

Core Service Report

Housing Counseling

Consumer Category:
Basic Needs

Primary Consumer Group:
**Persons or Households
that are Housing Insecure**



February 2007

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COMPANION REPORTS

In addition to the information included in this report, a report of the other core services (80 in total), community leader key informant interviews, United Way - First Call for Help staff focus groups, consumer snapshots, and e-survey of United Way funded executive directors, board presidents, and United Way Community Investment staff are available at <http://www.uws.org>.

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This report reflects the comments from reviewers and United Way Community Investment Committee cluster volunteers.

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SNAPSHOT

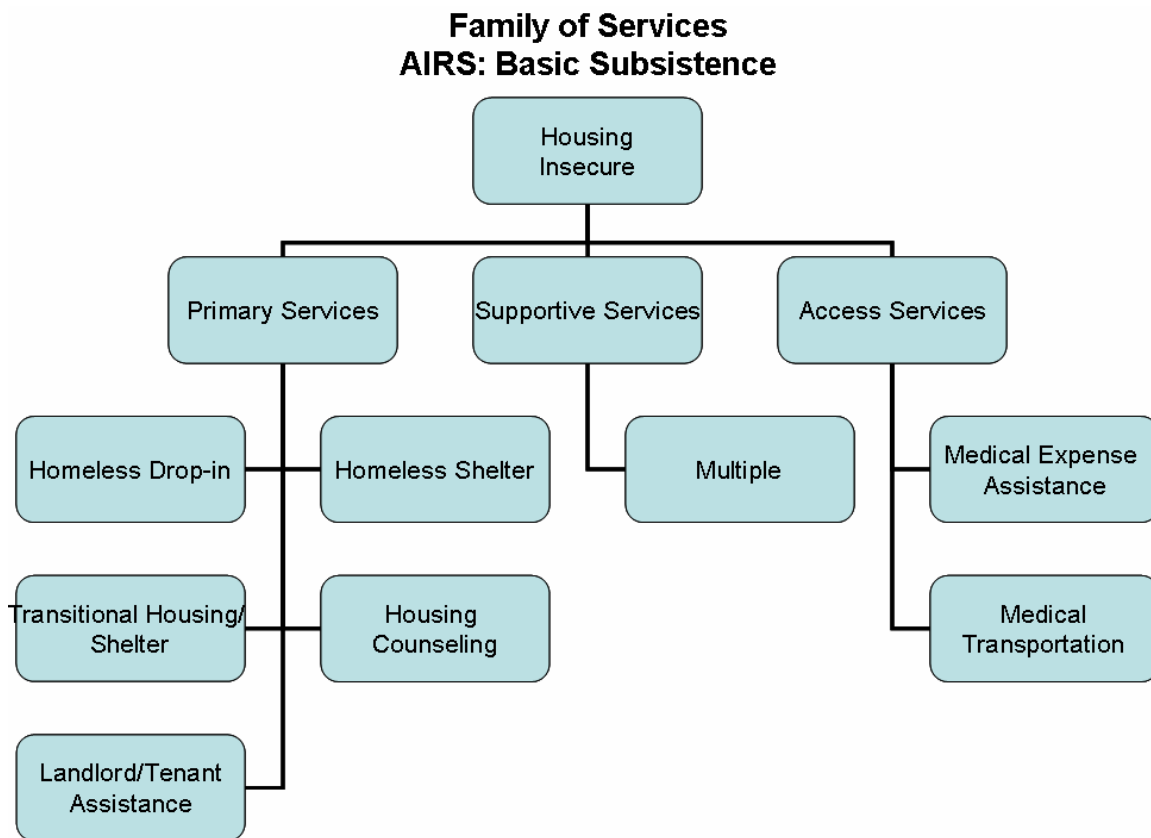
AIRS Code Level I: Basic Subsistence
AIRS Code Level II: Housing
Core Service: Housing Counseling BH-370

Investment Committee: Strong Families = Successful Children
Cluster: Basic Needs

AIRS Definition: Programs that provide comprehensive assistance for people who want to rent, purchase or build housing, including information and advice about rental, purchase or building costs; how to select affordable housing that meets individual needs; and how to provide for insurance, maintenance and other requirements related to acquiring and paying for housing.

Special Note: While the AIRS definition encompasses programs for renters, we have focused our research on housing counseling programs for home buyers which include current renters or owners. The Landlord/Tenant Assistance core service report addresses renters' issues.

The Housing Counseling Program is part of a family of services for individuals and households who are housing insecure. It is one of five primary services targeting this consumer group. In addition, there are two services that facilitate access to other needed services. (See figure below.)



Core Service Environment

Approximately ten percent of families in the housing market have credit problems and often must turn to the sub-prime lending market to purchase a home. While many sub-prime mortgage lenders provide a service that can be beneficial to the economy, there is also an underworld of lenders, mortgage brokers, realtors, and home improvement contractors who engage in abusive lending practices that strip borrowers' home equity and place them at increased risk of foreclosure. According to Fannie Mae (2005), of this year's 80,705 total mortgage loans, 27 percent were with sub-prime lenders. Over 42 percent of all mortgage loans were made to low-income borrowers. Just over 26 percent of households with an income of 0-80 percent of area median have a severe housing cost burden. These individuals are a prime target audience for housing counseling (Fannie Mae KnowledgePlex Data Place, 2005).

There are a number of laws that protect consumers in the housing market. The Truth in Lending Act (TILA), the Home Ownership and Equity Protection Act (HOEPA), and the Real Estate Settlement Procedures Act (RESPA) are designed to protect consumers in mortgage lending. Over the years, there have been a number of recommendations made to improve these laws as well as a recommendation to establish an Office of Housing Counseling in the U.S. Department of Housing and Urban Development (HUD). Locally, Cleveland enacted an emergency ordinance that prohibits predatory lending. This action was further enhanced and strengthened by the issuance of a second emergency ordinance. And in Cuyahoga County, several county agencies and departments, along with lawyers and advocates from nonprofit counseling and legal representation providers, home-financing consumers and other experts, recommended an early intervention program to address the issue of escalating rates of foreclosure.

Core Service Consumers

The target population addressed in this core service report includes households earning less than \$35,000 annually that participated in the housing market during the previous year; it focuses specifically on potential or current home buyers.

The U.S. Treasurer/HUD Task Force (2000) reports that sub-prime borrowers as a group have lower credit quality than borrowers in the prime market. Consequently, the borrower demographics in the sub-prime market reflect populations that may have low or volatile income or thin credit history. Sub-prime borrowers tend to be low-income and African American, single, female, and are more likely to be older and less well-educated than prime borrowers.

In 2001 according to the 2003-04 Social Indicators on Housing, 25,589 conventional home loans were granted to residents of Cuyahoga County and 3,840 were denied. For the same period, 3,246 federally guaranteed home loans were granted with 309 denied. Many of these individuals then sought out higher-risk, sub-prime lending to obtain a mortgage. Between 1998 and 2001, 58,047 mortgage loans were extended to residents of Cuyahoga County and 16,556 were considered "high risk."

Core Service Delivery

The definition of housing counseling programs for this report is as follows: programs that provide comprehensive assistance for people who want to purchase housing; this includes information and advice about purchase costs; how to select affordable housing that meets individual needs; and how to provide for insurance, maintenance and other requirements related to acquiring and paying for housing.



According to the National Consumer Law Center, the homeownership education and counseling industry has evolved over the last thirty years to address the needs of traditionally underserved populations in the housing marketplace (Williamson, 2004).

Today, the housing education and counseling industry is characterized by a diverse array of programs and approaches to increasing homeownership. Almost all organizations provide pre-purchase education and counseling to low-income individuals seeking to purchase their first home. The programs are delivered through home study, classroom or other group instruction, individual counseling, or over the telephone. Counseling typically refers to one-on-one consultation tailored to an individual's need as opposed to a generic program. Nonprofit agencies, government, for-profits, lenders, realtors, brokers and mortgage insurance companies administer these programs. Pre-purchase programs are dominated by telephone and home study methods administered by lenders and other for-profit organizations.

Based on United Way - First Call for Help's (FCFH) database (February 2005), there are 16 housing counseling organizations operating from 23 different sites in Cuyahoga County. In FY 2004 (July 2003 to June 2004), FCFH call data shows a decrease in the number of total requests for housing counseling (which includes core services defined as counseling, information, training and housing services) in the county: from 96 in 2000 to 37 in 2004 (61 percent). Over the same five-year period, FCFH had 333 requests for information about housing counseling, which included training/education, predatory lending, and alternative services. Of these requests, they were able to make referrals to 99 percent of callers.

According to the National Consumer Law Center (2004), overall funding for housing counseling has declined. Although HUD has steadily increased its funding for housing counseling, funding from HUD covers approximately one-quarter of program costs for HUD-approved agencies and not all HUD-approved agencies receive funding each year.

The Ohio Housing Trust Fund provides funding to projects that serve primarily low-income families and individuals. For Cuyahoga County, the Ohio Housing Trust Fund reported that, for 2005, approximately \$2.5 million dollars were distributed to eighteen local agencies and were targeted to assist 3,355 households with an estimated 5,350 persons.

Currently, there are 52 community action agencies (CAA) in Ohio that serve the state's 88 counties. The Council for Economic Opportunities of Greater Cleveland (CEOOC) serves Cuyahoga County. During the last program year, the CAA administered \$523,407,248 of resources aimed at alleviating the problems of poverty in Ohio's Communities. Nationally, Ohio ranks second for the amount of resources developed by its community action network. Some of the services offered through the CAAs include housing information/referral (18,426 programs statewide), housing counseling (1,229 programs) and other housing counseling programs (2,451 programs).

As of May 11, 2006, \$405,000 in revenues for housing counseling programs has been identified countywide. This includes information from foundations; federated fundraising organizations; and regional, county and municipal government. The majority of the revenue (69 percent) is from contracts or grants from government organizations. The remaining revenue comes from

foundations and trusts. United Way of Greater Cleveland did not fund housing counseling in FY2004.

The average market cost to provide housing counseling is approximately \$250 per household (Cleveland Housing Network, n.d.). The average range of reimbursement varies by source, with clients generally paying nothing, private funders paying \$200 per client, government funding paying around \$500 per client, and corporate funders reimbursing up to \$700 per client.

What Works; What Doesn't

A recent study by Hiram & Zorn (2001) analyzed data from 1993 through 1998, and found that housing counseling is possibly effective in reducing 90 day mortgage delinquency rates. This independent study suggests that of the types of counseling available (i.e., classroom, home study, individual, and telephone), those that provide individualized attention seem to benefit the most while those with telephone counseling benefited the least. The report also acknowledges that when counseling is conducted by nonprofit organizations and lenders, on average the delinquency rates are lower than when such counseling is provided by other groups. The study indicated that those with counseling did have, on average, a 19 percent lower 90 day delinquency rate.

The National Consumers Law Center (Williamson, 2004) spells out several benefits that housing counseling affords the community. They include the expansion of homeownership in underserved communities, producing a pool of mortgage ready applicants, stabilizing homeownership in underserved communities, and reducing homeowners' vulnerability to predatory lending.

There are two main accrediting bodies for financial counseling: the National Foundation for Credit Counseling (NFCC), a HUD certified housing counseling agency, and the U.S. Department of Housing and Urban Development.

Gap Analysis

In 2000, the estimated number of households in need of Housing Counseling in Cuyahoga County was 52,101. This represent households with income less than \$35,000 that participated in the housing market during the previous year.

Countywide, there are 23 service sites for housing counseling programs. This is a ratio of 1,885 possible consumers (estimated 43,355 total) to one service site countywide. The ratios on the Service Site Index range from a high of 162:1 in zip code 44102 (Cleveland/Brooklyn 95%) to a low of 2:1 in zip code 44040 (Gates Mills/Mayfield Village).

The Cleveland Housing Network provided housing counseling for 809 consumers in CY 2004. For Cuyahoga County, the Ohio Housing Trust Fund reported that for 2005 funding was targeted to assist 3,355 households with an estimated 5,350 persons.

While the demand for default and delinquency counseling has mushroomed among low-income and other homeowners, nonprofit agencies' capacity to meet this need is highly questionable, according to the National Consumer Law Center (2004). The center's concern is with the nonprofits' capacity to provide specialized services and to meet the need in their communities. The center describes three major barriers:

- Default and delinquency counseling is time intensive and expensive.

- A lack of pre-refinance counseling or services to assist victims of predatory lending.
- Receipt of relevant loan documents in time for counselors to review before closing.

I. FOREWORD

INTRODUCTION

United Way of Greater Cleveland (UW), in partnership with the Cuyahoga County Board of Commissioners, has initiated a large scale core service planning process to generate data and engage in community-wide dialogue about the community's safety net of core service and consumer needs in the Greater Cleveland area. In addition, UW envisions this process as an opportunity to better understand its role in the community and its long term capacity to improve the lives of Greater Clevelanders.

The primary goal of the Cuyahoga County core service research is to identify consumer needs and assess whether there are service gaps/duplications on a community-wide level. The findings from this research will guide future funding decisions at UW, and they will also be used to stimulate dialogue with other funders and groups in the community. United Way intends to continue to fund a broad array of "safety net" services that are important to the Greater Cleveland area. But it is hoped that the research findings will inform how UW dollars may be dispersed to have the greatest impact on current realities, needs, and priorities in the Greater Cleveland community.

METHODOLOGY

United Way contracted with MCS Consulting Service, LLC, to conduct the core service research, which focuses on both the consumers served and services provided. (See Attachment 1 for list of members of the research team.) The research team has obtained information about each core service from multiple data sources. At the end of the research process there will be substantial information available for some services and less for others, which will provide a clearer picture of what information *is* available and where there are *significant gaps*.

The questions addressed are:

- Including public policies, what are the environmental influences that are impacting both service consumers and the capacity for service delivery?
- Who are the service consumers? What are the factors that lead to a need for services? How many consumers are there? How many have there been in the past several years and what factors influenced the historic trend line? What are the projected numbers for the future? What is their demographic profile? Where do they reside? How many are receiving services funded by government and/or United Way?
- What is the philosophy that drives service delivery? Has it changed? What does the service consist of? Who provides the service?
- What are the funding sources? What are the annual revenues from government sources, federated fund raising organizations, foundations, and United Way of Greater Cleveland? What are the historic government funding trends and what is projected for the future? What is the reimbursement amount?
- What works and what doesn't work in service delivery?
- Are there service gaps, duplication, under-utilization?



The primary information sources used for this report are:

- Results of 20 focus groups with 159 direct service staff of United Way member agencies and non-members, and key informant interviews with 93 experts in the respective service areas (February 2005). Participants were asked about consumer populations that are increasing and those with unmet needs; they provided insight about specific service gaps and duplication, as well as services they perceive to be outdated or under-utilized.
- United Way Program Report data for FY 2004 (July 2003 to June 2004). Each year United Way member agencies submit information to their respective investment committees on each funded core service they provide. Among other things, this information includes a demographic profile of the consumers served, the zip codes where the consumers reside, and all revenue sources that support the service. The research team has aggregated this information for each core service.
- United Way - First Call for Help call data (2000 to 2004) - United Way - First Call for Help provides a 24/7 information and referral service through its 211 telephone line. The research team analyzed data from its large database, which includes the names of service providers for most core services, the activities they provide and the zip codes in which they and those they serve are located, the number of calls received, and whether the need was met or unmet. Unmet needs are those for which there was no resource to reference.
- Literature reviews on service trends and issues as well as best practices (i.e., what works/ what doesn't work in service delivery), including impact on the individual/family and on the community.
- Searches for information on public policies that are currently impacting consumers or service delivery.
- U.S. Census and American Community Survey data for various time periods.
- Data from funders on actual consumer populations and funding levels.

(See Attachment 2 for technical notes on the research methodology as well as limitations of the data.)

II. THE CORE SERVICE ENVIRONMENT

CORE SERVICE ENVIRONMENT

According to the National Consumer Law Center (Williamson, 2004), there are a number of factors fueling the demand for housing counseling, but three of the most prominent are:

Steep increase in the number of loans in foreclosure. The number of mortgages in foreclosure in the United States climbed to a record high during 2002. This caps a twenty year trend of rising foreclosure rates. More alarming, the rate of government-backed mortgages in foreclosure (guaranteed or insured by the FHA, VA or RHS) is typically two or more times higher than the rate for conventional mortgages. The Mortgage Bankers Association's National Delinquency Survey noted that the seasonally adjusted percentage of FHA loans in which foreclosures were started in the second quarter of 2003 was the highest ever recorded in the survey, eroding the hard fought gains of government and the housing industry to increase homeownership in underserved communities.

Dominance of sub-prime lending in low-income and minority communities. The drastic increase in the foreclosure rate is due in large part to sub-prime lending. The foreclosure rate for sub-prime mortgages nationwide, including the abusive ones targeted at low-income homeowners – is twelve times higher than for prime conventional mortgages. Many studies have documented the prevalence of sub-prime lenders in low-income and minority communities. African-American, Latino and low-income homeowners are disproportionately represented in the sub-prime foreclosure rate and are losing their homes at a faster rate than others.

New state laws challenging predatory lending. New state anti-predatory lending laws require or recommend counseling before homeowners can refinance their mortgages into new high-cost loans. This common recommendation is designed to ensure that homeowners know the risks and obligation of taking on these loans. In addition, the federal bankruptcy reform bill that has passed both houses of Congress mandates counseling before a consumer can file for bankruptcy.

Sub-Prime Loans and Predatory Lending

Over the past several years, more American families have become homeowners than ever before—67.1 percent (U.S. Treasury/HUD Task Force, 2000). Ninety percent of families use the prime mortgage market for financing, which generally provides borrowers with many choices and the lowest mortgage rates. When the other 10 percent of families with credit problems want to purchase a home, however, they often turn to the sub-prime lending market. Their credit problems can result from overusing their consumer credit, a family illness, unemployment, or missed payment of bills. Also, some youth without credit history find they must turn to the sub-prime markets. In general, there are higher interest rates and higher up-front fees in sub-prime markets; however, they make it possible to obtain a mortgage to purchase a home.

