

United States Department of the Treasury

Homeowner Assistance Fund Plan Submitted by Minnesota Housing Finance Agency

HAF Grantee Plan Name
HAFP-0031

United States Department of the Treasury

Homeowner Assistance Fund Plan For Participants with Allocations \$5 million or Greater

Allocation Amount	\$5 Million or Greater
Submission Date	1/12/2022 5:08 PM
Total Plan Requested Amount	\$128,663,948.00
Record Type	State
Application Record	SLT-0079
HAF Grantee Plan Status (external)	Approved

Homeowner Needs and Community Engagement

What Quantitative Data Has Informed the Participant's Planning?

Treasury will assess the extent to which a Participant has, in the course of its HAF planning process, relied on quantitative data, including from community-based organizations or organizations that serve potentially eligible homeowners.

In its HAF planning process, has the Participant obtained quantitative data from mortgage servicers, private data providers, government entities, community-based organizations, or other sources to inform its planning about how to target and best serve eligible homeowners with mortgage delinquencies, defaults, foreclosures?

Yes

If yes, please list and, briefly describe each source of quantitative data.

We appreciate Treasury sending data and added to that with more local and specific data sources as outlined below.

- Black Knight Data & Analytics, LLC – We have and will continue to purchase monthly data cubes that have enabled us to assess in detail the performance (current, 30-59, 60-89, 90-119, 120-179, 180-359, and 360+ days past due) and forbearance status of all mortgages in Minnesota by zip code.**
- U.S. Census Bureau's Pulse Survey – We used this as another source to estimate the number of homeowners who are behind on their mortgages. This data provides information on delinquency rates by race/ethnicity and income.**
- U.S. Census Bureau's American Community Survey. We used this data for demographic information, including homeownership rates, mortgage type (first vs. subordinate lien) and information Socially Disadvantage Individuals, at the county, zip code and census tract level.**
- County Tax Departments - We obtained property tax delinquency data from a sample of counties.**
- Minneapolis Homeowner's Association – We got HOA fee data, which we combined this with <https://ipropertymanagement.com/research/hoa-statistics#minnesota>.**
- Northcountry Cooperative Foundation – We obtained data on the number of lots in manufactured home communities and average lot rents.**
- Minnesota Homeownership Center – We obtained data on the number of pre-foreclosures, sheriff sales, and foreclosure counseling sessions, including the share that lead to a loan modification.**
- Minnesota Department of Employment and Economic Development – We obtained data on employment, unemployment and unemployment insurance claims, including data by race/ethnicity.**

In its HAF planning process, has the Participant obtained and reviewed quantitative data or studies regarding which demographic segments in its jurisdiction have historically experienced discrimination in the housing or housing finance market?

Yes

If yes, please list and, briefly describe each source of quantitative data.

• Data and research by our own Research Department, or funded by Minnesota Housing, including:

- o Analysis of American Community Survey data on homeownership rate disparities**
- o Analysis of Home Mortgage Disclosure Act (HMDA) lending and denials**
- o 2019 Analysis of Impediments to Fair Housing Choice for Minnesota**

• Horowitz, Eng Ky, Starling and Tchourumoff, Systemic racism haunts homeownership rates in Minnesota (Minneapolis Federal Reserve Bank, February 25, 2021);

<https://www.minneapolisfed.org/article/2021/systemic-racism-haunts-homeownership-rates-in-min>

In its HAF planning process, has the Participant obtained quantitative data from utility providers or entities charged with assessing and collecting property taxes or relied on quantitative data or studies to inform its planning about how to target and best serve eligible homeowners at risk of displacement due to utility arrearage or tax foreclosure?

Yes

If yes, please list and, briefly describe each source of quantitative data.

• County Tax Departments – From a sampling of counties, we obtained data on the number and rate of homeowners who are delinquent on their property taxes, including the average amounts. The rates were generally about 0.6% percent, or lower. Based on conversations with county tax officials, most homeowners with a mortgage escrow their taxes and insurance. If the homeowners get behind on their tax payments, the lender/servicer will continue to pay them to preserve their financial interest in the property. This explains why the delinquency rates are so low from the county’s perspective, but the homeowner still owes the payments to the lender/servicer. With the results of this initial data inquiry, we did not think getting data from all 87 county tax departments was necessary to develop reasonable estimates and develop an effective plan. We assume that homeowners who are behind on their principal and interest are also behind on their taxes and insurance. The borrowers who are delinquent with the county tax departments are predominantly homeowners without a mortgage.

