Self-Help Homeownership   **U.S. Department of Housing**   OMB Approval No. 2506-0157
Opportunity Program (SHOP)   **and Urban Development**   (exp. 04/2008)
Instructions for Grantee   Community Planning and Development
Quarterly Earnings Report to HUD

Public reporting burden for this collection of information is estimated to average .50 hour per response. This includes the time for collecting, reviewing, and reporting data. The information will be used to monitor the application of earnings of the SHOP grant and their effectiveness to the program. Response to this request for information is required in order to receive the benefits to be derived. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001. 1010, 1012; 31 U.S.C. 3729, 3802).

On a quarterly basis, national and regional SHOP-funded organizations and consortia (herein referred to as "grantee") must report earnings data on SHOP-assisted projects. HUD has developed an Excel-formatted spreadsheet for quarterly reporting on earnings. Earnings are any interest, fees, or other earnings directly generated by use of SHOP funds (including loan repayments). Earnings must be used for SHOP-eligible activities only. Use of earnings that the grantee and individual consortium members receive must be reported. Earnings retained by affiliates are not reported to HUD.

Data Collection Instructions:

I. SHOP Overview

Reporting Period. Grantees must begin submitting data to HUD upon receipt of any earnings. The period covered by this report must be in the following format: MM/DD/YY to MM/DD/YY. Quarterly reports must be received in HUD via e-mail by the following due dates.

- January 1 through March 31, due no later than May 1;
- April 1 through June 30, due no later than August 1;
- July 1 through September 30, due no later than November 1; and
- October 1 through December 31, due no later than February 1.
   Note: If the due date falls on a weekend or a holiday, this report is due the following workday.

Grant Number: The grant number assigned by HUD as shown on the grant agreement (do not use hyphens or spaces). If grantees receive multiple grants, a separate quarterly report must be submitted for each grant number (e.g. SH02001, SH03001, SH04001).

II. Financial Summary

Earnings on Hand at Beginning of Quarter: The amount of earnings available at the beginning of the quarter for SHOP eligible activities.

Total Earnings Received: The amount of earnings received this quarter and cumulative to date.

Total Earnings Available: The amount of earnings available this quarter for SHOP-eligible activities.

Total Earnings Expended: The total amount of earnings expended on SHOP-eligible activities for the quarter and cumulative to date.

Earnings Expended for Administration: The amount of earnings spent by the grantee this quarter and cumulative for the program for administrative expenses as defined in the SHOP Grant Agreement. This includes earnings in a grantee's revolving loan fund that the grantee makes available to local affiliates for administrative expenses.

Earnings Expended for Land Acquisition: The amount of earnings spent by the grantee for land acquisition this quarter and cumulate for the program. This includes earnings in a grantee's revolving loan fund that the grantee makes available to local affiliates for land acquisition. Land acquisition is defined in the SHOP Grant Agreement.

Earnings Expended for Infrastructure: The amount of earnings spent by the grantee for infrastructure improvements this quarter and cumulative for the program. This includes earnings in a grantee's revolving loan fund that the grantee makes available to local affiliates for infrastructure improvements. Infrastructure is defined in the SHOP Grant Agreement.

Earnings On Hand at End of Quarter: The remaining amount of earnings on hand at the end of the quarter.

III. Program Accomplishments

The "*Program Accomplishments*" section of the Grantee Quarterly Earnings Report gathers data on environmental reviews and units underway (includes land acquisition, infrastructure and site preparation, and construction of units funded with SHOP earnings). All SHOP program accomplishments must be reported, and represent all SHOP activities for the reporting period and "*Cumulative to Date*."

Environmental Reviews Completed: An explanation of the environmental process is included to assist grantees and affiliates in understanding the environmental review requirement and reporting accurately. An environmental review of all Earnings- funded activities is required before funds may be drawn down. There are two different levels of environmental reviews that may be conducted: (1) a Compliance Review and (2) an Environmental Assessment. Environmental reviews are conducted by either a unit of general local government (UGLG), e.g., a city or county [which becomes the responsible entity (RE)], or by HUD. Environmental reviews conducted by an UGLG are done in accordance with 24 CFR part 58, while HUD reviews are conducted in accordance with 24 CFR part 50.

