

Completeness

The participant's response(s) to the following questions was/were either incomplete or unresponsive:

Q: Plan indicates that zero funds were obligated from the initial 10% payment but notes that funds were used for “salaries and benefits of the staff designing the program, vendor support of plan development, and vendor development of IT systems”. Please update the portal to reflect any funds obligated for these expenses.

A: As of June 30, 2021, the Florida Department of Economic Opportunity (DEO) has entered into agreements with vendors to support the development of the Homeowner Assistance Fund (HAF) Plan and the Information Technology (IT) system for a total encumbrance of \$1,837,920.

Homeowner Needs and Community Engagement

Data

Q: Please explain how the program expects to serve targeted populations without more specific underlying data.

A: In order to serve targeted populations, DEO will use multi-faceted marketing methods, including paid digital, social media platforms, email, text messaging, direct community outreach using targeted community events, door-to-door canvassing, high traffic site engagement, and strategic collaboration with community-based organizations. Additionally, DEO has held numerous outreach calls with mortgage servicers, utility providers, and homeowner and flood insurance providers to discuss their ability to help identify and market the HAF program to customers who reside in qualified census tracts.

For research purposes, DEO met with more than 20 organizations that specialize in the various programs proposed under Florida's HAF Plan. These meetings assisted DEO with developing the Plan and gaining a better understanding of how to reach and serve the targeted populations throughout the life of the program. Outreach and collaboration were conducted with states, organizations, and companies that included:

- Florida Housing Finance Corporation
- US Bank
- Wells Fargo
- Citizens Property Insurance Corporation
- Duke Energy

- Florida Power and Light / Gulf Electric
- Tampa Electric Company
- Florida Electrical Cooperative Association
- Legal Aid of Broward
- Florida Association of Court Clerks and Comptrollers
- National Council of State Housing Agencies
- National Housing Policy Council
- Commonwealth of Massachusetts
- State of Georgia
- State of Texas
- State of Maryland
- State of Michigan
- Florida DEO Bureau of Workforce Statistics and Economic Research
- Community Action Agencies (Florida Association for Community Action)
- Florida Housing Counselor Network

Q: Please explain how the plan targeting and outreach reflect the data referenced in your plan.

A: DEO has selected a vendor with experience conducting education and data-driven outreach campaigns in historically marginalized communities to implement the state of Florida's HAF Plan. The vendor will:

- Inform homeowners within targeted communities of the HAF program's available resources.
- Provide direct case file support so Florida's distressed homeowners understand how to navigate around any barriers that may prevent them access to HAF programs, whether technology, social, language, and/or economic barriers, as specified by Florida's HAF Plan.
- Inform and assist individuals within targeted communities on the process to apply for available relief funding.
- Establish intake and call centers that support DEO's efforts to provide HAF resources and reduce homeowner financial hardships.

Additionally, the vendor will conduct direct outreach and engage with communities throughout the state focusing on awareness, education, and access activities that provide a comprehensive program to drive eligible homeowners to apply and be approved for financial assistance.

Community Engagement and Public Participation

Q: Your plan indicates that only four organizations involved in your public input process. Please explain how the program is confident in its ability to reach targeted populations without engaging such organizations in planning and implementation.

A: DEO met with more than 20 organizations that specialize in the various programs proposed under Florida's HAF Plan. These meetings assisted DEO with developing the Plan and gaining a better understanding of how to reach and serve the targeted populations throughout the life of the program. DEO will utilize an approach that consists of the following three elements: Awareness, Access, and Education. Awareness activities will be designed to inform individuals within underserved communities of available HAF resources, including in-person support. Access activities will be centered on the strategic placement of temporary and permanent intake centers, which will offer convenient and accessible alternatives. Education activities will include strategic marketing campaigns, which will include content messaging, media productions, and homeowner engagement. Outreach and collaboration was conducted with states, organizations, and companies that included:

- Florida Housing Finance Corporation
- US Bank
- Wells Fargo
- Citizens Property Insurance Corporation
- Duke Energy
- Florida Power and Light / Gulf Electric
- Tampa Electric Company
- Florida Electrical Cooperative Association
- Legal Aid of Broward
- Florida Association of Court Clerks and Comptrollers
- National Council of State Housing Agencies
- National Housing Policy Council
- Commonwealth of Massachusetts
- State of Georgia
- State of Texas
- State of Maryland
- State of Michigan
- Florida DEO Bureau of Workforce Statistics and Economic Research
- Community Action Agencies (Florida Association for Community Action)
- Florida Housing Counselor Network

Q: Your plan notes public input and community engagement in the plan development process. Please explain how community engagement informed your plan's programmatic and outreach design.

