

Indiana Hardest Hit Fund

Hardest Hit Fund Housing Counseling Agency
Request for Proposals

Date of Publication: Tuesday, January 24, 2012

Response Due Date: Tuesday, February 21, 2012 by 5:00 EST

Summary and Background

Purpose of Request for Proposals.

Indiana Housing and Community Development Authority (“IHCDA”) requests proposals from qualified housing counseling agencies that are members of the Indiana Foreclosure Prevention Network and/or are

HUD-approved to provide services under the Indiana Hardest-Hit Fund Unemployment Bridge Program (“UBP”) as specified in this Request for Proposals (“RFP”).

*Note that IHCDA may select multiple housing counseling agencies under this RFP. **About the Indiana Housing and Community Development Authority.**

Mission Statement

IHCDA’s mission is for every Hoosier to have the opportunity to live in safe, affordable, good-quality housing in economically stable communities. IHCDA believes that growing Indiana’s economy starts at home.

Overview

IHCDA was created in 1978 by the Indiana General Assembly and is a quasi-public financially self-sufficient statewide government agency. IHCDA’s programs are successful in large part because of the growing network of partnerships we have established with local, state, and federal governments, for-profit businesses and not-for-profit organizations. For-profit partners include investment banks, mortgage lenders, commercial banks, corporate investment managers and syndicators, apartment developers, investors, homebuilders, and realtors. Not-for-profit partners include community development corporations, community action agencies, and not-for-profit developers. For more information, please visit: <http://www.in.gov/ihcda/>.

Summary of Indiana Foreclosure Prevention Network and Hardest Hit Fund

The Indiana Foreclosure Prevention Network (“IFPN”) is a statewide multi-agency collaboration, committed to actively addressing Indiana’s foreclosure crisis through a variety of methods. Over the past six years, the IFPN has built a comprehensive toolkit to address Indiana’s growing foreclosure crisis. Beginning in early 2006, IHCDA, under the leadership of Lieutenant Governor Becky Skillman, hosted a series of meetings with government agencies and industry leaders to discuss the issues surrounding foreclosures and potential solutions for reducing foreclosures. Out of these meetings came a group known as the Indiana Foreclosure Prevention Network (“IFPN”). IFPN worked with elected officials to create legislation outlining a multi-tiered solution to home finance delinquency and foreclosure in 2007.

The initiative was launched in November 2007, including a targeted public awareness campaign, a telephone helpline, and a statewide network of trained mortgage foreclosure counselors. In 2009, the Indiana State Legislature passed Senate Bill 492 requiring that all homeowners with a foreclosure action filed against them have the right to participate in a settlement conference with their lender in an effort to come to an agreement that will avert foreclosure. In 2010, the IFPN in partnership with the Indiana Supreme Court created the Mortgage Foreclosure Trial Court Assistance Project (“MFTCAP”) to assist trial courts in scheduling and conducting mortgage

foreclosure settlement conferences. IFPN also launched the Indiana HELPS program, which is a statewide certification program for housing counselors that provide pre-purchase and foreclosure prevention counseling for Indiana residents.

The U.S. Department of the Treasury established the Housing Finance Agency Innovation Fund for the Hardest-Hit Markets in early 2010 to provide financial assistance to families in the states most impacted by the downturn of the housing market. Subsequently, the U.S. Department of Treasury (“Treasury”) announced that Indiana received approximately \$221.7 million to help unemployed homeowners pay their mortgage. IHCD is administering the program and using the funding to help families who have fallen behind on their mortgage loans due to the loss of employment. Homeowners experiencing a financial hardship due to unemployment began submitting applications online or over the phone in early 2011.

IHCD has worked with Lieutenant Governor Becky Skillman, the Indiana Department of Workforce Development and the Indiana Foreclosure Prevention Network partners to develop a comprehensive, statewide strategy. The plan aims to assist approximately 13,000 homeowners who are experiencing financial hardship and are at-risk of mortgage loan default or foreclosure. UBP program options will assist homeowners with financial hardships who have been unable to qualify for existing loan modification and foreclosure prevention programs.

For more information on the UBP program, please visit www.877gethope.org.

Scope of Work

Overview of Services and Responsibilities.

The primary duties of the housing counseling agencies to which this RFP is directed (each, a “Housing Counseling Agency”) are to provide trained, knowledgeable counselors having technical expertise in the areas of consumer credit and budget counseling, debt management and foreclosure mitigation counseling to work with IFPN clients who wish to apply to the UBP.

Specific Services and Responsibilities.

The Housing Counseling Agency’s services to be delivered under the contract awarded under this RFP shall include:

- Identifying borrowers who are facing foreclosure as a result of a hardship(s) encountered since purchasing the home;

- Preparing a detailed budget and action plan, gathering documents for eligibility purposes and making recommendations whether the UBP would best benefit the homeowner. Note: Borrower must first be screened for eligibility under HAMP before he/she may be considered for UBP.
- Working directly with the borrower and lender to review the qualifications under UBP so as to customize a solution for each applicant;
- Maintaining electronic records (through IHCDA-designated web-based software system) on eligible borrowers;
- Electronically imaging all eligible borrower documentation for transmittal to IHCDA for review and final determination of eligibility. Note: Prior to submission of an UBP application to IHCDA, a one-hour face-to-face meeting or meeting through video conferencing must take place;
- Closing the loan with all approved borrowers and recording of loan with the appropriate county recorder; and
- Remaining the borrower's primary point of contact and providing follow-up monitoring for a period of twelve months after the assistance period.

