

**HAFP-0066 (New York)**  
**Responses to Treasury Follow Questions**  
**November 5, 2021**

**Completeness**

Note: The Authorized Official has been changed to Terri Crowley in the Treasury Application Portal.

**Community Engagement and Public Participation**

**Q: Your plan notes public input and community engagement in the plan development process. Please explain if you conducted any outreach with local governments and tribes.**

As previously mentioned, in creating our original Needs Assessment we surveyed the New York Association of Tax Collectors to try and anticipate the scale of tax delinquent homeowners in NY State.

In addition, we did direct outreach to New York City to estimate the number of limited equity cooperators suspected to have fallen behind on their monthly HOA or maintenance fees (while not exclusive to NYC, a vast majority of limited equity coops are located in the five boroughs. That said there are roughly 30 limited equity coops under the Mitchell Lama program located outside of NYC which are supervised by our agency—HCR—and we also did an analysis of those projects to determine where maintenance collection has gone down).

Post our initial plan submission, we also held two separate webinars to share details on our proposed plan and to solicit feedback; the first was for the New York Conference of Mayors, and the second was to the New York State Association of Counties. We had over 200 municipal and county representatives attend between the two webinars.

**Q: Please describe any coordination you intend with Tribes or Tribal entities.**

Per an HCR analysis, there are 11 Tribal Nations in NY State, and an estimated 5000 homeowners in those areas, nearly all of whom will be income eligible to apply for NYS HAF once we launch. Once participating Tribal Nation programs have launched, we will work to coordinate with them through regular communication and, where appropriate, through data sharing agreements to ensure that we are serving this population, while at the same time, ensuring that we are not providing any applicants with a duplication of benefits.

**Q: Please provide an update indicating any public comments you have received since you submitted your HAF Plan, from which organization you received any such comment, and whether you have responded to the comments.**

Since publishing our plan and holding our public hearing back in June, HCR has maintained an email account set up specifically to receive public comments or questions regarding HAF. The account has an automated response letting those who reach out know that we will send them a direct message when the program is open. To date we have received just under 1000 email

inquiries or comments regarding NYS HAF, of which, just under 340 emails have been received since the end of August.

In addition, since August, we have held 10 regional webinars for housing counseling and legal services agencies specifically on the NYS HAF draft plan and to solicit their feedback on our proposed policy manual. Just over 80 organizations, and more than 250 staff members attended the webinars, and their feedback has been factored into our policy decisions.

Finally, we held three webinars for elected officials: one for federal officials, one for State Senate members and one for State Assembly members. These sessions were also highly interactive, and the input we received during these forums was factored into our final policy decisions.

### **Ongoing Assessment of Homeowner Need**

**Q: Please explain how the program will address changes in homeowner needs in the coming years**

NYS HAF does not anticipate that we will have enough resources to meet the full need or demand for this program. As such we expect a majority of funds will be committed or fully expended within the first 12-18 months of the program.

If additional funds were to become available, NYS HAF would be highly inclined to extend the program and to adjust our current policies to better reflect the needs of New York homeowners over time, particularly as we move further past the COVID-19 crisis. This could include opening the program to higher income limits to reach homeowners between 100% and 120% of AMI, and/or possibly adding a home-repair component to our program for existing homeowners.

Notwithstanding, we believe our state supported network of housing counseling and legal services provides will play a critical role both during and after NYS HAF program, and HCR plans to continue our diligent support for funding these organizations well into the future.

### **Program Design**

**Q: Will there be a method in your HAF program, early in the process of engaging with a household, to evaluate immediate threats to the housing stability of applicants, which may need to be addressed under an expedited or prioritized timeline (e.g., HOA liens, tax delinquencies, utility shut off)?**

NYS proposing prioritizing the most vulnerable or “at-risk” homeowners in two ways. First our application portal asks all applicants to identify if they are facing any active litigation because of missed housing payments. The Case Management protocol requires that any applications that meet this criterion be prioritized for application processing, and that homeowner be contacted directly to determine if they need a referral to one our legal services partner organizations (in the event that they are not currently represented by counsel).

In addition, NYS HAF has created a dual Case Management system in order to expedite cases that are greater risk of displacement, while preserving our ability to engage in more complicated case management, particularly for mortgaged borrowers who may be eligible for loss mitigation options. NYS HAF has created a partnership with the NYS Office of the Attorney General who

will hire and manage a loss mitigation “escalation” team of attorneys. This team will be led by 2 Senior attorneys with a deep background in loss mitigation. They will manage 5 supervising attorneys and a team of roughly 30 line-staff attorneys. This team will work into the same backend system as the non-mortgage case management team and will be held to the same standards for reporting and will resolve cases according to a timeline spelled out in our agreed upon key performance indicators.

