



U.S. Department of Housing and Urban Development

Housing Counseling Federal Advisory Committee

March 1, 2018 Meeting Minutes

The Housing Counseling Federal Advisory Committee (“HCFAC”) of the U.S. Department of Housing and Urban Development convened a public meeting from 9:00 AM to 4:00 P.M. EST on Thursday, March 1st, 2018, at the U.S. Department of Housing and Urban Development, 451 7th Street, S.W., Washington, D.C. Public attendees included twenty-five (25) participants by phone and one (1) in-person attendee.

HCFAC Members present:

1. E.J. Thomas, Chair, Real Estate Sector
2. Jose Larry Garcia, Mortgage Sector
3. Meg Burns, Consumer Sector
4. Pamela Marron, Mortgage Sector
5. Buz (Arthur) Zeman, Housing Counseling Sector
6. Judy Hunter, Housing Counseling Sector (by phone)
7. Afreen Alam, Consumer Sector (by phone)
8. Cassie Hicks, Real Estate Member (by phone)

HCFAC Former Members present:

1. Linda Ayres, Mortgage Sector
2. Alejandro Becerra, Real Estate Sector
3. Ellie Pepper, Consumer Sector
4. Terri Redmond, Housing Counseling Sector

HUD Staff present for all or part of the meeting:

1. Dana Wade, General Deputy Assistant Secretary for Housing
2. Sarah Gerecke, Deputy Assistant Secretary, Office of Housing Counseling and HCFAC Decision Maker (DM)
3. Virginia Holman, Acting Designated Federal Officer
4. Emelda Kennerly, Alternate Designated Federal Officer
5. Arlene Nunes, OHC Senior Policy Advisor
6. Lorraine Griscavage-Frisbee, Deputy Director, Office of Outreach and Capacity Building (by phone)
7. Brenda Lambert, Contracting Officer’s Representative
8. Danberry Carmon, Assistant Deputy Assistant Secretary, Office of Housing Counseling

9. Brian Siebenlist, Director, Office of Policy and Grant Administration
10. Marjorie George, Former Designated Federal Officer, HCFAC
11. Tania Pinckney, HUD Staff
12. Charlene Young, HUD Staff
13. Suzanne Isaacs, HUD Staff
14. Colleen Weiser, HUD Staff
15. Ruth Roman, HUD Staff
16. Terri Ames, HUD Staff
17. Terry Carr, HUD Staff
18. Bill Glavin, HUD Staff
19. Annette Panasiuk (by phone)
20. Jerrold Mayer (by phone)
21. Johnnie Young (by phone)
22. Kristin Ackerman (by phone)
23. Rachel Johnson (by phone)
24. Robin Penick (by phone)
25. Sharon Maclean (by phone)
26. Thomas Bankins (by phone)
27. Jane Charida (by phone)
28. Connie Barton (by phone)
29. Lamarla Stevens (by phone)
30. Melissa Noe (by phone)
31. Judy Nunley (by phone)
32. Pamela Scott (by phone)

Please see remaining list of attendees at the end of this document.

Opening of the HCFAC Meeting

Virginia Holman opened the meeting at 9:00 am EST and turned the meeting over to HCFAC Chair E.J. Thomas to make introductory remarks. He then introduced Virginia Holman, HUD Acting Designated Federal Officer, who went over meeting logistics.

Mr. Thomas invited HUD's General Deputy Assistant Secretary for Housing Dana Wade to make opening remarks. Ms. Wade commended advisory committee members for their commitment to support housing counseling. She pointed out that the terms of the four advisory committee members expired, and that four additional members will step down May 31, 2018. HUD Secretary Ben Carson will solicit nominations of candidates to be considered for appointment in a Federal Register Notice.

Ms. Wade reported that housing counseling agency staff stepped up to help victims of the recent three hurricanes and California wild fires. HUD helped lead the disaster recovery effort, with FHA providing a moratorium for all foreclosures in disaster areas. HUD recently introduced the "Disaster Standalone Partial Claim," a tool that will allow struggling homeowners to resume their pre-disaster mortgage payments without payment shock. The option covers up to 12-months of missed mortgage payments via an interest-free second loan on the mortgage, payable only when borrowers sell their home or refinance

their mortgage. She asked committee members for advice on how to best implement the new tool to deliver maximum relief as soon as possible to homebuyers.

