



The State Bar of California

**OPEN SESSION
AGENDA ITEM
MARCH 2022
LSTFC EXECUTIVE COMMITTEE IV.B**

DATE: March 23, 2022

TO: Members, Legal Services Trust Fund Executive Committee

FROM: Danielle MacRae, Senior Program Analyst

SUBJECT: Selection Criteria and Other Parameters for the 2022-2024 CalHFA Foreclosure Prevention Grants

EXECUTIVE SUMMARY

To help low-income homeowners avoid home loss, the California Housing Finance Agency (CalHFA) is planning to contract with the State Bar of California to administer \$12 million to 2022 IOLTA-funded organizations to provide legal assistance related to foreclosure prevention and home retention legal services. The funds are part of a \$945 million federal allocation that CalHFA received through the 2021 American Rescue Plan Act.

On March 11, 2022, the Legal Services Trust Fund Commission (commission) approved a timeline for making 2022-2024 CalHFA Foreclosure Prevention competitive awards. So that the competitive grant period can start by July 1, 2022, the commission delegated authority to the Executive Committee (committee) to approve the scoring rubric and request for proposals (RFP). It also delegated authority to the committee to approve award amounts.

This memo describes the parameters for the 2022-2024 CalHFA Foreclosure Prevention grants. Additionally, it presents an RFP (Attachment A) and scoring rubric for the committee's consideration at its meeting on March 23, 2022.

BACKGROUND

CalHFA received \$945 million through the 2021 American Rescue Plan Act to launch the California Mortgage Relief Program. CalHFA created a public benefit not-for-profit corporation

called the California Homeowner Relief Corporation (CalHRC) to administer the program. The program primarily provides financial assistance to qualified homeowners who have fallen behind on housing payments due to COVID-19 pandemic-related financial hardships.

In addition to financial assistance, federal guidance on mortgage relief programs also authorizes “legal services, targeted to households eligible to be served with funding ... related to foreclosure prevention or displacement.”¹ Recognizing the importance of legal assistance, CalHFA and CalHRC have reserved and plan to distribute \$12 million for grants to qualified legal services projects (QLSPs) and support centers to provide foreclosure prevention and/or home retention legal services. CalHFA is planning to contract with the State Bar to administer these funds.

Of the \$12 million, up to eight percent (\$960,000) will be available for administrative costs. The remaining funds, and any unspent administrative costs, would be distributed to QLSPs and support centers found eligible for 2022 IOLTA funding as 30-month competitive grants to fund foreclosure prevention and home retention legal services. The grant term will be July 1, 2022, to December 31, 2024; however, programs will be able to charge expenditures back one quarter, starting April 1, 2022, so that they may begin to serve clients as early as possible. CalHFA Foreclosure Prevention Grant award decisions are final and without appeal.

DISCUSSION

Grant Timeline

On March 11, 2022, the commission approved the following timeline for making 2022-2024 CalHFA Foreclosure Prevention grants:

Date(s)	Activity
February 15, 2022	Preview grant opportunity to Executive Committee
February 14 – March 30	Staff drafts RFP and scoring rubric
Approximately March 11, 2022	CalHFA selects intermediary and finalizes contract
March 11, 2022	Commission meets to approve distribution timeline and delegation of authority
March 21, 2022	Informational webinar for potential applicants
March 23, 2022	Executive Committee meets to approve RFP and scoring rubric
March 30, 2022	Staff releases RFP and application on SmartSimple
May 2, 2022	Applications due
May 2-31, 2022	Application review
June 2022	Executive Committee meets to approve grant awards
June 20-30, 2022	Staff sends grant agreements and processes invoices
July 1, 2022	Grant period begins

¹ See U.S. Department of the Treasury, “Homeowners Assistance Fund Guidance,” dated February 24, 2022, available at <https://home.treasury.gov/system/files/136/haf-guidance.pdf>

To implement this timeline and meet the need for a July 1, 2022, grant start date, the commission delegated authority to the committee to approve the RFP and scoring rubric and to approve grant awards.²

Grant Parameters

To be eligible for a 2022-2024 CalHFA Foreclosure Prevention award, applicants must be a current 2022 QLSP or support center under California Business and Professions Code section 6213.

Staff proposes there be no minimum grant award amount, but a maximum of \$2,400,000 (to be paid in three equal payments of up to \$800,000 on or near July 1, 2022, January 1, 2023, and January 2024). A maximum of \$2.4 million will allow programs to develop robust, effective foreclosure prevention programs and ensure the State Bar and commission can disburse all CalHFA funds, even if limited numbers of grantees provide the types of services that may be funded by this grant.

