



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Office of Sustainable Housing and Communities
WASHINGTON, DC 20410-0050

Program Policy Guidance OSHC-2011-02
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Subject: Consortium Agreement Essentials
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Applicability: All OSHC Regional Planning Grantees
Related Guidance:
Comments:

Dear Sustainable Communities Regional Planning Grantee:

As each region embarks on its process to develop or implement a sustainable communities regional plan, there are some elements that should be consistently present in Consortium Agreements that ensure effective function of participating entities. While local and state contract laws will govern the specific mechanisms most appropriate to create a binding relationship between parties, the Office of Sustainable Housing and Communities will be looking for the following essentials in official submissions from the grantees.

These considerations emerge from the NOFA, from input from the grantees, and from analyzing potential agreements to determine what elements will be essential to create agreements that can elevate regional plans to implementation and action.

- 1. State the Goals for the Consortium.** The agreement should clearly lay out the high-level goals and milestones that are anticipated through the planning process. It should also make clear the intention of the consortium to utilize the Regional Plan for Sustainable Development as the driving planning document for the region going forward. If there are other products to be produced as a consequence of the process, document them.
- 2. Articulate Specific Roles to be Executed by Participating Entities.** Spell out specific duties of the lead applicant. Detail the functions that each participating organization is expected to play. Spell out which organizations are providing staff and to what ends. Detail the tiers of participation and organizations expected in each tier. Make sure that all of the roles that are necessary to carry out the mission as detailed in the workplan are fulfilled within the consortium. Clearly describe how engagement of communities will take place and who will bring these perspectives into governance structures. Where plausible, describe basic timetables for completion of tasks. If appropriate, the document may lay out anticipated meetings framework and frequency.
- 3. Specify Accountability Mechanisms.** Specify how the consortium (or elements of it) will be held to task for their responsibilities. Several steps can strengthen how accountability will be measured. Clearly describe the levels of commitment the parties will have. Be clear on which parties are contributing staff and which are bringing other expertise or participation to the table. Spell out the terms of membership in the consortium. Describe what measures will be used to track participation and delivery of commitments from participating entities, and what happens if an entity fails to deliver.

4. **Clarify Decisionmaking Protocols.** Be certain that specific steps are identified that set forth how day-to-day decisions shall be rendered. Clarify procedures for addressing potentially controversial or difficult decisions, e.g. describe when consensus approaches are in effect, when voting will be used to resolve disagreements, and what other tactics will be employed. Detail how recommendations from working groups will be integrated into the deliberations of the governing body. Provide clarity around how difficult choices will be made throughout the planning process.
5. **Spell Out the Governance Structure.** Articulate who will decide which aspects of major components of the planning process. Spell out specific structures for governance, subcommittees, and working groups. Describe the interrelationship of these bodies, specifically how working groups influence the decisionmaking body. Detail how multijurisdictional agreements will be reached and implemented. Share how resident input will be incorporated into decisionmaking vehicles. Clearly lay out how traditionally underrepresented populations will be connected, both to opportunities to provide perspective and to influence directly binding decisions in the process. If an existing regional planning structure is to be used, explain how it accomplishes the aforementioned objectives; if one is to be modified, describe how.
6. **Facilitate Joinability.** Detail how the consortium will deal with requests to engage the process, from input to potential new membership to adjustments to the governing structure. Detail procedures anticipated for new partners getting more deeply involved. Spell out how the consortium will address the possibility of expansion. Ensure that as the consortium is successful and others seek to become participants, there is sufficient flexibility for new partners to do so. Explain how the consortium will integrate perspectives from beyond its standard reach, and how it will remain vigilant to opportunities to recruit additional membership.
7. **Create Individual Instruments where Appropriate.** Wherever financial compensation is expected, ensure that the mechanisms required to confer specific responsibilities on a particular entity as part of its role in the consortium are clearly described. Follow local legal protocols to provide strong levels of commitment from individual members when needed.
8. **Document Benefits and Expected Contributions.** Be clear about the time anticipated to be required of participants at each level of engagement. Point out specific contributions expected of participants. Lay out what benefits will accrue to participants for taking part in the process, be they financial, technical, or otherwise.
9. **Detail Special Conditions as Appropriate.** Special conditions can take numerous forms. Of particular importance are instructions for how to deal with changes in representation from a member; actual changes in consortium structure or agreement; the duration of representatives; fulfilling legal obligations; the expansion or amendment of agreements; responsibility for staff compliance; and specific liability issues. Be clear about dealing with flow-down provisions that pertain to the original cooperative agreement with HUD.
10. **Some Optional Considerations**
 - A chart that clearly shows elements of the planning effort with the entity responsible for performing them is something that some regions are utilizing.
 - An appendix where entities can detail their contributions to and benefits from the planning process.
 - If the nature of the consortium agreement makes it a lengthy document, a brief summary may be warranted.

The Office of Sustainable Housing and Communities, through your Grant Technical Representative, will review draft consortium agreements to ensure that they have all of these elements and will work with you in a timely manner to execute finalized versions of the agreements within your 120-day timelines.