

Homeowner Assistant Fund COVID Relief Funds Under American Rescue Plan Act

IMPLEMENTATION TRAINING

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TRAINING COMPONENTS

- Training Purpose
- ARPA Background
- Eligible Families
- Eligible Uses
- Elements of HAF Plan
- Applying for HAF
- Sample Policy Statements
- Resources

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Training Purpose

- Funding Provided Under the *American Rescue Plan Act (ARPA)* /
- Develop a practical understanding of the:
 - HAF Background
 - HAF Purpose
 - Eligible Activities
 - Review Plan Components
 - Sample Completed HAF Plan
 - Sample Program Activities
 - Sample Policy Statements
 - Reporting
 - FAQ
 - Resources

ARPA BACKGROUND

Introduction

American Rescue Plan Act (ARPA) - Public Law 117-2, enacted March 11, 2021

- Funds remain available until September 30, 2025

Homeowner Assistance Fund (HAF)

- Administered by U.S. Dept. of Treasury **Webpage:** <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/homeowner-assistance-fund>

Three Steps

- 1. Determine tribal need for these funds
- 2. Complete Request to Receive Payments (**due 12/15/21 for Tribes/TDHEs**)
- 3. Prepare HAF plan

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Application

Financial Assistance Agreement (due when funds are requested)

Each eligible entity approved to receive payment from the HAF must enter into a financial assistance agreement with Treasury. A form for the financial assistance agreement is available at the webpage listed previously.

Initial disbursement of 10% of grant amount

Treasury encourages HAF participants to create or fund pilot programs with initial disbursement

50% of 10% may be used for planning, community engagement, needs assessment, and administrative expenses.

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STEP 1

Planning Tasks

Conduct needs assessment, analyze data	Total Indian Population for Area
Identify who you are going to serve	Number of Indian Families
Prepare goals and objectives, prioritize	Number of Elders
Develop planning and management team	Number of Enrolled Members
Pencil out course of action	Number of Renters
Identify sources and uses of funds	Number of Families in Substandard Housing
Prepare rough development budget	Number of Families in Over-Crowded Conditions
	Number of Families with rent burden
	Number of Persons Homeless
	Employed/Unemployed

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Step 1 Data Sources

- ❖ Waiting Lists
- ❖ Environmental Reviews
- ❖ Grant applications
- ❖ Comprehensive Plans
- ❖ Census
- ❖ Tribal Census
- ❖ Surveys
- ❖ TANF Data
- ❖ TERO Data
- ❖ Human Resources
- ❖ IHS Sanitation Priorities
- ❖ Public Meetings
- ❖ General Council Meetings
- ❖ News Reports
- ❖ Monitoring Reports
- ❖ Tribal Finance Reports
- ❖ Audits
- ❖ Physical Inventories



HOMEOWNER ASSISTANCE FUND

U.S. DEPARTMENT OF THE TREASURY

Notice of Funds Request

On behalf of _____ [insert name of entity] (the Eligible Entity),¹ I hereby notify the U.S. Department of the Treasury (Treasury) that the Eligible Entity requests funds allocated to it by Treasury under the Homeowner Assistance Fund (HAF) established under section 3206 of the American Rescue Plan Act of 2021.

If the Eligible Entity is a state, the District of Columbia, or a U.S. territory, this Notice must be submitted to Treasury by April 25, 2021, or the Eligible Entity will not be eligible to receive funds under the HAF. The deadline for any other Eligible Entity to submit this Notice is November 15, 2021.

The undersigned representative affirms that the undersigned has the authority to submit this Notice to Treasury on behalf of the Eligible Entity. This form should be submitted by an authorized agency or office of the Eligible Entity.

Signed: _____ Date: _____

Name	
Title	
Agency or Office	
Street	
City, State, Zip	
Phone	
E-mail	

Contact Person for Eligible Entity:

Name	
Title	
Agency or Office	
Street	
City, State, Zip	
Phone	
E-mail	

¹ "Eligible entity" means: a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Department of Hawaiian Home Lands, and certain Indian Tribes or Tribally designated housing entities eligible for payment under section 3206(f) of the American Rescue Plan Act of 2021.

STEP 2

Prepare Homeowner Assistance Fund Plan

STEP 3

- Organize HAF Plan around the following elements
- Homeowner Needs and Engagement
- Program Descriptions/ "Term Sheets"

ELIGIBLE FAMILIES

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HAF – Eligible Homeowner Requirements

Indian families experienced a financial hardship after January 21, 2020 (including a hardship that began before January 21, 2020, but continued after that date)

Indian families have incomes equal to or less than **150% of the area median income or 100% of the median income for the United States**, whichever is greater.

HAF funds can only be paid to a homeowner with respect to qualified expenses related to the dwelling that is such homeowner's primary residence.

homeowners must attest that they experienced financial hardship after January 21, 2020. The attestation must describe the nature of the financial hardship (for example, job loss, reduction in income, or increased costs due to healthcare or the need to care for a family member).

tribes or TDHEs can exercise Indian Preference when providing assistance to members, or individuals otherwise eligible for HAF, who reside outside the tribal government's Indian area. Tribal authorities should confirm that any such assistance can be provided consistently with the tribe's constitution and governing law.