Office of Housing Counseling Program Updates

Mr. Thomas then introduced Deputy Assistant Secretary for Housing Counseling Sarah Gerecke, who thanked former committee members for their commitment, and acknowledged the leadership of the original Designated Federal Officer Marjorie George.

Ms. Gerecke gave an update of the activities of the Office of Housing Counseling (OHC) since the last meeting, noting that the housing counseling program reached 1.12 million families during fiscal year 2017, which was a reduction from the previous year in which it reached 1.2 million families. However, she stated that she was very pleased with the work of the almost 1,900 local, state, municipal, and non-profit organizations that provide housing counseling to families across the country and in the territories. She shared data on the impact of the counseling noting that last year, more than 345,000 families worked with a housing counselor to develop a sustainable household budget, more than 300,000 families received fair housing information from their housing counselor, more than 165,000 families improved their financial capability, and more than 170,000 families gained access to other resources to improve their housing situation, such as legal services and access to state assistance funds.

Ms. Gerecke noted that some of the work that she and her staff have accomplished has been a direct result of some of the conversations of the HCFAC. As one example, she recounted the concern that several of the committee members expressed regarding the financial sustainability of housing counseling.

Ms. Gerecke described two milestones in incorporating housing counseling into the mortgage process. The new Uniform Residential Loan Application includes a question about whether applicants have sought housing counseling and describes the benefits of such services. HUD also worked closely with the industry, particularly Freddie Mac, to persuade the Mortgage Industry Standards Maintenance Organization (MISMO) to adopt standards related to housing counseling data. Lenders will be able to input information in their system that will allow them to correlate how housing counseling relates to loan performance.

Inroads were also made to market housing counseling services and encourage partnerships between industry, government and consumers. HUD released the Homeowners Guide to Success last December as part of a public-private partnership between federal agencies and industry partners. The guide outlines steps homeowners should take if they are at risk of missing mortgage payments or facing foreclosure.

Briefings on Initiatives of Office of Housing Counseling

A. Certification Process

Mr. Thomas then introduced OHC Deputy Office Director Lorraine Griscavage-Frisbee, who summarized key provisions of HUD's Final Rule for Housing Counseling Certification, issued December 2016. The final rule specifies that housing counseling required under or provided in connection with any HUD programs will be provided only by HUD-certified organizations and counselors. About 25 HUD programs are covered by the final rule. In order to be certified, an individual must both pass a standardized written exam covering six major topic areas and work for an agency approved to participate in HUD's Housing Counseling Program. HUD developed a website (<https://www.hudhousingcounselors.com/>) dedicated to the certification process, with access to free online training for housing counselors including a study guide available in Spanish and English. Once housing counselors pass the exam, they can be certified by more than one agency at the same time. Ms. Griscavage-Frisbee explained that HUD-approved housing counseling agencies must report to HUD in the FHA Connection system whenever a housing counselor who passed the certification exam is hired or has left employment. She then turned the meeting over to Ms. Gerecke.

Ms. Gerecke expressed excitement about the certification process and stated that HUD is receiving good feedback from agencies about what is working well and what is not. She congratulated the housing counselors who have become certified already.

B. Disaster Assistance and Recovery Team

Ms. Gerecke then introduced Ms. Holman, who provided a briefing on the activities of the Disaster Assistance and Recovery Team (DART). She explained that DART was set up to train housing counseling agencies and housing counselors to prepare for emergencies, provide services during emergencies, and help with recovery efforts. OHC offered disaster training webinars and in-person training, and is in the process of preparing an on-line disaster training toolkit. Over 2,000 housing counselors received disaster training in the last six months.

During the 2017 disaster season, Ms. Holman said, 267 Housing Counseling Agencies were in areas impacted by various disasters and all remained operational during recovery. OHC created the 2017 Disaster and Emergency Resource page for housing counselors on HUD Exchange (<https://www.hudexchange.info/>) which contains resources, news, and updates regarding natural disasters.

Committee members responded to the presentations with follow-up questions and comments (shown in bold) and responses as summarized below.

- **Is there a need for housing counselors to provide counseling by telephone for disaster victims?** Ms. Holman stated that counselors reached out to disaster victims in whichever way possible. In Puerto Rico, lines were down, so counselors contacted clients via texts, emails, and in-person.