Separately, our CDFI partner has onboarded a highly skilled case management team to work specifically with non-mortgaged applicants. This population may be at greater risk in terms of displacement due to the shorter timeline for foreclosure and eviction as compared to mortgaged applicant cases. We believe the dual system will allow us to move quickly on applications where risk of displacement is greatest, while at the same time leveraging NYS HAF resources to maximize relief for homeowners through layering in a robust loss mitigation function.

**Q: Are you anticipating increased winter home energy costs and their potential impact on the homeowners that HAF will serve?**

While utility concerns for homeowners impacted by COVID-19 is a serious concern, NYS HAF believes that this issue is best served through the States’ existing Home Energy Assistance Program (HEAP). As of October, the program had over \$370 Million in funding which provides grants to assist low-and-moderate income families with utility costs.

NYS HAF, through our partnership with Community Based Organizations and the network of Housing Counseling and Legal Services agencies will make referrals to homeowners in need of utility assistance to the HEAP program which is run by our sister agency the New York State Office of Temporary Disabilities.

#### **Outreach**

**Q: Please explain how the program will target outreach and provide access to homeowners with limited English proficiency.**

NYS HAF has translated all program materials into the 10 most commonly spoken languages across NY State, and our on-line application portal has also been fully translated into these 10 languages.

Our NYS HAF Call Center will also have live operators fluent in the same 10 languages. The Call Center will also have live translations services to assist anyone who speaks additional languages not covered but the full time Call Center staff.

Our data science team has also done analysis to determine which neighborhoods across the state have high concentrations of Limited English-Speaking Households (LES). Our map shows the share of LES households by Census Tract, as well as languages spoken in those areas. These tracts are largely concentrated in NYC and its suburbs in Westchester, Rockland, and Nassau counties. There are another 60 census tracts across the state (excluding NYC and suburbs) where LES households make up between 15-33% of residents.

To reach homeowners in these communities we have on-boarded 22 Community Based Organizations, (serving every county of NY State), who will perform grassroots outreach to these communities, including holding community meetings, flyering targeted communities, and

holding educational sessions about NYS HAF for residents and other stakeholders. Combined, these organizations are fluent and can conduct outreach in the following languages: Spanish; Haitian Creole; Hindi; French; Arabic; Bengali; Urdu; Nepali; Tibetan; Russian; Mandarin; Cantonese; Greek; Guarti; and Japanese.

Finally, our network of housing counselors and legal services providers will also provide outreach to at-risk homeowners and provide NYS HAF application support services in the following languages: Spanish; Haitian Creole; Hindi; Portuguese; French; Arabic; Russian; Mandarin; Cantonese; Japanese; and Polish.

**Q: Please explain how the program will provide culturally relevant marketing.**

We have hired a progressive marketing firm to run a paid marketing campaign to reach homeowners in underserved and historically redlined communities, as well as areas where we know that non English-speaking residents represent a large portion of the population. The firm is using a verified third-party data provider as well as data produced by the HCR data team to identify targeted micro-communities particularly where we know there is also a high level of homeowner distress. Based on this combined analysis we have targeted our paid marketing campaign as follows:

- We will place 60-second ads on stations that target (A) Spanish-speaking audiences 35+ years of age in the NYC metro area and (B) Black audiences 35+ years of age in the NYC, Albany, Syracuse, Rochester and Buffalo metro areas.
- We will place print advertising to reach targeted non-English-speaking audiences, including newspapers that reach Bangla, Chinese, Korean, Russian, Yiddish and Haitian Creole-speaking communities. These publications were selected because their readership includes communities with barriers to accessing assistance where data indicates there are also high levels of homeownership distress.
- Social Media through channels like Facebook, Twitter and YouTube will also be targeted to these priority communities using data analytics procured by the marketing firm.

## **Performance Goals**

**Q: Please explain how you intend to communicate your progress towards performance to the public.**

NYS HAF will establish a consumer facing dashboard to report out publicly on our achievements under the program. The dashboard will be updated very regularly and will include metrics including number of applications received, number of applications awarded, and number of affordable loan modifications secured. This information will be disaggregated at a County level and further across two income bands: those earning less than 80% of the Area Median Income and those earning between 80% and 100% of AMI. We will also include a breakdown of types of homeowners served: Mortgaged Borrowers, Property Tax Delinquent Homeowners, Manufactured Homeowners, Condo or Coop owners. And finally, we will include the percentage of applications funded by county who meet the definition of Socially Disadvantaged and/or Vulnerable Population.

Q: Please indicate which three metrics will serve as the best indicators of the success of your program.

Metric 1: The number of homeowners who achieve an affordable home retention option as a result of receiving a HAF award.

Metric 2: The number of homeowners who achieve an affordable home retention option through loss mitigation as a result of HAF case management intervention.

Metric 3: The percentage of homeowners who meet the definition of Socially Disadvantaged and Vulnerable Population as a percentage of total number of homeowners served across the first two metrics.

Q: Please indicate whether you intend to disaggregate metrics by income, race, gender, etc.