CalHFA has indicated permissible activities for these grants include, but are not limited to:

- Outreach and education on financial assistance from the California Mortgage Relief Program, the foreclosure process, arrearage payments, and homeowners' legal options;
- Review of loan documents and counseling regarding the viability of loan modifications;
- Loan modification assistance and loan modification denial appeals;
- Negotiation, mediation, and litigation to address servicer violations and wrongful foreclosures;
- Protecting home equity from judgment liens on non-mortgage consumer debts through debt collection lawsuit defense, and addressing existing judgment liens through set aside litigation or Chapter 7 bankruptcy (using automatic homestead exemptions that apply to California bankruptcies);
- Assisting with homestead declarations to protect equity against future judgments;
- Assisting with successor-in-interest issues, including proactive estate planning work to avoid home loss;
- Assisting mobilehome homeowners preserve ownership of their homes (including addressing issues with tenancies in mobile home parks that threaten homeownership, park and mobile home conditions, and representation in park closure or change of use cases);
- Providing reverse mortgage advice to older adults;
- Pursuing affirmative actions to restore homeowner titles;
- Addressing equity stripping schemes and scams (e.g., PACE, title theft, fraudulent inducement to sell) and foreclosure rescue scams;

² The resolution passed by the commission reads: "RESOLVED, that the Legal Services Trust Fund Commission (commission) approves the timeline for the 2022-2024 CalHFA foreclosure prevention legal assistance grants, as outlined in the March 11, 2022, PowerPoint presentation; and it is FURTHER RESOLVED, that the commission delegates authority to the Executive Committee to approve the Request for Proposals, including scoring rubric, for the 2022-2024 CalHFA foreclosure prevention legal assistance grants and delegates authority to the Executive Committee to consider and approve the award determinations."

- Addressing property charge issues, especially HOA delinquencies and foreclosures, forced place insurance, property tax delinquencies, and issues related to assessed value and transfers;
- Utilizing technology to facilitate mortgage relief applications with clients; and
- Providing related ancillary legal services such as consumer debt and bankruptcy legal assistance.

CalHFA has specified that grantees may not use these funds to support lobbying efforts.

Income eligibility for these services is at or below 150 percent of Area Median Income (AMI), as defined by the U.S. Department of Housing and Urban Development.³ In some counties, 150 percent of AMI may be higher than 200 percent of the Federal Poverty Level. Note that while this definition is different than the definition of indigency for IOLTA and EAF purposes, programs must nonetheless track whether clients served using the CalHFA grant are indigent under California Business and Professions Code section 6213(d) to enable proper identification of nonqualifying expenditures on the annual IOLTA and Equal Access Fund application.

Program specifications require that each grantee allocate 40 percent of grant funds to serving “socially disadvantaged communities.” Socially disadvantaged communities are those located in either Qualified Census Tracts (QCTs)⁴ or areas with high or very high ratings on the California Owner Vulnerability Index (OVI).⁵ Grantees will need to track and report how much of their spending was used to provide services to these communities.

Selection Criteria

Staff recommends the rubric and guidance below to assist with evaluating proposals. The rubric would be a tool to guide discussion of proposals. The committee would have the discretion to recommend/make awards that best accomplish the goals of providing foreclosure prevention and home retention interventions statewide and particularly in socially disadvantaged communities, even where that means funding a program(s) that scored lower on the rubric and not funding a program(s) that scored higher.

³ Area Median Income (AMI), and accompanying income limits, are calculated by the U.S. Department of Housing and Urban Development to determine eligibility for assisted housing programs. To be eligible for housing assistance under the California Mortgage Relief Plan, homeowners must have an income equal to or less than 150 percent of AMI adjusted by household size. To look up AMI in each county, see U.S. Department of Housing and Urban Development, “Income Limits,” available at <https://huduser.gov/portal/datasets/il.html>

⁴ QCTs are defined by the U.S. Department of Housing and Urban Development as areas that “have 50 percent of households with incomes below 60 percent of the Area Median Gross Income (AMGI) or have a poverty rate of 25 percent or more.” See U.S. Department of Housing and Urban Development, “Qualified Census Tracts and Difficult Development Areas,” available at <https://huduser.gov/portal/datasets/qct.html>

⁵ The Owner Vulnerability Index was created by the UCLA Center for Neighborhood Knowledge to “assist public agencies and community organizations in implementing homeowner protection policies and COVID-19 mortgage relief programs.” It identifies and prioritizes neighborhoods at higher risk for foreclosure. See UCLA Center for Neighborhood Knowledge, “California COVID-19 Owner Vulnerability,” available at <https://knowledge.luskin.ucla.edu/ca-covid-19-owner-vulnerability/>