Sub-prime mortgages are loans for individuals and households with impaired or limited credit histories, or high debt relative to their income. A majority of mortgages in the sub-prime market are used for consolidation of consumer debt rather than housing purposes (U.S. Treasury/HUD Task Force, 2000). This market has grown rapidly over the past several years, almost five fold between 1994 and 1999 from a \$35 billion industry in 1994 to a \$160 billion in 1999. The sub-prime market share increased from less than 5 percent of all mortgage originations in 1994 to almost 13 percent in 1999.

While many sub-prime mortgage lenders provide a service that can be beneficial to the economy, there is also an underworld of lenders (often those not subject to federal banking supervision), as well as mortgage brokers, realtors, and home improvement contractors who engage in abusive lending practices that strip borrowers' home equity and place them at increased risk of foreclosure. (U.S. Treasury/HUD Task Force, 2000). In addition to the devastating impact on individuals and families caught in this world of unethical practice, the fact that sub-prime lending is most heavily concentrated in lower-income, predominantly minority neighborhoods can also be highly destructive to urban communities. "Predatory lending has contributed to the rapid growth in foreclosures in many inner-city communities, and foreclosures can destabilize families and entire neighborhoods." HUD found that, "even after controlling for neighborhood income (although without controlling for credit history or risk), people living in predominantly African-American communities refinance in the sub-prime market much more often than people living in predominantly white communities." The Treasury/HUD Task Force forums stated that minorities, women, and the elderly bear the brunt of abusive mortgage lending practices, particularly in predominantly minority or low-income neighborhoods that do not have access to mainstream sources of credit.

The state and federal statutes and regulations governing mortgage transactions do not define predatory lending. The U.S. Treasury/HUD Task Force Report (2000) states that:

...predatory lending—whether undertaken by creditors, brokers, or even home improvement contractors—involves engaging in deception or fraud, manipulating the borrower through aggressive sales tactics, or taking unfair advantage of a borrower's lack of understanding about loan terms. These practices are often combined with loan terms that, alone or in combination, are abusive or make the borrower more vulnerable to abusive practices.

Predatory lending practices can occur at any stage of the loan process and be undertaken, or at least facilitated, by any of the many participants in a particular transaction.

The typical scenario is for borrowers wishing to use the collateral in their homes for debt consolidation or other consumer credit purposes.

While predatory lending can occur in the prime market, it is ordinarily deterred in that market by competition among lenders, greater homogeneity in loan terms and greater financial information among borrowers. In addition, most prime lenders are banks, thrifts, or credit unions, which are subject to extensive federal and state oversight and supervision, unlike most sub-prime lenders (U.S. Treasury/HUD Task Force, 2000).

The U.S. Treasury/HUD Task Force (2000) found substantial evidence of too-frequent abuses in the sub-prime lending market and these tend to fall into four main categories:

- *Loan Flipping* – Repeated refinancing of borrowers’ loans in a short period of time, each of which involves high fees, including sometimes prepayment penalties that stripped borrowers’ equity in their homes.
- *Excessive fees and “packing”* – Fees that far exceeded what would be expected or justified based on economic grounds, and that were “packed” into the loan amount without the borrower’s understanding.
- *Lending without regard to the borrower’s ability to repay* – Lending based on borrowers’ equity in their homes with no consideration of their lack of capacity to repay the loans. For example, elderly people living on fixed incomes with monthly payments equal to or in excess of their monthly incomes. These loans lead borrowers into default and foreclosure.
- *Outright fraud and abuse* – In many instances, “abusive practices amount to nothing less than outright fraud. Unscrupulous actors in these markets often prey on certain groups—the elderly, minorities, and individuals with lower incomes and less education—with deceptive or high-pressure sales tactics.”

According to Fannie Mae (2005), of this year’s 80,705 total mortgage loans, 27 percent were with sub-prime lenders. Over 42 percent of all mortgage loans were made to low-income borrowers. Just over 26 percent of households with an income of 0-80 percent of area median have a severe housing cost burden. These individuals are a prime target audience for housing counseling (Fannie Mae KnowledgePlex Data Place, 2005).

PUBLIC POLICY ISSUES

NATIONAL

Federal Acts and Regulations

There are a number of laws that protect consumers in the housing market, but three specifically are designed to protect consumers in mortgage lending:

- Truth in Lending Act (TILA) – Requires disclosure of essential terms for a personal residence loan, including the finance charge, the finance charge expressed as an annual percentage rate, and the total of all loan payments. Private remedies for violations of TILA include inappropriate circumstances, rescission, and damages.
- Home Ownership and Equity Protection Act (HOEPA) – Requires additional disclosures and restricts some loan agreement provisions (e.g., prepayment penalties, balloon payments, and negative amortization) that can cause unique hardships to high cost loan borrowers for a subset of refinancing and closed-end home equity loans. Private remedies for violations of HOEPA include, in appropriate circumstances, rescission and damages.
- Real Estate Settlement Procedures Act (RESPA) – Requires disclosure of settlement costs, bars payments by settlement service providers for business referrals and unearned fees, limits amounts that can be held in borrowers’ escrow accounts, and requires that borrowers be informed of mortgage servicing transfers and of lenders’ business arrangements with affiliated settlement service providers.

Additionally, there are two key laws that authorize funds for housing counseling:

- Title II of the Cranston-Gonzalez National Affordable Housing Act authorizes the HOME program. HOME provides formula grants to states and localities that communities use—often in partnership with local nonprofit groups—to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or ownership, or provide direct rental assistance to low-income people. HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. Each year it allocates approximately \$2 billion among the states and hundreds of localities nationwide. The program was designed to reinforce several important values and principles of community development:
 - HOME's flexibility empowers people and communities to design and implement strategies tailored to their own needs and priorities.
 - HOME's emphasis on consolidated planning expands and strengthens partnerships among all levels of government and the private sector in the development of affordable housing.
 - HOME's technical assistance activities and set-aside for qualified community-based nonprofit housing groups builds the capacity of these partners.
 - HOME's requirement that participating jurisdictions (PJs) match 25 cents of every dollar in program funds mobilizes community resources in support of affordable housing.

HOME funds are awarded annually as formula grants to participating jurisdictions. HUD establishes HOME Investment Trust Funds for each grantee, providing a line of credit that the jurisdiction may draw upon as needed. The program's flexibility allows States and local governments to use HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancement, or rental assistance or security deposits (HUD, 2006).

- Section 106 of the Housing and Urban Development Act of 1968 authorized HUD to provide housing counseling services to homebuyers, homeowners, low and moderate income renters, and the homeless. Funding is not from a separate HUD allocation account, but is a set-aside within the HOME Program account. HUD's Housing Counseling Program (HCP) supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters, and the homeless. The primary objectives of the program are to expand homeownership opportunities and improve access to affordable housing. Counselors provide guidance and advice to help families and individuals improve their housing conditions and meet the responsibilities of tenancy and homeownership. Agencies funded through this program may also provide home equity conversion mortgage (HECM) counseling to elderly homeowners who are looking to convert equity in their homes into income that can be used to pay for home improvements, medical costs, and/or living expenses. The HCP account for more than two-thirds of HUD's direct grants for counseling.
- In addition, funds from a number of other programs may be used to pay for counseling services, including HOPE VI, Self-Help Homeownership, the SHOP program, and Special Needs Assistance Grants for the Homeless. The decision to allocate any of those funds for counseling, however, is up to the grantees.

Specific information regarding allocation amounts and trends will be discussed in Section IV.

National Taskforces

HUD-Treasury National Predatory Lending Task Force – In 2000, the U.S. Treasury and HUD created a taskforce and recommended new legislation and regulations for a coordinated strategy to combat predatory lending. Some of these recommendations are apropos to housing counseling because of their focus on consumer literacy and disclosure.

- To respond to the susceptibility of victims of predatory lending because of their lack of understanding about the mortgage loan process in general, and the specific terms of the loan they are entering into in particular, the recommendation is that Congress enact legislation providing that:
 - Creditors would be required to inform all HOEPA loan applicants of available home counseling programs prior to closing, and to recommend that such applicants seek counseling. The creditor would be required to provide the prospective borrower with a list of certified counselors in their area. HUD will study the most effective means of expanding access to counseling and its effectiveness.
 - Amend RESPA and TILA to make information provided to consumers about the costs of credit and settlement services more reliable, more timely, and more helpful for comparison shopping.
 - Amend Section 8 of RESPA to permit creditors to provide consumers with a “guaranteed cost” package guaranteeing settlement costs, as well as loan rate and points, to enable consumers to effectively shop for the best price.
 - Impose an accuracy standard, or tolerance, on permissible variations from the good faith estimate required under RESPA.
 - Require creditors to inform all borrowers of their credit scores and the indices for those scores on request.
 - Enact essential reforms to the mortgage process, including combining and coordinating the timing of RESPA/TILA disclosures and establishing new or enhanced remedies, including civil penalties, for nondisclosure, wrong disclosure, or other RESPA, TILA or HOEPA violations.
 - Expand enforcement of HOEPA, RESPA, and TILA and create additional remedies under these laws.
- In response to the need for consumer education as a necessary strategy for reducing predatory lending, the Treasury/HUD Task Force recommends:
 - Create a consumer credit task force at the National Partners for Financial Empowerment – The National Partners for Financial Empowerment (NPFE) is a consortium of government agencies, financial services providers, and consumer and community organizations dedicated to improving financial literacy efforts in the US. Treasury and HUD, both members of the NPFE.
 - Support local consumer education initiatives regarding mortgage lending – Programs to assist community- and faith- based organizations that provide training to consumers in credit management deserve increased attention from the federal government. In addition to helping borrowers maintain better credit over the long term, new consumer awareness initiatives may help credit-impaired borrowers avoid abusive lending practices in the short term.
- To respond to the issue of borrowers not understanding all the terms of the loan and the need for greater access to education about how to shop for a loan, and guidance as to what loan terms and conditions may/may not be to their advantage, the Treasury/HUD Task Force recommends:

- Congress should require creditors to recommend certified home counseling to high-cost loan applicants.
- Congress should fund the provision of additional HUD-certified home mortgage counseling.
- HUD will study ways to improve the counseling process.
- To improve the housing counseling and the education industry's effectiveness in helping low-income consumers, the National Consumer Law Center (Williamson, 2004) recommends:
 - Federal law must provide additional protections for borrowers losing their homes to foreclosure. The law should mandate that foreclosures cannot go forward without first requiring lenders and servicers to offer counseling and to evaluate the use of loss-mitigation options. Similar requirements are in place for FHA-insured loans. These requirements should be made applicable to all loans. Homeowners should be able to raise the claim that the lender improperly foreclosed when a loss-mitigation plan was unreasonably rejected by the lender.
 - Funding for housing counseling should be increased.
 - More of the funding provided to housing counseling agencies should be allocated to default and delinquency services and programs designed to combat predatory lending.
 - HOEPA and other federal laws should be strengthened to provide greater protection for consumers against predatory lending, for example, limits on points and fees, full assignee liability and changes in the tax code, and tightening of laws governing disclosures for second mortgages to give consumers early and meaningful disclosures.
 - More funding should be devoted to research into the industry (U.S. Treasury and Department of Housing and Urban Development, 2000).

LOCAL

Local Regulations

The Predatory Lending Ordinance, Chapter 659 of the Codified Ordinances of the City of Cleveland was passed in 2003 to combat predatory lending in the city. The ordinance proscribes specific loan terms and lending practices. The ordinance also requires notice to customers of home improvement loans, and a certification to be filed by the lender. Violations of the ordinance could result in criminal sanctions and debarment from city contracts.

After passage, the city ordinance was challenged in court. Two similar ordinances from Dayton and Toledo were stricken in court. Cleveland's law has been appealed and, as of October 2006, is currently before the Ohio Supreme Court (Rush, 2006).

Local Collaborations

The Cleveland Neighborhood Development Coalition (CNDC) issued in 2002 "A Summary of Priorities and Action Steps for Ohio's Elected Leaders" pertaining to predatory lending. CNDC used the Community Reinvestment Association of North Carolina's definition of predatory lending, which is "any unfair credit practice that harms the borrower or supports a credit system that promotes inequality and poverty." Examples of predatory lending include aggressive marketing in targeted neighborhoods, high interest rates, high points, balloon payments, high appraisal rates, etc. The summary points out that all predatory loans are sub-prime but not all sub-prime loans are predatory. Sub-prime loans remain a very important financing tool to aid



those who have less than perfect credit ratings and/or have low or moderate incomes. Without these sub-prime loans, families that fall within certain income or financial ratings would never be able to purchase a home or live in an apartment. The abuse in sub-prime lending occurs when there is deception about loan structure such that the debt incurred is not affordable. With the significant increase in both sub-prime lending and foreclosures, a relationship appears to exist between these two issues.

In Cuyahoga County, several county agencies and departments, along with lawyers and advocates from nonprofit counseling and legal representation providers, home-financing consumers and other experts, met at the invitation of the county treasurer to develop recommendations for dealing with escalating rates of foreclosure. Their goal is to develop a number of early intervention strategies to help homeowners avoid defaulting on mortgages and, in foreclosure proceedings, to use all reasonable measures to prevent or mitigate the loss of homes.

This early intervention program is a collaborative, countywide effort with county agencies and nonprofit service providers. The four program areas are:

- Consumer information and education designed to increase borrowers' awareness and knowledge of home financing perils, and to direct borrowers to legal help when it is needed.
- Cooperative agreements with mortgage lenders or loan service firms that provide for fair loan servicing and adoption of consumer-oriented business practices.
- Intergovernmental cooperation of law enforcement and public policies to reduce lending fraud, predatory lending, and scams that prey on borrowers.
- Counsel and legal assistance for homeowner-debtors in default or foreclosure.

III. THE CORE SERVICE CONSUMERS

DEFINITION OF TARGET POPULATION

For this report, the target population includes households earning less than \$35,000 annually that participated in the housing market during the previous year; it focuses specifically on current or potential home buyers.

DEMOGRAPHIC CHARACTERISTICS

According to the U.S. Treasurer/HUD Task Force (2000):

Studies indicate that many sub-prime borrowers tend to be unfamiliar with financial concepts and not well-informed about the mortgage origination process. In one survey, 12 percent of sub-prime borrowers said they were not familiar with basic financial terms such as the interest rate and the principal of the loan. One-third of sub-prime borrowers said they were not familiar with the types of mortgage products available.

Evidence from the 1998 Survey of Consumer Finances indicates that family debt burdens are rising, especially in the home-secured consumer debt market. The proportion of families with home-secured debt rose more quickly between 1995 and 1998 than the homeownership rate. Additionally, the median home-secured debt held by families with such debt rose more quickly during this period than home prices. Rising debt burdens may put families at greater risk of default or bankruptcy.

The same survey showed declines in the median value of financial assets for lower-income families and non-homeowners between 1995 and 1998. Borrowers with lower levels of savings can be charged higher prices or be shut off from credit in the prime market if their down payments leave them with too high a loan-to-value ratio. Saving to build assets should be a key component of any family's long-term financial plan.

The Treasury/HUD Task Force (2000) reports that sub-prime borrowers as a group have lower credit quality than borrowers in the prime market. Consequently, the borrower demographics in the sub-prime market reflect populations that may have low or volatile income, or thin credit history. HMDA data and other data sources provide information on the characteristics of sub-prime borrowers.

- **Credit Characteristics** -- The typical "A" credit or prime borrower—that is, a borrower whose loan would be purchased by Fannie Mae or Freddie Mac under their guidelines—has a FICO score that exceeds 650, has no late mortgage payments, and no more than one 30 day late payment on consumer credit. Borrowers who do not meet these credit guidelines are often considered sub-prime borrowers and, as a group, they are characterized by worse credit histories than "A" borrowers. Within the sub-prime sector, borrowers are graded from the least risky "A-minus" borrower to the most risky "D" grade borrower. These grades are not well defined across the industry, but an "A-minus" borrower may have good credit generally but has had

some minor payment delinquencies in the market. A “C” or “D” borrower may have a marginal or poor credit history, including multiple payment delinquencies in the past year or past bankruptcies. Most sub-prime lenders focus on borrowers with better credit histories. Borrowers with no or non-traditional credit histories and borrowers with atypical employment histories or income patterns also tend to use the sub-prime market. Several sub-prime lenders specialize in serving “low-doc” and “no-doc” borrowers who are unable to (or prefer not to) provide full documentation of income or employment history to the lender.

Sub-prime borrowers are more likely to have higher debt-to-income ratios than prime borrowers. Conversely, sub-prime borrowers have lower loan-to-value (LTV) ratios, especially at the lower credit grades, as lenders use the borrower's equity in their house to compensate for the borrower's poor credit quality. Sub-prime borrowers at the higher credit grades are likely to use sub-prime mortgages to repair blemished credit with the intention of refinancing at prime rates in the future. Sub-prime borrowers at the lower credit grades may be more interested in cash out than borrowers at the higher credit grades, and are more likely than others to refinance during periods of increasing interest rates.

- Delinquency and Foreclosure Characteristics – Delinquency and foreclosure data show that sub-prime mortgages are more risky than prime or FHA mortgages.
- Borrower Demographics
 - Income and Race: Low-income and African American borrowers account for a larger share of sub-prime refinance borrowers than of the mortgage market generally.
 - Marital Status: Singles tended to use sub-prime loans at greater rates than co-applicants.
 - Gender and Race: A larger proportion of females, especially African American females, were consumers of sub-prime loans than of prime loans.
 - Age: Sub-prime borrowers are more likely to be older than prime borrowers.
 - Education: Sub-prime borrowers are less well-educated than prime borrowers.

Cuyahoga County

There are a number of distress indicators in the Cuyahoga County housing market that suggest the need for housing counseling.