• Minnesota Department of Commerce – We got data on the number and share of lower-income household who participate in the Department’s Energy Assistance Program (EAP). Of the approved households, 17.5% are behind on their energy bills, with a median amount of \$500. Because the Department of Commerce has about \$170 million to assist households who are behind on their bills, our program will not be offering utility assistance.

In the following text box, please list any source not listed above of quantitative information, including sources of data on the performance of any of the Participant’s previously implemented programs, that the Participant used to inform its HAF planning process, briefly describe how the data informed the Participant’s planning.

- **Covid-19 Housing Assistance Program – Minnesota Housing has experience standing up Covid-19 homeownership assistance through the Covid-19 Housing Assistance Program (which administered both homeownership and rental assistance). The program assisted roughly 5,200 homeowner households for past due contract for deed payments, homeowner’s association dues, homeowner’s insurance, manufactured home lot rent payments, manufactured home payments, mortgage payments, rent payments, and certain utility assistance.**
- **RentHelpMN – Minnesota Housing began accepting applications for our Covid-19 Emergency Rental Assistance Program, RentHelpMN, program on April 20, 2021. RentHelpMN is a \$519 million federally funded program with two rounds of funding that makes it possible for eligible renters to get caught up on overdue rent and utilities dating back to March 13, 2020. The program is of a similar scale to HomeHelpMN with significant program administration and vendor management.**
- **National Foreclosure Mitigation Counseling (NFMC) – Minnesota Housing administered ten rounds of NFMC counseling funding under this national program that supported foreclosure counseling from 2008 to 2018. In total, Minnesota Housing was awarded over \$17 million in assistance to support a statewide foreclosure counseling network with support from our state housing counseling intermediary, the Minnesota Homeownership Center. During this time Minnesota tripled the capacity of the foreclosure counseling network to a high of 74 counselors with over 43,000 level 1 counseling clients served under the program.**
- **Minnesota Housing administered a loss mitigation program focused on targeted Minnesota Housing borrowers who met eligibility guidelines for a loan modification coming out of the foreclosure crisis in 2008 and 2009. Under that program, principal reduction was essential to reach payment affordability goals. Borrowers responded positively to outreach, counseling and the opportunity to offset lost equity.**

Did the Participant communicate with mortgage servicers regarding the development of its program design?

Yes

Did the Participant communicate with other HAF participants regarding the development of its program design?

Yes

How Has Community Engagement and Public Participation Informed the Participant’s Planning?

Treasury will assess the extent to which a Participant’s assessment of homeowner needs has been informed by and reflects input from organizations and individuals representing eligible homeowners, including any opportunities for public participation in the development of the Participant’s plan. Treasury will pay particular attention to the extent of the Participant’s engagement with populations that are the subject of statutory targeting requirements.

Has the Participant requested and received input on its HAF planning process from providers of housing counseling services or providers of legal assistance to homeowners facing foreclosure or displacement?

Yes

Provider information

If yes, please list such providers, including the providers' address and website. Please indicate by checking the appropriate box below if the provider's primary purpose is to serve low- and moderate-income households or to address the impacts of housing discrimination on one or more demographic groups in the Participant's jurisdiction.

Provider Name Provider Address Provider Website	Provider Primarily Serves LMI Households	Provider Addresses Impact of Housing Discrimination
MN Homeownership Center 1000 Payne Ave ,Saint Paul,Minnesota 55130 https://www.hocmn.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Mid-Minnesota Legal Aid & Wells Fargo 111 N 5th St #100,Minneapolis,Minnesota 55403 https://mylegalaid.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Scott County CDA 323 Naumkeag St S ,Shakopee,Minnesota 55379 https://scottcda.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Lakes & Prairies Community Action Partnership (CAPLP) 715 11st St N Suite 402,Moorhead,Minnesota 56560 http://www.caplp.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
LSS Financial Consulting 709 University Ave W ,Saint Paul,Minnesota 55104 https://www.lssmn.org/financialcounseling/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
CLUES St. Paul 797 E 7th Street Suite 400,Saint Paul,Minnesota 55106 https://clues.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Community Action Partnership of Hennepin County 8800 MN-&, #401 ,Saint Louis Park,Minnesota 55426 https://caphennepin.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Dakota County CDA 1228 Town Centre Dr ,Eagan,Minnesota 55123 https://www.dakotacda.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
West Central MN Community Action 411 Industrial Park Blvd ,Elbow Lake,Minnesota 56531 https://wcmca.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
CAPI USA 5930 Brooklyn Blvd ,Minneapolis,Minnesota 55429 https://www.capiusa.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