Category	Exceeds Expectations	Meets Expectations	Below Expectations	Not Addressed
Project impact: The applicant proposes a project that significantly and directly addresses or will address a compelling need for the particular foreclosure prevention and home retention intervention(s).				
Number of check marks	X30 =	X25 =	X20 =	X0 =
Subtotal				
Administration: The applicant demonstrates that it has the qualifications, experience, resources, and/or partners that it needs to meet the proposal objectives.				
Number of check marks	X20 =	X15 =	X10 =	X0 =
Subtotal				
Outreach strategy targeting low-income homeowners: The applicant details a thoughtful strategy for identifying, targeting, and educating program-eligible homeowners (those with household incomes less than or equal to 150 percent of the Area Median Income) about proposed legal services.				
Focus on socially disadvantaged populations: The applicant articulates a particular focus on serving socially disadvantaged communities (those located in Qualified Census Tracts or areas of “high” or “very high” ratings on the California Owner Vulnerability Index).				
Evaluation: The applicant details an evaluation strategy to acquire data that it can use to refine the project’s strategies over the course of the grant to increase its effectiveness.				
Number of check marks	X15 =	X10 =	X5 =	X0 =
Subtotal				
Special consideration: The applicant articulates a focus on, or demonstrates a history of, serving traditionally underserved populations and/or populations disproportionately impacted by the COVID-19 pandemic (e.g., people with limited English proficiency, people of color, older adults).				

	0-5 points
Total	

Staff proposes to include the following explanations in the RFP along with the rubric:

- **Project impact:** Applicants should describe the needs of the targeted population and how anticipated outcomes of the proposed activities will have a meaningful impact on this population. Outcomes may include the number of people served, nature of the impact, and other project deliverables that will be achieved with this grant funding during the grant period. They should explain why they selected the particular intervention(s) over others. The justification for the proposed services should refer to the circumstances and needs of particular populations that the project seeks to serve.
- **Administration:** Applicants should demonstrate their ability and capacity to implement and manage the proposed activities. Strong administration includes adequate staffing, leadership, and oversight of project monitoring, outreach, and resource development. An applicant's historical demonstration of its ability to meet the goals from prior grants and timely reporting of results/outcomes will also be considered under this category. An applicant's prior experience providing foreclosure prevention legal services is relevant to this criterion.
- **Outreach strategy targeting low-income homeowners:** Applicants should describe strategies to meaningfully and effectively identify, target, and conduct outreach to low-income homeowners. For the purposes of this grant, low-income homeowners are those with household incomes less than or equal to 150 percent of the [Area Median Income](#) as defined by the U.S. Housing and Urban Development. Outreach strategies may include marketing, community engagement, partnerships with housing counseling agencies or other legal aid organizations, or other outreach or educational services that are aligned with the California Mortgage Relief Program design, in a manner that is culturally and linguistically relevant to the targeted communities.
- **Focus on socially disadvantaged populations:** Applicants should describe strategies to effectively prioritize services to socially disadvantaged communities. Social disadvantaged communities are those located in either 1) [Qualified Census Tracts \(QCTs\)](#) or 2) areas of high or very high ratings on the California [Owner Vulnerability Index \(OVI\)](#).
- **Evaluation:** Applicants should incorporate meaningful evaluation plans and metrics that effectively demonstrate whether and how the project's planned goals are being achieved. This may include a clear statement of the project goals, strategies to be used to achieve those goals, evaluation methods to be used to make any mid-course adjustments to the delivery model, and evaluation methods to gauge the success of the project.

- **Special consideration:** Applicants may earn special consideration points for projects that articulate a particular focus on serving underserved populations and/or populations that were disproportionately impacted by the COVID-19 pandemic. These populations might include people of color, people with limited English proficiency, and older adults. Applicants may also earn points for detailing strong experience serving these populations.

While the rubric refers to CalHFA Foreclosure Prevention projects, it bears structural similarities to the rubrics for other competitive awards—e.g., partnership grants, 2022-2024 homelessness prevention (HP III) competitive grants, and provisionally licensed lawyers grants. These rubrics adopt the categories of “exceeds expectations”, “meets expectations”, and “below expectations” for core criteria. This rubric also includes several criteria definitions proposed by the Rules Committee for use across all discretionary grants. Using a rubric consistent with those for other competitive awards will increase predictability for applicants, consistency in scoring, and efficiency in grantmaking.

The staff recommended rubric contains two criteria that are specific to this grant funding, however: “outreach strategy targeting low-income homeowners” and “focus on socially disadvantaged populations.” CalHFA indicated a desire to assess program’s outreach plan to effectively identify, target, and reach low-income homeowners that are eligible for services under this grant. CalHFA also indicated a desire to assess programs’ plan to strategically target and effectively serve people in “socially disadvantaged communities” as defined above.

Similarly, staff recommends incorporating a “special considerations” row that allows programs to earn up to five points for articulating a focus on, or demonstrating a history of, serving traditionally underserved populations and/or populations disproportionately impacted by the COVID-19 pandemic (e.g., people with limited English proficiency, people of color, and older adults). Because these funds were distributed in response to the COVID-19 pandemic, the CalHFA would like the commission to give preference to programs that substantially serve these groups.