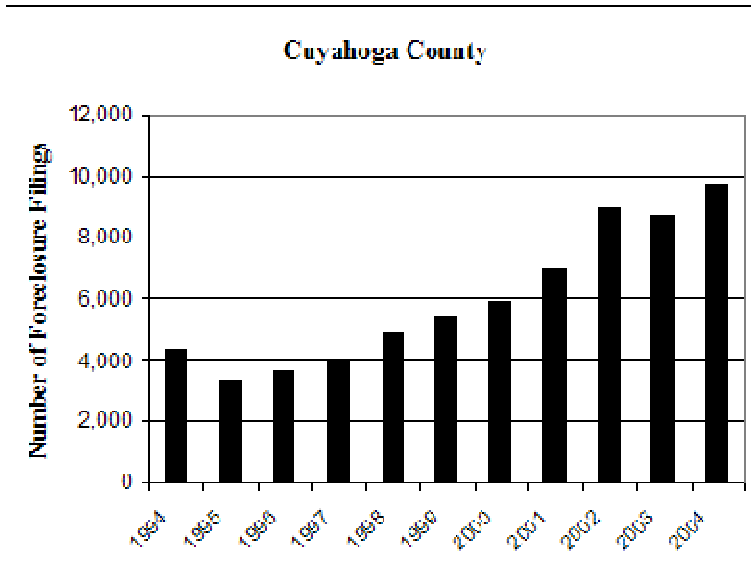
- In 2001, according to the 2003-04 Social Indicators on Housing, 25,589 conventional home loans were granted to residents of Cuyahoga County and 3,840 were denied. For the same period, 3,246 federally guaranteed home loans were granted, with 309 denied. Many of these individuals then sought out higher-risk, sub-prime lending to obtain a mortgage.
- Between 1998 and 2001, 58,047 mortgage loans were extended to residents of Cuyahoga County and 16,556 were considered “high risk.”

In a decade in Cuyahoga County, the number of foreclosures doubled from 4,335 in 1994 to 9,751 in 2004. (See figure entitled “Cuyahoga County Foreclosure Filings, 1994-2004.”) A recent report done for the Cuyahoga County Commissioners states that it expected 12,000 cases in 2005. The causes of rising foreclosure rates in the county are similar to those nationally:

- The loss of stable living wage jobs;
- Fraudulent lending practices by unscrupulous and unregulated brokers for large numbers of unsophisticated and trusting homeowners;
- Recent changes in the mortgage market that concentrates high-risk sub-prime lending in economically weak neighborhoods and anticipates high default rates and foreclosures by building them into their business model of sub-prime lending.

Cuyahoga County Foreclosure Filings, 1994 - 2004

| Year | Filings |
|------|---------|
| 1994 | 4,305 |
| 1995 | 3,345 |
| 1996 | 3,645 |
| 1997 | 3,989 |
| 1998 | 4,925 |
| 1999 | 5,387 |
| 2000 | 5,900 |
| 2001 | 6,959 |
| 2002 | 9,907 |
| 2003 | 8,686 |
| 2004 | 9,751 |



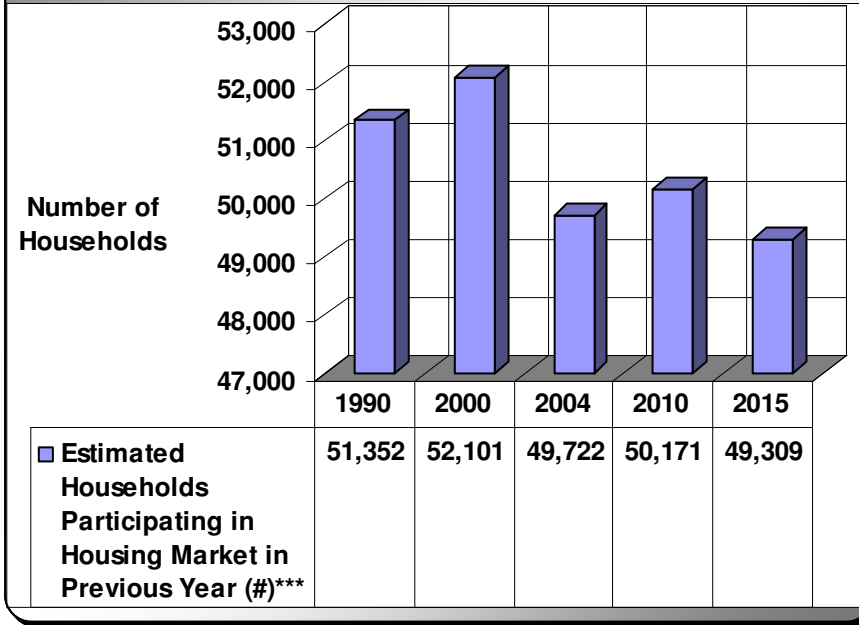
Source: Ohio Supreme Court

Prepared by Policy Matters Ohio

Estimated Households in Need

In 2000, Cuyahoga County had 52,101 households with reported household income less than \$35,000 that participated in the housing market during the previous year. By 2015, the number of is expected to drop to 49,309 because of population shifts. (See Figure 1.)

**Figure 1: Housing Counseling
Estimated Households in Need
Cuyahoga County, 1990-2015**



Sources:
 * U.S. Census 1990 STF3 (P5); 2000, SF3 (H7); 2005-2015 estimated based on population and 2.44 persons per household (2000 rate).
 ** U.S. Census 2000, SF3 (HCT11) ; 2004, American Community Survey; 2010 & 2015 households estimated from each year's total population (Ohio Department of Development, (July, 2003)) and 2004 rate of 2.37 persons per household. 1990 estimated using proportion of total households < \$35,000 to total households in 2000. Household income threshold of \$35,000 used because most relevant census table provided housing tenure (i.e., renters and owners) by actual income, not poverty ratios - 200% poverty level for family of four with two children in 2000 was \$34,926. 45.2 percent total households
 *** Geographical Mobility: 2000 to 2003. Current Population Reports, U.S. Census Bureau, March 2004. 20.2 percent households with incomes <\$35,000

We recognize that this is a conservative estimate of households in need of housing counseling programs because those with incomes greater than \$35,000 may also need housing counseling. This also does not include homeless persons who are often in need of housing counseling services. However, it is a number that begins to offer some clarity about the extent of need in Cuyahoga County.

REALIZED ACCESS TO SERVICE

Realized access to service is represented by the number of consumers actually served. It includes the actual number of consumers reported by agencies funded by United Way and by government funders from which it was possible to obtain data. Thus, it is an underestimate of actual numbers of consumers receiving service.

In FY 2004, United Way did not fund any housing counseling programs. Government funders for this service (the Ohio Department of Development and the Community Development Block Grant) were unable to provide demographic or geographic information. (See Attachment 3.) However, the Cleveland Housing Network provided housing counseling for 809 consumers in CY 2004. For Cuyahoga County, The Ohio Housing Trust Fund reported that funding for 2005 was targeted to assist 3,355 households with an estimated 5,350 persons. Because the Cleveland Housing Network is not a funder and data from the Trust Fund went to other services in addition to Housing Counseling, their information has been used for purposes of determining realized access only and is not included on Attachment 3. It must be noted, however, that most of the other services provided by the Trust Fund grantees included housing counseling.

No geographic data was available from funding sources. Geographically, 41.5 percent of the estimated households with income under \$35,000 resided in Cleveland and the remaining 58.5 percent resided in the suburbs. See Attachment 4.

IV. CORE SERVICE DELIVERY

CORE SERVICE DEFINITION

Building on the AIRS definition of housing counseling programs, the definition of the core service for this report is as follows: programs that provide comprehensive assistance for people who want to purchase housing, including information and advice about purchase costs; how to select affordable housing that meets individual needs; and how to provide for insurance, maintenance, and other requirements related to acquiring and paying for housing.

BACKGROUND ON CORE SERVICE

The Service

Housing counseling programs are aimed at low-income and minority consumers and include both pre- and post- purchase counseling. It provides first-time homebuyers with the information they need to understand the home buying process, to productively participate in home ownership, and to retain earned equity once they have become homeowners. Home ownership is one of America’s most successful ways for a family to build equity and wealth. Home ownership is one of the strongest buffers against our cyclic economic system.

Housing counseling programs typically offer assistance with foreclosures, home and rental listings, housing counseling, housing search assistance, predatory lending awareness, workshops for housing issues. Under the finance category there is assistance for debt and money management, housing payment, loans and banking, taxes (property taxes and preparation), utility expenses (outreach programs and payment assistance) and predatory lending awareness and assistance. Most programs that provide housing counseling utilize funds provided by HUD to implement their programs.

According to the National Consumer Law Center, the homeownership education and counseling industry has evolved over the last thirty years to address the needs of traditionally underserved populations in the housing marketplace (Williamson, 2004).

At its inception, industry efforts were focused on reducing the substantial number of defaults under HUD’s Section 235 program through post-purchase counseling aimed at delinquent borrowers. However, with the advent of affordable loan products, encouraged and supported by federal policy and designed to increase homeownership rates among traditionally underserved populations, the industry’s focus shifted dramatically to pre-purchase homeownership education. The result has been a marked increase in homeownership among low-income and minority Americans.

Today, the housing education and counseling industry is characterized by a diverse array of programs and approaches to increasing homeownership. Almost all organizations provide pre-purchase education and counseling to low-income individuals seeking to purchase their first home. The programs are delivered through home study, classroom or other group instruction, individual counseling, or over the telephone. Counseling typically refers to one-on-one consultation tailored to an

individual's need as opposed to a generic program. Nonprofit agencies, government, for-profits, lenders, realtors, brokers and mortgage insurance companies administer these programs. Pre-purchase programs are dominated by telephone and home study methods administered by lenders and other for-profit organizations.

A very small subset of the housing and education industry, mostly community based nonprofit or government agencies, administer post-purchase education and counseling programs. Post-purchase education is often provided to new homeowners and includes instruction on home maintenance, budgeting, landlord/tenant and other issues. Some nonprofit agencies (and increasingly for-profits) offer default and delinquency counseling to homeowners in an attempt to bring them current on their mortgage or when necessary, transition them to less costly housing through means other than foreclosure, pre-refinance counseling to those seeking loans, or assistance to victims of predatory lending. The demand for default and delinquency counseling and predatory lending counseling has exploded over the last few years.

The goal of the pre-purchase counseling process is to work with potential borrowers so as to remove barriers to homeownership—typically affordability and credit problems (Williamson, 2004). Some agencies work with potential homeowners to build or repair credit. Others offer financial assistance to supplement down payments, closing costs, or monthly payments. At times this form of assistance involves deferred-payment second mortgages with special terms. Without such assistance the barriers to homeownership could be insurmountable for many low-income individuals.

While equally important, only a fraction of the organizations that provide pre-ownership housing counseling and education also provide assistance to established homeowners (Williamson, 2004). That assistance takes the form of group instruction on maintenance and other issues related to owning a home.

Very few organizations provide pre-refinance counseling or assistance to victims of predatory lending. Many of the homeowners most at risk—including the elderly—are long-time homeowners with substantial amounts of equity accrued in their homes. They are not the traditional clients of housing counseling organizations (who often focus on first-time homebuyers) and they are not likely to seek assistance prior to signing a loan.

To prevent these persons from becoming victims, an aggressive outreach and effective public education campaign is necessary.

Training Materials

Over the past five years, the National Consumer Law Center (NCLC) has trained over 2,000 housing counselors and advocates on foreclosure prevention options to help clients keep their homes. The center developed a course (for both beginners and experienced counselors) and provided training to thousands of counselors across the country. The course, called "Preserving the American Dream" has been sponsored by both the U.S. Department of Housing and Urban Development and the Neighborhood Reinvestment Corporation. These trainings have been

bolstered by the center's publication of *Stop Predatory Lending: A Guide for Legal Advocates* (2002), which is the first comprehensive manual of its kind. It explains the causes of the phenomenon and outlines both legal remedies and community solutions to predatory lending.

Role of Technology

According to the HMDA Data and Lending Opportunities online newsletter, technology is increasingly playing a key role in helping counseling agencies ensure that their customers get the best-priced mortgage for which they are qualified.

About 400 agencies use Freddie Mac's CounselorMax® software to track borrowers going through education programs. The program standardizes education and enables counselors to walk consumers through a customized set of action steps that move the client toward a stated objective, such as saving for a down payment or improving a credit score. All clients with a particular issue follow the same guidelines, and CounselorMax® tracks the delivery of those services. Lenders know the type and quality of financial education that the borrower has received.

To strengthen the connection between housing counselors and lenders, Freddie Mac is testing a LoanProspector®-like automated underwriting tool that counselors can use to determine whether a consumer would successfully pass through the GSE's underwriting system. Among the Freddie Mac products specifically geared to the housing-counseling population are Home Possible™ mortgages, which offer \$500 down payments and credit flexibility.

Fannie Mae's web-based home counseling technology, Home Counselor Online™, tracks customers from intake through post-purchase counseling. Launched in 2001, the technology has been used by 1,900 agencies across the country. The software is available in English with key tools also available in Spanish. It enables counselors to analyze how much house a client can afford, retrieve credit profiles, and assess eligibility for loan products such as Fannie Mae's MyCommunityMortgage™, which offers \$500 down payments, 100 percent loan-to-value ratios and flexible qualifying criteria at conventional rates. Home Counselor Online is fully integrated with the company's Desktop Underwriter® automated underwriting system via Fannie Mae's lender partners. Once a consumer is ready to seek a mortgage, the counseling agency can electronically transmit the customer's file to the lender.

Housing counseling groups have developed similar technology. For example, NeighborWorks'® desktop application, NSTEP, which stands for NeighborWorks® Solutions To Enhance Performance, creates a schedule to guide consumers in paying creditors and alleviating debt. A down payment accumulator calculates how long it will take the consumer to save a down payment. Once the borrower appears mortgage-ready, NSTEP can be linked to a mortgage origination system, which can, in turn, link to the GSEs' automated underwriting systems.

The time it takes for a consumer to complete the counseling process varies. While a typical beginning homeownership class might run one hour a week for two months, consumers with significant credit challenges may need much more time to complete the process of improving their credit, including tasks such as paying down revolving debt, correcting credit report errors, and saving for a down payment.

United Way - First Call for Help Call Data

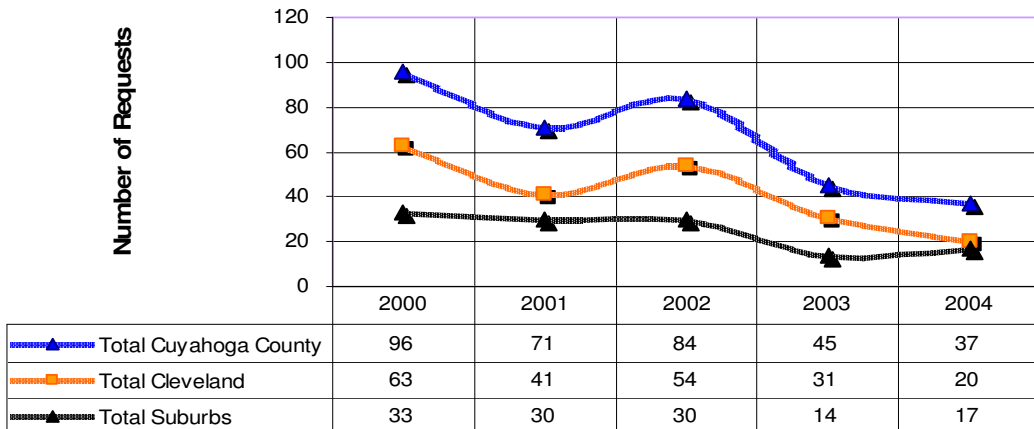
Based on United Way - First Call for Help's (FCFH) database (February 2005), there are 16 housing counseling organizations operating from 23 different sites, 3 of which are government and 13 nonprofit. In FY 2004 (July 2003 to June 2004), United Way funded one of the providers. (See Attachments 5 and 6.)

United Way - First Call for Help call data shows an decrease in the number of total requests for housing counseling (which includes core services defined as counseling, information, training and housing services) in the county: from 96 in 2000 to 37 in 2004 (61 percent) with a 68 percent *decrease* in Cleveland (63 down to 20 requests) and a 48 percent *decrease* in the suburbs (33 down to 17 requests) over the five-year period. (See Figure 2.) Calls came from about half of Cuyahoga County zip codes with the following experiencing the highest average number of calls from 2000-2004:

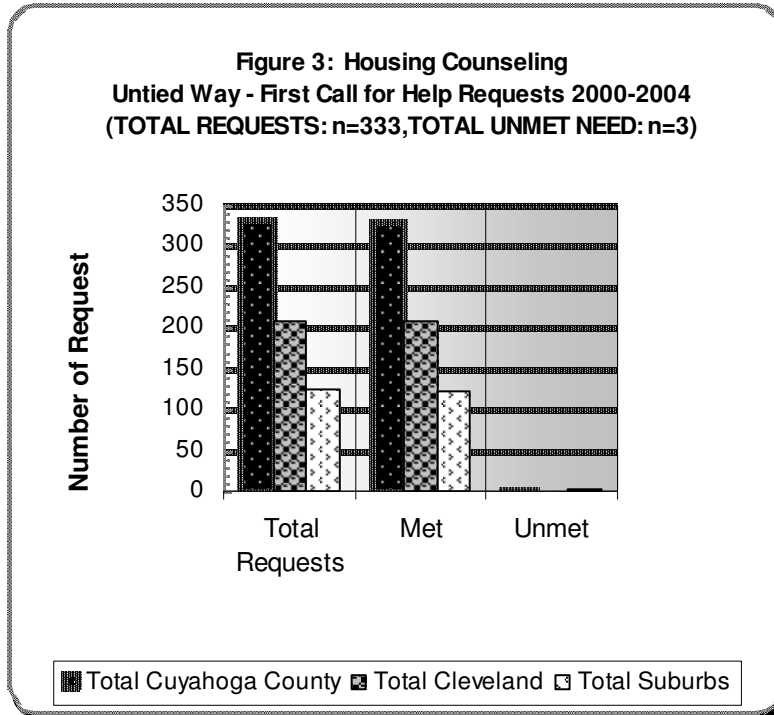
- 44102 (Cleveland/Brooklyn)
- 44109 (Cleveland/Brooklyn Heights)
- 44113 (Cleveland).