One Roof Community Housing 12 E 4th Street ,Duluth,Minnesota 55805 https://1roofhousing.org/	✓	✓
Wright County Community Action 130 Division Street W ,Maple Lake,Minnesota 55358 https://www.wccaweb.com/	✓	✓
Carver County CDA 705 N Walnut St ,Chaska,Minnesota 55318 https://www.carvercda.org/	✓	✓
Hmong American Partnership 394 University Ave W ,Saint Paul,Minnesota 55103 https://hmong.org/	✓	✓
SEMCAC 545 Dunnell Dr ,Owatonna,Minnesota 55060 https://www.semcac.org/	✓	✓
NeighborWorks Home Partners 533 Dale Street N ,Saint Paul,Minnesota 55103 https://nwhomepartners.org/	✓	✓

Has the Participant requested and received input regarding its HAF planning process from community-based organizations or organizations that serve potentially eligible homeowners?

Yes

Community Information

If yes, please list such organizations, including the providers' address and website if available. Please indicate by checking the appropriate box below if the provider's primary purpose is to serve low- and moderate-income households or to address the impacts of housing discrimination on one or more demographic groups in the Participant's jurisdiction.

Organization Name Organization Address Organization Website	Organization Primarily Serves LMI Households	Provider Addresses Impact of Housing Discrimination
Minnesota Council of Latino Affairs 658 Cedar StreetSuite G-56,, Saint Paul, Minnesota 55155 http://Mn.gov/mcla	<input type="checkbox"/>	<input type="checkbox"/>
Council on Asian Pacific Minnesotans 658 Cedar StreetSuite 160, Saint Paul, Minnesota 55155 http://Mn.gov/capm	<input type="checkbox"/>	<input type="checkbox"/>

Olmsted County 151 4th Street SE, Rochester, Minnesota 55904 https://www.olmstedcounty.gov/	<input type="checkbox"/>	<input type="checkbox"/>
Minnesota Indian Affairs Council 161 Saint Anthony Ave Suite 919, Saint Paul, Minnesota 55103 http://Mn.gov/indianaffairs	<input type="checkbox"/>	<input type="checkbox"/>
Minnesota Council on Disability 121 E 7th Place Suite 107, Saint Paul, Minnesota 55101 http://www.disability.state.mn.us	<input type="checkbox"/>	<input type="checkbox"/>
Council for Minnesotans on African Heritage 658 Cedar Street Suite G57, Saint Paul, Minnesota 55155 http://Mn.gov/cmah	<input type="checkbox"/>	<input type="checkbox"/>
Central MN Habitat for Humanity 3335 West Saint Germain St Suite 208, Saint Cloud, Minnesota 56301 https://www.cmbfh.org/	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Itasca Habitat for Humanity 510 SE 11th St, Grand Rapids, Minnesota 55744 http://Itasca Habitat for Humanity	<input checked="" type="checkbox"/>	<input type="checkbox"/>
City of Minneapolis 300 South 6th St, Minneapolis, Minnesota 55487 https://www.minneapolismn.gov/	<input type="checkbox"/>	<input type="checkbox"/>
City of Brooklyn Park 5200 85th Ave N, Brooklyn Park, Minnesota 55443 https://www.brooklynpark.org/	<input type="checkbox"/>	<input type="checkbox"/>
LISC Duluth Sellwood Building, 202 W Superior St #301, Duluth, Minnesota 55802 https://www.lisc.org/duluth/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Whittier Alliance 10 E 25th St, Minneapolis, Minnesota 55404 https://www.whittieralliance.org/	<input type="checkbox"/>	<input type="checkbox"/>
Habitat for Humanity Minnesota 2171 University Ave W Suite 200, Saint Paul, Minnesota 55114 https://hfhmn.org	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MN Prairie County Alliance 630 Florence Ave, Owatonna, Minnesota 55060 https://www.co.steele.mn.us/	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LISC Twin Cities 570 N Asbury St #207, Saint Paul, Minnesota 55104 https://www.lisc.org/twin-cities/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

City of Brooklyn Park 5200 85th Ave N, Brooklyn Park, Minnesota 55443 https://www.brooklynpark.org/	<input type="checkbox"/>	<input type="checkbox"/>
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Has the Participant consulted with localities or tribal governments (cities, counties, or rural communities) in its jurisdiction regarding the needs of eligible homeowners in its jurisdiction?