- **The “HUD-certified housing counselor” certification seems to be an individual certification. Can an individual who works as a consultant be certified and take that certification to various agencies when they need seasonal or occasional help?** Ms. Griscavage-Frisbee clarified there are two parts to the certification process. The first part is related to taking the certification exam. The second part spells out that to be certified an individual must both pass a standardized written exam and work for an agency approved to participate in HUD’s Housing Counseling Program.
- **Does the agency’s certification of a “HUD-certified housing counselor” expire?** No, the certification is valid as long as the counselor continues to work for that agency. That includes counselors who work for the agency as a volunteer as well as counselors who are paid by the agency.

Mr. Thomas added that all the presentations would be posted on HUD Exchange and available for download. An email would be sent out to committee members with the website address.

Mr. Thomas then introduced OHC Senior Policy Advisor Arlene Nunes to discuss OHC’s visibility and awareness activities.

C. Visibility and Awareness Activities

Ms. Nunes said OHC is dedicated to increasing stakeholder awareness of housing counseling, countering the negative perception of housing counseling, motivating consumers to seek out housing counseling, and delivering a consistent message about the benefits of the services. OHC also hopes to create partnerships among stakeholders such as lenders, real estate agents, and other agencies so they can access resources and disseminate the information.

OHC contracted with Creative Marketing Resources (CRM) to conduct research into public perception and behaviors towards housing counseling. The findings revealed that consumers and lenders have different perceptions about what constitutes housing counseling and that consumers reacted negatively to the terms “counseling” and “counselor.” The survey also found most respondents did not know that housing counseling agencies existed or what benefits they offered. Marketing materials have since then been developed to educate consumers and other stakeholders about housing counseling services. OHC is seeking guidance on other terms that can be used to describe counselors and counseling and on promotional activities to celebrate OHC’s upcoming 50th Anniversary.

Ms. Nunes concluded her presentation by stating that her group is releasing a request for information notice to obtain input from the public, housing counseling agencies, or other interested parties, on what they think about the name change.

Committee members responded to the presentations with follow-up questions and comments (shown in bold) and responses as summarized below.

- **The CMR group found that not everyone sees housing counseling as positive.** Ms. Nunes responded that the research shows that people believe that if they need to go to counseling, they may consider it to be a “personal inadequacy.”

- **What was the process by which you developed the tag line “Let’s Make Home Happen”?** From the CMR group, the idea that counseling is not just for homeowners. The word “home” is something meaningful and encompasses renters and people in other circumstances. The word “let’s” evokes the partnership between the counselor and the client and the idea that “we can do it together” and “we’re here to support you in what you need.” It was the sense of engagement that attracted the group to that phrase.
- **Have you come across agencies that have marketed housing counseling using a different term?** Yes. There is no standardization. Buz Zeman commented that he is in the reverse mortgage arena and noted that the phrase “reverse mortgage counseling” may have a more negative impact on the older consumer than on others. Mr. Zeman noted that in his organization’s promotional materials, it states that the counseling is an “educational session to help you decide whether a reverse mortgage is right for you.” He said that approach seems to work. Ms. Nunes emphasized that the group is considering changing its use of the terms “counselor,” and “counseling,” and that there are “huge implications,” especially for changing the name of the Office of Housing Counseling. The committee should consider the effects of a name change with respect to the Spanish language. Ms. Nunes emphasized the importance of clearly communicating the wide-range of services housing counseling agencies offer and their benefits.
- **Many loan origination professionals currently know very little about housing counseling.** Loan originators, as stakeholders, can refer clients for housing counseling because they have the ability to provide a credit towards housing counseling services. Loan originators should be targeted for housing counseling education because they would welcome having the ability to help consumers with additional services at the point of loan origination as well as with respect to default counseling.
- **Loan originators are real estate professionals who take continuing education classes and it may be easy to add the services of the housing counseling agencies to continuing education requirements as a way of getting the word out to real estate professionals.** Mr. Thomas noted Ohio has a strong mortgage banking association and indicated that it would be helpful to get the impression the mortgage bankers have of housing counseling. He said the private sector tends to avoid involvement from the government and wonders if that has an impact on individual’s not knowing the benefits of housing counseling.

Housing Counseling Advisory Committee Discussion and Recommendations

Mr. Thomas welcomed participants back from the break and announced that the session would be devoted to discussion on topics raised earlier in the meeting and other concerns. The advisory committee will then vote on recommendations for HUD to consider.

