

**Housing Action Illinois & NHS of Chicago
RFP for Business Planning Consultant
June 7, 2013**

Summary

Housing Action Illinois and Neighborhood Housing Services of Chicago seeks an experienced consultant to work with them to develop a business plan for a new social enterprise they have formed, Counseling Data L3C. This entity will manage the launch, distribution and maintenance of a new, purpose built, Client Management System (CMS) for housing counseling agencies, which will fundamentally transform housing counseling in Illinois and, potentially, the nation. We would prefer work on the business plan to begin immediately after a consultant is selected and be completed within 4 months of the start date. The proposal deadline is July 19, 2013.

Organizational Overviews

Housing Action Illinois (HAI) is a statewide coalition formed to protect and expand the availability of quality, affordable housing throughout Illinois. Our mission is to strengthen communities through the pursuit of a safe and affordable home for all. We advance this mission by creating a network of resources, including community stakeholders, residents, businesses, government and housing experts, to increase the supply and availability of affordable housing throughout Illinois, while building the capacity of community-level organizations to serve those in need.

Neighborhood Housing Services of Chicago (NHS) is a non-profit Community Development Financial Institution (CDFI) that has worked to revitalize Chicago communities since 1975. NHS' mission is to create opportunities for people to live in affordable homes, improve their lives and strengthen their neighborhoods. To do this, NHS works in partnership with business, government, and residents to revitalize neighborhoods and help individuals and families purchase, improve, and prevent the loss of single-family (1-4 unit) homes.

HAI's and NHS of Chicago's partnership in *Counseling Data L3C* brings over 30-years of housing counseling experience and a strong statewide network together to expand the capacity of housing counseling agencies in Illinois, helping those agencies to improve the lives of more Illinois homeowners.

Project Description

HAI and NHS seek a consultant to work with identified members of their staff to develop a business plan for Counseling Data L3C. The final business plan should include consideration of the following elements:

- Mission statement
- Management and operations
- Market analysis
- Sales and marketing approach

- Financial sustainability
- Implementation timeline

Product Background

In early 2013, HAI and NHS joined together to form Counseling Data L3C, a low profit limited liability company, which will own the housing counseling CMS. The CMS is a cloud-based housing counseling database custom-designed and funded by the law firm of Pierce and Associates, its affiliated title company, and Pierce Family Foundation (collectively “Pierce”). It is the result of a multi-year effort to design a more user-friendly housing counseling database to better serve clients and improve agency efficiency. A name for the CMS is currently being explored.

In a January 2013 report entitled, *An Overview of the Nonprofit Foreclosure Counseling Industry*, the Federal Reserve Bank of Philadelphia highlighted some of the issues faced by housing counseling agencies in their region, including that:

- The industry is heavily reliant on government funding; however, access to that money comes with a significant administrative burden.
- Housing counselors bear a heavy workload, which is exacerbated by bureaucratic reporting requirements.

To ease the administrative and reporting burdens faced by housing counseling in Illinois, the newly developed CMS streamlines the data collection reporting output for agencies across the state. Counseling agencies will also now have an integrated system that can easily track of all its clients, whether receiving pre-purchase, post-purchase, default or foreclosure counseling.

Many housing counseling agencies lack the funds and resources needed to move away from antiquated systems, such as spreadsheets, paper files and older databases. The upfront cost of moving to a modernized system can often be daunting or in some cases insurmountable without assistance. Once the investment to move to a modernized and streamline client management system is made, the time and cost savings can be seen quickly. Transitioning housing counseling agencies to the CMS could make a significant long run impact on the industry by reducing annual costs and increasing capacity.

The benefit of housing counseling to consumers and communities is clear: HUD’s Foreclosure Counseling Outcome Study, released in May 2012, reported that nearly 70% of homeowners who defaulted on their mortgage and received housing counseling were able to obtain a mortgage remedy. Though this study highlights the importance of housing counseling to the success of homeownership and foreclosure prevention, resources to pay for counseling services remain scarce.

The new CMS was designed from the beginning with input from front-line users. This unique advantage has made it a user-friendly system that not only captures data, but also creates efficiencies in counseling clients.

A. Proposal Requirements

A. Project Approach & Work Plan: In this section, please describe how you would approach a project such as this, including suggested plan components, research required, etc. HAI and NHS anticipate working closely with the selected consultant in order to develop the final work plan and timeline, so we are most interested here in learning what you believe are important and necessary steps for the development of a successful business plan.

B. Qualifications: Provide a description of your specific skills related to this project, including a discussion of any similar projects undertaken. In addition, include:

- Name and direct contact information
- Education
- Work experience
- Significant accomplishments

If there will be other members of your staff or affiliated persons providing services on this project, please include the information specified above for each team member. Preference will be given to those who have substantial prior experience developing business plans for technology-related entities, social enterprises/L3Cs, non-profit organizations, and/or affordable housing-related enterprises.

C. References: List names, address, telephone numbers, and e-mail addresses of three to five business references for whom business planning work has been completed and briefly describe the type of services provided. The consultant must grant permission to Housing Action Illinois and NHS of Chicago to contact the references and others who may have pertinent information regarding the consultant's qualifications and experience to perform the services required by the project.

D. Budget: The proposal must provide a comprehensive, itemized project budget with narrative and time period over which funds will be expended.

Due Date: July 19, 2013

Please submit proposals by email only to the attention of Sharon Legenza at sharon@housingactionil.org.

For additional information or clarification, please email Sharon at sharon@housingactionil.org. No phone calls, please.