A Compliance Review is conducted for activities that are categorical exclusions. The acquisition of land that can accommodate one to four units of housing on one site, or five or more units on scattered sites that are *more* than 2,000 feet apart with no more than four units on any one site, is categorically excluded.

- A Compliance Review conducted by the RE uses a "Statutory Checklist Form" to document the environmental review. If the RE concludes that *none* of the related Federal laws and authorities listed on the Statutory Checklist requires additional compliance, the RE may convert the activity from a categorical exclusion into an exempt activity. No public notice is published or disseminated and a "Request for Release of Funds and Certification" (RROF/C) form (HUD-7015.15) is not submitted to HUD. On the other hand, if the RE concludes that any of the Federal laws and authorities require further compliance, a "Notice of Intent to Request Release of Funds" must be published or disseminated, and a HUD-7015.15 form must be submitted to HUD. HUD approves the Request for Release of Funds and Certification by executing an "Authority to Use Grant Funds" form (HUD-7015.16). The RE retains all documents as part of its Environmental Review Record.

- A Compliance Review conducted by HUD requires the completion of blocks 1 through 24 of form HUD-4128, "Environmental Assessment and Compliance Findings for the Related Laws." Written notice of HUD approval of the property (or advice to select an alternate property) completes the environmental review process.

An Environmental Assessment is conducted for projects that are neither exempt nor categorically excluded. Projects involving the acquisition of land that can accommodate five or more units of housing (other than scattered site projects described above) and/or any infrastructure improvements require an environmental assessment.

- An Environmental Assessment conducted by an RE uses an "Environmental Assessment Format" to document the conclusions of the review. If the RE concludes that the proposed action will result in a finding of no significant impact on the environment, a "Notice of Finding of No Significant Impact" (FONSI) and a "Notice of Intent to Request Release of Funds" (NOI/RROF) are published or disseminated. The RE then submits a HUD-7015.15 form to HUD and HUD responds with an executed HUD-7015.16 form or letter removing grant conditions, thereby completing the environmental review process. On the other hand, if the RE concludes that the project could have a significant impact on the environment, an Environmental Impact Statement (EIS) must be prepared. The RE must publish or disseminate a "Notice of Intent to Prepare an EIS." Upon completion of the EIS and resolution of significant impacts, the RE publishes or disseminates a NOI/RROF, and submits a HUD-7015.15 form to HUD. HUD then executes a HUD-7015.16 form or letter removing grant conditions, thereby completing the environmental review process.

- An Environmental Assessment conducted by HUD requires the completion of blocks 1 through 34 of form HUD-4128 (and/or HUD prepares an EIS if needed). Written notice from HUD approving the property (or advice to select an alternate property) following completion of form HUD-4128 (and/or EIS if needed) completes the environmental review process.

Report the number of environmental **reviews** (both Compliance Reviews [Statutory Checklists and HUD-4128], and Environmental Assessments [Environmental Assessment Formats and HUD-4128]) completed this quarter. Categorically excluded activities that are converted into exempt activities are counted as completed reviews. Report the number of environmental reviews completed, not the number of units to be completed. The number of **units** to be included in projects that were environmentally reviewed should be reported in "Units Underway.*"*

Units Underway: The number of units under development this quarter (includes land acquisition, infrastructure and site preparation funded with SHOP earnings, and units under construction). This includes any unfinished units from previous quarters.

Units Completed: The number of units for which construction or rehabilitation was completed this quarter and cumulative for the program.

Total Dwelling Units Completed & Conveyed to Homebuyers: The number of units for which construction has been completed, certificates of occupancy have been issued, and the units have been conveyed to and occupied by homebuyers this quarter and cumulative for the program. This field is automatically calculated by adding the number of single- and multi-family units conveyed to homebuyers.

      Total Single Family Units: Report the total number of single-family units completed and conveyed to homebuyers this quarter and cumulative for the program. For purposes of the SHOP program, a single-family unit is defined as a detached, single unit home.

      Total Units in Multifamily Projects: Report the total number of units located within multifamily properties that were completed and conveyed to homebuyers this quarter and cumulative for the program. For purposes of the SHOP program, a multifamily property is defined, as a housing structure comprised of two or more attached units. This includes duplexes, row houses, condominiums, and cooperatives. Each unit in a multi-family property must be counted as a separate unit.