Of note, significant decreases appear in zip codes 44108 (Cleveland/Bratenahl) down from a high of 12 in 2000 to 2 in 2005; 44102 (Cleveland/Brooklyn) from a high of 9 in 2000 to 2 in 2004; and 44105 (Cleveland/Newburgh Heights/Garfield Heights) from 8 in 2000 and 2002 down to 1 in 2004. (See Attachment 7.)

**Figure 2: Housing Counseling
United Way - First Call for Help Requests 2000-2004
Greatest Increase/(Greatest Decrease)**



Over the same five-year period, United Way - First Call for Help had 333 requests for information about housing counseling, which included training/education, predatory lending, and alternative services. Of these requests, they were able to make referrals to 99 percent of callers; however, 1 percent of all Cuyahoga County callers (1) had an unmet need, meaning there was no agency to which to refer the caller. Callers from the City of Cleveland had a 1 percent unmet need rate and from the suburbs, 2 percent. The unmet needs requests over the five-year period were in zip codes 44130 (Parma/Cleveland); 44108 (Cleveland/Bratenahl); and 44146 (Walton Hills/Oakwood/ Bedford). However, the numbers are small. (See Figure 3 and Attachment 8.)



FUNDING OF CORE SERVICES

The major sources of government funding for housing counseling are:

- Community Development Block Grant
- Community Services Block Grant
- HUD’s HOME grants
- HUD’s Housing Counseling Grants
- Ohio Housing Trust Fund

NATIONAL

Community Development Block Grant (CDBG) – County and City of Cleveland

Community Development Block Grant funds are intended to develop viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for low- and moderate-income persons. The U.S. Department of Housing and Urban Development (HUD) determines the amount of federal funds that cities and counties are entitled to receive each year through a formula based upon population, growth lag, poverty level, age of housing, and overcrowding. CDBG provides federal funding for locally initiated neighborhood improvement projects. Local entities make final decisions on allocations. For the City of Cleveland, this is city council. City CDBG funding has been trending downward from \$31 million in 2002 to \$25 million in 2006. County CDBG funds have increased slightly from \$3.3 million in 2002 to \$3.6 million in 2006. Below is a trend of *total* CDBG funding in Cuyahoga County and the City of Cleveland.

City of Cleveland CDBG funds are allocated to housing counseling programs (though no county CDBG funds are allocated). In 2004, \$200,000 was allocated for anti-predatory lending programs. While CDBG funds have decreased 21 percent over the last five years, CDBG funds have become an important source for housing counseling programs in the city, supporting several programs in more recent years to address the city's issues regarding predatory lending and other housing related issues (Rush, 2006).

Community Services Block Grant (CSBG)

The Community Services Block Grant is administered by the Administration for Children and Families in the U.S. Department of Health and Human Services. Formula grants based on poverty level are made to states which provide to local entities, primarily community action agencies. The Council for Economic Opportunities of Greater Cleveland (CEOGC) in Cuyahoga County is the local agency with jurisdiction. CEOGC has a housing services office that offers counseling, provides financial assistance, and can help to identify safe, affordable housing. Total amount of CSBG funds utilized for housing counseling was requested, but was not available at the time this report was written.

U.S. Department of Housing and Urban Development (HUD) Programs

Housing Counseling Program – As described in Section II, HUD's Housing Counseling Program competitive grant process provides funds that assist more than 709,000 people nationally to either become first-time homeowners or remain homeowners after their purchase. The grants were awarded to 18 national and regional organizations and approximately 340 state and local housing counseling agencies. HUD pays only a portion of the cost of an agency's counseling activities, so agencies must leverage HUD funds. Housing counseling grantees in Ohio received a total of \$258,440 in FY 2006, and Cuyahoga County received \$27,809.

HOME Program – As described in Section II, the HOME allocation to the City of Cleveland has declined 28.2 percent over the past 5 years from \$8.9 million in 2002 to \$6.4 million in 2006. The City of Cleveland has used more than \$500,000 over the past five years of the flexible HOME grant funds to provide housing counseling programs (Rush, 2006).

Other Grants – HUD is awarding \$1.7 specifically for counseling in conjunction with HUD's Section 8 Homeownership Voucher Program, which allows low-income individuals to use rental vouchers to purchase homes. Awards under this category are made to 5 national intermediaries and 34 state and local agencies. These grant recipients will help program participants realistically evaluate their readiness for a home purchase, understand their financing and down-payment options, and navigate what can be an extremely confusing and difficult process. Specific amounts made to Cuyahoga County were not available at the time this report was written.

Additionally, this year as part of its ongoing effort to improve housing counseling services, HUD will also award a \$7.75 million grant to the Neighborhood Reinvestment Corporation (NRC) to standardize counseling services nationwide and provide training to housing counselors working at HUD-approved housing counseling agencies. NRC will conduct national, regional, and local training sessions for approximately 5,000 counselors on a broad array of housing topics. HUD's purpose in awarding this grant is to expand the knowledge and skills of housing counselors and improve the quality of counseling services offered by HUD-approved housing counseling agencies. NRC is nationally recognized as a leader in the field of housing counseling training and will bring an additional \$8 million in leveraged funds to support this counselor training effort.

STATE

Ohio Housing Trust Fund

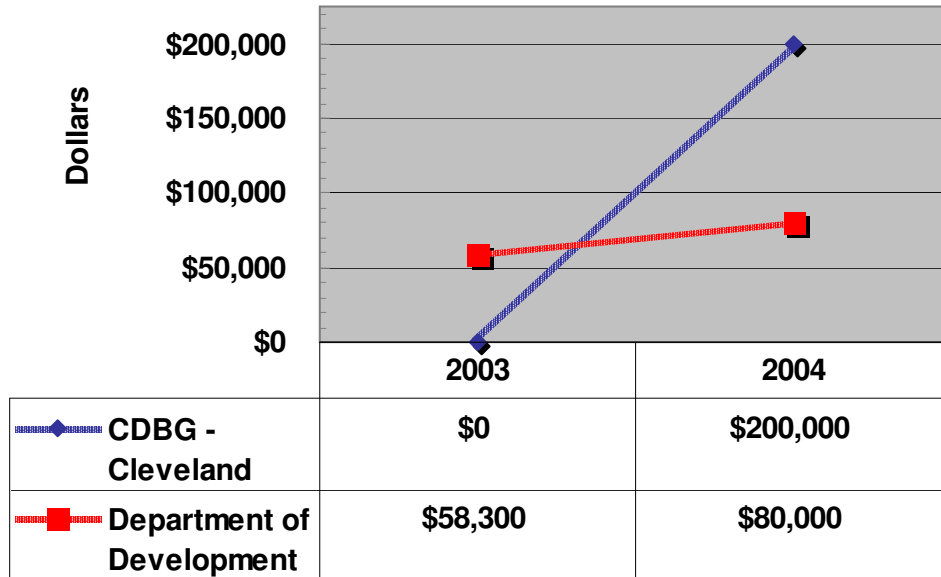
The Ohio Housing Trust Fund (HTF) is a flexible state funding source that provides affordable housing opportunities, expands housing services, and improves housing conditions for low-income Ohioans. Restructured in 2002 and 2003 with additional funding sources and funded in part by a dedicated line item in the state budget from the real estate recordation fee, the HTF is partially protected from economic downturns that can affect general revenue allocations. Nonprofit organizations, for-profit organizations and lenders, and certain units of local government are eligible to participate in the HTF programs. Grants made from the HTF are on a competitive process and require a match. Ohio Housing Trust Fund dollars may be used for a full range of housing activities including predevelopment costs, rental assistance, housing counseling, handicapped accessibility modifications, rehabilitation, home repair and new construction.

Allocations to Cuyahoga County from the HTC have fluctuated: agencies received \$1.5 million in 2002, \$3.2 million in 2003, and \$2 million in 2004. For Cuyahoga County in 2005, the Ohio Housing Trust Fund reported that approximately \$2.5 million dollars were distributed to eighteen local agencies and were targeted to assist 3,355 households with an estimated 5,350 persons. The list of specific agencies, monies distributed, and the targeted size of household/person assistance is available on-line at www.odod.state.oh.us/cdd/hf/counties/cuyahoga.htm. The scope of assistance offered consisted of housing start-up and rental assistance for mentally ill persons who have been recently released from correctional facilities, emergency home repairs, transitional housing and supportive services that include case management, homebuyer counseling, and down payment assistance to name just a few. More specific breakout is not available since housing counseling was often one component of a funded program.

Trends of Identified Government Funders in Cuyahoga County

Between calendar years 2002 and 2004, identified government funding for housing counseling programs has increased in Cuyahoga County from \$58,300 to \$280,000. (See Figure 4.) Note that this does not include direct grants from HUD, the Ohio Trust Fund, or CEOGC projects as housing counseling was often one of many services offered as part of an agency program.

Figure 4: Identified Government Funding for Housing Counseling Cuyahoga County, CY 2000-2004



Source: City of Cleveland Community Development Block Grant and State of Ohio Department of Development

Some foundation funding has been allocated to housing counseling. In 2002, foundations gave \$100,625 for this core service. The foundation allocations nearly reached \$200,000 in 2003, but fell again to \$125,000 in 2004. The primary foundational support was received from The Cleveland Foundation and The George Gund Foundation.

IDENTIFIED REVENUES

As of May 11, 2006, \$405,000 in revenues for housing counseling programs have been identified countywide. (See Table 1.) This includes information from foundations; federated fundraising organizations; and regional, county and municipal government.

The majority of the revenue (69 percent) is from contracts or grants from government organizations. The remaining revenue (31 percent) comes from foundations and trusts. There is no funding reported from United Way of Greater Cleveland for this service.

Table 1: Identified Annual Revenue for Core Services: Countywide and United Way of Greater Cleveland Housing Counseling Programs, 2003/2004.

| Funder | Period | A | | B | |
|---|--------|--|----------------|---|----------------|
| | | Identifiable Total Dollars County-wide | | Total Dollars UW-Funded Agencies (Actual) | |
| | | Amount | % of Total (A) | Amount | % of Total (B) |
| Cleveland Foundation, The | | 30,000 | | | |
| Deaconess Community Foundation | | 25,000 | | | |
| Murphy Foundation, The John P | | 10,000 | | | |
| Saint Ann Foundation | | 30,000 | | | |
| Wean Foundation, The Raymond John | | 30,000 | | | |
| Total - Foundations & Trusts | | 125,000 | 30.86% | 0 | N/A |
| Department of Development (includes CSBG) | 2004 | 80,000 | | | |
| Subtotal State of Ohio | | 80,000 | 19.75% | 0 | N/A |
| Community Development Block Grant | 2004 | 200,000 | | | |
| Subtotal City of Cleveland Funding Sources | | 200,000 | 49.38% | 0 | N/A |
| Total - Contracts/grants from government organizations | | 280,000 | 69.14% | 0 | N/A |
| Subtotal Non - UWGrCle Support | | 405,000 | 100% | 0 | N/A |
| Total Support/Revenue | | 405,000 | 100% | 0 | N/A |

REIMBURSEMENT/COST

The average market cost to provide housing counseling is approximately \$250 per household (Cleveland Housing Network, 2005). The average range of reimbursement varies by source with clients generally paying nothing, private funders paying \$200 per client, government funding paying around \$500 per client, and corporate funders reimbursing up to \$700 per client.

V. WHAT WORKS; WHAT DOESN'T

IMPACT ON INDIVIDUALS/FAMILIES

What Works

Best practices for housing counseling can be ferreted out of the existing literature. Some of the best practice information for housing counseling is contained in the larger forum of best practices for financial counseling in general. But at the same time there are features of housing counseling programs that are distinctive and deserve clear and focused standards of excellence.

Most of the available literature documents generalized support of housing counseling for consumers and workers, especially as the home buying experience becomes more complex and requires a larger investment of resources. This is described in a paper written under the auspices of the Harvard Joint Center of Housing Studies (Hornburg, 2004). This study recognizes several deficits in the housing counseling knowledge area. However, it also notes that housing counseling is effective in increasing credit scores and in affecting financial behavior. The study found that housing counseling could benefit from being better focused. With better information and research, housing counseling could go from a charity service to a practice that increases the actual value of the financial service.

A second report on financial literacy (Braunstein, et al. 2001) finds many of the same things mentioned above. This article also describes the non-banking financial market or less-than-prime financial services and how housing counseling can affect a customer's sophistication about using these markets.

A recent study by Hiram & Zorn (2001) entitled "A Little Knowledge Is a Good Thing: Empirical Evidence of the Effectiveness of Pre-Purchase Homeownership Counseling" analyzed data from 1993 through 1998, and found that there is a possibility that housing counseling is effective in reducing 90 day mortgage delinquency rates. This independent study suggests that of the types of counseling available (i.e., classroom, home study, individual, and telephone), those that provide individualized attention seem to benefit the most, while those with telephone counseling benefited the least. As these results were not controlled and are based on 1993 to 1998 data, the results are not to be considered definitive.

The report by Hiram & Zorn (2001) also acknowledges that when counseling is conducted by nonprofit organizations and lenders, on average the delinquency rates are lower than when such counseling is provided by other groups. The study indicated that those with counseling did have, on average, a 19 percent lower 90 day delinquency rate.

The National Consumer Law Center (Williamson, 2004) also believes that nonprofit organizations provide the most effective types of services to low-income consumers.

Community based nonprofit housing agencies have consistently been found to provide the most successful—but the most time intensive—types of education and counseling services. They also provide a broad range of services either directly or through referral to other organizations. However, nonprofit housing counseling agencies are competing with

more organizations (both nonprofit and for-profit) for the small pool of funding and resources available to conduct this work.

The counseling world includes many counselors, both for-profit and nonprofit, which offer some type of credit counseling to consumers. For many years, legitimate nonprofit credit counseling agencies (traditionally funded by creditors as a means to help consumers avoid bankruptcy on their unsecured debt) were the primary alternative to housing counselors. On the one hand, consumers seeking pre-ownership counseling had HUD certified counselors, and consumers seeking assistance with their overwhelming unsecured debt could go to legitimate nonprofit consumer credit counseling agencies. There were few alternatives, and little overlap. Neither type of agency provided assistance on home secured debt.

The situation has changed in recent years as credit counseling agencies have increasingly begun to offer housing counseling services as well. However, there are many types of credit counseling agencies, some good, and many not. Legitimate, honest credit counselors are often uniquely qualified to help consumers. They are already working with consumers to address unsecured debt and when properly trained, can provide a holistic service by assisting consumers with delinquent secured and unsecured debt.

Unfortunately, there is also a negative side to the new increase in credit counseling services. Recent abuses by so-called nonprofit credit counseling agencies have raised serious questions about the quality and legitimacy of credit counseling services. Many of these faux nonprofit credit counseling agencies have cost strapped consumers precious dollars while providing little or no meaningful service.

Aggressive firms masquerading as nonprofit organizations have been among the credit counseling agencies that are most likely to deceive or to gouge consumers. Massive cuts in creditor funding for agencies has exacerbated this trend, leaving many well-intentioned organizations without sufficient funding to provide appropriate services.

State and federal enforcement agencies are just beginning to deal with the rogue credit counseling agencies. State attorneys general have sued a number of major agencies in the past year and the I.R.S. and F.T.C. have launched extensive investigations. However, many agencies continue to line their own pockets at consumer expense.

In addition to questions surrounding the credit counseling industry, there are many questions outstanding about housing counseling and education industry in general. Despite the industry's long history, there are only a handful of studies documenting the types of services provided, the effectiveness of counseling at reducing default, or other issues of interest to lenders and policymakers. The dearth of studies is particularly stark with respect to post-purchase programs. While homeowners are turning

in increasing numbers to credit and housing counseling organizations for default and delinquency counseling and predatory lending assistance, little is known about how these services are delivered, the numbers of homeowners served, and whether the agencies that provide these services have sufficient resources and funding to meet the need. There are many reasons for the lack of research on this industry. However, one of the main hurdles is funding. Given the reliance of HUD on this industry to assist low-income homeowners, HUD should fund more research, and encourage the private sector to fund and make data available for research.

What Doesn't Work

Consumers who are not informed prior to their decisions can experience disastrous financial results such as falling prey to predatory lending. Using services with similar lending practices, such as payday loans and rent-to-own centers can also have negative financial consequences by pushing people further into debt with high APRs (Neighborhood Link, 2001).

According to Hornburg (2004), there is still much to learn about the most effective approaches to housing counseling. Hornburg purports the following:

- We know less than we think we do. Most of the papers reviewed indicate we do not know what approaches work best and for whom.
- While the research tools are available, data tracking and collection that would aid impact evaluation is very spotty to non-existent. Data collection by nonprofits is a very spotty proposition. The mortgage industry essentially ignores any tracking of homeownership counseling.
- The nonprofit counseling industry is at risk of being marginalized by a lack of connection to mainstream market developments. At the risk of being the “Cassandra” of the counseling world, the lack of more solid and systemic knowledge about counseling’s impact may keep nonprofits under-funded. Demonstrating what kind of counseling works for whom and under what circumstances could convert funding for counseling from charity to a value proposition that should be appropriately compensated.
- Consumer attitudes and knowledge of the market, and how they affect behavior and success, are still poorly understood, although preliminary research suggests a powerful influence.

Hornburg (2004) goes on to say that there is a great deal we still need to know:

- We must increase our knowledge of what works, what does not, who benefits, and who should pay for homeownership counseling, using credible research techniques.
- We must clearly articulate goals that broaden success measures and provide testable propositions, but also need to recognize that loan performance is still the key metric that demonstrates value to current primary funders and business partners.
- We must move beyond traditional modes of research and data to embrace the contributions other approaches such as behavioral economics and opinion research can make to understanding the impact of counseling.
- We must address a major information gap on how consumers think about the market and behave in shopping for mortgages and looking for homes.
- We must address the apparent gap between counseling practice and market technology, products, and practice.

- We must advocate for integrating data collection on homeownership counseling within the framework of broader research efforts like the Survey of Consumer Finance or Fannie Mae's Consumer Segmentation research.