In addition to the criteria contained in the rubric, staff also recommends that the committee use its best efforts to distribute grants statewide. This would entail a geographic comparison of the highest scoring proposals. To the extent that particular regions might be under-represented among top-scoring proposals, the committee could exercise discretion to recommend awards to those areas. In doing so, the committee might observe that a strong—although slightly lower scoring—proposal would provide high quality and badly needed services to communities that this funding would otherwise fail to reach.

Likewise, staff recommends that the committee strive for a diversity of foreclosure prevention and home retention interventions. This too would entail a services-based analysis of the top scoring proposals. To the extent that particular services might be under-represented, the committee could exercise discretion to fund that work. The discretion to spread funding statewide and to fund a diversity of interventions invites a comparative, post-scoring analysis.

To facilitate a July 1 grant start date, staff recommend a scoring team comprised of staff and one committee member review all proposals. Inclusion of a committee member will ensure commissioner input is properly taken into account.

Proposal Components

Staff proposes that the CalHFA Foreclosure Prevention grant proposal include the components below.

1. Form A: Project Profile

The project profile collects high-level information about the project's geographic focus, budget request, and current funding (if any), as well as a project abstract.

Additionally, applicants must provide a Data Universal Number System (DUNS) number since these grants are made possible by federal funds.⁶

2. Form B: Project Description

The project description collects detailed information about the project's needs, clients, partnerships, goals, activities, deliverables, and strategies for outreach, accessibility, and evaluation. It also asks for detailed narratives about the applicant's qualifications and resources to perform the work effectively.

3. Form C: Project Budget

The project budget collects information on how the program proposes to allocate CalHFA funds to the project for 30 months. Proposals will need to identify staff by their role (e.g., "managing attorney") and estimate the amount of time that these roles will spend on the project. The project staff, budget, and description should be consistent with each other.

4. Form D: Budget Narrative

The budget narrative collects information about each line of the budget, noting whether the grant will directly pay for specific items or be allocated on a percentage or other basis.

5. Form E: Project Assurance

Programs will have to acknowledge the following:

- A. Applicant will use funds it receives from the 2022-2024 CalHFA Foreclosure Prevention Grant only for purposes stated in its proposal.
- B. Applicant will not discriminate based on race, color, national origin, religion, gender/gender identity, disability, age, marital or domestic partnership status,

⁶ A DUNS number is a unique nine-digit identifier for businesses. The federal government uses DUNS numbers to track how federal money is allocated. The RFP provides links to information on how to request a free DUNS number for grantee applicants that do not already have one.

medical condition, or sexual orientation.

- C. Applicant will comply with quality control procedures adopted by the State Bar of California.
- D. Applicant will permit reasonable site visits and will present additional information deemed reasonably necessary to determine compliance with the terms of the grant.
- E. Applicant will comply with fiscal management and control procedures adopted by the State Bar.
- F. Any proposal submitted for a CalHFA Foreclosure Prevention Grant, and all documents submitted pursuant to issuance of this funding, are public documents, and may be disclosed to any person.
- G. Applicant will file regular (e.g., quarterly) program and financial reports, as may be required by the State Bar, and cooperate with other data collection requests by the State Bar for this grant project.
- H. The State Bar is permitted, in its sole discretion, to adjust Applicant's award at any time to reflect the actual amount of funding available for CalHFA foreclosure prevention competitive grants. Consequently, grantees shall not be guaranteed any specific dollar amount in grant funds, or any grant funds at all, if funds received are insufficient or unavailable to the State Bar.

Reporting Requirements

The 2022-2024 CalHFA Foreclosure Prevention grants are supported by federal funding and therefore have different reporting requirements than traditional IOLTA or EAF grants. Like the HP III grants, these reporting requirements are set by the U.S. Treasury and/or state Department of Finance. Additionally, reporting topics and deadlines are subject to change when necessary to comply with state and federal guidance. Staff and CalHFA are continuing to refine reporting requirements for these funds.

Grantees must report quantitative and qualitative data describing the clients they served and the activities they performed. This data includes outcomes (main and economic benefits) tied to individual characteristics that demonstrate the impact/value of these grants.

Staff proposes that, to the extent possible, the CalHFA Foreclosure Prevention grants use reporting requirements similar to those for HP III awards, which are also subject to federal reporting requirements. This will achieve consistency for programs and administrative efficiency. While the reporting requirements for these funds are not yet fully finalized, they are likely to include:

1. Quarterly Expenditure Reports

Organizations submit quarterly spending reports that compare expenditures against the

approved budget, and report how much of spending was on socially disadvantaged communities. Grantees would report budget variances that exceed 10 percent to the State Bar as soon as possible.