Yes

Has the Participant provided an opportunity for public input regarding its HAF Plan through public hearings or published materials?

Yes

If yes, please indicate whether a proposed or draft plan was published, please describe where details about the comment solicitation were posted, for how long, in what languages, and whether any efforts were made to make the posting accessible to persons with disabilities or individuals without reliable internet access.

The plan was informed by a statewide survey with 316 individual responses, two stakeholder engagement sessions (one focused on the needs of partner organizations, the other focused potential program recipients), input from five Minnesota community councils, loan servicers (including U.S. Bank who services Mortgage Revenue Bond loans in the state), FHA/VA/USDA, and one public hearing. The initial program concept summary was published on our website, www.mnhousing.gov, on June 17, 2021. The public hearing was held via conference call, as opposed to any kind of computer platform, to minimize barriers to access or need for internet access. The public hearing was held on Wednesday, June 23, 2021. Partners and the public could speak at the public hearing and/or provide written comments by 12:00 p.m. CDT on Wednesday, June 23, 2021. We received 13 written public comments on our proposed HAF plan, in addition to 13 verbal public comments provided during our public hearing, for a total of 29 distinct comments (some commenters provided more than one comment). We notified the public of the statewide survey and stakeholder engagement opportunities through a broad email distribution list with over 6,855 individuals, and we notified the public about the public hearing through the same email distribution list, by posting notice of the hearing and an opportunity for any accommodation request needs on our website, and through targeted outreach.

How Will the Participant Continue to Assess the Needs of Eligible Homeowners?

Treasury anticipates that an ongoing process of assessing the needs of eligible homeowners will help address the needs of potentially eligible homeowners as economic conditions change over time.

Does the Participant plan to update its assessment of community needs within the next year to determine whether its HAF program design should be updated to address changing needs of potentially eligible homeowners?

Yes

What additional data would be helpful to the Participant as it seeks to assess homeowner needs over time?

We believe we will have the data to continue to monitor and assess homeowner needs, including:

- **Monthly delinquency and forbearance data from Black Knight by county and zip code**
- **Quarterly delinquency data from the Mortgage Bankers Association's National Delinquency**
- **Bi-Weekly survey data from the Census Bureau's Pulse Survey**

Program Design

What are the Program Design Elements Through Which the Participant Will Deliver HAF Assistance to Eligible Homeowners?

A program design element is a specific activity or program, which is consistent with a qualified expense category, under which a Participant will disburse HAF funds in accordance with the HAF Plan. Please note that multiple program design elements may fit under a single qualified expense category; for example, a mortgage assistance program that has different terms for federally backed mortgages and manufactured-home mortgages may constitute two separate program design elements, for which case the Participant provides a separate term sheet or other description for each program design element.

HAF participants must have at least one program design element intended to reduce mortgage delinquency among targeted populations. Treasury encourages HAF participants to consider program design elements that address homeownership preservation for targeted populations in areas where there is a sustained trend of increasing property taxes or utility costs, including for households that do not have mortgages.

Please identify each qualified expense category in which the Participant will offer a program design element by checking the boxes below.

- mortgage payment assistance
- mortgage principal reduction, including with respect to a second mortgage provided by a nonprofit or government entity
- payment assistance for homeowner's utilities, including electric, gas, home energy, and water
- payment assistance for homeowner's insurance, flood insurance, and mortgage insurance
- payment assistance for delinquent property taxes to prevent homeowner tax foreclosures
- payment assistance for down payment assistance loans provided by nonprofit or government entities
- 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
- facilitating mortgage interest rate reductions
- payment assistance for homeowner's internet service, including broadband internet access service, as defined in 47 CFR 8.1(b)
- payment assistance for homeowner's association fees or liens, condominium association fees, or common charges
- 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

For each program design element that the Participant will offer, the Participant is required to upload a term sheet or other description, that, at a minimum, provides the following information regarding that program design element. Term sheets for all of Participant’s HAF programs may be uploaded together as one document.

Title	Upload Date
Minnesota Housing - Second questions - Response updated 01122022	1/12/2022 1:50 PM
Minnesota Housing - Second questions - Response 01102022	1/11/2022 8:18 AM
3. Term Sheets - Updated 8.25 FINAL	8/29/2021 3:49 PM
2. Attachment A Updated 8.26	8/30/2021 1:46 PM

A HAF participant may elect to revise its HAF Plan over time to add or subtract program design elements. Does the Participant anticipate adding additional program design elements to this HAF Plan within one year of this submission?