IMPACT ON COMMUNITY

The National Consumer Law Center (Williamson, 2004) spells out several benefits that housing counseling affords the community.

Pre-purchase education and counseling has been credited with expanding homeownership in underserved communities, in part, by producing informed borrowers knowledgeable about the lending process and better prepared to accept the responsibilities of homeownership. Pre-purchase education and counseling has also been found to lower the risk of default:

- Borrowers who received any form of pre-purchase counseling (classroom style, by telephone, or individually) as part of Freddie Mac's Affordable Gold lending program had a 19 percent lower delinquency rate than those who received no counseling.
- Borrowers who received one-on-one counseling had a 34 percent lower delinquency rate.
- An educated and informed borrower is a benefit to the mortgage industry by producing a pool of mortgage ready applicants. Collaborations between lenders and nonprofit agencies allow the lending industry to provide outreach and marketing to underserved communities, helping lenders to satisfy CRA requirements and GSEs to meet their affordable lending goals. It is also credited with building trust in the mortgage system among that population.
- Post-purchase education and counseling can stabilize homeownership in underserved communities. This includes "a range of services -- from instruction on home maintenance, budgeting, and foreclosure prevention, to crisis intervention for delinquent borrowers, or counseling to prevent or assist victims of predatory lending. The intensive, one-on-one default and delinquency counseling most often provided by nonprofit agencies reduces the incidence of foreclosure among low-income households. Counselors work closely with borrowers to help them understand their options and act as intermediaries in negotiating between borrowers and servicers to put the best workout in place. Moreover, if a workout is not feasible or unsuccessful these agencies ease the homeowner's transition to other affordable housing.

Education and counseling helps make homeowners less vulnerable to predatory lending.

Borrowers who receive individual counseling may be more likely to seek assistance before entering into a high-cost loan. Those who have been victimized by a predatory lender may be more apt to seek out assistance before foreclosure or may be dissuaded from entering (or being "flipped") into another loan. A knowledgeable counselor, if provided with advance

information about the terms of the loan, can steer homeowners away from predatory lenders to affordable alternative loan products.

The center (2004) furthermore states that:

...while good counseling may potentially reduce the incidence of predatory lending in low-income and minority communities, it will not stop predatory lending. Only by changing the laws governing mortgage lending – to stop lenders from financing high points and fees, charging exorbitant prepayment penalties, refinancing special loan programs for first-time buyers into high-cost credit – can we fully address the problem of predatory mortgage lending. Clear prohibitions to stop the most egregious practices, coupled with assignee liability are the tools needed to tackle this problem.

ACCREDITATIONS/STANDARDS/CERTIFICATIONS

The Subcommittee on Oversight regarding nonprofit credit counseling organizations found these standard disclosures:

- There are several things that are fairly universally accepted for both general counseling programs and for housing counseling programs. One is that there are certain disclosures that should be provided to consumers of any financial counseling service as a matter of course and before the services are provided. These standards of disclosure are very well and comprehensively described in *The National Consumer Law Center*, November 20, 2003, article entitled “Legitimate Credit Counseling Agencies Provide Much-Needed Services For Consumers In Financial Trouble” (Consumer Law Center, 2003, in testimony before the House Ways and Means Committee).
- Percentage and amount of funding the agency receives from creditors (as defined).
- Disclosure of any other financial arrangement the agency has with any lender or other provider of financial services.
- Disclosure of the various types of services offered by the agency.
- A statement that debt management and debt settlement plans are not suitable for everyone and consumers can request information about other options, including bankruptcy. (This disclosure must appear in all advertisements as well).
- A statement that debt management and debt settlement plans do not include secured debt, including a brief description of the most common types of secured debt such as mortgages and car loans.
- Existence of the surety bond.
- Statement that the agency cannot require donations. (This statement must appear in all advertisements as well).

There are two main accrediting bodies for financial counseling: the National Foundation for Credit Counseling (NFCC), a HUD certified housing counseling agency, and the U.S. Department of Housing and Urban Development.

To be eligible to apply for a housing counseling grant through the (SuperNOFA) Super Notice of Funding Availability for Continuum of Care Homeless Assistance Programs, HUD-approval must

be secured by the SuperNOFA publication date. Section 106(a)(2) of the Housing and Urban Development Act of 1968 (12 USC 1701x) provides the legislative authority for HUD to provide housing counseling services directly or through private or public organizations with special competence and knowledge in counseling low- and moderate-income families. Detailed information and additional requirements of the housing counseling program are provided in the Housing Counseling Program Handbook 7610.1. The program handbook lists the qualifying criteria that all applicants must meet to receive HUD approval. A few of the more important are:

- *Nonprofit Status.* The applicant must function as private or public nonprofit organization. The agency must submit evidence of nonprofit status as demonstrated by Section 501 (c) of the Internal Revenue Code.
- *Experience.* The applicant must have successfully administered a housing counseling program for at least one year.
- *Community Base.* The applicant must have functioned for at least one year in the geographical area in which the applicant proposes to serve.
- *Counseling Resources.* The applicant must have sufficient resources to implement its proposed counseling plan no later than the date of HUD approval.

Agencies can apply to become an approved housing counseling program in the following areas:

- Homebuyer Education (must also offer pre-purchase counseling for HUD approval)
- Pre-purchase Counseling
- Mortgage Delinquency
- Loss Mitigation
- Post-purchase (including home improvement and rehabilitation)
- Home Equity Conversion Mortgage (HECM)
- Mobility and Relocation Assistance
- Renter Assistance/Section 8 and public housing
- Money/Debt Management
- Fair Housing Assistance
- Homeless

A list of HUD-approved housing counseling agencies is available so that individuals and families in need of assistance can easily access the nearest HUD-approved housing counseling agency through HUD's website or through its automated 1-800 hotline. Currently, there are almost 1,700 HUD-approved housing counseling agencies, including over 600 local housing counseling agencies, with another 600 branch offices, and almost 500 affiliates and branches of national and regional intermediaries. The national and regional intermediaries provide and manage sub-grants to networks of affiliated local housing counseling agencies and they also provide training and technical assistance. In addition, 16 state housing finance agencies provide counseling services with HUD housing counseling grant funds.

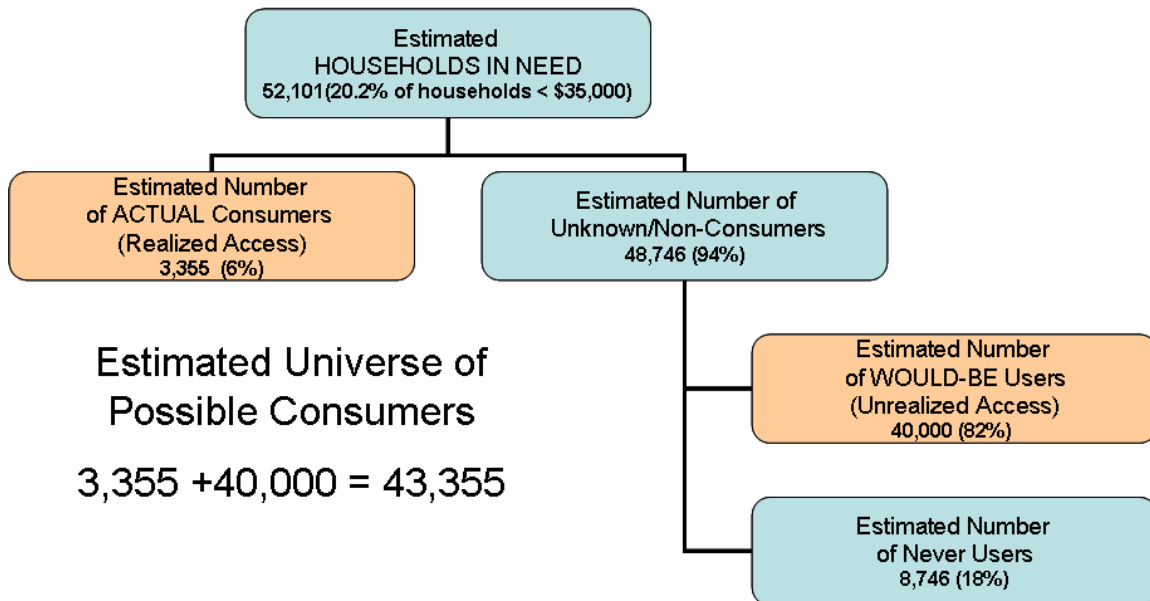
Many banks and financial institutions also provide housing counseling services as part of their marketing efforts.

VI. GAP ANALYSIS

The following is the formula for arriving at the estimated universe of possible consumers for Housing counseling:

- A conservative estimate of 52,101 households need housing counseling programs, which is the estimate of households below \$35,000 in annual income that have participated in the housing market during the prior year in Cuyahoga County.
- Based on available information about actual consumers, approximately 3,355 households have realized access to housing counseling programs. This is based on the Ohio Housing Trust Fund's estimate for 2005 and assumes duplication with the 809 persons who received housing counseling from the Cleveland Housing Network.
- This leaves a net estimate of 48,746 households who are either receiving services from unaccounted-for sources or are not receiving housing counseling. (52,101 – 3,355 = 48,746)
- According to the Cleveland Housing Network (2005), approximately 40,000 or more individuals are not obtaining this service because either they are not aware of the services, or more importantly, are not aware of the value the services offer to help them make better decisions when purchasing a home. These are the estimated would-be users.
- Including both realized and unrealized access, the estimated universe of possible consumers for housing counseling programs is 43,355. (3,355 + 40,000) (See Figure 5.)

Figure 5 - Consumer Estimates: Housing Counseling, 2005



Service Site Index

Countywide, there are 23 service sites for housing counseling programs. This is a ratio of 1,885 possible consumers (estimated 43,355 total) to one service site countywide. Service providers report to United Way - First Call for Help which zip codes are included in their respective service areas. The Service Site Index in Attachment 9 lists the number of sites per zip code and provides a ratio of consumers to service sites for each zip code. This is a measure of potential service accessibility by possible universe of service consumers per zip code area. Note that this measure does not include the capacity of providers to offer the service, for example, the number of households who can receive counseling on a daily basis. It is only capturing whether there is a possibility of being counseled. The lower the ratio, the greater is the chance of receiving housing counseling.

The ratios on the Service Site Index range from a high of 162:1 in zip code 44102 (Cleveland/Brooklyn 95%) (high minority) to a low of 2:1 in zip code 44040 (Gates Mills/Mayfield Village). In addition to 44101, ten other zip codes have ratios greater than 100 consumers to one service site:

- 44105 (Cleveland/NewburghHts/GarfieldHts (75%) - 146:1) (high minority),
- 44107 (Lakewood/Cleveland - 137:1),
- 44120 (Shaker Hts/Cleveland - 136:1) (high minority),
- 44109 (Cleveland/Brooklyn Hts (98%) - 126:1) (high minority),
- 44130 (Parma/Cleveland - 114:1),
- 44108 (Cleveland/Bratenahl (90%) - 110:1) (high minority),
- 44106 (Cleveland/Cleveland Hts (60%) - 109:1) (high minority),
- 44112 (East Cleveland/Cleveland - 109:1) (high minority),
- 44104 (Cleveland (100%) - 105:1) (high minority),
- 44111 (Cleveland (100%) - 102:1).

(See Map in Attachment 10.)

Service Capacity

While the demand for default and delinquency counseling has mushroomed among low-income and other homeowners, the capacity of nonprofit agencies to meet this need is highly questionable, according to the National Consumer Law Center (2004). The center's concern is with the nonprofits' capacity to provide specialized services and to meet the need in their communities. The center believes that those who do provide these services may do so only on an occasional basis or may lack the staff specifically dedicated to providing this type of counseling. The center describes three major barriers:

- *Default and delinquency counseling is time intensive and expensive* because it requires counselors to meet with homeowners face-to-face, review relevant paperwork such as letters from the lenders, foreclosure notices, discuss their budgets thoroughly, help them apply for public assistance, and provide other services to increase their income or decrease expenses. This is followed by work with the homeowner and the lender or servicer to craft an appropriate workout. The counselors are typically dealing with the most difficult cases. This type of counseling cannot be performed effectively from afar by telephone counseling only.
- *Few nonprofit agencies provide any type of pre-refinance counseling or services to assist victims of predatory lending.* Those that do provide it typically do so after the



person has been victimized by a predatory lender. This requires counselors who are skilled and adequately trained to review mortgage documents that may contain complex or hidden terms disadvantageous to the homeowner. They also need to know how to correctly spot predatory mortgage terms and to make appropriate referrals to an attorney as repayment plans without a negotiated reduction of the principal of a predatory loan is never advisable.

- *Homeowners rarely receive relevant loan documents in time for counselors to review before the loan closes.* While there is a statutory mandate that a good faith estimate is given within three days of application, it is rarely given in advance of closing in the sub-prime market. Truth in lending early disclosure requirements only kick in for purchase of money mortgages, not refinances. There appears to be no other laws that require the lender to provide the loan contract or mortgage to the homeowner in advance. In combination, these documents would reveal many predatory loan terms. To make this type of counseling effective, early comprehensive disclosure is vital.

VII. SUMMARY

In summary, there are several major findings from the research on housing counseling:

- There are three major factors driving the demand for housing counseling: steep increase in the number of loans in foreclosure; dominance of sub-prime lending in low-income and minority communities; and new state laws challenging predatory lending.
- The three major laws that protect consumers in the housing market are the Truth in Lending Act (TILA), the Home Ownership and Equity Protection Act (HOEPA), and the Real Estate Settlement Procedures Act (RESPA). These are designed to protect consumers in mortgage lending.
- According to the National Consumer Law Center (2004), overall funding for housing counseling has declined.
- Over the last thirty years, the homeownership education and counseling industry has evolved to address the needs of traditionally underserved populations in the housing marketplace. Focus has moved from reducing the substantial number of defaults under HUD's Section 235 program toward pre- and post-purchase counseling aimed at delinquent borrowers, education and counseling targeting the diverse array of programs and approaches, and increasing homeownership.
- As of May 11, 2006, \$405,000 in revenues for housing counseling programs has been identified countywide.
- The National Consumer Law Center (Williamson, 2004) believes that nonprofit organizations provide the most effective types of services to low-income consumers because of their success rates and provision of the most time-intensive types of education and counseling services.
- An independent study by Hiram & Zorn (2001) suggests that of the types of counseling available (i.e., classroom, home study, individual, and telephone), those that provide individualized attention seem to benefit the most while those with telephone counseling benefited the least. In addition, when counseling is conducted by nonprofit organizations and lenders, on average the delinquency rates are lower than when such counseling is provided by other groups.
- Increasingly, technology is playing a key role in helping counseling agencies ensure that their customers get the best-priced mortgage for which they are qualified.
- While good counseling may potentially reduce the incidence of predatory lending in low-income and minority communities, it will not stop predatory lending. Only by changing the laws governing mortgage lending can the problem of predatory mortgage lending be fully addressed.
- It is estimated that 52,101 households are in need of housing counseling service because they have incomes under \$35,000 and have participated in the housing market in the past years. In FY 2004, the Cleveland Housing Network provided housing counseling for 809 consumers in CY 2004. For Cuyahoga County, the Ohio Housing Trust Fund reported that, for 2005, funding was targeted to assist 3,355 households with an estimated 5,350 persons.
- Countywide, there are 23 service sites for housing counseling programs. This is a ratio of 1,885 possible consumers (estimated universe of possible consumers at 43,355 total) to one service site countywide.

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ATTACHMENTS

Attachment 1: Researcher List

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Attachment 2: Technical Notes

Technical Notes: Methodology, Caveats, Limitations of Data

The following provides descriptions, definitions, methodologies, caveats, or limitations of data for the following components of the core service reports:

- Unit of Analysis
- First Call for Help Data
- Funding Information for Core Services
- Consumer and Financial Data: Caveats
- Gap Analysis Methodology & Limitations
- Service Site Index

Unit of Analysis

The core service is the unit of analysis. United Way of Greater Cleveland either funds or could fund 80 core services. These are the object and subject of the research, specific to Cuyahoga County. A separate report has been developed for each service. It must be noted that the aggregate of any quantifiable data across all of the reports does not comprise a picture of the totality of health and human services in Cuyahoga County because there are many more than 80 services that comprise the community's safety net.

The unit of analysis for estimates of service consumers is the individual, the family, or the household.

United Way - First Call for Help Data

For most core services, United Way First Call for Help (FCFH), the community's resource and referral service data, was used in tables that show the number of service providers and service sites, the geographic location of service providers by zip code, the service area by zip code as reported by providers of the respective services, and to show unmet need and greatest increase/decrease in calls received by FCFH for a particular core service.

It is important to remember that FCFH receives calls from a variety of sources that include people calling on behalf of a prospective consumer such as social workers, provider agencies, relatives, etc. Not all calls come directly from a prospective consumer, so some of the zip codes are for hospitals and business addresses, although the numbers for these zip codes are relatively small.

Calls also may be from people who are not interested in receiving a service, but wish instead to make a contribution to a program such as clothing, household items, food, books, crafts supplies, etc.

Because, in many instances, FCFH codes its data with a different level of core services than the 80 core services identified by the United Way Community Investment staff as fundable services, it was necessary to develop a crosswalk. This crosswalk was used for a number of services, however, seven services did not have a match in the FCFH database. The staff of United Way - First Call for Help gave explanations which follow each core service):

- Adolescent/Youth Counseling: A caller asking about help with their troubled teenager would be referred by the type of counseling rather than age. (Example: counseling for drugs, family, sexual abuse, etc.)
- Advocacy: FCFH does not receive calls from people about advocacy.
- Child Care: Calls are directed to Starting Point.
- Condition Specific Rehabilitation Services: FCFH would refer caller back to their primary care physician for a referral.
- Early Intervention for Mental Illness: FCFH does not receive calls for this, but if they did, they would refer to the county's Help Me Grow program.
- Family Support Centers: FCFH defines data by specific service rather than type of agency. Depending on the call, the caller may be referred to General Counseling or Early Intervention for Infants and Toddlers with Disabilities, and so on.
- Preschools: Calls are directed to Starting Point.