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ELIGIBLE USES

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Qualified Expense Categories

Mortgage Payment Assistance

- Financial assistance given to a Homeowner to reinstate a mortgage or other housing-related costs due to:
 - Forbearance
 - Delinquency
 - Default

Mortgage Principal Reduction

- Includes any second mortgage provided by a nonprofit or government entity

Mortgage interest rate reductions

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Qualified Expense Categories

Payment Assistance for Down Payment Assistance Loans

- Provided by nonprofit or government entities

Payment Assistance for Delinquent Property Taxes

- Preventing tax foreclosures

Preventing Homeowner Displacement

- Home repairs to maintain habitability of the home
- Assistance to enable households to receive clear titles to their properties

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Homeowner Assistance Fund (HAF) Allowable Uses (cont'd.)

- Payment assistance for **delinquent property taxes** to prevent homeowner tax foreclosures.
- Measures to prevent homeowner displacement, such as **home repairs to maintain the habitability of a home** or assistance to enable households to receive clear title to their properties.
- Counseling or educational efforts by housing counseling agencies approved by HUD, or legal services, targeted to households eligible to be served with funding from the HAF related to foreclosure prevention or displacement, in an aggregate amount up to 5% of the funding from the HAF received by the HAF participant.

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Qualified Expense Categories

- **Utilities**
 - Electric
 - Gas
 - Home Energy
 - Water
- **Internet Service**
 - Including broadband
- **Insurance**
 - Homeowner's
 - Flood
 - Mortgage
- **Association Fees**
 - Liens
 - Condominium Association Fees
 - Common Charges

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Homeowner Assistance Fund (HAF) Allowable Uses (cont'd.)

Reimbursement of funds expended by a state, local government, or entity described in clause (3) or (4) of the definition above of "eligible entity" during the period beginning on January 20, 2020, and ending on the date that the first funds are disbursed by the HAF participant under the HAF, for a qualified expense (other than any qualified expense paid directly or indirectly by another federal funding source or any qualified expenses described in clauses (6), (7), (8), or (10) of this definition).

Planning, community engagement, needs assessment and **administrative expenses** related to the HAF participant's disbursement of HAF funds for qualified expenses, in an aggregate amount not to exceed 15% of the HAF received by the HAF participant.

PROPERTY TAXES	INDIAN PREFERENCE	2 ND MORTGAGE ASSISTANCE FOR HABITABLE HOME	2 ND MORTGAGE ASSISTANCE FOR HABITABLE HOME
DELINQUENT TAXESc	HOUSING COUNSELING	FLOOD INSURANCE	FLOOD INSURANCE
ENVIRONMENTAL REVIEW	SERVE OUTSIDE INDIAN AREA	2 CFR PART 200	2 CFR PART 200
ROOFS, DOORS, WINDOWS	ADDITION TO HOME, BATHROOM	2 CFR PART 200	2 CFR PART 200
CONVERT TO PROPANE TO NATURAL GAS	HOMEOWNER INSURANCE	PROCUREMENT	PROCUREMENT

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PREPARING THE HAF PLAN

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Resources

PROGRAM RESOURCES

[Homeowner Assistance Fund Reporting FAQs](#)

[Homeowner Assistance Fund Interim Reporting Guidance](#)

[Homeowner Assistance Fund Guidance](#)

[Homeowner Assistance Fund Plan Template \(Allocations of \\$5 million or more\)](#) Portal

[Homeowner Assistance Fund Plan Template \(Allocations less than \\$5 million\)](#)

[Updated Sample Term Sheets for HAF Program Design Elements](#)

[Homeowner Assistant Fund Income Limit Look-up Tool \(provided by the Department of Housing and Urban Development\)](#)

[Notice of Funds Request](#)

[Financial Assistance Agreement Template](#)

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Submission : HAF Guidance Available here:

- No specific due date for Recipients
- Updated guidance *issued August 2, 2021* link : <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/homeowner-assistance-fund>
- Templates for grantees under and over \$5M have been published and include the required budget templates and are available on the webpage
- A grantee may elect to submit a single, comprehensive HAF plan that describes the intended uses for the participant's entire HAF allocation, or multiple, partial HAF plans that each describe only a portion of the intended uses for the participant's allocation.

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**Updated HAF
Guidance
issued August
2, 2021
Available here:
<https://home.treasury.gov/system/files/136/HAF-Guidance.pdf>**

- Submission of partial HAF plans may allow grantees to proceed more quickly to implement portions of their plan while conducting planning and community engagement for other planned activities.
- Individual activities will be described in "Term Sheets"
- Treasury has provided several sample "Term Sheets" for grantees at the webpage

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Preparing the Treasury HAF Plan Elements

Treasury has provided a "streamlined" template for grantees receiving under \$5M HAF grant – only 15 Tribes/TDHEs are over \$5M nationwide. HAF plan templates are available on the webpage

In the event that the information required in the HAF plan is not available to a tribe, Treasury will accept alternative information regarding the relevant community.

Homeowner Needs and Engagement Page 2

Program Design Page 2 -

Program Descriptions/ "Term Sheets" Page 3 – 4

Outreach Page 5

Housing Counseling and Legal Services Page 6

Performance Goals Page 7

Readiness Page 8

Budget Page 9

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United States Department of the Treasury
Homeowner Assistance Fund Plan
For Participants with Allocations Under \$5 million

Introduction and Purpose

Welcome to the U.S. Treasury Department's submission portal for the Homeowner Assistance Fund (HAF) Plan.