It is projected that approximately 10,000 – 15,000 homeowners will participate in UBP over three years; however, IHCDA makes no assurance that these projections will be realized.

Proposed Payment Schedule.

UBP allows for payment(s) to contracted Housing Counseling Agencies per approved case. Payment will be as follows:

- \$50 per case for each borrower who receives intake/triage for UBP assistance. Note: The web-based software provided by IHCDA will do an initial screen on all clients requesting foreclosure prevention assistance to see if the client is conditionally eligible for UBP assistance. This payment applies only to those conditionally eligible clients;
- \$400 per case for each borrower who meets UBP eligibility and is fully counseled and screened for HAMP; and
- \$300 per case for each borrower who is approved for and receives UBP assistance.

Sources of Funds.

A contracted Housing Counseling Agency under UBP shall not bill more than one federal source of funds per household served. The client may be billed under UBP, the National Foreclosure Mitigation Counseling grant (“NFMC”) or the U.S. Department of Housing and Urban Development housing counseling grant (“HUD”). Exceptions will be allowed for households served and billed prior to the UBP launch date under either NFMC or HUD that qualify for UBP assistance.

Housing Counseling Guidelines

The contracts will set forth the housing counseling guidelines for UBP. Respondents should expect that IHCDA will look to utilize guidelines and best practices developed under the IFPN when providing counseling services to UBP clients.

Requirements for Proposal Response

The application package consists of one (1) original proposal and two (2) copies. The deadline for accepting applications is 5:00 PM, Eastern Standard Time, on Tuesday, February 21, 2012. Mail all information to the following address:

Ms. Stephanie Wells
Indiana Housing & Community Development Authority
30 S. Meridian Street, Suite 1000
Indianapolis, IN 46204
Attention: HHF Housing Counseling RFP

A complete response includes the information listed below. Responses received without all of the items will be considered incomplete, and will be withdrawn from consideration.

Name, address, phone number, fax number, email address, and brief description of firm (1-2 pages).

Listing of what counties firm would provide services in. If the firm does not have physical presence in a county, it should explain how it plans to establish one for the UBP.

Résumés of key personnel to be assigned to this project, highlighting skills, abilities, and knowledge relating to the delivery of the proposed services (1-3 pages). Please also include copies of proof of Indiana HELPS certification for any key personnel, as applicable.

A one (1) page narrative as to firm's skills, abilities, and knowledge relating to the delivery of the proposed services (1 page).

Three (3) or more firm references (1 page). At least two (2) of the references must deal directly with the firm's delivery of housing counseling services.

Description of services provided to or for IHCDCA within the past five (5) years by firm (1-2 pages).

Description of services to be provided by the firm which meet the services requested by the Scope of Work section of this RFP. If firm cannot provide the specific service requested, firm will indicate this in the response and have the option of proposing an alternate service (2-4 pages).

Cost of providing services listed in the Scope of Work (1-2 pages). This should be comprehensive and should include all start-up costs and any transaction costs associated with the services.

Financial statements for previous two (2) years, preferably audited (2-3 pages).

For HUD housing counseling agencies, proof of HUD certification.

All complete responses received on or before the deadline will be reviewed for selection. Please contact hhf@ihcda.in.gov for additional information or clarification.

Evaluation Criteria

IHCDA will first evaluate responses based on compliance with all items set forth in the “Requirements for Proposal Response” section of this RFP. Responses that do not comply will be deemed not to meet threshold.

Responses that meet threshold will be evaluated on the other requirements listed on page 6 of this RFP. IHCDA may then conduct separate negotiations to establish service areas, staffing levels and discuss details of the respondent’s proposal. At the conclusion of these negotiations, IHCDA will make final selections under this RFP. More than one respondent may be selected under this RFP.

Timeline

Solicitation and Publication of Request for Proposals*: Tuesday, January 24, 2012
Deadline for Proposal Submission**: Tuesday, February 21, 2012 by 5:00pm EST
Execute contract with selected provider: Thursday, March 1, 2012
Start Date of Services: Thursday, March 1, 2012

* *Written questions on this RFP may be directed to hlhf@ihcda.in.gov.*

** *Respondents will be notified by mail and/or email stating if they are awarded a contract.*

Terms and Conditions

This request is issued subject to the following terms and conditions:

IHCDA expressly reserves the right to modify or withdraw this request at any time, whether before or after any responses have been submitted or received.

IHCDA reserves the right to reject and not consider any or all respondents that do not meet the requirements of this RFP, including but not limited to: incomplete responses and/or responses offering alternate or non-requested services.

IHCDA reserves the right to reject any or all firms, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed to be in its best interest.

In the event the party selected does not enter into the required agreement to carry out the purposes described in this request, IHCDA may, in addition to any other rights or remedies available at law or in equity, commence negotiations with another respondent.

In no event shall any obligations of any kind be enforceable against IHCDA unless and until a written agreement is entered into.

Each respondent agrees to bear all costs and expenses of its response and there shall be no reimbursement for any costs and expenses relating to the preparation of responses submitted hereunder or for any costs or expenses incurred during negotiations.

By submitting a response to this RFP, each respondent waives all rights to protest or seek any remedies whatsoever regarding any aspect of this request, the selection of a respondent or respondents with whom to negotiate, the rejection of any or all offers to negotiate, or a decision to terminate negotiations.

IHCDA reserves the right not to award a contract(s) pursuant to this RFP.