Consumer Credit

Pamela Marron explained that loan originators are clamoring for housing counseling because they are not equipped to help consumers with credit issues. She recommended consumers pay for housing counseling services up-front and then loan originators would provide them with credit towards closing costs.

Mr. Thomas asked whether the loan originators would likely balk at giving back a payment for a service at closing. Ms. Marron said no, because the credit could be used by a loan originator as an incentive for the borrower to choose that originator over others referred by the housing counseling agency. She added that the realtor also benefits by having a problem solved for a client, and that she asked other mortgage professionals who said they would gladly provide the credit. Ms. Marron said it's a win-win situation for everyone.

Ms. Marron noted that two things would have to happen in order to make a loan originator a valid partner: the loan originator must be added to the dropdown menu of the customer service platforms that the housing counseling agencies use, and HUD must validate that loan originators can be referring partners and can provide the credit back to the borrower.

In addition, loan originators would need authorization to access information about their clients' progress. Ms. Marron asked that the licensed loan originator be placed on the "release of authorization" form used by housing counseling agencies that allows a specific party to obtain information about a consumer's progress in going through the housing counseling process.

Ms. Gerecke, asked to comment on Ms. Marron's proposal, said that HUD can research and provide an example of a HUD-compliant process that would allow clients to pay a counseling service fee and a lender to provide a credit at closing. In terms of the referral relationship between the counseling agency and loan officer, she added, referrals may be permissible if there is evidence of the benefits of working together. The referral, however, must be documented in the counseling file. Counselors can share information about the client with lending partners including loan officers as long as the consumer understands the information conveyed and authorizes its release.

Cassie Hicks added that we should make sure the consumer is awarded at least the amount of the counseling service, if not more.

Funding Concerns

Mr. Zeman expressed frustration with the HUD appropriation process and said it was hard to run a business without knowing when funding would be granted. He asked the committee to brainstorm other funding options to fill the gap in between funding periods.

Mr. Zeman suggested the advisory committee examine multi-year funding to prevent the pitfalls of yearly delays in Congressional appropriation.

Larry Garcia proposed that HUD, possibly OHC, serve as a platform to explore and facilitate sustainability programs for housing counseling. One option would be to set \$50 or so of the total home closing transaction and funnel it to a general fund that could be disseminated among 1,900 housing counseling agencies. A transaction-based fee of \$57 would be needed from the five to six million homes closed annually to raise \$285 million a year to provide funding to housing counseling agencies. That fee could be divided between the buyer, seller, and lender.

Afreen Alam suggested that HUD request Congress set up a reserve fund for agencies to dip into so they do not have to shut down temporarily while awaiting funding. The proposal could be made by a coalition of government agencies facing similar funding difficulties because of gridlock in the congressional budget approval process.

Meg Burns added the idea of collecting dollars through transaction fees is getting attention in Capitol Hill as part of the housing finance reform legislation. She noted that the language is not very specific about how the dollars would be distributed and suggested that HUD also advocate for directing some of the funds towards housing counseling to supplement traditional appropriations.

Ms. Alam then asked about Mr. Garcia's transaction fee for smaller agencies. Mr. Garcia indicated the transactions would fund a general fund used to distribute among the housing counseling agencies.

HECM Loans

Mr. Zeman said he distributed a document to advisory committee members describing the drawbacks of Home Equity Conversion Mortgage (HECM) loans. Problems arise when lenders do not inform clients that the non-borrowing spouse may not be able to draw from HUD funds to pay for taxes and insurance if the borrower dies or is out of the home in a health facility for over a year.

A second problem, Mr. Zeman continued, is the percentage rate of default on HECM loans. Lenders are often unwilling to help clients repair on these loans. HUD should direct lenders to help clients repair loans and not give lenders the option not to help.

A third issue is that after the loan is turned over to HUD it takes the agency up to a year to process the paperwork. During that time period, children of the borrowers often get pressured into paying for taxes and insurance. Mr. Zeman suggested that the taxes and insurance during the paperwork processing period be covered by mortgage insurance premiums instead of by borrowers. Also, the borrowers or heirs should be able to enter into a standard "deed in lieu of foreclosure" agreement.

Ms. Burns indicated the problem may be caused by language in the law which says the borrower must be 62 years or older. This can only be changed through congressional action. Mr. Zeman said that at the very least lenders should be made aware of these circumstances and warn their clients.