In the HAF, an eligible entity (the "Participant") is (1) a state, the District of Columbia, or U.S. territory; (2) the Department of Hawaiian Home Lands; (3) each Indian tribe (or, if applicable, the tribally designated housing entity of an Indian tribe) that was eligible for a grant under Title I of the Native American Housing Assistance and Self-Determination Act of 1996 (23 U.S.C. 4111 et seq.) for fiscal year 2020; and (4) any Indian tribe that opted out of receiving a grant allocation under the Native American Housing Block Grants program formula in fiscal year 2020.

A HAF Participant may submit its HAF Plan using this portal only if the Participant's HAF Allocation is less than \$5 million. Tribally Designated Housing Entities may submit a HAF Plan using this portal only if the submission is on behalf of HAF participants that have each been allocated less than \$3 million in the HAF. If a HAF Participant has been allocated \$5 million or more, a different template has been made available for larger allocations.

In the fields below, you will submit your HAF Plan, organized around the following plan elements:

- Homeowner Needs and Community Engagement
- Program Design
- Performance Goals
- Readiness
- Budget

After completing the form, please click on the DocuSign button to sign and submit the HAF Plan.

Once the HAF Plan is submitted, Treasury will review the plan. Treasury may approve a HAF Plan in whole or in part. If Treasury identifies weaknesses in any elements of your HAF Plan, the Participant will be provided an opportunity to revise and resubmit those elements. Upon Treasury's approval of the HAF Plan, Treasury will initiate steps to transmit the requested allocation amount. Treasury will evaluate HAF Plans as described in the HAF guidance, available at <https://home.treasury.gov/system/files/136/HAF-Guidance.pdf>. Please refer to the HAF guidance for definitions of terms used in this portal and additional information regarding the HAF.

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Program Descriptions or "Term Sheets"

HAF participants must describe each program for which they will use HAF funding. Treasury has provided sample "Term Sheets" for this purpose.

The description must describe the targeted population of homeowners and the financial challenges the program would address based on the data-driven assessment of homeowner needs (e.g., the immediate challenge of mortgage delinquency, or displacement prevention).

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Program Descriptions or “Term Sheets” (cont’d)

Each program description/term sheet must include a description of:

- eligibility requirements;
- the intended impact on eligible homeowners;
- the application process;
- conditions or limitations -- including the maximum dollar amount that the program will provide to each homeowner for each type of qualified expense;
- a description of the payment process;
- other available sources of assistance for targeted homeowners

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Program Descriptions or “Term Sheets” (cont’d)

HAF participants **must have** one or more programs intended to reduce mortgage delinquency among targeted populations.

Treasury encourages HAF participants to consider homeownership preservation programs for low-income households in areas where property taxes and utility costs are increasing, including for households that do not have mortgages.

Treasury also encourages HAF participants to consider program designs that leverage utility assistance from other federal programs that have been created expressly for that purpose before using HAF funds for utility assistance.

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OMB Approved No.: 1505-0269 Expiration Date: 10/31/2021	
Mortgage Payment Assistance Sample Term Sheet EXAMPLE ONLY -PARTICIPANTS ARE NOT REQUIRED TO USE EXACT TERMS	
<u>Criteria</u>	<u>Sample Terms</u>
<u>Brief description</u>	Provide full or partial payment assistance to homeowners unable to make full mortgage payments due to a continuing financial hardship associated with the Coronavirus pandemic. HAF funds may be used to reduce a homeowner's monthly mortgage/loan payments for a period up to XX months or until the Maximum Amount of Assistance is reached. HAF funds will only be used to supplement other loss mitigation measures offered by the servicer or where HAF funds are necessary for the homeowner to qualify for other such loss mitigation measures.
<u>Maximum amount of assistance per homeowner</u>	Each Homeowner will be eligible for up to \$XXXX through this program with respect to the applicant's primary residence, including a dwelling to be made habitable so it may serve as the homeowner's primary residence.
<u>Homeowner eligibility criteria and documentation requirements</u>	Same as General Eligibility Requirements plus <ul style="list-style-type: none"> • Statement of current inability to resume mortgage payments due to unemployment, underemployment or other continuing hardship. Indicate documentation requirements:

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OMB Approved No.: 1505-0269 Expiration Date: 10/31/2021	
Mortgage Payment Assistance Sample Term Sheet EXAMPLE ONLY -PARTICIPANTS ARE NOT REQUIRED TO USE EXACT TERMS	
<u>Criteria</u>	<u>Sample Terms</u>
<u>Loan eligibility criteria specific to the program</u>	No additional forbearance available.
<u>Form of Assistance</u>	Assistance will be structured as a non-recourse grant. OR Assistance will be structured as an interest free loan payable upon transfer of the property and forgivable over a period of time.
<u>Payment requirements</u>	Payments will be made directly to the lender or servicer, as appropriate.