A different match was used for other services that had no crosswalk.

- Medical Transportation and Senior Ride: FCFH uses "Paratransit" as they do not differentiate between senior transportation, medical transportation, and transportation for the disabled.
- Outpatient Mental Health Facilities: FCFH uses "Mental Health Drop-in Centers."

It must also be noted that, for the most part, the FCFH database does not include for-profit agencies. In the case of home health care providers, we contacted the Long Term Care Ombudsman for a more complete list of provider agencies which includes for-profit organizations.

There were several instances where the FCFH database did not code a United Way-funded agency with the core service for which they were receiving funding. In these instances, the agency was added manually to the Service Provider Table along with their site locations. The core services with the respective United Way of Greater Cleveland agencies that were added are:

- Case/Care Management – Care Alliance, Cystic Fibrosis, Epilepsy Foundation, Golden Age Centers
- Comprehensive Outpatient Substance Abuse Treatment – The Covenant
- Disease/Disability Information – The Muscular Disease Society of Northeastern Ohio
- Early Intervention for Infants and Toddlers with Disabilities – United Cerebral Palsy
- Medical Expense Assistance – North Coast Health Ministry
- Medical Transportation (Paratransit in FCFH) – Kidney Foundation of Ohio
- Senior Centers – Catholic Charities Services Corporation, Jewish Community Center of Cleveland, Jewish Family Service Association of Cleveland, University Settlement House.
- Volunteer Development – Neighborhood Leadership Institute

It must also be noted that when numbers are low for trend data reported, the high percentages are slightly exaggerated.



Funding Information for Core Services

We collected financial information for each core service on a countywide level from multiple sources including major government funders, foundations, federated fund raising organizations, and United Way of Greater Cleveland. While we were successful in gathering a substantial amount of data, there is much that has not been collected. It must also be noted that even if we had all major public and private funding gathered, this would not create a total picture of health and human service funding in Cuyahoga County because there are more than 80 core services provided. The following provide highlights of data collected and some of the limitations for each source. It is important to note that funding in each source is changing and represents point in time amounts. The typical period for trend data, when available, is 2002, 2003, and 2004. Note: some services are funded by private insurance or other self-pay arrangements.

Foundation Funding

We attempted to obtain foundation funding amounts for each core service from the latest annual report or 990 PF (foundation tax return to the IRS) of each major foundation that funds social services in Greater Cleveland. Wherever a description of the grant purpose was given, we used our best judgment to match the grant to the appropriate core service. If the grant fell within more than one core service area, it was not listed. When no description was given, the grant was treated like a general operating grant and assigned to a core service only when the mission of the grant recipient fell mainly within one particular core service. In-kind donations, grants for capital and equipment expenses and administrative salaries were not used. When grants were \$10,000 or greater, they were listed by name of the foundation. All others were placed under Other Foundations and not listed. Typically, we did not attempt to provide trend financial data for foundation funding of core services because of the changing nature of funded programs from year to year.

Federated Funding Sources

We approached the major federated funders of core services in Greater Cleveland for funding and consumer information. Some data provided was for a single point in time; others provided three years of trend data. We often had to do a cross walk of United Way of Greater Cleveland funded core services against those funded by federated agencies to agree on the services.

Government Funding

We approached every major government funder for funding amounts for each core service and also did Internet searches for some federal government sources. Due to the constant state of change in government funding, it is important to note that the data provided is a snapshot in time and that many of the programs funded in 2004 have changed definition, are funded through different revenue sources, or no longer exist at all due to a lack of funding. This is particularly true of Community Development Block Grant dollars which have decreased due to shifting federal priorities.

Every effort was made to appropriately match government funding data to the correct core service area; however, this was not always possible as frequently the service definitions were not a one-to-one match. It was necessary, in some instances, to take the closest match or use the sore service which represented a majority of the services being provided.

In other cases, it was not possible to select a specific core service. An example is Medicaid in which Medicaid-defined services crossed over more than four core services in some instances. In cases where Medicaid is a significant source of revenue, the data was entered as an

aggregate total at the appropriate AIRS level. These aggregates are footnoted under the appropriate funding table.

Every effort was made to include data from municipalities. However, many did not respond after repeated requests for information. We would like to thank those who took the time to help with this project.

Medicaid Funding

A significant portion of Medicaid funding was NOT entered under the countywide total in the core service reports for two reasons: first, because many of the Medicaid services are not a one-to-one match with United Way core services, and second because some Medicaid services fall into more than one AIRS Level 1 categories. In the first instance, Medicaid funding was entered as an aggregate total at the AIRS 1 level, and in the second instance Medicaid funding was entered as an aggregate total under Third Party Payee/Direct Bill in the combined Master Revenue file of funding across all nine AIRS Levels. They are as follows:

Entered as Aggregate Total Under Appropriate AIRS Level

- Medicaid Service - Home Care (\$17,787,703 in 2004) - Falls into AIRS 1 Health Care and includes the following core services: daily living aids and home health care.
- Medicaid Service - CADAS (\$8,522,183 in 2004) - Falls into AIRS 1 Health Care and includes the following core services: comprehensive outpatient substance abuse treatment, residential substance abuse treatment programs, substance abuse education and prevention.
- Medicaid Service - Therapy (\$2,257,394 in 2004) - Falls into AIRS 1 Health Care and includes the following core services: condition specific rehabilitation, and speech & hearing.
- Medicaid Service - CMH (\$67,773,487 in 2004) - Falls into AIRS 1 Mental Health Care & Counseling and includes the following core services: supportive therapies, adolescent/youth counseling, children's residential treatment facilities, early intervention for mental illness, general counseling services (outpatient mental health facilities), and psychiatric day treatment.

Entered as Aggregate Total Under Third Party Payee/Direct Bill

- Medicaid Service - Inpatient Hospital (\$188,329,269 in 2004) - Falls into two different AIRS 1 categories: Basic needs and health care. It includes the following core services: condition specific rehabilitation and medical expense assistance.
- Medicaid Service - Waiver (\$128,921,354 in 2004) – This category included all PASSPORT services. Since we reported PASSPORT separately, in order to avoid duplication, we deducted the PASSPORT total of \$52,676,048 from this number and reported the remaining \$76,245,306. This total falls into AIRS 1 Basic Needs, Health Care and Individual & Family Life and includes the following core services: adult day care, home-delivered meals, home health care and in-home assistance.
- Medicaid Service - Habilitation (\$55,550,307 in 2004) - Falls into AIRS 1 Health Care and Individual & Family Life and includes the following core services: condition specific rehabilitation services, early intervention for infants and toddlers with disabilities/delays, and residential living options for people with disabilities.

United Way of Greater Cleveland Funding

Financial data for core services funded by United Way of Greater Cleveland was for FY 2004 (July 2003 to June 2004). It included allocations through the community investment committees



and donor designations that United Way funded agencies applied to the respective core services. It is important to note that not all United Way funded agencies applied donor designated gifts, which are unrestricted, to the core service for which they receive United Way funding. It did not include donor designations that non-United Way funded agencies used for any of the 80 core services.

United Way Agency Revenues

Annually United Way-funded agencies submit revenue budgets to United Way for each funded core service. This information for FY 2004 is reported. However, all of the agency data may not be included in the countywide data as agencies may have assigned dollars from unrestricted grants to a specific core service, or allocated a portion of grant monies that fell within two or more core service areas. It was not always possible to match countywide government or foundation funding with that reported by the agencies and that gathered from other funding sources.

Consumer and Financial Data: Caveats

The following applies to revenue sources on tables and graphs and their corresponding consumer data used in the consumer demographics and zip code tables.

All Core Services

Data was self-verified by the funder/provider. Whenever data provided by a funder appeared to be inconsistent or incorrect, an attempt was made to contact the funder. If the funder responded, the data was either adjusted according to their instructions, or the reason for discrepancies footnoted. If they did not respond, or if they said it was correct, the data was left as submitted.

Demographic and zip code data provided by the funder/provider is frequently taken from consumer intake forms which may have missing or incomplete data, or from provider agency databases which contain data entry errors or incomplete consumer intake forms. Whenever possible, the funder was asked for corrected data. In cases where a correction was not possible, the data was counted as either unknown or missing. The usage of these terms is footnoted at the bottom of each table and is explained more fully in the Gap Analysis section of this attachment.

It was not always possible to get information in the format requested as each funder tracks data differently, using different service definitions, terminology and variables. Wherever possible, data was matched to a consistent report format.

When a funder could not provide consumer demographics, but could provide an estimated percentage of consumers by category, we took the total number of consumers and applied the percentages to come up with estimated numbers for the consumer tables. For example, Medicaid tracks individual recipients throughout the year, entering new data if there is a change, each time a claim occurs. Thus, a consumer who has a birthday between claims will appear in the system for that year with two different ages.

To resolve this, the percentage of consumers in each age range was determined for the total number of duplicated consumer ages. Those percentages were then applied to the total number of unduplicated consumers for the year in order to reach a total number of unduplicated consumers for each age range.

The time periods for both revenue and consumers vary by funder/provider. United Way Program Report data is for FY 2004 (July 2003 to June 2004). Other funder/provider data is for either a January to December or July to June fiscal year.

Gap Analysis Methodology & Limitations

Based on Anderson's (1964) seminal needs assessment model, realized access is defined as the number of consumers who receive service while unrealized access is the estimated number of consumers who need and would utilize a service, but are not currently receiving it. This could be considered the service gap. Unrealized consumer access to services drives the need for change in the social service delivery system. Ensuring unrealized consumer access to services requires new models of service delivery related to access, effective use of resources, data management, and funding. There were multiple steps used to conduct a gap analysis:

- *Estimate of persons in need of the service:* Unless local research was conducted to determine need for a given service, this estimate was obtained by either using U.S. Census data for Cuyahoga County or applying percentages from national studies and reports to the census data. All references and percentages are footnoted in the respective graphs or tables. In most cases this percentage was also applied to actual 1990 Census figures and population projections 2005 through 2015 that were done by the Ohio Department of Development.
- *Estimate of number of ACTUAL consumers in the public systems (realized access):* Data submitted to United Way by funded agencies was aggregated to determine the number of consumers for each core service. The period was FY 2004, which is July 2003 through July 2004.
 - In some cases data was “unknown,” defined as data not collected by agency because no tracking system was available or the type of service delivered made it difficult (i.e., group presentations, telephone information and referral, and drop-ins). This also represents data not completed by consumers either deliberately or inadvertently on intake forms.
 - In other cases, data was missing that, for United Way data, represented computational errors or incorrect completion of online reports. For all other data, “missing” represents data funders/providers were unable to provide.
 - There was no check of the accuracy of data submitted by agencies.
 - Major government funders were asked to provide information about the number of consumers for the respective core services that they funded. In most cases, services were not defined in the same way as the United Way core services which are based on the Alliance for Information and Referral Systems (AIRS) taxonomy. To accommodate these differences, customized crosswalks were developed.
 - We assumed that the numbers of consumers across funding sources were not unduplicated and thus made a judgment about which numbers would be the best estimate of an unduplicated number.
 - The estimate of consumers is not inclusive since it does not include numbers of consumers who use their personal resources to pay for services, nor for other private resources such as insurance or agency fundraising. In addition, it was not always possible to obtain information from some government funders.
- *Estimate of number of “unknown/non-consumers”:* This is the difference between the estimated number of actual consumers and the estimate of persons in need.
- *Estimate of number of “would-be users” (unrealized access):* This is the estimate of persons who would use a service if it were available, typically based on research.

- *Estimate of number of “never users”*: This is the difference between the estimated number of unknown/non-consumers and would-be users.
- *Estimate of “universe of possible consumers”*: This is the total of those actually receiving the service (realized access) and those would-be users (unrealized access).

We recognize that this is not a perfect method for assessing either realized or unrealized access to core services. However, we opted to use an imperfect method rather than no method to demonstrate both the complexity and the usefulness of quantifying realized and unrealized access to services as a first step toward a more rigorous methodology. In the business sector this would be a form of market analysis. We also recognize that actual consumer numbers are not unduplicated across funders, or across core services. Thus, there is much work yet to be done to gain realistic estimates of needs.

The numbers we provided are on a countywide level. We recognize that there could be, and often are, differences by demographics and geographical area. In the Actual Consumer Demographics attachment, we have identified the profile of the base consumer group from census, but have little on the estimated persons in need. Occasionally, there is information from other research that describes differences among different racial, ethnic, gender, age, or income groups that is discussed in the narrative. There is also inconsistent information for consumers funded by various governmental bodies. In other words, some funders provided demographic data and others did not. In the Actual Consumer Zip Codes attachment, we have also attempted to identify the geographic profile of the estimated persons in need and actual consumers. However, this information has the same limitations as the demographics.

Service Site Index

For many services a service site index was developed. It provides a ratio of estimated consumers per service site on a countywide level and for each zip code within the county. The ratio is based on the number derived from the gap analysis described in the previous section and on the number of providers who reported to United Way – First Call for Help whether a specific service site includes a given zip code in its service area. A provider site is located in a single zip code, but could serve multiple zip codes. The ratio is a measure of potential service accessibility by estimated universe of service consumers per zip code area. This measure does not include the capacity of providers to offer the service, for example, the number of consumers that can be served on a daily basis. It is only capturing whether there is a possibility of being a consumer. The lower the ratio, the greater is the chance of receiving service. The index also gives an indication of which zip codes have higher ratios which means that consumers have a lower probability of receiving a service as well as any patterns in zip codes that have high percentages of African Americans, Asians, or Hispanics. A map is also attached which provides a graphic picture of the estimated consumers by zip code.

Based on the numbers of providers that report to FCFH whether they serve a given zip code, we had assumed that there would be greater variability across zip codes. In reality, many report that they serve the entire county. Thus the variability across zip codes is often primarily because of differences in the population numbers rather than in service sites that offer service in a given zip code.



Specific Service Issues

Senior Services

“Senior Centers” was used as a catch-all category when the funder-defined service covered more than one senior success core service and could not be accurately allocated among the separate core services. Often, funding for transportation and home-delivered meals was not broken out from senior activities and supportive services at the municipal level, so it was placed under Senior Centers. Because the core services for congregate and home-delivered meals and senior ride were tracked separately, funding for these core services was not included under Senior Centers to avoid duplication of resources, even though senior center activities can and do include congregate meals.

Senior Ride includes disabled individuals of all ages as well as seniors for most funders with the notable exception of Western Reserve Area Agency on Aging (WRAAA) that requires an individual to be 60 years of age or older in order to receive services. If the transportation service was not provided by a senior center, the number of consumers reflects the number of riders using the system and contains duplicates (e.g. paratransit).

Home improvement/accessibility data includes programs for low-income families and people of all ages with disabilities, as well as seniors.

References

Anderson, Ronald M. (1995, March). Revisiting the behavioral model and access to medical care: Does it matter? *Journal of Health and Social Behavior*, 36(1): 1-10.

Wan, Thomas T. H., Odell, Barbara Gill, & Lewis, David T. (1982). *Promoting the well-being of the elderly: A community diagnosis*. New York: The Halworth Press.

Attachment 3: Actual Consumer Demographics

| Core Service: Housing Counseling BH-370 | | | | | | |
|--|--|--|---|--|---------------------------------------|------------------|
| PERIOD | Total Households (%) [*] 1/1/2000-12/31/2000 | Total Households <\$35,000 Household Income (%) ^{**} 1/1/2000-12/31/2000 | Estimated Households in Need Estimated Households Participating in Housing Market in Previous Year (%) ^{***} 1/1/2000-12/31/2000 | Actual Number/Percent of Consumers by Funding Source ^{****} | | |
| | | | | UW Program Report Data Cnty Only (%) 7/1/2003-6/30/2004 | Department of Development (%) 2004 | CDBG (%) 2004 |
| TOTAL | 571,606 | 258,332 | 52,101 | N/A | Missing | Missing |
| Percent | | 45.2% | 20.2% | | | |
| GENDER | | | | | | |
| Male | N/A | N/A | N/A | N/A | N/A | N/A |
| Female | N/A | N/A | N/A | N/A | N/A | N/A |
| Unknown Data ^{*****} | | | | N/A | N/A | N/A |
| Missing Data ^{*****} | | | | N/A | N/A | N/A |
| RACE^{*****} | | | | | | |
| White alone | 69.9% | N/A | N/A | N/A | N/A | N/A |
| Black or African American alone/combo | 25.9% | N/A | N/A | N/A | N/A | N/A |
| Asian alone/combo | 1.8% | N/A | N/A | N/A | N/A | N/A |
| American Indian and Alaska Native alone/combo | 0.7% | N/A | N/A | N/A | N/A | N/A |
| Native Hawaiian and Other Pacific Islander alone/combo | 0.0% | N/A | N/A | N/A | N/A | N/A |
| Some other race alone/combo | 1.6% | N/A | N/A | N/A | N/A | N/A |
| Unknown Data ^{*****} | | | | N/A | N/A | N/A |
| Missing Data ^{*****} | | | | N/A | N/A | N/A |
| HISPANIC^{*****} | | | | | | |
| | 2.5% | N/A | N/A | N/A | N/A | N/A |
| AGE | | | | | | |
| 0-4 | N/A | N/A | N/A | N/A | N/A | N/A |
| 5-9 | N/A | N/A | N/A | N/A | N/A | N/A |
| 10-14 | N/A | N/A | N/A | N/A | N/A | N/A |
| 15-19 | N/A | N/A | N/A | N/A | N/A | N/A |
| 20-34 | N/A | N/A | N/A | N/A | N/A | N/A |
| 35-54 | N/A | N/A | N/A | N/A | N/A | N/A |
| 55-64 | N/A | N/A | N/A | N/A | N/A | N/A |
| 65-74 | N/A | N/A | N/A | N/A | N/A | N/A |
| 75+ | N/A | N/A | N/A | N/A | N/A | N/A |
| Unknown Data ^{*****} | | | | N/A | N/A | N/A |
| Missing Data ^{*****} | | | | N/A | N/A | N/A |
| INCOME^{*****} | | | | | | |
| Average Household Size | 2.4 | N/A | N/A | N/A | N/A | N/A |
| \$0-\$9,999 | 11.3% | N/A | N/A | N/A | N/A | N/A |
| \$10,000-\$14,999 | 6.9% | N/A | N/A | N/A | N/A | N/A |
| \$15,000-\$19,999 | 6.7% | N/A | N/A | N/A | N/A | N/A |
| \$20,000-\$29,999 | 13.6% | N/A | N/A | N/A | N/A | N/A |
| \$30,000 and above | 61.5% | N/A | N/A | N/A | N/A | N/A |
| Unknown Data ^{*****} | | | | | | |
| Missing Data ^{*****} | | | | | | |
| Totals | 100.0% | N/A | N/A | N/A | N/A | N/A |