Encouraging Housing Counseling

Mr. Thomas asked the committee how it can make loan originators and realtors want to encourage their clients to avail themselves of housing counseling. Ms. Marron referred to a recent initiative by the National Foundation for Credit Counseling (NFCC) and a major lender. In that program, the borrowers who were turned down for loans were referred to the NFCC. Ms. Marron said it found that when housing counseling was involved, it reduced the amount of debt of the consumer while assisting them with credit help. Ms. Marron emphasized that the current "need" is for "credit help" for potential borrowers regardless of where the help comes from. She added that credit problems often affect families that are above low to moderate income levels, and providing a solution for a need through the housing counseling industry opens the industry to new clients.

Committee Terms and Sub-Committees

Next, Mr. Zeman recommended that the terms of advisory committee appointments be changed from one-, two- and three-year terms to three-, four-, and five-year terms.

Ms. Alam put forth a recommendation that would organize the committee into sub-committees to bring ideas from the subcommittees to the full committee to keep focus on issues.

Administrative Matters

A. Recognition of founding members whose terms have expired

Ms. Gerecke, joined by Mr. Thomas at the podium, took the opportunity to recognize and honor the four founding members whose terms have expired: Ms. Ayres, Mr. Becerra, Ms. Redmond, and Ms. Pepper. The members were presented with certificates of appreciation for their contributions. Ms. Gerecke commended them for their commitment and for setting the tone and goals for the committee.

Ms. Gerecke indicated a Federal Register Notice will be issued seeking nominations for the advisory committee. She said she would check to see if former members can apply to sit on the committee for a second term.

B. Recognition of Marjorie George for her leadership

Next, Ms. Gerecke thanked Marjorie George for her leadership on the committee and for her two years of groundwork in helping the committee come into existence.

Presentations by Former Members on their Experiences and Suggestions

Mr. Thomas announced that four former Advisory Committee members would make presentations. He turned the floor over to Ms. Linda Ayres, a founding member and former co-chair of the advisory committee. She suggested HUD continue increasing awareness among consumers of housing counseling benefits and services, incentivize prospective homeowners to complete education counseling either through reduced interest rates or lower mortgage premiums, and requiring counselors to take continuing education classes.

Mr. Thomas then turned the floor to Mr. Alejandro Becerra, who recommended that HUD track the correlation between housing counseling efforts made each year and the resulting growth in home ownership for that year. Hispanics have been experiencing lower home ownership gains recently due to a variety of factors. While there is a growing number of homebuyer assistance programs for low and moderate income families, few incentives exist for non-Hispanic firms to take advantage of them.

Mr. Beccera noted that many of the natural disasters that recently occurred impacted areas with large Hispanic communities, and he recommended that HUD track how families are affected in the disaster areas, what has been done to assist those families, and how successful the families are in establishing themselves again. Mr. Beccera also noted that many firms from the non-Hispanic real estate community shy away from reaching out to the Hispanic market. He quoted findings of a Fannie Mae annual housing survey revealing that only 5% of Hispanics had access to affordable housing programs, most of whom were getting vouchers for public housing assistance.

In addition, Mr. Beccera recommended that stakeholders make connections with the Hispanic community. Some lenders have indicated strong willingness to be involved, including Executive Vice-President of Wells Fargo Brett Blackwell. The company just made a \$125 billion commitment in lending to Latinos, and set aside \$10 million for Hispanics initiatives in housing counseling. Wells Fargo reached out to 81,000 Latino homeowners. Other possible stakeholders include Craig Nickerson, former Freddie Mac Executive, and the National Association of Hispanic Real Estate Professionals, which will have 100 chapters by end of this year.

Mr. Beccera also looked up the word “counseling” on Google and found the words mentor, specialist, expert, guide, and advisor.

Mr. Thomas then turned the floor to former Advisory Committee member Ellie Pepper. Ms. Pepper also emphasized the need to coordinate with stakeholders. With respect to marketing, she suggested that committee members be encouraged to participate in the HUD Listserv, or the committee should automatically add them to the Listserv, so that they can have access to marketing materials and disseminate them to their own contacts and generally be made aware of the activities presented on the Listserv.

Ms. Pepper also urged HUD to be engaged in social media as an outreach tool and train housing counseling agencies to use social media as well, especially Facebook. She gave the example of an event in Chicago in which 300 people attended, 75 percent of whom were informed of the meeting through Facebook.