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OMB Approved No.: 1505-0269 Expiration Date: 10/31/2021	
Home Repair Assistance Sample Term Sheet EXAMPLE ONLY-PARTICIPANTS ARE NOT REQUIRED TO USE EXACT TERMS	
<u>Criteria</u>	<u>Sample Terms</u>
<u>Brief description</u>	<p>Provide funds to cover reasonable home repair expenses to the homeowner's primary residence as necessary to restore the property to habitable condition or to resolve housing/property code violations.</p> <p>HAF Funds may be used to pay the reasonable cost of repairs necessary to address property conditions, including pre-development costs, necessary architectural or engineering fees, construction oversight, or other costs incidental but necessary to the completion of the eligible scope of work.</p> <p>Grantee may utilize HAF administrative funds to provide technical assistance to the homeowner (e.g. identifying necessary repair work).</p>
<u>Maximum assistance per homeowner</u>	Each Homeowner will be eligible for up to \$XXXX through this program with respect to the applicant's primary residence, including a dwelling to be made habitable so it may serve as the homeowner's primary residence.
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OMB Approved No.: 1505-0269 Expiration Date: 10/31/2021	
Home Repair Assistance Sample Term Sheet EXAMPLE ONLY-PARTICIPANTS ARE NOT REQUIRED TO USE EXACT TERMS	
<u>Criteria</u>	<u>Sample Terms</u>
<u>Homeowner eligibility criteria and documentation requirements</u>	<p>Same as General Homeowner Eligibility Criteria Across All Programs plus:</p> <p>At the time repairs begin, homeowner is current on other secured home payment obligations, on an active payment plan or forbearance, and/or getting related HAF assistance for those obligations.</p> <p>Homeowner will be able to afford applicable payments necessary to sustain homeownership (mortgage, taxes, insurance, association dues, etc.) after repairs are completed, based on a financial analysis established at the reasonable discretion of Grantee.</p> <p>Homeowner does not qualify for or has not been able to access affordable home repair financing (self-attestation of applicant's efforts will satisfy). Grantees may determine, based on a reasonable analysis of homeowner needs data, that homeowners meeting certain criteria (e.g. income at or below a percentage of AMI) are presumed to meet this requirement without requiring homeowner attestation or documentation.</p> <p>Indicate documentation requirements:</p>
<u>Property eligibility criteria</u>	<p>Same as General Property Eligibility Criteria Across All Programs plus:</p> <ul style="list-style-type: none"> ● Property will continue to be the applicant's owner-occupied primary residence once the repairs are made. ● Properties that have outstanding violations may receive assistance if corrections are addressed before funding or are included in the scope of work funded by the program. <p>Eligible Property Conditions:</p> <ul style="list-style-type: none"> ● Housing deficiencies or conditions exist which may be hazardous to occupants/residents, ● Property has a code violation or other citation, or is in danger of being cited or condemned, without the necessary repair, ● Property is uninhabitable or condemned and the repair is necessary to make the home habitable, OR ● Home improvements are necessary to improve accessibility and help senior residents age in place.
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OMB Approved No.: 1505-0269 Expiration Date: 10/31/2021	
<u>Criteria</u>	<u>Sample Terms</u>
<u>Homeowner eligibility criteria and documentation requirements</u>	<p>Same as General Eligibility Requirements plus:</p> <ul style="list-style-type: none"> • Statement of current ability to resume any required regular payments after account is reinstated (OR) Ability to resume any required regular payments with assistance from Grantee Mortgage Payment Assistance Program. • For reverse mortgages, Homeowner is either in default due to property charges or has entered a repayment plan to repay such charges, and homeowner otherwise qualifies. <p>Indicate documentation requirements listed here:</p>
<u>Loan eligibility criteria specific to the program</u>	Delinquent by at least one payment, including any payments during a forbearance period or, in the case of a reverse mortgage, has outstanding property charges whether in default or in repayment plan.
<u>Form of assistance</u>	Assistance will be structured as a non-recourse grant. OR Assistance will be structured as an interest free loan payable upon transfer of the property and forgivable over a period of time.
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OMB Approved No.: 1505-0269 Expiration Date: 10/31/2021	
<u>Criteria</u>	<u>Sample Terms</u>
<u>Payment requirements</u>	Payments may be made directly to the lender or servicer, as appropriate.
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OMB Approved No.: 1505-0269 Expiration Date: 10/31/2021	
Mortgage Default Resolution Sample Term Sheet EXAMPLE ONLY -PARTICIPANTS ARE NOT REQUIRED TO USE EXACT TERMS	
<u>Criteria</u>	<u>Sample Terms</u>
<u>Brief description</u>	Provide funds for loss mitigation measures intended to result in a permanently sustainable monthly payment for borrowers unable to meet scheduled payment requirements due to a financial hardship associated with the Coronavirus pandemic. Funds may be used to effect principal reductions; reduce the rate of interest; recast payment terms; repay funds advanced by the servicer on the borrower's behalf; and as otherwise appropriate to ensure such assistance, when leveraged with other available loss mitigation options, results in a sustainable monthly payment amount for the borrower.
<u>Maximum assistance per homeowner</u>	Each Homeowner will be eligible for up to \$XXXX through this program with respect to the applicant's primary residence, including a dwelling to be made habitable so it may serve as the homeowner's primary residence.
<u>Homeowner eligibility criteria and documentation requirements</u>	Same as General Eligibility Requirements plus: <ul style="list-style-type: none"> • Statement of current inability to resume mortgage payments due to unemployment, underemployment or other continuing hardship. Indicate documentation requirements:
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OMB Approved No.: 1505-0269 Expiration Date: 10/31/2021	
<u>Criteria</u>	<u>Sample Terms</u>
<u>Loan eligibility criteria</u>	<ul style="list-style-type: none"> • Must be delinquent by at least one installment payment (including payments missed during a forbearance period) or otherwise in default, as reflected in documentation from the payee or the payee's agent.
<u>Form of assistance</u>	Assistance will be structured as a non-recourse grant. OR Assistance will be structured as an interest free loan payable upon transfer of property and forgivable over a period of time.
<u>Payment requirements</u>	Funds will be paid, as applicable, to the mortgage servicer or other third-party payee authorized by the servicer, or other third party authorized to collect eligible charges in accordance with reinstatement instructions received from the payee.
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OMB Approved No.: 1505-0269
Expiration Date: 10/31/2021