2. Quarterly and Annual Services/Case Reports

Grantees submit quarterly reports on the total number of persons they served with grant funds. This includes total cases closed where there was an attorney-client relationship. It also includes participants of other—e.g., information only—services from self-help clinics, trainings, outreach events, and hotline calls. Grantees would also need to report quarterly the total amount of delinquent mortgage payments at issue for the persons served. Grantees would have to submit annual reports with client-level data on the following:

- A. Main benefits for all cases according to those codes and definitions in the *California Legal Aid Reporting Handbook* that are relevant to the permissible activities of the CalHFA Foreclosure Prevention grants.
- B. Geographic and demographic data (including whether the client lives in a socially disadvantaged community), tied to anticipated and verified outcomes, for all clients.
- C. Economic benefits for cases that resulted in an award for or savings to the client, including mortgage delinquencies resolved.
- D. Highest levels of service for all cases where there was an attorney-client relationship and aggregated data about all other services (e.g., trainings).
- E. Any other data necessary to comply with state and federal reporting requirements.

3. Final Evaluation Report

In addition to the regular activity/services reports, organizations would have to submit a final evaluation about the following outputs and outcomes, among others:

- A. Service population: How did this project impact the people it served? What changed for them, or what negative outcomes were prevented?
- B. Community impact: Describe whether and how this project has changed the community it serves.
- C. Evaluation/Assessment: Describe the processes used to assess the effectiveness of this project and any lessons learned regarding the project itself or the community it serves.
- D. Reports: Upload any report completed regarding the evaluation or assessment of this project or demonstrating the effect of services rendered (e.g., client

satisfaction survey results, pre- and post-service results, number of cases in which stipulations were reached, number of trials, outcome of trials, etc.).

- E. Other impacts: Will this project have any immediate or long-term impacts that are not captured in main benefits reporting?
- F. Continuation of the project: Describe any plans to continue the project after the grant period.
- G. Publications: Describe any future publication or distribution plans for materials resulting from grant activities; provide the URL for online resources related to this project (web sites, resource libraries, etc.).
- H. Impact work and materials:
 - Overview of impact litigation cases: For any grant-funded impact cases the organization litigated as part of this project during the grant period, whether open or closed, programs would report the case name, number of individuals estimated to be impacted, date filed, venue, and any partners or co-counsel participating.
 - Overview of public policy advocacy activities: Programs would describe any grant-funded public policy advocacy activities the organization engaged in during the grant period. As stated above, lobbying efforts are not permissible with these grant funds.
 - Training and support activities: Programs would describe any grant-funded training or other support activities not identified above. For support centers, they would use this space to provide quantitative and qualitative data about trainings, convenings, research, and other support for QLSPs.

RECOMMENDATIONS

Should the committee concur with staff's proposal, passage of the following resolution is recommended:

RESOLVED, that the Legal Services Trust Fund Commission Executive Committee, acting on behalf of the commission under its delegated authority, approves the request for proposals, rubric, and distribution plan for 2022–2024 CalHFA Foreclosure Prevention Grants as described in staff's March 23, 2022, memorandum to the Executive Committee.

ATTACHMENT(S) LIST

A. 2022–2024 CalHFA Foreclosure Prevention Grant Request for Proposals

2022-2024 CalHFA Foreclosure Prevention Grant Request for Proposals

Background

The California Housing Finance Agency (CalHFA) received \$945 million through the 2021 American Rescue Plan Act to launch a California Mortgage Relief Program. CalHFA created a public benefit not-for-profit corporation called the California Homeowner Relief Corporation (CalHRC) to administer the program. The program primarily provides financial assistance to qualified homeowners who have fallen behind on housing payments due to COVID-19 pandemic-related financial hardships.

Federal guidance on mortgage relief programs also authorizes “legal services, targeted to households eligible to be served with funding... related to foreclosure prevention or displacement.” (See [U.S. Department of Treasury Homeowners Assistance Fund Guidance](#).) CalHFA and CalHRC are contracting with the State Bar and Legal Services Trust Fund Commission to administer \$12 million in civil legal aid grants for foreclosure prevention. Grants will be awarded to QLSPs and support centers as 30-month competitive grants to fund foreclosure prevention and home retention legal services. The grant term will be July 1, 2022, to December 31, 2024; however, programs will be able to charge expenditures back one quarter, to as early as April 1, 2022, so they may begin to serve clients as early as possible.

Permissible activities include, but are not limited to:

- Outreach and education on financial assistance from the California Mortgage Relief Program, the foreclosure process, arrearage payments, and homeowners’ legal options;
- Review of loan documents and counseling regarding the viability of loan modifications;
- Loan modification assistance and loan modification denial appeals;
- Negotiation, mediation, and litigation to address servicer violations and wrongful foreclosures;
- Protecting home equity from judgment liens on non-mortgage consumer debts through debt collection lawsuit defense, and addressing existing judgment liens through set aside litigation or Chapter 7 bankruptcy (using automatic homestead exemptions that apply to California bankruptcies);
- Assisting with homestead declarations to protect equity against future judgments;
- Assisting with successor-in-interest issues, including proactive estate planning work to avoid home loss;
- Assisting mobilehome homeowners preserve ownership of their homes (including addressing issues with tenancies in mobile home parks that threaten homeownership, park and mobile home conditions, and representation in park closure or change of use cases);
- Providing reverse mortgage advice to older adults;

- Pursuing affirmative actions to restore homeowner titles;
- Addressing equity stripping schemes and scams (e.g., PACE, title theft, fraudulent inducement to sell) and foreclosure rescue scams;
- Addressing property charge issues, especially HOA delinquencies and foreclosures, forced place insurance, property tax delinquencies, and issues related to assessed value and transfers;
- Utilizing technology to facilitate mortgage relief applications with clients; and
- Providing related ancillary legal services such as consumer debt and bankruptcy legal assistance.