Attachment 3: Actual Consumer Demographics (continued)

| |
|--|
| * U.S. Census 2000, SF1 (H4); SF4 (HCT2); SF3 (H14); SF3 (HCT11) |
| ** U.S. Census 2000, SF3 (HCT11) Household income threshold of \$35,000 used because most relevant census table provided housing tenure (i.e., renters and owners) by actual income, not poverty ratios - 200% poverty level for family of four with two children in 2000 was \$34,926. 45.2 percent total households. |
| *** Geographical Mobility: 2000 to 2003. Current Population Reports, U.S. Census Bureau, March 2004. 20.2 percent households with incomes <\$35,000 |
| ****Note: Consumers could be funded by more than one funding source; thus the columns are not necessarily mutually exclusive. |
| *****Unknown Data - Represents data not collected by agency because no tracking system is available or type of service delivered makes it difficult (i.e., group presentations, telephone information and referral, and drop-ins). Also represents data not completed by clients either deliberately or inadvertently on intake forms. |
| *****Missing Data - For United Way Data - represents computational errors or incorrect completion of online report. For all other data - represents data funder was unable to provide. |
| ***** The race categories and data utilize US Census SF4 "Race Iterations," which allow for multiple races to be selected by census respondents. As a result, totals will add to > 100% of population. Universe is "Total Races Tallied." Except "White Alone", all racial categories are "... alone or in combination with some other race". This method isolates and minimizes the non-minority population ("White alone"). |
| *****Hispanic - Amount in this field is from data provided by clients on intake forms and may not be accurate as clients may either diliverately or indavertently provide incomplete data, or data may not be collected by the agency. |
| *****The U.S. Census reports income by household or family, not individuals. Estimates by income category were derived by applying the ratio of total county population (1,393,978) to total households (571,606) = 2.4. The number of households in each income category was multiplied by 2.4 to arrive at an estimate of individuals by income category. The assumption is that the average household size applies to each income category which may result in more conservative estimates for children and the "old old" which may actually have larger proportions of persons in the lower income categories. |

Attachment 4: Actual Consumer Zip Codes

| Core Service: Housing Counseling BH-370 | | | | | | | |
|---|---|-----------------------------------|--|------------------------------|--|----------------------------|-------------------------------|
| Period | City/Town (% Cleveland) | Total Households (%) [*] | Total Households < \$35,000 Household Income (%) ^{**} | Estimated Households in Need | Actual Number/Percent of Consumers by Funding Source ^{****} | | |
| | | | | | Estimated Households Participating in Housing Market in Previous Year (%) ^{***} | UW Program Report Data (%) | Department of Development (%) |
| | | 1/1/2000-12/31/2000 | 1/1/2000-12/31/2000 | 1/1/2000-12/31/2000 | 7/1/2003-6/30/2004 | 2004 | 2004 |
| TOTAL | | 571,606 | 258,332 | 52,101 | N/A | Missing | Missing |
| Percent | | | 45.2% | 20.2% | | | |
| 44017 | Berea | 1.3% | 1.0% | N/A | N/A | 0.0% | 0.0% |
| 44022 | Bentleyville | 0.8% | 0.3% | N/A | N/A | 0.0% | 0.0% |
| 44040 | Gates Mills/Mayfield Village | 0.2% | 0.1% | N/A | N/A | 0.0% | 0.0% |
| 44070 | North Olmsted | 2.4% | 1.5% | N/A | N/A | 0.0% | 0.0% |
| 44101 | Cleveland (100%) | 0.0% | 0.0% | N/A | N/A | 0.0% | 0.0% |
| 44102 | Cleveland/Brooklyn (95%) | 3.6% | 5.2% | N/A | N/A | 0.0% | 0.0% |
| 44103 | Cleveland (100%) | 1.7% | 2.9% | N/A | N/A | 0.0% | 0.0% |
| 44104 | Cleveland (100%) | 1.9% | 3.4% | N/A | N/A | 0.0% | 0.0% |
| 44105 | Cleveland/NewburghHts/GarfieldHts (75%) | 3.6% | 5.1% | N/A | N/A | 0.0% | 0.0% |
| 44106 | Cleveland/Cleveland Hts (60%) | 2.4% | 3.5% | N/A | N/A | 0.0% | 0.0% |
| 44107 | Lakewood/Cleveland | 4.7% | 4.4% | N/A | N/A | 0.0% | 0.0% |
| 44108 | Cleveland/Bratenahl (90%) | 2.4% | 3.6% | N/A | N/A | 0.0% | 0.0% |
| 44109 | Cleveland/Brooklyn Hts (98%) | 3.2% | 4.1% | N/A | N/A | 0.0% | 0.0% |
| 44110 | Cleveland/East Cleveland (98%) | 2.0% | 3.0% | N/A | N/A | 0.0% | 0.0% |
| 44111 | Cleveland (100%) | 3.1% | 3.3% | N/A | N/A | 0.0% | 0.0% |
| 44112 | East Cleveland/Cleveland | 2.3% | 3.5% | N/A | N/A | 0.0% | 0.0% |
| 44113 | Cleveland (100%) | 1.3% | 1.8% | N/A | N/A | 0.0% | 0.0% |
| 44114 | Cleveland (100%) | 0.3% | 0.5% | N/A | N/A | 0.0% | 0.0% |
| 44115 | Cleveland (100%) | 0.5% | 1.0% | N/A | N/A | 0.0% | 0.0% |
| 44116 | Rocky River | 1.7% | 1.2% | N/A | N/A | 0.0% | 0.0% |
| 44117 | Euclid/Cleveland | 1.0% | 1.3% | N/A | N/A | 0.0% | 0.0% |
| 44118 | ClevelandHts/UniversityHts/ShakerHts | 3.1% | 2.3% | N/A | N/A | 0.0% | 0.0% |
| 44119 | Cleveland/Euclid (50%) | 1.1% | 1.1% | N/A | N/A | 0.0% | 0.0% |
| 44120 | Shaker Hts/Cleveland | 3.5% | 4.4% | N/A | N/A | 0.0% | 0.0% |
| 44121 | University Hts/South Euclid | 2.5% | 2.0% | N/A | N/A | 0.0% | 0.0% |
| 44122 | Beachwood/Highland Hills/ShakerHts | 2.6% | 1.6% | N/A | N/A | 0.0% | 0.0% |
| 44123 | Euclid | 1.5% | 1.6% | N/A | N/A | 0.0% | 0.0% |
| 44124 | Pepper Pike/MayfieldHts/Lyndhurst | 3.2% | 2.7% | N/A | N/A | 0.0% | 0.0% |
| 44125 | Valley View/Garfield Hts | 2.1% | 2.0% | N/A | N/A | 0.0% | 0.0% |
| 44126 | Fairview Park/Cleveland | 1.4% | 1.0% | N/A | N/A | 0.0% | 0.0% |
| 44127 | Cleveland (100%) | 0.5% | 0.9% | N/A | N/A | 0.0% | 0.0% |
| 44128 | Warrensville Hts/Cleveland | 2.3% | 2.6% | N/A | N/A | 0.0% | 0.0% |
| 44129 | Brooklyn/Parma/Cleveland | 2.1% | 1.9% | N/A | N/A | 0.0% | 0.0% |
| 44130 | Parma/Cleveland | 4.1% | 3.7% | N/A | N/A | 0.0% | 0.0% |
| 44131 | Independence/Seven Hills/BrooklynHts | 1.4% | 1.0% | N/A | N/A | 0.0% | 0.0% |
| 44132 | Euclid | 1.2% | 1.3% | N/A | N/A | 0.0% | 0.0% |
| 44133 | North Royalton | 2.0% | 1.1% | N/A | N/A | 0.0% | 0.0% |
| 44134 | Parma/Cleveland | 2.9% | 2.5% | N/A | N/A | 0.0% | 0.0% |
| 44135 | Cleveland/Linndale (90%) | 2.1% | 2.1% | N/A | N/A | 0.0% | 0.0% |
| 44136 | Strongsville | 2.8% | 1.2% | N/A | N/A | 0.0% | 0.0% |
| 44137 | Maple Hts/Cleveland | 1.8% | 1.7% | N/A | N/A | 0.0% | 0.0% |
| 44138 | Olmsted Twp/Olmsted Falls | 1.3% | 0.8% | N/A | N/A | 0.0% | 0.0% |
| 44139 | Bentleyville/Glenwillow/Solon | 1.4% | 0.6% | N/A | N/A | 0.0% | 0.0% |
| 44140 | Bay Village | 1.1% | 0.5% | N/A | N/A | 0.0% | 0.0% |
| 44141 | Brecksville | 0.9% | 0.4% | N/A | N/A | 0.0% | 0.0% |
| 44142 | Brookpark/Cleveland | 1.4% | 1.1% | N/A | N/A | 0.0% | 0.0% |
| 44143 | Highland Hts/Richmond Heights | 1.7% | 1.2% | N/A | N/A | 0.0% | 0.0% |
| 44144 | Brooklyn/Cleveland | 1.8% | 1.8% | N/A | N/A | 0.0% | 0.0% |
| 44145 | Westlake | 2.3% | 1.1% | N/A | N/A | 0.0% | 0.0% |
| 44146 | Walton Hills/Oakwood/Bedford | 2.5% | 2.4% | N/A | N/A | 0.0% | 0.0% |
| 44147 | Broadview Hts | 1.1% | 0.7% | N/A | N/A | 0.0% | 0.0% |
| 44149 | Strongsville | | | | N/A | 0.0% | 0.0% |
| | Unknown Cuyahoga County Zip Codes***** | | | | N/A | 0.0% | 0.0% |
| | Missing***** | | | | N/A | 100.0% | 100.0% |
| | Unknown***** | | | | N/A | 0.0% | 0.0% |
| | Total Cuyahoga County***** | 100.0% | 100.0% | N/A | N/A | 0.0% | 0.0% |
| | Total Known Cleveland | 29.7% | 41.5% | N/A | N/A | 0.0% | 0.0% |
| | Total Known Suburbs | 70.3% | 58.5% | N/A | N/A | 0.0% | 0.0% |
| | Unknown & Missing | | | | N/A | 100.0% | 100.0% |

Attachment 4: Actual Consumer Zip Codes (continued)

| |
|---|
| * U.S. Census 2000 SF1 (H4) |
| ** U.S. Census 2000, SF3 (HCT11) Household income threshold of \$35,000 used because most relevant census table provided housing tenure (i.e., renters and owners) by actual income, not poverty ratios - 200% poverty level for family of four with two children in 2000 was \$34,926. |
| *** Geographical Mobility: 2000 to 2003. Current Population Reports, U.S., Census Bureau, March 2004. 20.2 percent households with incomes <\$35,000 |
| **** Note: Consumers could be funded by more than one funding source; thus the columns are not necessarily mutually exclusive. |
| ***** Missing Data - For United Way Data - represents computational errors or incorrect completion of online report. This data may contain zip codes outside of Cuyahoga County so it is not included in total number served for Cuyahoga County. For all other data - represents data funder was unable to provide. |
| *****Unknown Data - Represents data not collected by agency because no tracking system is available or type of service delivered makes it difficult (i.e., group presentations, telephone information and referral, and drop-ins). Also represents data not completed by clients either deliberately or inadvertently on intake forms. This data may contain zip codes outside of Cuyahoga county so it is not included in the total number served for Cuyahoga County. |
| ***** Totals vary because of rounding. County total population 1,393,978 does not correspond to the total of zipcodes because some zipcodes include data from adjacent counties |

Attachment 5: Profile of Core Service Providers – 2005

| PROFILE OF CORE SERVICE PROVIDERS - 2005 | | |
|--|-------|-----------------------------|
| Source: United Way - First Call for Help Refer Database February 2005 | | |
| | Count | Sub-Count: UW-Affiliated |
| Total Number of Organizations | 16 | 0 |
| Number of Organizations by Type | | |
| Nonprofit | 13 | - |
| For-profit | - | - |
| Government | 3 | - |
| Other | - | - |
| Total Number of Service Sites | 23 | - |
| Number of Service Sites per Organization | | |
| 1 | 13 | - |
| 2 – 5 | 3 | - |
| 6 – 10 | - | - |
| 11+ | - | - |
| Geographical Location of Service Sites, by ZIP Code | | |
| 44017 – Berea | - | - |
| 44022 – Bentleyville | - | - |
| 44040 – Gates Mills/Mayfield Village | - | - |
| 44070 – North Olmsted | - | - |
| 44101 – Cleveland | - | - |
| 44102 – Brooklyn/Cleveland | - | - |
| 44103 – Cleveland | 2 | - |
| 44104 – Cleveland | 1 | - |
| 44105 – Newburgh Hts/Garfield Hts | 1 | - |
| 44106 – Cleveland Hts/Cleveland | 1 | - |
| 44107 – Cleveland/Lakewood | - | - |
| 44108 – Cleveland/East Cleveland | - | - |
| 44109 – Cleveland/Brooklyn Hts | - | - |
| 44110 – Cleveland/Bratenahl | - | - |
| 44111 – Cleveland | - | - |
| 44112 – Cleveland/East Cleveland | - | - |
| 44113 – Cleveland | 2 | - |
| 44114 – Cleveland | 4 | - |
| 44115 – Cleveland | 3 | - |
| 44116 – Rocky River | 5 | - |
| 44117 – Cleveland/Euclid | - | - |
| 44118 – Euclid/University Hts | - | - |
| 44119 – Cleveland/Euclid | - | - |
| 44120 – Cleveland/Shaker Hts | - | - |
| 44121 – University Hts/South Euclid | 1 | - |
| 44122 – Orange/Warrensville Hts | - | - |
| 44123 – Euclid | 1 | - |
| 44124 – Pepper Pike/Mayfield Village | - | - |
| 44125 – Valley View/Garfield Hts | - | - |
| 44126 – Cleveland/Fairview Park | - | - |
| 44127 – Cleveland | - | - |
| 44128 – Cleveland/Warrensville Hts | - | - |
| 44129 – Cleveland/Brooklyn/Parma | 1 | - |
| 44130 – Cleveland/Parma | 1 | - |
| 44131 – Seven Hills/Brooklyn Hts | - | - |
| 44132 – Euclid | - | - |

| PROFILE OF CORE SERVICE PROVIDERS - 2005 | | |
|--|-------|-----------------------------|
| Source: United Way - First Call for Help Refer Database February 2005 | | |
| | Count | Sub-Count: UW-Affiliated |
| 44133 – North Royalton | - | - |
| 44134 – Parma/Cleveland | - | - |
| 44135 – Cleveland/Linndale | - | - |
| 44136 – Strongsville | - | - |
| 44137 – Maple Hts/Cleveland | - | - |
| 44138 – Olmsted Twp/Olmsted Falls | - | - |
| 44139 – Bentleyville/Glenwillow/Solon | - | - |
| 44140 – Bay Village | - | - |
| 44141 – Brecksville | - | - |
| 44142 – Cleveland/Brookpark | - | - |
| 44143 – Highland Hts/South Euclid | - | - |
| 44144 – Brooklyn/Cleveland | - | - |
| 44145 – Westlake | - | - |
| 44146 – Walton Hills/Oakwood/Bedford | - | - |
| 44147 – Broadview Hts | - | - |
| 44149 – Strongsville | - | - |

Attachment 6: Providers and Functions – 2005

| Service Providers & Functions | |
|---|---|
| Source: United Way - First Call for Help Refer Database February 2005 | |
| Agency | Services |
| Cleveland City Of - Dept. Of Community Development | Housing Construction - Technical Assistance |
| Cleveland Housing Network | Training Center Classes |
| Consumer Credit Counseling Service | Housing Counseling Seminar |
| East Side Organizing Project (ESOP) | Predatory Lending Work |
| Euclid-St. Clair Development Corp. | Community Classes On Home Maintenance Topics |
| Fairfax Renaissance Development Corp. | Information On Predatory Lending |
| Federal Trade Commission - Eastern Central Region | Consumer Information And Complaints |
| Harvard Community Services Center | Housing Alternatives Information |
| Housing Research And Advocacy Center | Housing Education Programs |
| Lutheran Housing Corp. | Counseling - Home Acquisition And Debt Management |
| May Dugan Center | Housing |
| Neighborhood Housing Services Of Cleveland | Legal Education And Referral - Predatory Lending, Housing/Home Loan, Home Ownership Class |
| Ohio City Near West Development Corp. | Housing Services |
| Spanish American Committee | Housing Assistance In The Hispanic Community |
| United States Dept. Of Housing And Urban Development/Federal Housing Administration | Housing Counseling |
| Westside Industrial Retention And Expansion Network | Personal Financial Information/Taxes, Safe Lending, Savings |

Bold represents agencies funded by United Way for this service. No agency was funded by United Way for this service in FY 2004.