Property Charge Default Resolution Sample Term Sheet **EXAMPLE ONLY** -PARTICIPANTS ARE NOT REQUIRED TO USE EXACT TERMS

<u>Criteria</u>	<u>Sample Terms</u>
<u>Brief description</u>	<p>Provide funds to resolve any property charge default that threatens a homeowner's ability to sustain ownership of the property, whether concurrently with other loss mitigation options offered by the loan servicer or in conjunction with other assistance programs.</p> <p>HAF Funds may be used to pay past due property taxes, insurance premiums, HOA fees, condominium fees, cooperative maintenance or common charges that threaten sustained ownership of the property must be brought current by program assistance or resolved concurrently with the program providing assistance.</p> <p>Funds may also be used to pay property charges coming due in the 90 days following program approval.</p>
<u>Maximum amount of assistance per homeowner</u>	Each Homeowner will be eligible for up to \$XXXX through this program with respect to the applicant's primary residence, including a dwelling to be made habitable so it may serve as the homeowner's primary residence.
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OMB Approved No.: 1505-0269
Expiration Date: 10/31/2021

<u>Criteria</u>	<u>Sample Terms</u>
<u>Homeowner eligibility criteria and documentation requirements</u>	<p>Same as General Eligibility Requirements plus:</p> <p>Homeowner is at least one installment payment in arrears on one or more property charges including:</p> <ul style="list-style-type: none"> • Property taxes • Insurance: hazard, flood, wind premiums • HOA fees, condominium fees, cooperative maintenance or common charges <p>Indicate documentation requirements:</p>
<u>Loan eligibility criteria specific to the program</u>	N/A
<u>Form of assistance</u>	<p>Assistance will be structured as a non-recourse grant. OR</p> <p>Assistance will be structured as an interest free loan payable upon transfer of property and forgivable over a period of time.</p>
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OMB Approved No.: 1505-0269
Expiration Date: 10/31/2021

<u>Criteria</u>	<u>Sample Terms</u>
<u>Payment requirements</u>	Funds will be paid, as applicable, to the mortgage servicer or other third-party payee authorized by the servicer, or other third party authorized to collect eligible charges in accordance with reinstatement instructions received from the payee.
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OMB Approved No.: 1505-0269
Expiration Date: 10/31/2021

Utility/Internet/Broadband Payment Assistance Sample Term

<u>Criteria</u>	<u>Sample Terms</u>
<u>Brief description</u>	<p>Provide funds to resolve delinquent payments for utility and/or internet access services.</p> <p>HAF funds may be used to pay delinquent amounts in full, including interest or reasonably required legal fees, under circumstances in which a delinquency threatens access to utility or internet services. The provided assistance must bring the homeowner's account current.</p> <p>Funds may be used to pay prospective charges for up to the first 90 days following approval if the homeowner is unable to make such payments and (i) funds are not available from other utility assistance programs to cover these amounts and (ii) the homeowner indicates the financial ability to resume making such payments after the initial 90-day period."</p>
<u>Maximum assistance per homeowner</u>	Each Homeowner will be eligible for up to \$XXXX through this program with respect to the applicant's primary residence, including a dwelling to be made habitable with the funded repairs to serve as the homeowner's primary residence.
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OMB Approved No.: 1505-0269
Expiration Date: 10/31/2021

<u>Criteria</u>	<u>Sample Terms</u>
<u>Homeowner eligibility criteria and documentation requirements</u>	<p>Same as General Eligibility Requirements plus:</p> <ul style="list-style-type: none"> • Homeowner is at least one installment payment in arrears on one or more of the following: utilities, such as electric, gas, home energy, and water OR internet service, including broadband internet access service • Assistance sufficient to resolve the delinquency is not available from other utility assistance programs and, without HAF assistance, the homeowner is likely to lose services <p>Indicate documentation requirements</p>
<u>Loan eligibility criteria specific to the program</u>	N/A
<u>Form of assistance</u>	<p>Assistance will be structured as a non-recourse grant. OR</p> <p>Assistance will be structured as an interest free loan payable upon transfer of the property and forgivable over a period of time.</p>

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Overview: Treasury Review and Approval

- Once the HAF Plan is submitted, Treasury will review the plan. Treasury will evaluate HAF Plans as described in the HAF guidance.
- Treasury may approve a HAF Plan in whole or in part.
- If Treasury identifies weaknesses in any elements of your HAF Plan, the grantee will be provided an opportunity to revise and resubmit those elements.
- Upon Treasury's approval of the HAF Plan, Treasury will initiate steps to transmit the requested allocation amount.

