history of the organization.
2. The organizational governance body and staffing structure.
3. Any other organizations that will implement any of the services included in the proposal.
4. Previous experience in the area of housing counseling and advocacy, including specific experience in foreclosure prevention, loss mitigation, or foreclosure litigation; or plan to obtain such expertise through partnerships or training.
5. Current scope of community outreach/education, housing counseling, legal or other housing counseling services provided and population served. And, if awarded funds by the HTFC in 2008/09 for foreclosure prevention services, how new services relate to currently funded services.
6. The geographic area proposed to be served defined by town/city, county and/or borough (if service area is only portion of jurisdiction please identify).
7. Any associated professional accreditations or awards of the organization, and specify if organization has endorsed or adopted the National Industry Standards for Homeowners Education and Counseling.
8. Performance under prior contracts with government agencies.

C. Proposal Narrative of No More Than Five (5) Pages That Include:

1. Outline the current need for services including the current rates of default and foreclosure for the proposed service area.
2. A description of how the applicant intends to assist borrowers facing foreclosure, including a description of all services to be provided and the geographic service area. Applicants should identify if the proposed services are currently provided, and those which are new services.
3. A discussion of how new and/or expansion of existing services to be funded under RFP are required to assist homeowners within the proposed service area.
4. A description of all staffing (including new hires) and training needs to implement the proposed program. Identify each position and whether it is part-time or full-time.
5. Identify collaborative efforts (if any) with other community outreach/education, legal and/or housing counseling agencies which will substantially participate in this program and provide a brief overview of their roles in carrying out the program.
6. If proposal includes no partnership with other providers, describe how the proposed program will meet all foreclosure services needs of homeowners in service area.
7. Implementation schedule of the program including the date on which services will become available to homeowners.

D. Budget

1. Provide a detailed summary of the proposed uses of the funds requested. Use form provided in Exhibit B included as part of this RFP. Please note that DHCR will allow no more than twelve (12) percent of a grant award for non – personal services under the Program. Budgets submitted should reflect this requirement.

4.4. Certification Statement

The application must include a cover letter on applicant’s letterhead signed by an authorized individual, certifying:

- (1) The accuracy of all information in your proposal;
- (2) That grant funds will not be substituted for existing funding;
- (3) That, if a collaborative effort, the primary applicant acknowledges that it is fully responsible for the quality and timeliness of work;
- (4) That the signatory is authorized by the applicant to submit the proposal on organization’s behalf.

Section 5: Proposal Process Instructions

5.1 Affirmative Action Policy Statement

It is the policy of the HTFC to provide equal opportunity to all people without regard to race, color, sex, religion, age, national origin, disability, or sexual orientation.

5.2 Proposal Timetable

- RFP Issue Date: October 28, 2009
- Proposals Due: Continuous, open window application. HTFC will begin accepting applications on October 28, 2009 through August 1, 2010 or until discontinued by HTFC.

5.3 Application Workshops

HTFC will be holding application workshops. Dates and locations of workshops will be posted at www.nysdhcr.gov.

5.4 Questions and Answers

All applicants will have the opportunity to submit questions. Questions received will be answered in writing. Questions will be presented exactly as received with only identifying information retracted. Questions must be submitted to Shannon Sexton-Bates at ssextonbates@nysdhcr.gov. All questions, regardless of submission method, will be posted on the NYS Division of Housing and Community Renewal’s website at www.nysdhcr.gov. You can

access this information on the website by selecting the "Foreclosure Prevention Services Program" link on the left side of the opening page. Q&A's will be posted as soon as practical after receipt, and will be updated periodically as long as the RFP remains open.

5.5 Proposal Costs

The HTFC will not be held liable for any cost incurred by the applicant for work performed in the preparation, production or submission of a proposal.

All proposal materials, binders, curriculum, media, etc. that is submitted as part of the bid becomes the sole property of the HTFC and no materials, binders, curriculum, media etc. will be returned to the applicant.

5.6 Communications

All communications related to the RFP are to be directed to the persons listed below noted below.

- a) Shannon Sexton-Bates, Housing and Community Development Secretary,
ssextonbates@nysdhcr.gov, (518) 473-3247
- b) Caillin Furnari, Housing and Community Development Assistant,
cfurnari@nysdhcr.gov, (518) 473-8273

5.7 Applicant Responsibility

Applicants selected for funding must assume full responsibility for providing the services offered in the proposal for the duration of the agreement. The authorized applicant shall be responsible even when the applicant partners with another organization for a portion of the services included in the proposal. Subcontracting shall be permitted only with the prior approval of HTFC.

5.8 Other Conditions

The HTFC reserves the right to:

- Reject any and all proposals received;
- Adjust or correct any arithmetical error in the proposal.
- Receive clarification from an applicant for the purpose of assuring a full understanding of responsiveness to the RFP solicitation.
- Utilize any and all ideas submitted in the proposal received unless such ideas are covered by legal copyright, patent or property rights, and HTFC is notified in the proposal submission.