A: As part of the development process for the state of Florida's HAF Plan, DEO posted a HAF Plan Overview of the state's Plan to its website for public comment and community engagement. In addition to the organizations that provided feedback, DEO received thousands of responses from Florida homeowners who provided further input regarding the state's HAF Plan. DEO addressed this feedback throughout the Plan submitted to the U.S. Treasury. Public comments included requests to expedite the availability of the program to Floridians, to avoid excessive documentation and qualification requirements, to establish an efficient and flexible process for submitting applications, and to assist Florida homeowners in need to maintain future housing stability. DEO staff have responded to more than 11,000 emails and phone calls and has updated DEO's HAF webpage to keep the public updated on program developments. These public comments and community engagement confirmed the State of Florida's development of the HAF Plan, which is reflective of community and constituent needs.

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.

A: DEO has received and responded to 765 emails since the State of Florida's HAF Plan was submitted. Additionally, DEO hosted a webinar with more than 150 attendees to inform the public on its plans for Florida's HAF allocation. DEO continues to have ongoing conversations with stakeholders.

Ongoing Assessment of Homeowner Need

- No questions.

Program Design

Q: Please explain how the sources of data listed in the section on Homeowner Needs informed the Program Design Elements included in your plan.

A: DEO engaged professional service firms with experience in banking, economic valuation, mortgage servicing, and data analytics to research and report on homeowner needs across the state. The research found that approximately 57% or more than 2.8 million households have a mortgage. Caucasian households are more

likely than households of color to own their homes unencumbered from debt; 49% versus 30%, respectively.

According to recent publications from Black Knight, Inc., a mortgage data provider, and the Mortgage Bankers Association, it is estimated that, on average, homeowners in forbearance have been in forbearance for 12 months. In order for the HAF Plan to assist the mortgagee with reinstatement and assist with future expenses of homeownership, the HAF Plan will include prospective financial support.

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)?

A.: The HAF program vendor selected has prior experience in managing federal programs that required similar prioritization with intake, community outreach, and case management. Florida's HAF program operating manual will instruct case managers to expedite applications for payments necessary to prevent imminent displacement. Prioritization will take place based on the type of housing stability hardship, including utility, property tax, homeowner and flood insurance, homeowner association fees and liens, and broadband assistance.

Q: Please confirm your exclusion of reverse mortgages and contracts for deed or land contracts and explain what steps you have taken to assess the needs of homeowners with reverse mortgages and contracts for deed or land contracts. Please summarize any community feedback or data on which you have based this decision. If these borrowers can receive assistance under any program design element, please explain and update your plan to reflect that they are not excluded from your program.

A: Homeowners with reverse mortgages, contracts for deed, and land contracts, who otherwise qualify for financial assistance under the HAF program, may be eligible for all other programs, including utility, property tax, homeowner and flood insurance, homeowner association fees and liens, and broadband assistance.

Florida plans to focus on preserving homeownership and creating housing stability by preventing foreclosure and displacement through the HAF Program. Reverse mortgages allow senior citizens to access their home equity and defer loan payments until they sell their home, move out of the home, or pass away. Because there are no required mortgage payments on a reverse mortgage, financial assistance used to reduce the balance or satisfy reverse mortgages would not, in most cases, preserve homeownership or create housing stability. Moreover, in many cases, the primary beneficiary of financial assistance used to reduce the balance or satisfy a

reverse mortgage will be the homeowner's heirs, who may not otherwise qualify for financial assistance under the HAF program.

Based on the data regarding Florida's home ownership landscape and community feedback, DEO's research indicates contracts for deed and land contracts are exceedingly rare in Florida. In addition, we are concerned with the increased risk of fraud if Florida provided such financial assistance, particularly if the loans are private and informal.

Q: Please describe how your program will utilize housing counselors or legal services to assist homeowners in evaluating loss mitigation options available for their mortgage. Your description should include:

- **whether your program will connect homeowners with housing counseling or legal services early in the process.**
- **the role housing counseling or legal services providers will play in supporting homeowners' efforts at engaging in loss mitigation.**

A: To enhance program coordination, outreach to eligible homeowners, and efficient use of funds, Florida proposes allocating program funds for housing counseling and education services with a focus on loss mitigation and long-term housing stability. The proposed counseling and education services program will support homeowners with incomes that are less than or equal to 150% of the Area Median Income (AMI) or 100 % of the median income in the United States, whichever is greater, who are experiencing financial hardships related to the COVID-19 pandemic. The proposed housing counseling and education services program will provide support in an accessible and effective manner and will be offered at the outset of case management.

Q: How will your program leverage resources available through a loss mitigation process to benefit eligible homeowners and how will your program avoid using HAF funds in ways that duplicate relief that available loss mitigation options might provide?