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HAF Plan Assessments and Approvals

Treasury will assess HAF plans based on the following factors:

Alignment of Community Needs and Program Design: The extent to which programs are responsive to community needs and based on a best practice model or evidence of the HAF participant's effective implementation of a previous program or pilot program

Alignment of Performance Goals with Data on Targeted Populations: The extent to which the performance goals would address the needs of specific eligible populations within targeted communities, in a manner that is appropriate to the jurisdiction.

Methods of Targeting: The extent to which the HAF participant describes targeting methods reasonably likely to result in HAF assistance being made available to eligible homeowners consistent with the targeting requirements described in the ARP and in applicable guidance issued by Treasury.

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HAF Plan Assessments and Approvals (cont'd)

Readiness: The extent to which the HAF participant demonstrates readiness to implement a program at scale, including having in place policies and procedures (refer to the Term Sheet) for the program and an appropriate mix of staffing, contractors, and partners. Implementation of a pilot program or pre-existing program that successfully targeted resources to the targeted populations will be a strong indication of readiness.

Alignment of Budget with Performance Goals: The extent to which the funding budgeted by program reasonably supports the achievement of the performance goals.

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Term Sheets

For each program design element, a Term Sheet or other description should be uploaded together as one document

The Term Sheet should provide the following information:

- Brief Description
- Maximum amount of assistance per homeowner
- Eligibility criteria and documentation requirements
- Form of assistance
- Payment requirements

Brief Description

Explanation of how funds are going to be used

How funds will be used with other assistance programs

- e.g., loan servicer loss-mitigation programs

What type of homeowner expense the funds will be used for

Maximum Amount of Assistance per Homeowner

Exact maximum amount of assistance that each Homeowner will be eligible to receive under the program design element

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Eligibility Criteria and Documentation

Explain all eligibility criteria for the program design element

- Homeowner
- Mortgage
- Property

Provide a justification for each additional documentation required beyond what is required under the HAF

- Includes explanation that such documents will **NOT** create barriers for eligible households

Form of Assistance & Payments

How funds will be provided

- Grants
- Forgivable Loans
 - Terms of forgiveness
- Reasoning for the proposed terms would be needed if any other form of assistance given
 - e.g., Home repair programs – explanation on criteria to determine homeowner eligibility

Payments would need to indicate the following

- Whom payments will be made to (Homeowners or Third Party)
- Any addition requirements to complete a payment
 - Bulk payment for payees
 - Method of determining amount

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Plan Flexibility

HAF Plan can be revised over time to add or subtract program design elements, if HAF participants elect to do so.

Does the Participant anticipate adding additional program design elements to the HAF Plan within one year of the submission?

- Yes
- No

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Homeowner Income

Homeowners are eligible to receive amounts if income:

- Equal to or less than 150% of area median income
- 100% of the median income for the United States

Which ever is greater sets the limit

At least **60%** of HAF funds available must be used for qualified expenses to assist homeowners with incomes of:

- Equal to or less than 100% of area median income
- Less than 100% of the median income for the United States

Which ever is greater sets the limit

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Documentation of Homeowner Income

Approach for Determining income

- Household provides a written attestation as to household income
- HAF participant use a reasonable fact-specific proxy for household income
 - Average incomes in household's geographic area

Waivers or Exceptions

- Reasonably necessary to accommodate extenuating circumstances
 - Disabilities
 - Challenges related to the pandemic
 - Lack of technological access

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Eligible Mortgage Types

- First Mortgages
- Second Mortgages
- Reverse Mortgages
 - Home Equity Conversion Mortgages
 - Single-purposes Reverse Mortgages
 - Proprietary Reverse Mortgages
- Loans Secured by Manufactured Housing
- Contracts for Deed or Land Contract

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Housing Counseling and Legal Services

Will the Participant facilitate access for eligible households to housing counseling or legal services?

- Yes
- No

Participant will need to identify the following information for the housing counsel and legal service Provider that will support homeowners:

- Name
- Address
- Website
- Primarily Serves LMI Households
- Addresses Impacts of Housing Discrimination

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Performance Goals

Treasury will consider the goals and benchmarks proposed to measure the effectiveness of the programs including:

- Metrics of Success
- If goals address the homeowners needs
- The extent goals are broken down
- Goals focused on reducing mortgage delinquency

Examples of metrics of success

- Number of home losses avoided due to HAF Funds
- Number of tax-related delinquencies paid off

Examples of goals

- Prevent 500 homes losses within 24 months
- Prevent the replacement of 100 homeowners by paying off delinquent property taxes

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Program Design Element	Metrics of Success	Goal
Mortgage payment assistance		
Allow homeowners to reinstate mortgages or pay other housing-related costs		
Mortgage principal reduction		
Facilitating mortgage interest rate reductions		
Payment assistance for homeowner's utilities		
Payment assistance for homeowner's internet service		
Payment assistance for homeowner's, flood, and mortgage insurance		
Payment assistance for homeowner's association fees		
Payment assistance for down payment assistance loans		
Payment assistance for delinquent property taxes		
Measures to prevent homeowner displacement		