No

Treasury has provided sample term sheets to assist HAF participants in developing their HAF plans. Participants may use these sample term sheets, in whole or in part, as part of their submission. To the extent the Participant intends to structure the program differently with respect to significant program terms described in the Sample Term Sheets, Treasury will, in the course of its review of the HAF Plan, request a justification for how the alternate approach will further the objectives of the HAF, including targeting and prioritization requirements. In the chart below, the HAF Participant may provide a justification for significant deviations from the terms described in the sample term sheets upon initial submittal. (optional for initial submission)

Program Design Element	Deviation from sample terms	Justification
Income Eligibility	100% of AMI by household size and county, or U.S median, whichever is greater, initially at the start of the program. Minnesota Housing will monitor program use, need, and targeting with the 100% AMI requirement and requests the ability to increase the AMI as needed to best meet targeted, statewide demand, up to the 150% AMI U.S. Department of Treasury guidelines.	<p>Establishing a 100% AMI overall income requirement for direct HAF financial assistance furthers the objective of the HAF by prioritizing direct financial assistance resources to households most in need. We estimate the need for some form of direct financial assistance as likely over eight times greater than the available HAF resources; income based targeting will focus assistance on those most in need and allow us to target 100% of financial assistance to those at 100% AMI. Based on data from the Census Bureau’s Pulse Survey, we estimate that roughly:</p> <ul style="list-style-type: none"> • Just under 85% of people who are behind on their mortgage payments have an income at or below 100% AMI. • Homeowners with incomes at or below 100% of AMI are three times more likely to be behind on their mortgage payments than those above 100% of AMI. <p>Setting the primary income limit at or below 100% of AMI will also ensure that at least 60% qualified expenses assist homeowners having incomes equal to or less than 100% AMI.</p>
Reinstatement Term Sheet	Clarification on reinstatement	Minnesota Housing adjusted the standard term sheet language to clarify that reinstatement is eligible under Minnesota Housing’s HAF plan and program.
Utilities/Home Repair	Ineligible under HAF program	Utility assistance home repair are not eligible uses under Minnesota Housing’s HAF program. Resources are available for these uses through Minnesota’s Department of Commerce and Minnesota Housing is coordinating with Commerce on awareness and outreach.
Internet	Ineligible under HAF program	Internet payments are not eligible under Minnesota Housing’s HAF program given the HAF program objectives which focus on preventing displacement and in light of anticipated oversubscription of the HAF resources in Minnesota.
Mortgage Payment Assistance	Ineligible under HAF program	Ongoing mortgage payment assistance is not eligible under Minnesota Housing’s HAF program given anticipated oversubscription of the HAF resource in Minnesota.

Documentation of Homeowner Income

Homeowners are eligible to receive amounts allocated to a HAF participant under the HAF only if they 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. In addition, not less than 60% of amounts made available to each HAF participant must be used for qualified expenses that assist homeowners having incomes equal to or less than 100% of the area median income or equal to or less than 100% of the median income for the United States, whichever is greater. The HAF guidance describes permissible ways for HAF participants to determine homeowner income.

Under the HAF guidance, one permissible approach for determining income is for (1) the household to provide a written attestation as to household income and (2) the HAF participant to use a reasonable fact-specific proxy for household income, such as reliance on data regarding average incomes in the household's geographic area. Will the Participant allow income to be determined in this way?

Yes

If yes, please describe the fact-specific proxy or proxies to be used for the income determination.

Minnesota Housing anticipates permitting a fact-specific proxy for household income in certain instances, to be defined by Minnesota Housing, including location within a low-income zip code. We acknowledge that loan servicers may have other income documentation requirements for a loan reinstatement or modification, separate from the HAF program guidelines.

Under the HAF guidance, HAF participants may provide waivers or exceptions to this documentation requirement as reasonably necessary to accommodate extenuating circumstances, such as disabilities, practical challenges related to the pandemic, or a lack of technological access by homeowners; in these cases, the HAF participant is still responsible for making the required determination regarding household income and documenting that determination. Will the Participant allow applicants to request such waivers or exceptions?

Yes

Eligible Mortgage Types

Please indicate which of the following mortgage types are eligible to be assisted under one or more of the Participant's program design elements.