IV. Unit Characteristics (completed & conveyed units)

Accessible Units: Report the number of <u>completed and conveyed</u> units from SHOP earnings that are accessible to persons with disabilities. When used with respect to an individual dwelling unit, accessible means that the unit is located on an accessible route, and when designed, constructed, altered or adapted, can be approached, entered, and used by individuals with physical disabilities. Do not include "Visitable Units."

Visitable Units: Report the number of <u>completed and conveyed</u> units from SHOP earnings that are visitable by persons with disabilities. Visitability standards allow a person with mobility impairments access into the home, but do not require that all features be made accessible. Visitability means at least one entrance is at grade (no steps), can be approached by an accessible route such as a sidewalk; and the entrance door and all interior passage doors are at least 2 feet 10 inches wide, allowing 32 inches of clear passage. A visitable home also serves persons without disabilities, such as a mother with a stroller or a person delivering large appliances. Do not include "Accessible Units."

Units Located in Colonias: Report the number of <u>completed and conveyed</u> units from SHOP earnings located in designated Colonias areas in the states of Arizona, California, New Mexico, and Texas. Colonia means any identifiable community that is within 150 miles of the border between the United States and Mexico and meets need criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, and sanitary accessible housing.

V. Unit Averages (completed & conveyed units)

Average Appraised Value. Report the average appraised value of properties <u>completed and conveyed</u> cumulative to date. The appraised value must be determined by a qualified appraiser or, if one is not available, an estimate of value must be made by an individual qualified to determine property values. This field should represent only the number of properties completed and conveyed to homebuyers cumulative for the program. (Total appraised values / number of properties = average appraised value.)

Average Sales Price to Homebuyer. Report the average sales price of all properties <u>completed and conveyed</u> to homebuyers cumulative to date. This sales price is generally the contract sales price listed on line101 in Section J of the HUD-1 Settlement Statement or listed in similar documentation or an agreement between the grantee (including consortium members)/affiliate and the homebuyer. (Total sales prices / number of properties = average sales price.)

Total Number of Sweat Equity Hours. Report the total number of sweat equity hours contributed by all homebuyers for homes <u>completed and conveyed</u> cumulative to date. This figure should represent only those families that have <u>completed all their sweat equity requirements</u>, including all reasonable accommodation hours, and currently occupy their properties. This does not include other volunteer labor unless volunteers are substituting for persons with disabilities. <u>Grantees must ensure that the homebuyer family</u> itself is contributing the requisite number of sweat equity hours stated in the grantee's application. (Total number of sweat equity hours / number of families = average number of sweat equity hours.)

Total Number of Volunteer Hours. Report the total number of volunteer hours contributed by all volunteers for units completed and conveyed during the quarter (SHOP1) and annually (SHOP2).   This does not include volunteer labor that is being counted towards substitution for persons with disabilities. <u>Grantees must ensure that the volunteers are</u> contributing the requisite number of sweat equity hours stated in the grantee's application.

VI. Homebuyer Income Targeting (completed & conveyed units)

Homebuyers' incomes must be no greater than 80 percent of area median income. Report the number of households in <u>completed and conveyed</u> units that fall within the following income ranges for the quarter and cumulative to date:

> 0 – 30 percent of area median income.
> >30 – 50 percent of area median income.
> >50 – 80 percent of area median income.

VI. Ethnic and Racial Composition (completed & conveyed units)

New government–wide standards for collecting racial/ethnic data were effective January 1, 2003. HUD and grantees are required to treat ethnicity as a separate category. "Hispanic or Latino" and "Not Hispanic or Not Latino" are designated as separate ethnicity categories. Grantees must report the racial and/or ethnic composition of all SHOP households. Data should be collected and reported for the *head of the household* at the time the unit is completed and conveyed to and occupied by the homebuyer family. Racial/ethnic documentation must be reported for each household for each racial/ethnic category, as appropriate. Grantees must enter the number of households in each racial category and indicate whether the household is "Hispanic or Latino" **OR** "Not Hispanic or Not Latino."

For example, if during the third quarter 10 properties have been completed, but properties have not yet been conveyed and occupied, the grantee may not report on the households. However, during the fourth quarter certificates of occupancy have been issued on the10 properties and 9 properties have been conveyed and occupied by families. The grantee will report the race of each of the 9 households indicating in the appropriate categories whether the head of household is "Hispanic or Latino" OR "Not Hispanic or Not Latino." The number of households reported in each quarter should equal the number of properties conveyed to homebuyers during the same quarter.