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Budget

Budget will need to be broken down sections including:

- HAF Funds by Program Design Element
- Counseling or Legal Services
- Reimbursement of Funds Expended After January 21, 2020
- Allocation of Administrative Expenses

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Counseling or Legal Services

Up to 5% of HAF Funds for housing counseling

- Agencies approved by the Department of Housing and Urban Development or tribal government

Legal services to be used by eligible households

- Funding from the HAF related to foreclosure prevention or displacement

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Allocation of Administrative Expenses

Up to 15% of HFA fund may be used for administrative expenses

Expense and amounts need to be detailed to determine if it is a “qualified expense”

To be determined by Treasury

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Readiness: Staffing, Systems, and Contractors

The following questions will need to be addressed to show readiness for the HAF Plan:

- Is there a need to hire additional staff to implement this HAF Plan?
- Will significant information technology system upgrades be needed to implement this HAF Plan?
- Is there policies or procedures in place to govern the implementation of each program design element in this HAF Plan?
 - If no, is it in development?
- Will HAF funds be used for eligible households in another program that was operational before this HAF?
 - If yes, has pre-existing program been adapted to HAF requirements?
- Will any third-party contractor be conducting program administration for some or all of the HAF programs?
 - If yes, have all necessary arrangements been completed with the third-party?

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Points of Contact

Application will need 3 points of contacts – primary contact, reporting contact, and an additional contact

Information needed for each contact minimally:

- Name
- Agency/Office
- E-mail
- Phone number

Authorized Official will also need to provide the following contact information:

- Name
- E-mail
- Official's Title

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SAMPLE HAF APPLICATION

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HAF Plan: Table of Contents

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Introduction

The Nome Eskimo Community (NEC or the Tribe), a federally recognized tribal government, requested initial funding from the U.S. Treasury Homeowner Assistance Fund (HAF) Program, which was established under section 3206 of the American Rescue Plan Act of 2021 (ARPA) for the purpose of mitigating financial hardships created by the Coronavirus Pandemic. The HAF Program specifically assists eligible homeowners by providing financial assistance necessary to prevent mortgage delinquency defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020.

The U.S. Treasury provided to the Tribe an initial payment of \$57,000, an amount equal to 10% of the total amount for which the Tribe is eligible to receive. To receive funding beyond the initial 10% payment, and as per U.S. Treasury requirements, the Tribe has developed this HAF Plan for the purpose of describing the needs of eligible homeowners, the design of the program that the Tribe proposes to implement using HAF funds, performance goals, and information regarding the Tribe's capacity to implement the program.

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- the design of the program that the Tribe proposes to implement using HAF funds,
- performance goals, and
- information regarding the Tribe's capacity to implement the program.

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Homeowner Needs and Engagement – Data-Driven Assessment of Homeowner Needs

The Tribe is relying on several factors to determine need and justification for the HAF Program. The harsh environment and remote location of Nome, Alaska contributes to excessively high costs for goods and services, including utilities. The following table provides a list of examples:

Gallon of milk	\$ 5.00
Gallon of gasoline	\$ 3.99
Gallon of heating oil	\$ 4.15
Bag of ice	\$ 2.99
Loaf of bread	\$ 2.79
grapes per pound	\$ 6.49
Unlimited internet/month	\$ 399.00

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Because Nome is off the road system, gasoline and heating oil is purchased once a year and freighted to Nome by barge during the summer. Shipping season is rather short due to sea ice conditions during the winter months. As a result, the consumer price for gasoline and heating fuel is fixed for 1 year. Depending on the price of fuel on the date of purchase, prices fluctuate every year. For example, the price of gasoline in 2019 was \$4.99. When fuel is purchased this season, prices are expected to increase. In addition, although Alaska does not have a state income tax, Nome has a city sales tax of 5% that raises to 7% during the summer months increasing the cost of goods even more.

Given the cost of new home construction, mortgage payments are excessive and many homeowners struggle to stay current. According to a local contractor, the estimate to construct a new home in Nome is about \$300 per square foot. In other words, the cost to construct a new 1500 square foot home is about \$450,000 with low end, standard finishings. The average cost of a home is about \$XX.XXX and the market is lacking.

Homeowner Needs and Engagement Data-Driven Assessment of Homeowner Needs

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Given the cost of new home construction, mortgage payments are excessive and many homeowners struggle to stay current. According to a local contractor, the estimate to construct a new home in Nome is about \$300 per square foot. In other words, the cost to construct a new 1500 square foot home is about \$450,000 with low end, standard finishings. The average cost of a home is about \$ and the market is lacking

The ability to obtain supplies is challenging and expensive. There is one local hardware store that is not open full time and prices are expensive due to shipping costs. It is much cheaper to purchase supplies from Anchorage, AK or Seattle, WA and have them shipped via barge service during the summer months. This involves planning ahead and projects are sometimes delayed because goods can only be received via barge during the months of June – September each year.