A: Based on data and other information that the state of Florida received from the Housing Policy Council and loan servicers, DEO is confident that the mortgage loss mitigation process will be substantially complete before Florida's HAF program is approved and is launched. Nevertheless, in cases in which loss mitigation is in process, the state of Florida will only approve prospective mortgage assistance. We will also review information as part of the case management process to prevent the duplication of benefits with respect to mortgage payments and other programs and will require homeowner attestations confirming the same.

Q: Please explain what steps, if any, your program will take to assist the homeowner in determining whether a HAF-resolution will result in a sustainable monthly payment.

A: The State of Florida plans to provide homeowners with financial assistance up to 18 months of future mortgage, property tax, homeowner and flood insurance, homeowner association fees, and broadband and utilities payments, which will enable homeowners to build or maintain financial stability and mitigate future financial hardships. Through available housing counseling and education, the State of Florida will ensure that participating homeowners who need assistance are able to take full advantage of these programs and obtain guidance, counseling, and other information necessary to help homeowners sustain the long-term costs of homeownership.

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

A: The data from Florida does not indicate that there are significant increased winter home energy costs.

Q: Please confirm whether your program will provide payment assistance for homeowner's association fees or liens, condominium association fees, etc. If not, please explain your rationale for not providing such assistance.

A: Florida's HAF program will provide payment assistance for homeowner's association fees and liens, as well as condominium association fees.

Q: Your plan indicates you will provide homeowners with assistance towards future payments (up to 18 months) of property taxes, homeowners insurance, and utilities. Please explain your rationale for providing such assistance, including what data from your needs assessment specifically informed your determination.

A: According to recent publications from Black Knight, Inc., a mortgage data provider, and the Mortgage Bankers Association, it is estimated that, on average, homeowners in forbearance have been in forbearance for 12 months. Data indicates the vast majority of loans that are in forbearance, or not current throughout the COVID-19 pandemic, have or will be modified and brought current by the lenders and servicers by the end of 2021. Allowing eligible homeowners to receive extended financial assistance for up to 18 months of eligible expenses will enable the homeowners to build or maintain financial stability to mitigate future financial hardships.

Eligibility

Q: Please provide the rationale for establishing the following additional eligibility requirements specified in your plan, including how you determined these requirements will not create unnecessary barriers to participation by eligible homeowners:

- **Homeowners who have previously filed for bankruptcy, but who are no longer in bankruptcy, must provide proof of court ordered discharge or dismissal.**

A: Subject to guidance by the HAF program's legal counsel, homeowners pending bankruptcy proceedings may qualify for the HAF program as long as payments do not become part of the bankruptcy estate. Accordingly, Florida will no longer require that homeowners provide evidence of discharge or dismissal to qualify.

Outreach

Q1: Please explain how the program will target outreach and provide access to homeowners with limited English proficiency.

Q2: Please explain how the program will provide culturally relevant marketing.

A1: Targeted outreach will be built into the program. Temporary and permanent Intake centers will assist homeowners with the application and collection of supporting documentation. Additional statewide targeted outreach will take place in the form of a grassroots approach backed by data analytics to focus efforts in areas deemed to be the most susceptible to home displacement. In order to be on the forefront of advocating for the distribution of HAF funding specifically to reach those socially underserved and disadvantaged communities, DEO will utilize the data gathered to identify which communities have homeowners who are disproportionately impacted. DEO will then target those populations with priority to drive participation and increase access to the program's funding across applicable qualified expense categories. Teams will conduct targeted canvassing and marketing efforts, if necessary, to seek out those identified as hard to serve due to social, language, and economic barriers.

For past efforts in reaching homeowners in need, digital advertising was the most successful paid advertising in terms of statewide outreach, cost, and return on investment. TV and radio advertising had a much higher cost per applicant. However, based on some of the state's rural counties, both paid and public service announcement placements on rural radio stations and in local publications will be explored to reach socially disadvantaged individuals who may be among those lacking internet access.

The following organizations assisted DEO with identifying the program's targeted population:

- Florida Housing Finance Corporation
- US Bank
- Wells Fargo
- Citizens Property Insurance Corporation
- Duke Energy
- Florida Power and Light / Gulf Electric
- Tampa Electric Company
- Florida Electrical Cooperative Association
- Legal Aid of Broward
- Florida Association of Court Clerks and Comptrollers
- National Housing Policy Council
- Florida DEO Bureau of Workforce Statistics and Economic Research
- Community Action Agencies (Florida Association for Community Action)
- Florida Housing Counselor Network

A2: Non-traditional outreach may prove to be more effective in reaching targeted populations. Based on guidance from local partners on what will work best in their communities, different methods may be utilized. DEO's vendor is compiling a growing list of organizations and stakeholders who serve the geographic areas, or the demographic groups identified for enhanced culturally relevant outreach. DEO will provide more information on successful avenues of outreach as they are identified.