- First Mortgages
- Reverse Mortgages (Home Equity Conversion Mortgages, Single-Purposes Reverse Mortgages, or Proprietary Reverse Mortgages)
- Contracts for Deed or Land Contract (if it is a credit transaction secured by a consensual security interest in a dwelling)
- Second Mortgages
- Loans Secured by Manufactured Housing (secured by real estate or dwelling)

If the Participant excludes any of the forgoing mortgage types from one or more program design elements, explain the exclusion.

N/A

How Will the Participant Target HAF Resources Consistent with Statutory Requirements?

The Participant must describe how it will target HAF resources in accordance with the HAF guidance. Targeting strategies are affirmative efforts to inform, encourage the participation of, and facilitate access to resources for targeted households, including by offering multiple intake formats, engaging with nonprofit organizations (e.g., housing counselors or legal services organizations) to provide additional pathways into the program, and providing community outreach, partnerships with housing counseling agencies or legal aid organizations, or other educational services that are aligned with the HAF participant's program design, in a manner that is culturally and linguistically relevant to the targeted communities.

Defining Socially Disadvantaged Individual

Please describe the process the Participant will use to determine whether a homeowner is a "socially disadvantaged individual" as defined in the HAF guidance.

Minnesota Housing will determine whether a homeowner is a "socially disadvantaged individual" through the following ways:

1. Self-attestation by a member of a group that has been subjected to racial or ethnic prejudice or cultural bias. This will include self-attestation for Black, Indigenous and homeowners of color. It will also include self-attestation for people with disabilities.

2. Geocoding, or mapping, capabilities for application processing for homeowners in a majority-minority census tract. Of Minnesota's 1,338 census tracts, 119 are majority-minority and have about 8% of the state's population. They are in 12 counties: Anoka, Becker, Beltrami, Carlton, Cass, Dakota, Hennepin, Kandiyohi, Mahnommen, Nobles, Ramsey and Washington.

3. Self-attestation for a household with limited English proficiency (using the LEP definition based on the lep.gov website and guidance). Based on the data provided at LEP website, in six Minnesota counties, more than 5% of the population has LEP: Hennepin, Ramsey, Olmsted, Mower, Nobles and Watonwan.

4. We will consider self-attestation for a resident of an Indian reservation, or the possibility of using geocoding, to identify this population.

5. Minnesota does not have any persistent-poverty counties.

Minnesota Housing anticipates prioritizing Socially Disadvantaged Individuals as required by the federal government through targeted outreach, marketing, community engagement and communications strategies.

Public Communications

Will the Participant engage in a public communications campaign to raise awareness among targeted populations about the availability of HAF resources, in media such as television, newspapers, online media, or social media?

Yes

If yes, please indicate whether the public communications campaign will include communications that primarily target the following populations:

- Homeowners earning less than 100% of area median income
- member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;
- resident of a majority-minority Census tract; (3)
- resident of a U.S. territory, Indian reservation, or Hawaiian Home Land
- homeowners in persistent poverty counties;
- individual with limited English proficiency

Please indicate in which languages, in addition to English, public communications to targeted populations will be undertaken:

Spanish; Other

Please list any other languages.

Hmong, Somali

Outreach

Will the Participant engage in outreach through partnerships with organizations that focus primarily on serving homeowners earning incomes below 100% of area median income or socially disadvantaged individuals and that have the capacity to engage targeted communities in a culturally and linguistically relevant manner to encourage the submission of applications for HAF resources from targeted populations?

Yes

If yes, please indicate whether the community outreach efforts will include partnerships with organizations that primarily target the following populations:

- member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;
- resident of a majority-minority Census tract; (3) individual with limited English proficiency;
- resident of a U.S. territory, Indian reservation, or Hawaiian Home Land;
- homeowners that reside in persistent poverty counties;
- individual with limited English proficiency.

Please list any other languages.

Hmong, Somali

Housing Counseling and Legal Services

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

Yes

If yes, please identify below the providers of housing counseling or legal services that have indicated to the Participant that they are willing and able to support homeowners receiving assistance under the Participant's HAF programs.

Provider Name Provider Address Provider Website	Provider Primarily Serves LMI Households	Provider Addresses Impact of Housing Discrimination
RFP Forthcoming to contract with providers Minnesota Housing 400 Wabasha Street Suite 200, Saint Paul, Minnesota 55102 http://www.mnhousing.gov	<input type="checkbox"/>	<input type="checkbox"/>

Targeting specific groups of homeowners

Will the Participant conduct outreach specifically tailored to target potentially eligible households that:

- have mortgages or mortgage assistance contracts held or backed by the Participant?
- have mortgages backed by any of the following agencies: Federal Housing Administration; Department of Veterans Affairs; U.S. Department of Agriculture?
- have privately held mortgages?