The NYS HAF program intends to keep track of applicants by Race and Ethnicity. However, this information will be self-reported by applicants and there is an option for applicants to decline to respond. In addition, we will track income of applicants by two measures: Low Income (less than 80% AMI) and moderate income (between 80% and 100% AMI).

We do not intend to track applicant status by gender. Based on our needs assessment, we believe that that many households are of mixed gender status and subsequently it would be hard to evaluate if the beneficiary of NYS HAF award is uniquely benefiting one gender versus another. Also, as part of our needs assessments, we did not identify a disparity with regard to COVID impact as it relates to gender and housing distress (nor do we have any readily available data relating to this question) and therefore do not believe we can provide a meaningful report on this question as it relates to HAF assistance.

Q: Please consider including as an additional metric the number of homeowners assisted/foreclosures prevented solely through counseling or legal services without payment of HAF funds to resolve the homeowner's defaults or delinquencies.

We have added a performance goal to the portal specifically on achieving affordable loan modifications.

We anticipate that 5000 homeowners will achieve loss mitigation offers resulting in Affordable Home Retention Options as a result of escalated case management without the need for NYS HAF funding.

Please note: this goal will be accomplished through a combination of our collaboration with the network of housing counseling agencies and legal service providers, as well as the attorney escalation case management team that will work under our partnership with Office of the New York Attorney General.

## Readiness

Q; Please provide the most recent available information about your program's readiness, including staffing, contractors, etc.

Our non-profit CDFI subrecipient, Sustainable Neighborhoods LLC, has worked diligently since July to stand up this program. With approval from HCR, they have onboarded a firm called Windsor/LIRo who will manage the Call Center and handle Case Management (including coordination with the NY Attorney General Escalation Team). They have also contracted with a Sales Force based technology vendor, Arbola Inc, who has completed the front-end application portal and is expected to complete the back-end case management system by November 15<sup>th</sup>.

As previously stated, SN LLC has also onboarded 22 Community Based Organizations who will assist with outreach, over 70 legal services and housing counseling agencies who will assist with application submissions and professional marketing firm who run a paid advertising campaign. This network will have direct access to the application portal and will be able to submit applications on behalf of multiple clients as well as track the status of those applications through communication with case managers at both LIRo and the NY Attorney General's office.

Q: Is your program prepared to launch upon approval and, if not, by what date will you be ready to launch following approval?

The current NYS HAF proposed schedule for launch will work on the following timeline pending final approval from Treasury:

Pre- Launch: Our Marketing campaign, grassroots outreach, and Call Center will go live 10 days following final approval from Treasury. We will need roughly 10 days prior to pre-launch phase to ensure that the Call Center is fully staffed and trained and that all the website and supporting materials are fully translated into ten languages.

The application portal will go live 14 days after the Pre-Launch (or 24 days from Treasury approval). The intent is to make sure outreach and marketing materials about NYS HAF are reaching a broad based of homeowners (including seniors, historically marginalized or redlined communities, rural homeowners-- including manufactured home parks--, and communities with limited access to technology) before the application period formally opens.

The only caveat to this proposed schedule may be related to the end of year holidays. We would be happy to update Treasury in the event that we determine that this schedule needs to be amended.

Q: Please provide updated information about your progress in spending the initial 10% payment from your jurisdiction's full allocation and the status of any pilot assistance already offered or made available to homeowners.

NYS HAF chose not to launch a pilot program in order to focus our efforts on being ready to roll out the full program as quickly as possible.

To date we have committed \$50 Million in total administrative expenses to Sustainable Neighborhoods (SN LLC), the CDFI partner selected by HCR through a competitive process. This budget includes the LIRo Case Management team, the Call Center contract, the technology build and support for the application- both front and back end- the public relations firm, and the 22 Community Based Outreach organizations as well as all staffing and administrative expenses for SN LLC.

In addition, we have committed up to \$7.5 Million to support our partnership with the NYS Office of the Attorney General to on board a team of legal services providers who will provide the “escalation case” management for applicants going through loss mitigation.

### **Budget Change Request:**

(Please note that this was not raised by Treasury, however, it is a change for which we believe we need Treasury Approval.)

The more than 70 housing counseling and non-profit legal services providers have formalized their relationship with NYS HAF through a memorandum of understanding which will give those providers direct access to both the online portal and the case management system. They will also serve as an outgoing referral service for applicants who need additional assistance.

We initially thought we would need to pay for these services out of HAF funding but were fortunate that the NY State legislature was able to appropriate state funds to support this effort.

As such we are requesting a few changes to our proposed budget:

- We are requesting the ability to use \$7.5 Million of the \$11 Million we budgeted for legal services to support the legal services work managed by the NY Attorney General.
- The \$3.5 Million not needed in the original legal services budget will be used to fund additional HAF applications
- The \$6 Million we budgeted for housing counseling will be added to the funds that we will use to support HAF applications
- Thus, the total budget for homeowner awards will increase from \$441,556,809 to \$451,056,809.