Eligibility

To be eligible for consideration, applicants must submit proposals for 2022-2014 CalHFA foreclosure prevention by **Monday, May 2, 2022, at 5:00 p.m. (PT)** through SmartSimple. To be eligible for the award, applicants must be found eligible in 2022 as a Qualified Legal Services Project (QLSP) or support center under California Business and Professions Code [section 6213\(a\)-\(b\)](#).

Competitive Grant Parameters

1. CalHFA foreclosure prevention awards must fund the activities listed above. These grants may not support lobbying efforts.
2. There is no minimum amount of funding that programs may request. The maximum that a program may request is \$2,400,000 for 30 months (payments to grantees will be made in three equal installments on or near July 1, 2022, January 1, 2023, and January 1, 2024). Grant funds must be used by December 31, 2024, and any unused funds must be returned to the State Bar by January 31, 2025, for remittance to CalHFA.
3. Client income eligibility for these services is at or below 150 percent of [Area Median Income \(AMI\)](#), as defined by the U.S. Department of Housing and Urban Development. In some counties, 150 percent of AMI may be higher than 200 percent of the Federal Poverty Level. Programs must nonetheless track whether clients served using CalHFA grant funds are indigent under California Business and Professions Code [section 6213\(d\)](#) so that they may accurately identify and report nonqualifying expenditures on the annual IOLTA and Equal Access Fund application.
4. Grantees must use at least 40 percent of grant funds to serve socially disadvantaged communities. Socially disadvantaged communities include those located in either 1) [Qualified Census Tracts \(QCTs\)](#) as defined by the Department of Housing and Urban

Development, or 2) areas of high or very high ratings on the California [Owner Vulnerability Index \(OVI\)](#) as defined by the UCLA Center for Neighborhood Knowledge.

Award Information

The commission will distribute at least \$11,040,000 in competitive funds. The competitive grant period will start on July 1, 2022, but programs may charge expenditures to the grant beginning one quarter earlier, on April 1, 2022.

The commission seeks to fund high-impact projects and a diversity of foreclosure prevention legal services throughout the state.

Selection Criteria

Award decisions are final and without appeal. The funding level of awards will depend on the number and quality of the proposals as well as proposed budgets. A successful response to this RFP will expressly and persuasively:

- Identify how the proposed project aligns with the permissible uses and would meet the compelling needs of the population(s) it targets.
- Articulate the outputs (e.g., number of cases closed) and outcomes (e.g., increase in knowledge of homeowner rights) of services. Applicants should identify goals they seek to achieve with this grant that are tied to the specific activities and deliverables proposed.
- Highlight how clients in socially disadvantaged communities will be effectively targeted and served.
- Describe the applicant's qualifications and staffing to perform the proposed work.

The Legal Services Trust Fund Commission will use their best efforts to distribute grants statewide and to fund a diversity of foreclosure prevention and home retention interventions. Additionally, the commission has adopted the following rubric to guide its deliberations:

Category	Exceeds Expectations	Meets Expectations	Below Expectations	Not Addressed
Project impact: The applicant proposes a project that significantly and directly addresses or will address a compelling need for the particular foreclosure prevention and home retention intervention(s).				
Number of check marks	X30 =	X25 =	X20 =	X0 =
Subtotal				

Administration: The applicant demonstrates that it has the qualifications, experience, resources, and/or partners that it needs to meet the proposal objectives.				
Number of check marks	X20 =	X15 =	X10 =	X0 =
Subtotal				
Outreach strategy targeting low-income homeowners: The applicant details a thoughtful strategy for identifying, targeting, and educating program-eligible homeowners (those with household incomes less than or equal to 150 percent of the Area Median Income) about proposed legal services.				
Focus on socially disadvantaged populations: The applicant articulates a particular focus on serving socially disadvantaged communities (those located in Qualified Census Tracts or areas of “high” or “very high” ratings on the California Owner Vulnerability Index).				
Evaluation: The applicant details an evaluation strategy to acquire data that it can use to refine the project’s strategies over the course of the grant to increase its effectiveness.				
Number of check marks	X15 =	X10 =	X5 =	X0 =
Subtotal				
Special consideration: The applicant articulates a focus on, or demonstrates a history of, serving traditionally underserved populations and/or populations disproportionately impacted by the COVID-19 pandemic (e.g., people with limited English proficiency, people of color, older adults).				
	0-5 points			
Total				

Note: The rubric is a tool to guide discussion of proposals. The committee would have the discretion to recommend and make awards that best accomplish the goals of providing foreclosure prevention and home retention interventions statewide and particularly in socially disadvantaged communities, even where that might mean funding a program or programs that

scored lower on the rubric and not funding a program or programs that scored higher.