What Efforts will be Made to Address Barriers to HAF Program Participation for Potentially Eligible Homeowners, Including Those with Limited English Proficiency or Who are Disabled?

Targeted outreach may be needed to reach homeowners who are likely to experience barriers to access, including persons with limited English proficiency and those with disabilities.

Indicate all of the languages, in addition to English, in which the Participant's HAF application and other program documents will be made available.

Spanish; Other

Please list any other languages.

Hmong, Somali

Will the Participant's HAF applications and other program documents be provided in forms that are accessible to persons with disabilities?

Yes

Performance Goals

Treasury will consider the goals and benchmarks the Participant proposes to use to measure the effectiveness of its programs, including whether those goals address the homeowner needs identified by the Participant, the extent to which the goals are disaggregated by key homeowner characteristics as appropriate for the jurisdiction, and whether they include a goal focused on reducing mortgage delinquency.

Please describe Participant's goals and benchmarks for each of its programs with the following program design elements.

Program Design Element	Metric of Success	Goal
Mortgage Principal Reduction	Number of homeowners who are at risk of displacement or foreclosure by being delinquent on their payments and need a loan modification to make the mortgage affordable going forward	Assist 1,800 homeowner households
Payment Assistance for Homeowner's Insurance	Number of homeowners who are at risk of displacement or foreclosure by being delinquent on their payments and are made current	Assist 6,500 homeowner households
Payment Assistance for HOA fees or liens	Number of homeowners who are at risk of displacement or foreclosure by being delinquent on their payments and are made current	Assist 1,900 homeowner households
Facilitate Mortgage Interest Rate Reduction	Number of homeowners who are at risk of displacement or foreclosure by being delinquent on their payments and need a loan modification to make the mortgage affordable going forward	Assist 200 homeowner households
Payment Assistance for Down Payment Assist. Loans	Number of homeowners who are at risk of displacement or foreclosure by being delinquent on their payments and are made current	Assist 100 homeowner households
Payment Assistance for Delinquent Property Taxes	Number of homeowners who are at risk of displacement or foreclosure by being delinquent on their payments and are made current	Assist 6,500 homeowner households
Mortgage Reinstatement	Number of homeowners who are at risk of displacement or foreclosure by being delinquent on their payments and are made current	Assist 5,700 homeowner households
Other measures to prevent homeowner displacement	Number of homeowners who receive lot rent, land contract and other assistance	Assist 200 homeowner households
Other measures to prevent homeowner displacement	Share of assisted households with income at or below 80% AMI	75%
Other measures to prevent homeowner displacement	Share of assisted households who are SDI	45%
Other measures to prevent homeowner displacement	Share of HAF funding expended/paid by 12/31/2024	100%

Readiness

Staffing, Systems and Contractors

Treasury seeks information regarding the Participant's organizational capacity to implement its HAF Plan.

Does the Participant anticipate needing to hire additional staff to implement this HAF Plan?

Yes

Does the Participant anticipate significant information technology system upgrades to implement this HAF Plan?

Yes

Does the Participant have policies or procedures that govern the implementation of each HAF program design element described in this HAF Plan?

No

If no, is a policy and procedure in development for each HAF program design element described in this HAF Plan?

Yes

Will the Participant use HAF funds to assist eligible households through a program that was operational before the Participant first received HAF funds?

No

Will the Participant use any third-party contractor or partner to conduct program administration (such as reviewing applications, determining eligibility, processing payments, conducting reporting, and reviewing compliance) for some or all of the Participant's HAF programs?

Yes

If yes, has the Participant entered into all necessary arrangements with all of the third-party contractors or partners that will conduct program administration?

No

Use of Initial Payment

If the Participant has already received any HAF funds from Treasury, provide the following information about the use of such funds as of June 30, 2021.

What amount of the HAF funds that the Participant has received been disbursed to eligible homeowners?

\$0.00

Has the Participant begun accepting applications from homeowners for any HAF-funded programs?

No

How much of the HAF funds that the Participant has received been obligated?

\$9,196.41

Provide a brief description of how the Participant has used the HAF funds it has received.

HAF funds have been used to support organizational expenses associated with administering the HAF program. Staffing expenses, including hiring a Program Manager, have been expended. Through June 30, 2021, \$9,196.41 in staff expenses have been incurred.

