

U.S. Department of Housing and Urban Development Housing Counseling Federal Advisory Committee Public Meeting (Virtual)

January 19, 2022, Meeting Minutes

Meeting time: 03:16:10

The Housing Counseling Federal Advisory Committee (“HCFAC”) of HUD, U.S. Department of Housing and Urban Development convened a public meeting from 12:30pm. to 4:00 p.m. EDT on Wednesday, January 19, 2022. The HCFAC met virtually via Zoom. Public attendees included, 497 webcast attendees.

HCFAC Members Present:

- Gabe Del Rio
- Daniel Garcia
- Richard Verrillo
- Angie Lou
- Ibijoke Akinbowale
- Patricia Arvielo
- Lawrence Batiste
- Carol Ann Dujanovich
- Marcia Lewis
- Bill Sevilla
- Tony Walers
- Paul Yorkis

HUD Presenters:

- David Berenbaum - Deputy Assistant Secretary, Office of Housing Counseling
- Virginia Holman - Designated Federal Official, Office of Housing Counseling
- Jerrold Mayer - Director of the Office of Outreach and Capacity Building, Office of Housing Counseling
- Danberry Carmen - Associate Deputy Assistant Secretary, Office of Housing Counseling
- Lopa Kolluri - Principal Deputy Assistant Secretary, Office of Housing Counseling

Opening of the HCFAC Meeting.

Opening Presentation 1

Summary: Mr. Barenbaum welcomed everyone and called the meeting to order. The mission of OHC, Office of Housing Counseling, is to help families to obtain, sustain, and retain their homes. HUD accomplished this mission through a strong network of HUD approved housing counseling agencies and their HUD certified housing counselors who provide professional services to over 1 million consumers this year in all 50 States.

The Committee provides a forum for those involved in housing counseling to offer advice directly to the DAS, Deputy Assistant Secretary for Housing Counseling on ways to accomplish the objective of HUD's Office of Housing Counseling and HUD's overall mission.

All committee meetings are open to the public. The committee's twelve seats are equally split between representatives of the real estate industry, the mortgage industry, housing counseling agencies, and consumers. Members are appointed for three-year terms.

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Introduction of 4 new Members

The new members who are appointed or reappointed by the Hud Secretary in September of 21, each of whom, as noted, will serve a three-year term. The new members are:

Gabe Del Rio- Many of you know him in the housing counseling community. He is President and chief executive officer of the Homeownership Council of America, located, I believe, as well in California.

Daniel Garcia- who is vice President and senior CRM lending officer with First Horizon Bank and is a mortgage industry leader on issues of expanding access to homeownership.

Richard Verrillo -The Associate director of business development at Nava Core Solutions. Many of you are familiar with his work, in particular dealing with disaster response and, of course, training in our space as well.

Angie Lieu, - Executive director of the Asian Community Development Corporation, and she will be representing the real estate community. Having a unique background, both in real estate development at her organization, the Asian Community Development Corporation, as well as housing counseling.

The members bring their diverse professional and life experiences and their perspectives to inform the committee's work and advise the leadership since its founding, the committee has made more than a dozen recommendations to HUD, which fall into several categories, including many which remain relevant today. For example, integrating housing counseling into the mortgage process, increasing the financial sustainability of housing counseling, increasing consumer and stakeholder awareness of housing counseling, and improving housing counseling program impact, as well as recommending suggestions concerning how the committee itself operates and its role.

2021 Housing Counseling Year in Review, Assisting Consumers and Housing Counseling Agencies During the Pandemic -by Danberry Carmon

Danberry Carmen Presentation 2

Summary: Some of the information that was shared was information about the Pandemic Eviction and Foreclosure Housing Council certification, which was deferred to later presenters Advancing racial Equity, telling our story, agency resources and which will lead to a Federal Advisory Committee member discussion.

Panel Discussion Comments were:

- over 900 clients that I believe have received services, counseling services. And please correct me if I'm wrong. I just wondered when I saw homeless, I saw 1% homeless, and I just was wondering the definition, were those people who were made homeless by the

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pandemic or were those people who presented for services who were already designated or defined as homeless?

- The committee had some opinions and facts regarding the deployment activity as it pertains to Hurricane IDA. I'm just curious about the success that the program might have seen by taking this action. And if this is something that OHC may be considering expanding or further exploring for future disasters.
- The councilors, who went into a very challenging situation, work with the state's disaster response team on site in several locations, and they literally guided hundreds of households into receiving emergency vouchers for new residences, as well as providing other technical assistance.
- The Rapid Response team, is there any consideration for a role for housing counselors to play in the preparedness so before the disaster hits, having housing counselors help with that piece because they are equipped during the pre-purchase counseling, during post purchase counseling to help people prepare for a disaster. So that way when it hits, they know what to do, who to call and kind of help them before it strikes?
- It's the tracking activity and reporting activities. It's not tracking impact. And it would be great if we could see greater depiction of the impact that the activities are causally related to.
- The committee also had discussed the values that the forbearance payment periods gave to homeowners who fell behind for different reasons during the pandemic. But the point that I want to bring up is that with many of the forbearance clients that I deal with, they're facing investor guidelines that expect the repayment of the payments that they missed as the first step in getting current. And I find that to be an unrealistic expectation. And I wonder if there's anything that HUD could do to maybe influence those investors that take us back seat to this and reevaluate the proper way to handle someone, reentering the workforce or fixing their financial issues so that they could be directed to a loan modification plan rather than pay me first before I consider any other options.