All proposals, upon submission to HTFC, shall become HTFC property for use as deemed appropriate.

Exhibit A - Project Summary Sheet

Applicant Information

Applicant Name: _____ Federal EIN: _____

DOS Charities Registration Number: _____ Fiscal Year End Date: / /

Have all required periodic or annual written reports been filed with the New York State Attorney General's Office in a timely manner?: Yes No

Applicant Mailing Address for this Proposal

Address: _____ Room No.: _____

Extra Address Info (Building name, c/o, etc.): _____ PO Box: _____

City: _____ State: _____ Zip Code: _____ County: _____

Applicant Phone & Internet Data

Telephone Number: (_____) - _____ Extension: _____ Fax Number: (_____) - _____

URL (for web site): _____ E-Mail Address: _____

Primary Contact Person for Correspondence Related to this Proposal:

Name: _____ Salutation: _____ Title: _____

Telephone Number: (_____) - _____ Extension: _____ Fax Number: (_____) - _____

E-Mail Address: _____

List any other non-profit partners that will undertake any activities proposed to be funded under this proposal:

1. Organization Name: _____ E-Mail Address: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Telephone Number: (_____) - _____ Extension: _____ Fax Number: (_____) - _____

2. Organization Name: _____ E-Mail Address: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Telephone Number: (_____) - _____ Extension: _____ Fax Number: (_____) - _____

3. Organization Name: _____ E-Mail Address: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Telephone Number: (_____) - _____ Extension: _____ Fax Number: (_____) - _____

Funding Requested in Proposal: _____

Area to be Served (include description of portion of town/city, county, or borough included):

**EXHIBIT B
HTFC
GRANT BUDGET SUBMISSION FORM**

Applicant Name:
Date:

Enter the amount of request for each category for the grant period.
If none leave blank.

A. Total Foreclosure Services Budget: All Funds(HTFC & Other Sources)	B. HTFC Grant Requested	C. Non-HTFC Funds
Personal Services		
Direct Service Staff Salaries		
Fringe for Direct Service		
Administration Salaries		
Fringe for Administration		
Total Personal Service		
Non Personal Service		
Staff Travel, Auto Reimbursement, Lodging		
Fidelity Bond/Insurance		
Training, Conference Attendance, Workshops		
Website Development, Maint., Web Hosting, etc.		
Audit, Financial Mgmt., Monitoring, Analysis		
Rent, Utilities, Phone, Fax, Internet, etc.		
Equipment Purchase/Lease		
Marketing/Advertising		
Media Production, Copying, Printing		
Office Supplies, Postage, Shipping, etc.		
Other *** Must explain on separate sheet		
Total Non Personal Service (not exceed 12% of total award)		
Total Personal & Non Personal Service		

Proposed term of grant award (12 or 18 months):
 Number of FTE to be supported by HTFC grant award:
 Total number of persons to be served during grant period:
 Ratio of total budget by number of persons served:

Exhibit C

Reporting Requirements

The following information for each client served must be reported to the HTFC on quarterly basis during term of contract.

Location of home (by census tract)

Race or ethnicity

- ✓ White
- ✓ Black or African American
- ✓ Hispanic
- ✓ American Indian
- ✓ Multiple Race
- ✓ Chose not to respond

Income level

- ✓ Less than 60% of AMI
- ✓ Between 60% and 90% of AMI
- ✓ Greater than 90% of AMI

Special Population

- ✓ Persons with AIDS/HIV Related Illness
- ✓ Persons with Disabilities
- ✓ Persons who are Veterans
- ✓ Persons who are Elderly (65 years or older)
- ✓ Single-Parent Household

Residence type

- ✓ Single family
- ✓ Duplex
- ✓ 3- Family
- ✓ 4- Family
- ✓ Condo or Coop unit

Product causing default/foreclosure

- ✓ Unconventional home loan
- ✓ Subprime home loan

Type of services provided

- ✓ Outreach and education of available foreclosure prevention services
- ✓ Counseling
- ✓ Mediation
- ✓ Legal representation

Result of assistance

- ✓ Brought mortgage current
- ✓ Refinanced mortgage
- ✓ Sold house in satisfaction of mortgage or short sale
- ✓ Sold house but still owes
- ✓ Foreclosed
- ✓ Bankruptcy
- ✓ Withdrew from counseling
- ✓ Other
- ✓ Ongoing, no results as of the date of this reporting period

If assistance could not be provided, why not? Identify reasons.

- ✓ Rescue funds not available
- ✓ Economics of refinance not viable
- ✓ Client didn't meet program requirements- specify if type of mortgage or other reason
- ✓ Exceeded eligible applicant's capacity to service additional clients

Jobs

- ✓ FTE positions created in organization because of Foreclosure Prevention Services funding
- ✓ FTE positions retained in organization because of Foreclosure Prevention Services funding