Reporting race and ethnicity is optional by the family. If families do not furnish the information, the grantee/affiliate/consortium member may report based on a visual assessment.

Ethnicity and Racial Definitions

Ethnicity Categories:

(1) Hispanic or Latino. A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term, "Spanish origin," can be used in addition to "Hispanic or Latino."

(2) Not Hispanic or Not Latino. A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

Racial Categories:

(1) American Indian or Alaska Native. A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.

(2) Asian. A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand and Vietnam.

(3) Black or African American. A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or Negro" can be used in addition to "Black or African American."

(4) Native Hawaiian or Other Pacific Islander. A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

(5) White. A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.

(6) American Indian or Alaska Native & White. A person having these multiple race heritages as defined above.

(7) Asian & White. A person having these multiple race heritages as defined above.

(8) Black or African American & White. A person having these multiple race heritages as defined above.

(9) American Indian or Alaska Native & Black or African American. A person having these multiple race heritages as defined above.

(10) Other Multi-Racial. A person reporting multi-race heritages not included in any of the other nine categories listed above, and that have a total count that exceeds one percent of the population served. (If the aggregate count of any reported multi-racial category that is not listed above exceeds 1% of the total population being reported, you should indicate each such category here.) **NOTE**: Breakout below in **"Other Information on SHOP Program Progress,"** the identification of each racial category, including the actual count, the percentage of the population, and the actual count for the ethnic categories.

(11) Balance of Individuals Reporting More Than One Race. A person reporting any racial categories that are not included in the list of nine above, and are not included under **"Other multi-racial categories." NOTE:** Breakout below in the **"Other Narrative on Program Progress**," the total number of all racial categories reported that do not fit the nine racial categories above, and do not equate to one percent of the total population being reported. Indicate also the total number of all such ethnic categories.

Spreadsheet Guidance and Printing Instructions

(a) Cell Formatting

The spreadsheet within this workbook displays different colored cells. This report has cells colored Light Blue and Tan as well as Yellow, Light Green, and White. The cells colored Light Blue and Tan are the only cells of concern to grantees.

- The *Light Blue* cells indicate cells that require manual entry.
- The *Tan* cells indicate cells that contain formulas and are automatically calculated fields. Should you attempt to enter data into any of these Tan colored cells, you will receive an error message.

(b) Red Flags

Red Flags are attached to most cells in Column A. These flags, visible in the upper right hand corner of various cells, indicate that a comment on that data element is present. These comments are intended to be brief clarifications of the data elements in that cell. They will provide explanations as well as instructions. Grantees must not strictly rely on the data in these flags. More detailed explanations of the data elements including policy guidance can be found in the Data Collection Instructions in Section A above. Grantees (including consortium member)s are responsible for adhering closely to the Data Collection Instructions in Section A of this document.

To access a comment simply move the mouse icon over the red flag. A text box will appear with the explanation.

(c) Printing Instructions for Red Flags

To print the red flag comments, follow the directions below.
1. Choose File from the Menu toolbar.
2. Scroll down and select Page Setup.
3. Once in Page Setup, select the tab named Sheet.
4. Find the subheading titled Print. Under this subheading find the Comments pull down menu. From this menu choose one of the following:

> NONE to print only the spreadsheet;
> AT END OF SHEET to print the comments after the spreadsheet;
> AS DISPLAYED ON SHEET to print the comments within the spreadsheet. If this option is chosen, all comments will print over the existing data on the spreadsheet obscuring the data.

5. After selecting one of the above, print by clicking the Print button at the top right of the activity box.

To print Comments immediately upon opening the Excel file, follow steps 1 and 2 then click the print button at the top right of the activity box.

NOTE: AT END OF SHEET is the default setting. To change the default setting, follow the instructions above for printing comments.

(d) Instructions for Printing Reports

When printing reports, remember Excel provides a choice of Entire Workbook or Active Sheet. The default setting is Active Sheet. This setting will print only the worksheet displayed on the screen. You must choose Entire Workbook to print both worksheets titled Quarterly report and Racial/Ethnic data. To ensure the entire workbook prints, choose File from the Menu toolbar. Scroll down and select Print. Locate the *Print What* subheading in the activity box. Select Entire Workbook then click the OK button.