Attachment 7: United Way - First Call for Help Housing Counseling Requests – 2000-2004: Greatest Increase/Greatest Decrease

| BH-370 Housing Counseling | | | | | | | | |
|---|-------------------------------|----------------|-----------|-----------|-----------|-----------|--------------|-------------|
| United Way - First Call for Help Requests 2000-2004 | | | | | | | | |
| Greatest Increase/(Greatest Decrease) | | | | | | | | |
| Zip Code | | TOTAL REQUESTS | | | | | %Chan | Avg. # |
| | | 2000 | 2001 | 2002 | 2003 | 2004 | 00&04 | Calls 00-04 |
| 44111 | Cleveland | 1 | 1 | 5 | 3 | 2 | 100% | 2 |
| 44117 | Euclid/Cleveland | 0 | 0 | 0 | 1 | 2 | N/A | 1 |
| 44115 | Cleveland | 0 | 1 | 1 | 1 | 1 | N/A | 1 |
| 44116 | Rocky River | 0 | 1 | 1 | 0 | 1 | N/A | 1 |
| 44137 | Maple Hts/Cleveland | 0 | 0 | 0 | 0 | 1 | N/A | N/A |
| 44122 | Beachwood/Highland | 2 | 1 | 2 | 1 | 0 | (100%) | 1 |
| 44141 | Brecksville | 1 | 0 | 0 | 0 | 0 | (100%) | N/A |
| 44144 | Brooklyn/Cleveland | 4 | 0 | 1 | 3 | 0 | (100%) | 2 |
| 44127 | Cleveland | 2 | 1 | 3 | 2 | 0 | (100%) | 2 |
| 44106 | Cleveland/Cleveland Hts | 5 | 1 | 3 | 1 | 0 | (100%) | 2 |
| 44123 | Euclid | 1 | 0 | 1 | 0 | 0 | (100%) | N/A |
| 44132 | Euclid | 1 | 1 | 0 | 0 | 0 | (100%) | N/A |
| 44070 | North Olmsted | 1 | 0 | 1 | 0 | 0 | (100%) | N/A |
| 44138 | Olmsted Twp/Olmsted Falls | 1 | 1 | 0 | 0 | 0 | (100%) | N/A |
| 44130 | Parma/Cleveland | 1 | 2 | 0 | 0 | 0 | (100%) | 1 |
| 44134 | Parma/Cleveland | 1 | 0 | 0 | 1 | 0 | (100%) | N/A |
| 44124 | Pepper | 1 | 2 | 0 | 0 | 0 | (100%) | 1 |
| 44121 | University Hts/South Euclid | 2 | 0 | 2 | 1 | 0 | (100%) | 1 |
| 44146 | Walton Hills/Oakwood/Bedford | 1 | 2 | 0 | 0 | 0 | (100%) | 1 |
| 44105 | Cleveland/NewburghHts/Garfiel | 8 | 7 | 8 | 2 | 1 | (88%) | 5 |
| 44108 | Cleveland/Bratenahl | 12 | 2 | 6 | 4 | 2 | (83%) | 5 |
| 44110 | Cleveland/East Cleveland | 5 | 0 | 3 | 0 | 1 | (80%) | 2 |
| 44102 | Cleveland/Brooklyn | 9 | 6 | 9 | 4 | 2 | (78%) | 6 |
| 44103 | Cleveland | 3 | 1 | 3 | 1 | 1 | (67%) | 2 |
| 44113 | Cleveland | 3 | 3 | 5 | 2 | 1 | (67%) | 3 |
| 44109 | Cleveland/Brooklyn Hts | 6 | 8 | 3 | 6 | 2 | (67%) | 5 |
| 44107 | Lakewood/Cleveland | 3 | 1 | 0 | 2 | 1 | (67%) | 1 |
| **Total Cuyahoga County | | 96 | 71 | 84 | 45 | 37 | (61%) | 67 |
| **Total Cleveland | | 63 | 41 | 54 | 31 | 20 | (68%) | 42 |
| **Total Suburbs | | 33 | 30 | 30 | 14 | 17 | (48%) | 25 |

* Extremely high percentages are due to low numbers.

** These totals do not reflect the sum of the numbers above which are the zip codes reflecting the greatest increase or decrease. Rather, they are the total of calls from ALL zip codes many of which do not appear

Attachment 8: United Way - First Call for Help Housing Counseling Requests 2000-2004: Unmet Need

| BH-370 Housing Counseling | | | | | |
|---|------------------------------|--------------|-----|-------|---------|
| United Way - First Call for Help Requests 2000-2004 | | | | | |
| Unmet Need | | | | | |
| Zip Code | | TOTALS 00-04 | | | % Unmet |
| | | Requests | Met | Unmet | |
| 44130 | Parma/Cleveland | 3 | 2 | 1 | 33% |
| 44146 | Walton Hills/Oakwood/Bedford | 3 | 2 | 1 | 33% |
| 44108 | Cleveland/Bratenahl | 26 | 25 | 1 | 4% |

| | | | | | |
|--------------------------------|--|------------|------------|----------|-----------|
| * Total Cuyahoga County | | 333 | 330 | 3 | 1% |
| * Total Cleveland | | 209 | 208 | 1 | 0% |
| * Total Suburbs | | 124 | 122 | 2 | 2% |

FCFH DATA NOTES

Met = service request resulting in referral to an organization. (Does not mean agency was able to provide the service.)

Unmet = service request for which there was no referral.

Note: Zip Codes shared by Cleveland and surrounding suburbs whose boundaries fall 50 percent and greater within the city of Cleveland are highlighted and totaled as Cleveland. Others are totaled as Suburbs.

* These totals do not reflect the sum of the numbers above which are the zip codes reflecting unmet need in 2004. Rather, they are the total of calls from ALL zip codes some of which do not appear on this table.

Attachment 9: Service Site Index

| Core Service: Housing Counseling BH-370 | | | | | | | | | |
|---|---------------------|--------------------------------------|---|-----------------------|---|---|--|---|---|
| Service Site Index | | | | | | | | | |
| Zip | Number of Sites**** | City/Town (% Cleveland) | Proportion of Minorities in Geographical Area | Total Households (#)* | Total Households <\$35,000 Household Income (%)** | Estimated Households in Need - Estimated Households Participating in Housing Market in Previous Year*** | Estimated Universe of Possible Consumers per Geographical Area**** | Number of Service SITES Serving Geographical Area (Per Agencies Reported Intended Service Area to First Call for Help)***** | Potential Service ACCESSIBILITY by Service Consumers per Geographical Area Ratio of CONSUMERS to Service SITES |
| Period | | | | 1/1/2000-12/31/2000 | 1/1/2000-12/31/2000 | 1/1/2000-12/31/2000 | 1/1/2000-12/31/2000 | 1/2005 | |
| TOTAL | 23 | | | 571,606 | 258,332 | 52,101 | 43,355 | 23 | 1,885:1 |
| Percent | | | | | 45.2% | 20.2% | 83.2% | | |
| 44117 | - | Euclid/Cleveland | African Am | 5,871 | 3,439 | 694 | 577 | 14 | 41:1 |
| 44105 | 1 | Cleveland/NewburghHts/GarfieldHts | African Am | 20,743 | 13,070 | 2,636 | 2,193 | 15 | 146:1 |
| 44106 | 1 | Cleveland/Cleveland Hts (60%) | African Am | 13,522 | 9,072 | 1,830 | 1,523 | 14 | 109:1 |
| 44110 | - | Cleveland/East Cleveland (98%) | African Am | 11,214 | 7,706 | 1,554 | 1,293 | 14 | 92:1 |
| 44120 | - | Shaker Hts/Cleveland | African Am | 20,048 | 11,331 | 2,285 | 1,902 | 14 | 136:1 |
| 44103 | 2 | Cleveland (100%) | African Am | 9,724 | 7,396 | 1,492 | 1,241 | 14 | 89:1 |
| 44108 | - | Cleveland/Bratenahl (90%) | African Am | 13,534 | 9,186 | 1,853 | 1,542 | 14 | 110:1 |
| 44112 | - | East Cleveland/Cleveland | African Am | 13,224 | 9,064 | 1,828 | 1,521 | 14 | 109:1 |
| 44128 | - | Warrensville Hts/Cleveland | African Am | 13,370 | 6,695 | 1,350 | 1,124 | 15 | 75:1 |
| 44104 | 1 | Cleveland (100%) | African Am | 10,848 | 8,760 | 1,767 | 1,470 | 14 | 105:1 |
| 44115 | 3 | Cleveland (100%) | African Am | 3,063 | 2,708 | 546 | 454 | 14 | 32:1 |
| 44114 | 4 | Cleveland (100%) | Asian 20.3% | 1,969 | 1,403 | 283 | 235 | 14 | 17:1 |
| 44109 | - | Cleveland/Brooklyn Hts (98%) | Hispanic 20.3% | 18,187 | 10,511 | 2,120 | 1,764 | 14 | 126:1 |
| 44102 | - | Cleveland/Brooklyn (95%) | Hispanic 20.4% | 20,515 | 13,522 | 2,727 | 2,269 | 14 | 162:1 |
| 44113 | 2 | Cleveland (100%) | Hispanic 23.5% | 7,404 | 4,777 | 963 | 802 | 14 | 57:1 |
| 44017 | - | Berea | | 7,195 | 2,602 | 525 | 437 | 14 | 31:1 |
| 44022 | - | Bentleyville | | 4,478 | 867 | 175 | 146 | 14 | 10:1 |
| 44040 | - | Gates Mills/Mayfield Village | | 1,071 | 135 | 27 | 23 | 14 | 2:1 |
| 44070 | - | North Olmsted | | 13,601 | 3,897 | 786 | 654 | 14 | 47:1 |
| 44101 | - | Cleveland (100%) | | 0 | 0 | 0 | 0 | 4 | N/A |
| 44107 | - | Lakewood/Cleveland | | 26,767 | 11,447 | 2,309 | 1,921 | 14 | 137:1 |
| 44111 | - | Cleveland (100%) | | 17,966 | 8,507 | 1,716 | 1,428 | 14 | 102:1 |
| 44116 | 5 | Rocky River | | 9,835 | 3,152 | 636 | 529 | 14 | 38:1 |
| 44118 | - | ClevelandHts/UniversityHts/ShakerHts | | 17,684 | 5,851 | 1,180 | 982 | 14 | 70:1 |
| 44119 | - | Cleveland/Euclid (50%) | | 6,264 | 2,924 | 590 | 491 | 14 | 35:1 |
| 44121 | 1 | University Hts/South Euclid | | 14,527 | 5,095 | 1,028 | 855 | 14 | 61:1 |
| 44122 | - | Beachwood/Highland Hills/ShakerHts | | 14,621 | 4,250 | 857 | 713 | 15 | 48:1 |
| 44123 | 1 | Euclid | | 8,389 | 4,063 | 819 | 682 | 14 | 49:1 |
| 44124 | - | Pepper Pike/MayfieldHts/Lyndhurst | | 18,539 | 6,846 | 1,381 | 1,149 | 14 | 82:1 |
| 44125 | - | Valley View/Garfield Hts | | 12,112 | 5,252 | 1,059 | 881 | 14 | 63:1 |
| 44126 | - | Fairview Park/Cleveland | | 7,727 | 2,704 | 545 | 454 | 14 | 32:1 |
| 44127 | - | Cleveland (100%) | | 3,038 | 2,246 | 453 | 377 | 14 | 27:1 |
| 44129 | 1 | Brooklyn/Parma/Cleveland | | 12,206 | 4,805 | 969 | 806 | 14 | 58:1 |
| 44130 | 1 | Parma/Cleveland | | 23,346 | 9,493 | 1,915 | 1,593 | 14 | 114:1 |
| 44131 | - | Independence/Seven Hills/BrooklynHts | | 8,129 | 2,542 | 513 | 427 | 14 | 30:1 |
| 44132 | - | Euclid | | 6,860 | 3,378 | 681 | 567 | 14 | 40:1 |
| 44133 | - | North Royalton | | 11,274 | 2,923 | 590 | 491 | 14 | 35:1 |
| 44134 | - | Parma/Cleveland | | 16,596 | 6,350 | 1,281 | 1,066 | 14 | 76:1 |
| 44135 | - | Cleveland/Linddale (90%) | | 11,904 | 5,484 | 1,106 | 920 | 14 | 66:1 |
| 44136 | - | Strongsville | | 16,207 | 3,206 | 647 | 538 | 14 | 38:1 |
| 44137 | - | Maple Hts/Cleveland | | 10,477 | 4,340 | 875 | 728 | 14 | 52:1 |
| 44138 | - | Olmsted Twp/Olmsted Falls | | 7,322 | 2,103 | 424 | 353 | 14 | 25:1 |
| 44139 | - | Bentleyville/Glenwillow/Solon | | 7,760 | 1,495 | 302 | 251 | 14 | 18:1 |
| 44140 | - | Bay Village | | 6,183 | 1,279 | 258 | 215 | 14 | 15:1 |
| 44141 | - | Brecksville | | 5,016 | 1,050 | 212 | 176 | 14 | 13:1 |
| 44142 | - | Brookpark/Cleveland | | 8,156 | 2,892 | 583 | 485 | 14 | 35:1 |
| 44143 | - | Highland Hts/Richmond Heights | | 9,694 | 3,037 | 613 | 510 | 14 | 36:1 |
| 44144 | - | Brooklyn/Cleveland | | 10,015 | 4,751 | 958 | 797 | 14 | 57:1 |
| 44145 | - | Westlake | | 12,916 | 2,858 | 576 | 480 | 14 | 34:1 |
| 44146 | - | Walton Hills/Oakwood/Bedford | | 14,068 | 6,147 | 1,240 | 1,032 | 14 | 74:1 |
| 44147 | - | Broadview Hts | | 6,407 | 1,721 | 347 | 289 | 14 | N/A |

* U.S. Census 2000, SF1 (H4)

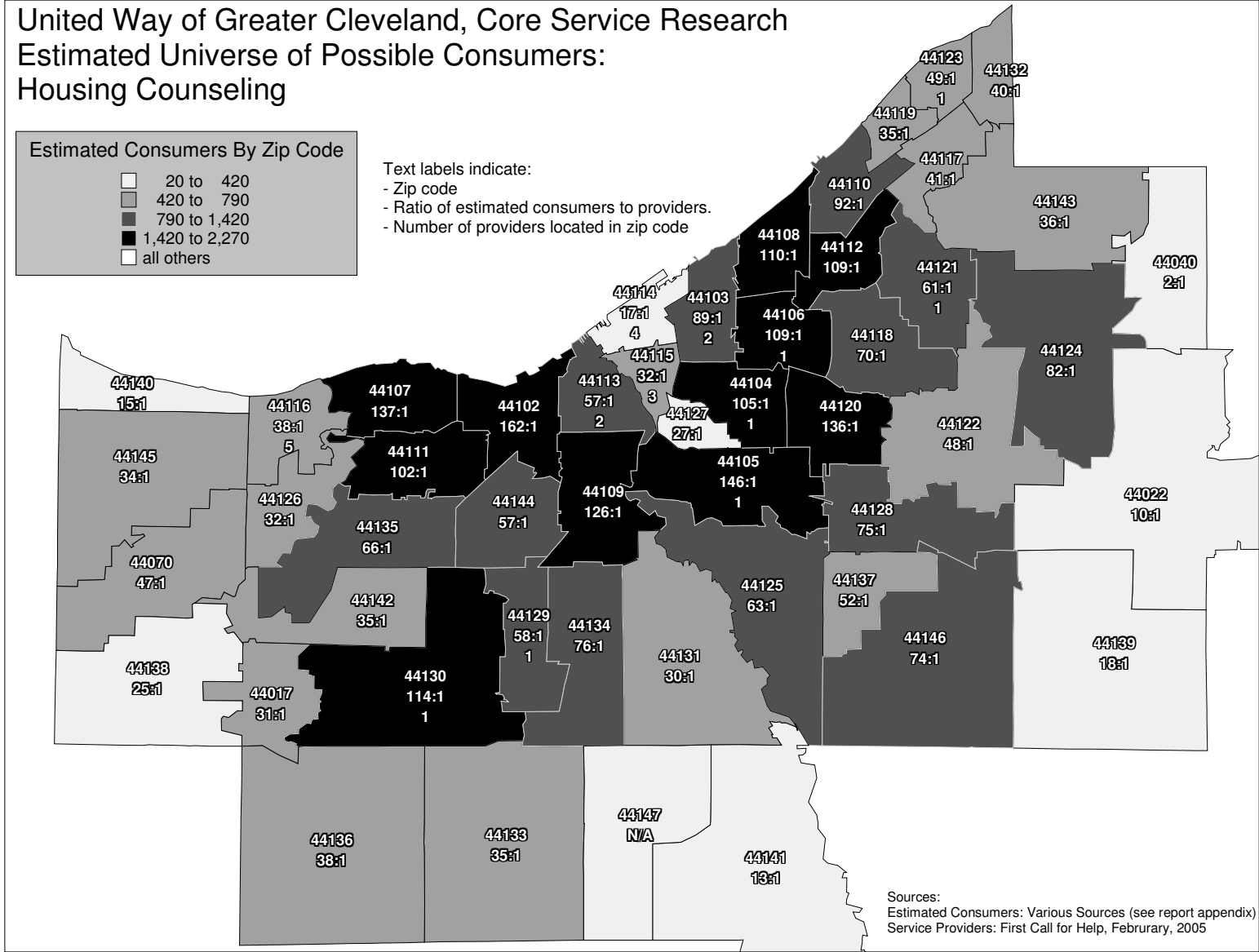
** U.S. Census 2000, SF3 (HCT11) Household income threshold of \$35,000 used because most relevant census table provided housing tenure (i.e., renters and owners) by actual income, not poverty ratios - 200% poverty level for family of four with two children in 2000 was \$34,926.

*** Geographical Mobility: 2000 to 2003. Current Population Reports, U.S. Census Bureau, March 2004. 20.2 percent households with incomes <\$35,000

**** According to the Cleveland Housing Network (2005), approximately 40,000 or more individuals are not obtaining this service because either they are not aware of the services, or more importantly, are not aware of the value the services offer to help them make better decisions when purchasing a home. These are the estimated would-be users (unrealized access). Including both realized and unrealized access, the estimated universe of possible consumers for housing counseling programs is 43,355. (3,355 + 40,000)

***** United Way First Call for Help Call Data, February 2005

Attachment 10: Map





**United Way of
Greater Cleveland**

1331 Euclid Avenue

Cleveland, Ohio 44115

uws.org/CoreServicesPlanning