Prioritization

Q: If your program intends to serve households who are over the 100% AMI threshold, how will your program prioritize Socially Disadvantaged Individuals?

A: Florida will target at least 70% of HAF funds toward recipients whose incomes are less than or equal to 100% of the AMI. For any HAF program funds not used for recipients whose incomes are less than or equal to 100% of the AMI, Florida will prioritize funds to Socially Disadvantaged Individuals¹ in its review and approval of applications.

¹ "Socially Disadvantaged Individual" means an individual who (i) identifies as Black American, Hispanic American, Asian American or Native American (*i.e.*, Alaska Native, Native Hawaiian, or an enrolled member of a Federally or State recognized Indian Tribe); (ii) has limited English proficiency; (iii) is a resident of a majority-minority Census tract; or (iv) lives in a persistent-poverty county (*i.e.*, a county that has had 20% or more of its population living in poverty over the past 30 years as measured by the three most recent decennial censuses). If the individual who is applying for the HAF Program attests that he or she is a "socially disadvantaged individual" pursuant to clause (i) or (ii) or DEO verifies that the household qualifies pursuant to clause (iii) or (iv), then the household will qualify for "Socially Disadvantaged Individual" targeting.

Performance Goals

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

A: Communication on the progress of the HAF program's performance may be provided through multiple outlets that include, but are not limited to the following: emails, press releases, presentations, stakeholder outreach, and social media. DEO will also keep stakeholders updated throughout the process and request feedback to constantly improve outreach and services to Floridians.

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

A: The following metrics will serve as the best indicators of the success of Florida's HAF program:

1. The number of eligible homeowners served by the HAF assistance.
2. The efficiency and speed from homeowner application to payment disbursement.
3. The diversity of services/eligible expenses disbursed for Florida homeowners.

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

A: The state of Florida intends on disaggregating data by income and race.

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.

A: The state of Florida will aggregate this data.

Readiness

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

A: After the state of Florida submitted its HAF Plan, DEO launched a formal solicitation to retain a vendor. Once Florida's HAF Plan is approved by the U.S. Treasury, DEO will promptly begin implementing the HAF Plan with its vendor.

DEO has dedicated internal project managers assigned to the HAF program. As needed, DEO will hire additional project managers.

Furthermore, DEO, as a state agency, has the infrastructure to provide support for the HAF program, including information technology, finance and accounting, legal, communications, and marketing.

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

A: Yes, the state of Florida and DEO are prepared to launch the program immediately following approval of the HAF Plan by the U.S. Treasury.

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.

A: The state of Florida launched its HAF Mortgage Assistance Pilot Program on November 8, 2021 and has encumbered approximately \$1 million in assistance to Florida homeowners. As we began implementing the Pilot Program, the rate of mortgages being modified by the lender accelerated to the point where there are only a handful of loans in their portfolios that have not completed loan modifications. Our experience with the Pilot Program has brought into focus the importance of future payments to help provide long-term housing stability to low- and moderate-income homeowners. As a result of the loan modifications, the HAF Pilot Program pivoted to focus on homeowner insurance and homeowner utility arrearages. In the coming weeks, the Pilot Program will be expanded to include these qualified expenses.

Budget

Q: Your plan indicates the following program design elements will be offered with no corresponding budget allocation. Please provide a budget allocation by each program design element. Alternatively, you may group similar types of program design elements, i.e., mortgage-related program design elements (i.e., payment assistance, principal reduction, or reinstatement), taxes and insurance (outside of mortgage), etc.

A: Based on discussions with the U.S. Treasury regarding the budget structure, DEO has decided that grouping similar types of programs would allow the state to more effectively serve homeowners in need. The budget is as follows:

- Mortgage Assistance, down payment loan assistance, and commonly escrowed expenses:

\$494,687,023²

- Payment Assistance for Internet, Utilities, and HOA Liens and Fees:

\$60,000,000³

- Housing Counseling and Educational Services:

\$20,000,000

Q: Please provide your rationale for not providing funding for legal services to assist homeowners.

A: Based on public comments received, the state of Florida expects that housing counseling and other educational services will provide more effective assistance in guiding homeowners toward housing stability, loss mitigation and overall a path to financial stability as opposed to legal services.

² Includes Mortgage Payment Assistance, Mortgage Reinstatement, Delinquent Property Taxes, Future Property Taxes, Homeowner's Insurance, Down Payment Assist Loans

³ Includes Homeowner's Internet Service, Utilities, and HOA Liens and Fees