



National Mortgage Settlement

Counseling Program
Update and Adjustment

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NMS Counseling Program - Background



\$300M

Governor's
2020/21 Budget



\$50M

NMS Housing
Counseling Program



3

HUD
Intermediaries



Nov. 2020

Program
Launch

NMS Counseling Program - Program Summary

Housing Counseling Agencies

 **\$750**
Per Session

\$1,500 max per household

Intermediaries

 **12.5%**
Operational & Oversight Costs



Capacity Building Funds

- Strengthen and solidify California's housing counseling network
- Upgrade their outdated technology systems
- Hire additional counselors and staff



Target Audience

- Prioritize reaching socially disadvantaged and diverse communities

Increased Need

- Launched CA Mortgage Relief Program
- \$23.5M Additional funds

NMS Counseling Program - Performance



30k

*Households
Served*



\$44M

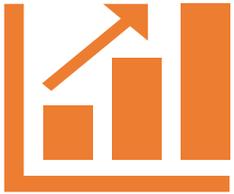
*Funds
Distributed*



80%

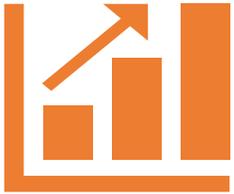
*Low or
Very Low
Income*

NMS Counseling Program - Performance (cont.)



Ethnicity & Race	NMS Counseling	State Population
<i>Ethnicity: Hispanic</i>	26%	39.4%
<i>Race:</i>		
<i>African American</i>	16%	5.7%
<i>Asian American/ Pacific Islander</i>	20%	15.8%
<i>American Indian/ Alaskan Native</i>	1%	1.6%
<i>White</i>	41%	41.2%
<i>Other / Multiple Race</i>	13%	35.8%

NMS Counseling Program - Performance (cont.)



Types of (Hardship) Counseling	# of Households
<i>Mortgage Delinquency</i>	5,000+
<i>Reverse Mortgage</i>	4,800+
<i>Rental Housing</i>	4,500+
<i>Homelessness</i>	500+



Disbursement Background

- Three Intermediaries with diverse reach
- Size of their networks vary (*# of agencies & # of counselors*)
- Distribution of funds could not be the same
- Allocated funds proportionate to network size and projected households



Disbursement Performance

- All three are performing above standard in diversity and types of services delivered
- Production for HomeFree USA has exceeded projections and funds specifically for counseling sessions are nearly gone.



Proposed Solution

- Strong need for counseling continues in CA
- Ensure HomeFree can continue through the end of the contract and co-terminus with the other two Intermediaries. (through June 2023)
- Request approval of \$18M counseling service funds for HomeFree as laid out in Resolution #22-19



Thank You