With regards to certification, Ms. Pepper recommended that counselors undergo continuing education to learn new trends and policies, especially since rules are constantly changing with regards to loan origination, default and foreclosures. She also recommended that HUD should make clear that people who become certified housing counselors must work for a housing counseling agency in order to prevent abuse.

Ms. Pepper also offered several funding suggestions for housing counseling agencies. Community Reinvestment Act (CRA) funds should be parsed out among housing agencies competing with each other for funds in their region. A process could be created by which banks can give money to HUD, which would then parcel it out to health and counseling organizations. She emphasized, however, that the private grant money should supplement, and not supplant, current federal funding.

Ms. Pepper offered several funding suggestions for housing counseling agencies. Community Reinvestment Act (CRA) funds should be parsed out among housing agencies competing with each other for funds in their region. A process could be created by which banks can give money to HUD, which would then parcel it out to health and counseling organizations. Other options include incorporating housing counseling into the FHA loan process and helping housing counseling agencies develop fee-for-service programs.

Mr. Thomas then introduced Terri Redmond, who noted that with the committee's leadership and hard work of the staff, a partnership has been formed with her counseling agency.

Ms. Redmond emphasized the importance of partnering with the Ad Council to implement a marketing program to increase the visibility of housing counseling agencies and of clearly delineating services that are offered to consumers. Marketing efforts require a budget and housing financing agencies could be potential funding sources. She said that housing counselors should be trained in specialty areas.

Mr. Thomas thanked the speakers for their presentations and service to the advisory committee.

Continuation of Housing Counseling Advisory Committee Discussion and Recommendations

Mr. Thomas asked Judy Hunter for her recommendations. Ms. Hunter also commented on the difficulties with the funding cycle, and bringing counseling out of the shadows with better marketing and raising the profile during disasters to be seen as responders in a crisis.

Next Mr. Thomas orally repeated the committee's recommendations in draft form:

- 1. HUD to engage housing counseling industry with credit issues up front. Provide customers with fee for service for counseling, then at closing originator provides credit towards closing costs or Loan Level Pricing Adjustment (LLPA).**
- 2. HUD to validate that loan originator can provide credit information back to borrower. Allow "Loan Originator" to be on dropdown of Customer Service Platform that counseling agencies use.**
- 3. Include "Loan Originator" on Release of Authorization Form so loan originator can access information about the progress of borrowers.**
- 4. HUD to consider multi-year funding granting system to cover gaps.**
- 5. HUD to evaluate a transaction-based fee dedicated to a general fund that would be appropriated to 1,900 agencies.**
- 6. As part of HUD's marketing efforts, find a term other than "counseling". Something that makes people feel better. Ensure term translates well into Spanish.**
- 7. Expand Housing Counseling Listserv to include all HCFAC members.**

8. HUD to engage with social media to increase awareness of HUD and Housing Counseling Agencies.
9. Require certified housing counselors take continuing education classes to keep current on housing trends and changing policies.
10. Funders with Community Reinvestment Act (CRA) funds to give money to HUD to disperse instead of funding groups directly.
11. Incorporate HUD-approved Housing Counseling into FHA mortgage generation process. Provide FHA incentive (reduction in mortgage interest rate or lower mortgage insurance premiums) to go to Housing Counseling before mortgage loan closes.
12. Improve HECM/Reverse Mortgage terms so borrowers and non-borrowers are not surprised when non-borrowers are not allowed to remain in home (legislative actions would be required to change the terms).
13. Improve HUD directions to lenders on default HECM loans to assist borrowers and avoid default.
14. Lenders should be directed by HUD to refer clients to HECM counselors versed in HECM default counseling.
15. Allow heirs of HECM borrowers to “turn over keys” and release mortgage (standard deed in lieu of foreclosure).
16. HUD to track and correlate counseling efforts and growth in homeownership, to provide standardized and streamlined approach to providing successful counseling to all.
17. Revisit term limits of Committee members (*already exists*).
 - a. New members have three-year terms. Each year, four members will roll off and another four members will be appointed.
18. Organize HCFAC into subcommittees (*already exists*).
 - a. HCFAC empowered with creating ad hoc committees as need.

Mr. Zeman motioned to approve the recommendations and Mr. Garcia seconded the motion. The full committee approved the recommendations.

Public Comments

Ms. Gerecke then opened the phone lines for public comment, but there were none.