The following explanations accompany the rubric:

- **Project impact:** Applicants should describe the needs of the targeted population and how anticipated outcomes of the proposed activities will have a meaningful impact on this population. Outcomes may include the number of people served, nature of the impact, and other project deliverables that will be achieved with this grant funding during the grant period. They should explain why they selected the particular intervention(s) over others. The justification for the proposed services should refer to the circumstances and needs of particular populations that the project seeks to serve.
- **Administration:** Applicants should demonstrate their ability and capacity to implement and manage the proposed activities. Strong administration includes adequate staffing, leadership, and oversight of project monitoring, outreach, and resource development. An applicant's historical demonstration of its ability to meet the goals from prior grants and timely reporting of results/outcomes will also be considered under this category. An applicant's prior experience providing foreclosure prevention legal services is relevant to this criterion.
- **Outreach strategy targeting low-income homeowners:** Applicants should describe strategies to meaningfully and effectively identify, target, and conduct outreach to low-income homeowners. For the purposes of this grant, low-income homeowners are those with household incomes less than or equal to 150 percent of the [Area Median Income](#) as defined by the U.S. Housing and Urban Development. Outreach strategies may include marketing, community engagement, partnerships with housing counseling agencies or other legal aid organizations, or other outreach or educational services that are aligned with the California Mortgage Relief Program design, in a manner that is culturally and linguistically relevant to the targeted communities.
- **Focus on socially disadvantaged populations:** Applicants should describe strategies to effectively prioritize services to socially disadvantaged communities. Social disadvantaged communities are those located in either 1) [Qualified Census Tracts \(QCTs\)](#) or 2) areas of high or very high ratings on the California [Owner Vulnerability Index \(OVI\)](#).
- **Evaluation:** Applicants should incorporate meaningful evaluation plans and metrics that effectively demonstrate whether and how the project's planned goals are being achieved. This may include a clear statement of the project goals, strategies to be used to achieve those goals, evaluation methods to be used to make any mid-course

adjustments to the delivery model, and evaluation methods to gauge the success of the project.

- **Special consideration:** Applicants may earn special consideration points for projects that articulate a particular focus on serving underserved populations and/or populations that were disproportionately impacted by the COVID-19 pandemic. These populations might include people of color, people with limited English proficiency, and older adults. Applicants may also earn points for detailing strong experience serving these populations.

HP Competitive Grant Timeline

Date(s)	Activity
February 15, 2022	Preview grant opportunity to Executive Committee
February 14 – March 30	Staff drafts RFP and scoring rubric
Approximately March 11, 2022	CalHFA selects intermediary and finalizes contract
March 11, 2022	Commission meets to approve distribution timeline and delegation of authority
March 21, 2022	Informational webinar for potential applicants
March 23, 2022	Executive Committee meets to approve RFP and scoring rubric
March 30, 2022	Staff releases RFP and application on SmartSimple
May 2, 2022	Applications due
May 2-31, 2022	Application review
June 2022	Executive Committee meets to approve grant awards
June 20-30, 2022	Staff sends grant agreements and processes invoices
July 1, 2022	Grant period begins

Proposal Components

A complete CalHFA foreclosure prevention proposal will include the components below. Please see the proposal instructions for detailed guidance.

1. Form A: Project Profile

The project profile collects high-level information about the project's geographic focus, budget request, and current funding (if any), as well as a project abstract.

Additionally, a Data Universal Number System (DUNS) number is necessary since these grants are made possible by federal funds. To learn more about DUNS numbers, please visit grants.gov [here](#). To request a free DUNS number—for organizations that do not have one already—please visit Dun & Bradstreet's website [here](#).

2. Form B: Project Description

The project description collects detailed information about the project's needs, clients, partnerships, goals, activities, deliverables, and strategies for outreach, accessibility, and evaluation. It also asks for detailed narratives about the applicant's qualifications and resources to perform the work effectively.

3. Form C: Project Budget

The project budget collects information on how the program proposes to allocate CalHFA funds to the project over 30 months. Proposals will need to identify staff by their role (e.g., "managing attorney") and estimate the amount of time that these roles would spend on the project. The project staff, budget, and description should be consistent with each other.

4. Form D: Budget Narrative

The budget narrative collects information about each line of the budget, noting whether the grant will directly pay for specific items or be allocated on a percentage or other basis.