Budget

Budgeting of HAF Funds by Program Design Element

Specify the amounts of HAF funds that the Participant proposes to allocate to each of the following program design elements, if offered:

Measure	Amount
Mortgage Payment Assistance	\$0.00
Mortgage Principal Reduction	\$19,550,584.00
Payment Assistance for Homeowner's Internet Service	\$0.00
Payment Assistance for HOA fees or liens	\$3,040,000.00
Payment Assistance for Delinquent Property Taxes	\$11,050,000.00
Mortgage Reinstatement	\$60,452,129.00
Facilitate Mortgage Interest Rate Reduction	\$2,172,287.00
Payment Assistance for Homeowner's Insurance	\$11,700,000.00
Payment Assistance for Down Payment Assist. Loans	\$649,356.00
Payment Assistance for Homeowners Utilities	\$0.00

Other measures to prevent homeowner displacement

Measure	Amount
NA	\$0.00

Displacement Prevention Sub-Total	\$108,614,356.00
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Counseling or Legal Services

The Participant may allocate up to 5% of its HAF funds for counseling or educational efforts by housing counseling agencies approved by the Department of Housing and Urban Development or a tribal government, or legal services, target to households eligible to be served with funding from the HAF related to foreclosure prevention or displacement.

Specify the Participant's allocations for the following	Amount
Counseling or Educational Services	\$0.00
Legal Services	\$750,000.00

Services Sub-Total	\$750,000.00
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Reimbursement of Funds Expended After January 21, 2020

As described in the HAF guidance, HAF funds may be used for reimbursement of certain expenses between January 21, 2020 and the date when the first HAF funds are disbursed by the HAF participant under the HAF for a qualified expense (with certain limitations, as set forth in the HAF guidance).

Type of Expense	Amount
NA	\$0.00

Reimbursement Sub-Total	\$0.00
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Allocation of Administrative Expenses

Type of Expense	Amount
Staffing and Contingency	\$3,000,000.00
Community Engagement	\$375,000.00
Marketing	\$484,000.00
Vendors – End-to-end Services, Processing, Technology	\$15,440,592.00

Administrative Expenses Sub-Total	\$19,299,592.00
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Total Plan Requested Amount	\$128,663,948.00
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Amount Requested Confirmation:

Yes

Contacts

Please identify up to three contacts for the Participant- a primary contact, a designated point of contact for reporting, and an additional contact.

Primary Contact

Name: **Judi Mortenson**

Agency/Office: **Minnesota Housing**

Email: judi.mortenson@state.mn.us

Phone Number: **6512972678**

Reporting Contact

Name: **Jessica Deegan**

Agency/Office: **Minnesota Housing**

Email: jessica.deegan@state.mn.us

Phone Number: **6512973120**

Additional Contact

Name: **Devon Pohlman**

Agency/Office: **Minnesota Housing**

Email: devon.pohlman@state.mn.us

Phone Number: **6512968255**

Proprietary or Otherwise Non-Public Information

Does your plan submission include any information or materials that are proprietary or otherwise non-public?

No

If "Yes," please indicate which information or materials are proprietary or otherwise non-public.

Title VI Assurances

You must provide on behalf of the HAF Participant assurances that the HAF Participant will comply with Title VI of Civil Rights Act of 1964. Please download the assurances, then review, sign, and upload the signed copy to this page before submitting the HAF Plan.

Title	Upload Date
6. HAF-Title VI Assurance (JH Signature 8.23.21)	8/25/2021 12:26 PM

Official Certification

I (the undersigned) certify that the information provided in the HAF submission is accurate and complete after reasonable inquiry of people, systems, and other information available to the HAF Participant. The HAF participant and I acknowledge that any materially false, fictitious, or fraudulent statement or representation (or concealment or omission of material fact) in this submission may be the subject of criminal prosecution under the False Statements Accountability Act of 1996, as amended, 18 U.S.C. § 1001 and also may subject me and HAF Participant to civil penalties and/or administrative remedies for false claims or otherwise, (including 31 U.S.C. §3729 et seq.). I am an authorized representative of HAF Participant with authority to make the above certifications and representations on behalf of the HAF Participant.

Name of HAF Participant:

Minnesota Housing Finance Agency

Name and Title of Certifying Official

Name: **Jennifer Ho**

Title: **Commissioner**

Telephone: **6512965738**

Email: jennifer.ho@state.mn.us