Moving Beyond the Pandemic Training and Housing Counselor Certification

Jerrold Mayer Presentation 3

Summary: This presentation discussion was about helping communities move beyond the Pandemic. And we're largely going to do that by focusing on certified housing counselors, give you a little update there and training and outreach and how we educate housing counselors and the housing counseling community to respond to the pandemic and to improve their capacity to serve clients. The panel had some questions and comments pertaining to the presentation:

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Panel Discussion Comments were:

- Panel is not surprised at all by the certification numbers to see that the HECM counselors really did lead the pack in terms of being certified early. So, I do know that there was about some certification exam. I just wanted to know if there had been any update here. This is a critical line of service, especially during the pandemic.
- FSS coordinators and FSS program staff had just really been introduced, and it was very foreign to me. And I had spent considerable number of years both on the Hud side and in the public housing side.
- When a member first served for a brief term on this board, FSS coordinators and FSS program staff had just really been introduced, and it was very foreign to me. And I had spent considerable number of years both on the Hud side and in the public housing side.
- The office of housing counseling is still working on how to figure out how to recognize housing counseling activities that are provided by tribal housing programs across the country. But for all the other kind of housing counseling agencies. And the question for the exam is their work that's being done on how to incorporate some of that specialization that's required to be effective for a Native home buyer who may be living in a tribal community that's not being served through housing by the tribal housing program itself.

Advancing Inclusive, Equity-Focused Housing and Programs

David Berenbaum presentation 4

Summary: This presentation is about HUD's priorities in the Office of Housing Counseling. This is critically important, particularly if you look at the demographics of who the OHC serves. It is a diverse market segments, and we have a priority not only in the OHC, but across HUD, a directive to work to close the homeownership gap, to achieve racial equity in housing through high impact and in our office culturally sensitive and linguistically appropriate housing counseling services. And as we move forward, capturing some of your suggestions earlier in the conversation, for example, what Gabe shared with us to really capture our impact through greater initiatives, we are actively considering at this time a research symposium. This presentation will be about the Racial Equity within the single housing, and the panel members discussed how it affects different races and communities.

Panel Discussion Comments were:

Do to create more entry level housing, both rental housing and for purchase housing, that would be I think that's one of the biggest obstacles.

- While acknowledging that it's certainly just as a community, we're very appreciative of the support of the OHC. And these funds are critically important to the local housing counseling agencies to continue to support this priority in terms of equity and

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homeownership and their pre purchase counseling overall. I did also want to highlight on this priority. While we look to increase the number of homeowners in the country preserving home ownership, it's also going to be critically important to moving the needle forward. And so, I do think that the OHC can play a very vital role in assisting the housing counseling community.

Panel Discussion Comments were:

- The committee thinks one of the major steps towards solving some of the gaps in wealth and home ownership must be a collaborative effort between the housing counseling agencies and the local banks. Historically, banks will open a branch in the neighborhoods where they feel they're going to do business. However, that doesn't always cover those neighborhoods where the community's income may not be as strong. So, one of the things that I do every year is I contact about 20 loan officers from different organizations, and I asked them to fill out a questionnaire on their loan products that they consider is for the LMI community.
- On December 7th that the general counsel office came out with guidance around special purpose credit programs. And so that was a necessary step that speaks to the Fair Housing Act and is complimentary to CFPB's. Special purpose credit programs are being on the books for 45 years now. I know this is not an office of housing counseling issue, but it certainly is for HUD. You mentioned earlier FHA's connection with the history of redlining. So, what can FHA do that not just encourages this guidance to be utilized, but literally come out with a product that would speak to that and reverse some of the impact redlining from that history.
- The committee needs to talk about also is just the changing in the very quick changing environment of how home process is started now. I mean, 40% of all homeowners are starting their journey online. 90% of them will conduct most of the business on the Internet. So how are we going to address the ever fast the moving of beginning your journey and ending your journey? I mean, back in the day, I also started 40 years ago, it was a 60-day escrow and 90-day Escrow. Now we're talking 14-day Escrows. So really the communication gap in the way real estate purchasing is going is not only a quicker and more efficient process, but a very automated process also whereby most Latinx in black communities will further be left out of the process. I call it kind of the automation out of home ownership era that we're in right now, and no one is talking about it. So, it's still a very manual process to do. First time home buyer loans, housing counseling agencies, a lot of the consumer perception as it slows down the process and they miss out getting a home.

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- The committee learned, unfortunately received some good statistics from NeighborWorks because of the community's participation in the National Foreclosure Mitigation counseling program that housing counseling works. And so, unfortunately, in this field, many still refer to housing counseling as one of the best kept secrets. When the committee talk about addressing racial equity and home ownership, we must be very innovative in our approach.

Next Steps and Adjourn

Summary: The panel discussed Collaborate with historically black colleges and universities (HBCU)

Launch \$3M initiative to collaborate with HBCUs (CNOFO), Launch \$300K initiative to collaborate with HBCUs on workforce development (TNOFO) OHC hosted a webinar on May 27, 2021, with 239 attendees, on creating partnerships with HBCUs and other MSIs Expand Engagement with Tribal, African American, Latino, Asian, Veterans, Persons with Disabilities, and Non-English-Speaking Groups. Mr. Barenbaum suggested inviting the public to actively sign up in the future. We really value public input. And I do believe that public comment on a program such as this really reinforces the mission and the recommendations made to this committee, which is really to guide and give strong advice to the Office of Housing Counseling on our programs. I'm delighted that one of the comments did submit a written submission.

Adjournment

HCFAC Deputy Assistant Secretary David Berenbaum moved to adjourn, and Virginia Holeman seconded the adjournment.