Mr. Thomas next called for in-person public comment. Ms. Ibijoke Akinbowale of the National Community Reinvestment Coalition asked the committee for guidance in how to track disaster counseling services since that category is not listed in Form 9902.

Ms. Gerecke explained that Form 9902 does not list a disaster counseling category but discussions are underway to determine whether it should be added to better understand the impact of housing

counseling. Adding a category is not easy since each of the 39-41 systems currently used to track counseling activities would have to be changed. Ms. Gerecke said they will ask stakeholders for input.

Ms. Holman added that HUD is trying to collect data on an ad hoc basis when possible. Ms. Akinbowale suggested the committee provide some guidance to intermediaries to help them collect some data from their networks. Ms. Holman indicated that could be done.

Next Steps and Adjournment

Mr. Thomas then asked the committee for suggestions about the next meeting date. Advisory committee members discussed whether another meeting should be scheduled prior to the departure of members whose terms are up on May 31—possibly by phone. Suggestions were also made to schedule a meeting when new members come on board and to invite outgoing members to join them.

Ms. Gerecke said it was hard to nail down when the appointments would take place. In the meantime, she would look at the budget to determine whether resources would be available to invite outgoing members to the meeting with the new members.

Members agreed to hold a meeting by phone in May and hold off making plans for the next meeting until the new members are appointed.

Ms. Gerecke said the advisory committee members will have a chance to review the minutes and tweak the recommendations to ensure they reflect what the group intended. She said she would review the advisory committee’s recommendations and offer feedback.

She concluded the meeting by thanking HUD staff and committee members for their time and dedication, and especially Ms. Holman, who stepped into the role of DFO and has done a great job leading the team.

Mr. Thomas adjourned the meeting at 2:45 pm EST.

Summary of Action and Follow-Up Items

Follow-Up Items	Page No.
1. Ms. Gerecke agreed to produce an example of a HUD-compliant process that would allow clients to pay a counseling service fee and a lender to provide a credit at closing.	7
2. Ms. Gerecke will check the Federal Register Notice to determine whether former members can apply to sit on the advisory committee for a second term.	9
3. Ms. Holman to provide HCFAC member names to Jerry Mayer to include in Listserv.	11

Follow-Up Items	Page No.
4. Ms. Gerecke to ask stakeholders for input on adding a disaster counseling category to Form 9902.	12
5. Ms. Holman to provide guidance to intermediaries to help them collect some data from their networks.	13
6. Ms. Gerecke will look at the budget to determine if funds would be available to cover costs of bringing outgoing committee members to the first meeting after new members are installed.	13

List of All Attendees (Cont'd)

Contractor Staff, PAVR Software Solutions, LLC:

1. Ravi Nara, Managing Principal
2. Zach Urban, Staff
3. Laurie Macpherson, Staff
4. Marcela Kogan, Staff
5. Rabab Butti, Staff
6. Tamu Wright, Staff

Public Attendees (via teleconference):

1. Aaron Ochylski, Center for NYC Neighborhoods
2. Tami Farnum, Community Action Agency
3. Jamilla Byrd, DCA
4. Milton Sharp, eHome America
5. Giovanna Olinto, Falcon Capital Advisors
6. Ron Jauregui, FDIC
7. Joe Kellogg, Homestead CS
8. Gladys Spikes, HOND, INC.
9. Maureen Anderson, HPF and Green Path
10. Lynne Choate, Kennebec Valley Community Action Program
11. Angela Fraser, Maryland Department of Housing and Community Development
12. Jason Zavala, MitiGate Inc.
13. Dana Hodge, Mon Valley Initiative
14. Sherri L King N/A
15. Leomard Gray, NCCED
16. Baylee Childress, NeighborWorks America
17. Cormac Molloy, NeighborWorks America
18. Jill Joyce, Neighborworks Southern Mass
19. Bob Kantor, NFCC
20. Tanya Jackson, Northside Community Development Corp.
21. Michelle Lewis, Northwest Counseling Service, Inc.
22. Diane McClure, NY State Housing Agency
23. Lori Murphy, Oceanas Home Partnership
24. Elbita Perez, Paterson Task Force for Community Action
25. Lisa Thomlinson, Wells Fargo Home Mortgage

Public Attendees (In Person):

1. Ibijoke Akinbowale, Director National Community Reinvestment Coalition

We hereby certify that, to the best of our knowledge, the foregoing minutes are accurate and complete.

Signature

Date

E.J. Thomas, HCFAC Chair