5. Form E: Project Assurance

Programs will have to acknowledge the following:

- A. Applicant will use funds it receives from the 2022-2024 CalHFA Foreclosure Prevention Grant only for purposes stated in its application.
- B. Applicant will not discriminate based on race, color, national origin, religion, gender/gender identity, disability, age, marital or domestic partnership status, medical condition, or sexual orientation.
- C. Applicant will comply with quality control procedures adopted by the State Bar of California.
- D. Applicant will permit reasonable site visits and will present additional information deemed reasonably necessary to determine compliance with the terms of the grant.
- E. Applicant will comply with fiscal management and control procedures adopted by the State Bar.
- F. Any proposal submitted for a CalHFA Foreclosure Prevention Grant, and all documents submitted pursuant to issuance of this funding, are public documents, and may be disclosed to any person.
- G. Applicant will file regular (e.g., quarterly) program and financial reports, as may

be required by the State Bar, and cooperate with other data collection requests by the State Bar for this grant project.

- H. The State Bar is permitted, in its sole discretion, to adjust Applicant's award at any time to reflect the actual amount of funding available for CalHFA foreclosure prevention competitive grants. Consequently, grantees shall not be guaranteed any specific dollar amount in grant funds, or any grant funds at all, if funds received are insufficient or unavailable to the State Bar.

Reporting Requirements

The 2022-2024 CalHFA Foreclosure Prevention grants are supported by federal funding and therefore have different reporting requirements than traditional IOLTA or EAF grants. Like the HP III grants, these reporting requirements are set by the U.S. Treasury and/or state Department of Finance. Additionally, reporting topics and deadlines are subject to change when necessary to comply with state and federal guidance. Staff and CalHFA are continuing to refine reporting requirements for these funds.

Grantees must report quantitative and qualitative data describing the clients they served and the activities they performed. This data includes outcomes (main and economic benefits) tied to individual characteristics that demonstrate the impact/value of these grants.

Reporting requirements will include:

1. **Quarterly Expenditure Reports**

Organizations will have to submit quarterly spending reports that compare expenditures against the approved budget, and report how much of spending was on socially disadvantaged communities. Grantees must report budget variances that exceed 10 percent to the State Bar as soon as possible.

2. **Quarterly and Annual Services/Case Reports**

Grantees will have to submit quarterly reports on the total number of persons they served with grant funds. This includes total cases closed where there was an attorney-client relationship. It also includes participants of other—e.g., information only—services from self-help clinics, trainings, outreach events, and hotline calls. Grantees will also need to report quarterly the total amount of delinquent mortgage payments at issue for the persons served. Grantees will have to submit annual reports with client-level data on the following:

- A. Main benefits for all cases according to those codes and definitions in the *California Legal Aid Reporting Handbook* that are relevant to the permissible activities of the CalHFA Foreclosure Prevention grants.

- B. Geographic and demographic data (including whether the client lives in a socially disadvantaged community), tied to anticipated and verified outcomes, for all clients.
- C. Economic benefits for cases that resulted in an award for or savings to the client, including mortgage delinquencies resolved.
- D. Highest levels of service for all cases where there was an attorney-client relationship and aggregated data about all other services (e.g., trainings).
- E. Any other data necessary to comply with state and federal reporting requirements.

3. **Final Evaluation Report**

In addition to the regular activity/services reports, organizations will have to submit a final evaluation about the following outputs and outcomes, among others:

- A. Service population: How did this project impact the people it served? What changed for them, or what negative outcomes were prevented?
- B. Community impact: Describe whether and how this project has changed the community it serves.
- C. Evaluation/Assessment: Describe the processes used to assess the effectiveness of this project and any lessons learned regarding the project itself or the community it serves.
- D. Reports: Upload any report completed regarding the evaluation or assessment of this project or demonstrating the effect of services rendered (e.g., client satisfaction survey results, pre- and post-service results, number of cases in which stipulations were reached, number of trials, outcome of trials, etc.).
- E. Other impacts: Will this project have any immediate or long-term impacts that are not captured in main benefits reporting?
- F. Continuation of the project: Describe any plans to continue the project after the grant period.
- G. Publications: Describe any future publication or distribution plans for materials resulting from grant activities; provide the URL for online resources related to this project (web sites, resource libraries, etc.).
- H. Impact work and materials:

- Overview of impact litigation cases: For any grant-funded impact cases your organization litigated as part of this project during the grant period, whether open or closed, report the case name, number of individuals estimated to be impacted, date filed, venue, and any partners or co-counsel participating.
- Overview of public policy advocacy activities: Describe any grant-funded public policy advocacy activities your organization engaged in during the grant period. As stated above, lobbying efforts are not permissible with these grant funds.
- Training and support activities: Describe any grant-funded training or other support activities not identified above. For support centers, use this space to provide quantitative and qualitative data about trainings, convenings, research, and other support for QLSPs.

For Technical Support

If you have any questions, please contact Danielle MacRae, Senior Program Analyst, at (213) 765-1324 or Danielle.MacRae@calbar.ca.gov.