Homeowner Needs and Engagement Data-Driven Assessment of Homeowner Needs

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The Tribe currently operates a Housing Program funded through the HUD Indian Housing Block Grant (IHBG) Program. However, due to funding limitations, services provided are restricted primarily to rental assistance for low-income tribal members and weatherization projects. For low-income homeowners, the IHBG program provides limited funding for renovation and rehabilitation for homes that are in substandard condition. From operating this program, the Tribe has garnered a solid understanding of the housing needs of the tribal community that they serve. Recently the Tribe implemented the Emergency Rental Assistance Program (ERAP), also funded by the U.S. Treasury in response to the COVID-19 pandemic. Based upon several inquiries received from tribal members asking whether the ERAP program was applicable to homeowners, the Tribe can reasonably forecast expected use of the HAF Program.

Addresses Existing Housing Services

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Additionally, the Tribe utilized American Community Survey (ACS) data that is provided to tribes for use in determining low-to-moderate (LMI) income percentages for the purpose of qualifying for the HUD Indian Community Development Block Grant. From this data (2019), 48.6% of the 545 Alaska Native households that are located in the Nome, AK region are low-to-moderate income. To qualify for the HAF Program, individual incomes cannot exceed 150% of the area median income which will allow for additional qualifying households. The Tribe can therefore assume that over half of its member's homeowner households would qualify for this program.¹

Finally, the Tribe relies on state mortgage data regarding delinquency rates within the State of Alaska. Per the Mortgage Bankers Association, delinquent mortgage rates rose 3.3% from the end of 2019 to the end of 2020. Foreclosure data was not reliable due to the federal moratorium on foreclosure activity for occupied homes.²

Addresses Existing Housing Services

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Evidence of Public Participation and Community Engagement

The Tribe provided for public engagement during development of the HAF Plan through the following activities:

- Posted the Draft HAF Plan on the NEC website for public review.
- Discussed the HAF Plan at a regularly scheduled Coronavirus Relief Fund Committee Meeting on August 2, 2021.
- An advertisement was published in the local paper of general circulation with information about the plan and how to submit public comments in the August 5 and August 12, 2021 editions.
- Tribal members are invited to submit written comments regarding the Tribe's HAF Plan through August 20, 2021 at 5PM after which the HAF plan will be submitted to U.S. Treasury for approval. It must be noted that Tribal members can submit comments after that date for additional consideration for future program assessment.

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Program Design

The NEC HAF Program was created to prevent homeowner mortgage delinquencies defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after **January 21, 2020**, for eligible low-income household applicants who are enrolled NEC tribal members.

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Program Description

COVID-19 Homeowners Assistance Fund Program: HAF funding will be used to provide assistance to eligible homeowners to cover delinquent mortgage payments (payment, interest, taxes and insurance) and other costs associated with homeownership. A list of eligible costs is as follows:

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Program Description

- Payments can be used for:
 - Mortgage Payment Assistance;
 - Financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing-related costs related to a period of forbearance, delinquency, or default;
 - Mortgage principal reduction, including with respect to a second mortgage provided by a non-profit or government entity;
 - Facilitating mortgage interest rate reductions;
 - Payment assistance for:
 - Homeowner's utilities, including electric, gas, home energy, and water;
 - Homeowner's insurance, flood insurance, and mortgage insurance;
 - Homeowner's association fees or liens, condominium association fees, or common charges; and
 - Down payment assistance loans provided by non-profit or government entities.

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Program Description

- Payment assistance for delinquent property taxes to prevent homeowner tax foreclosures;
- Legal services, targeted to households eligible to be served with funding from the HAF related to foreclosure prevention or displacement, in an aggregate amount up to 5% of the funding from the HAF received by the HAF recipient
- Administration and planning costs associated with offering the program

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Homeowner Eligibility

To be qualified for the NEC HAF Program, the homeowner must meet the following qualifications:

- Applicant must be at least 18 years old, have at least one household member tribally enrolled with NEC.
- The applicant must be the property owner of record and the home must be the homeowner's primary residence.
- Applicant must attest they have experienced a financial hardship after January 21, 2020, such as job loss, reduction in household income, or increased costs due to healthcare or the need to care for a family member related to the COVID-19 Pandemic.
- Have income that is less than 150% of the median income for the area in which the household is located as determine by the Department of Housing and Urban Development income limits. Household income is based upon the household's total income for Calendar Year 2020.

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COVID-19 Homeowners Assistance Fund Program Process

- *Application Process*

The application process will be operated in a manner that ensures equitable access for all tribal members. Applications can be provided on NEC's website, upon request by mail and can be returned by email, in person at the NEC Administration Office, by mail or by fax. *application Process*

- *Eligibility Review*
- *Conditions, Limitations and Maximum Assistance*
- *Payment Process*

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Share Success!

When your TDHE has effectively used the funding from a particular program, share positive outcomes with everyone. (Tribe, State, Federal Agency, Senators, House Representatives, etc.)

Great track records will create incentives for possible other federal assistance or more \$\$\$ in the future.

- Indian housing Need is still there.
- But when given the opportunity to address Need, TDHEs can be, and are, successful.

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The National American Indian Housing Council seeks to ensure the equitable deployment of a variety of funds allocated to tribes in the wake of the COVID-19 pandemic. Tribes have an opportunity to support housing stability and address community needs utilizing CARES Act, Consolidated Appropriations Act, American Rescue Plan Act, American Jobs Act. **Please complete the Technical Assistance Request form below and NAIHC will contact you for further development.**

<https://naihcweb.wufoo.com/forms/wlik08p1ph88x3/>

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Thank you for
your support

**WELLS
FARGO**

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