

United States Department of the Treasury

**Homeowner Assistance Fund Plan
Submitted by Arkansas Development Finance Authority**

HAF Grantee Plan Name
HAFP-0082

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	11/16/2021 4:19 PM
Total Plan Requested Amount	\$63,330,313.00
Record Type	State
Application Record	SLT-0077
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.

- **Data provided by Treasury – Treasury provided data, contributed by a number of federal agencies, including information on mortgage delinquencies and forbearances, breakdowns by demographic factors, and concentration among mortgage servicers. See 2.1 within attached plan.**
- **Data from Mortgage Servicing – The Arkansas Development Finance Authority (ADFA) worked with ServiSolutions and U.S. Bank to obtain data on mortgage delinquencies among loans originated by ADFA. See 2.1 within attached plan.**
- **Data from U.S. Census Bureau American Community Survey and Participant Analysis – ADFA obtained data from the Federal Housing Administration (FHA) regarding single-family active loans and demographic information. See Section 2.1 within attached plan.**
- **Congressional Research Service “The 10-20-30 Provision: Defining Persistent Poverty Counties” February 24, 2021 – We reviewed the persistent poverty counties across the state to identify geographic areas where homeowners are considered socially disadvantaged. See Section 2.1 within attached plan.**

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.

- **National Association of Realtors Research Group “2021 Snapshot of Race and Home Buying in America,” February 2021 - This study outlays homeownership trends and affordability by race, home buyer demographics, and home buyers and fair housing specifically as it relates to the economic impact caused by the coronavirus pandemic. See Section 2.1 within attached plan.**
- **Data from U.S. Census Bureau American Community Survey – The Participant assessed geographic and demographic information across the state to determine census tracts that have a**

majority-minority population. Data tables used in the assessment were obtained from the U.S. Census Bureau American Community Survey 2015-2019 5-year estimate, Tables: B25003, B25003B, B25003C, B25003D, B25003E, B25003F, B25003G, B25003H, B25003I, December 2020. See Section 2.1 within attached plan.

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.

• Data collected from Industry Reports and Participant Analysis – The assessment performed by ADFA for utilities related to homeownership include gas, electricity, water, internet, sewer, and waste. See Section 2.1 within attached plan.

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.

DFA has significant experience in affordable housing and serving the low-to-moderate income community. We have leveraged our knowledge and experience in this space to guide the design of our HAF plan and needs assessment. In addition, both our vendors have experience in the Hardest Hit Fund (HHF) and other federally funded housing programs. We used best practices and lessons learned from each of their respective experiences in designing our plan and needs assessment. While ADFA did not administer an HHF program, we did collaborate with our peers in other states on their experiences in HHF and used those learnings in the development of our plan and needs assessment.

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
Arkansas Association of Community Action Agencies 1111 West 6th Street ,Little Rock,Arkansas 72201 https://www.acaaa.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
HouseAboutIt 10024 West Markham Ste 140 ,Little Rock,Arkansas 72205 http://houseaboutit.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Legal Services of Arkansas 1300 W 6th Street ,Little Rock,Arkansas 72201 http://Arkansaslegal.org	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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
Arkansas Association of Counties 1415 West Third Street, Little Rock, Arkansas 72201 https://www.arcountries.org/	<input type="checkbox"/>	<input type="checkbox"/>

Arkansas Municipal League P.O.Box 38 301 West 2nd, North Little Rock, Arkansas 72115 https://www.arml.org/	<input type="checkbox"/>	<input type="checkbox"/>
Mortgage Bankers of Arkansas 1661 Aaron Brenner Drive Suite #201, Memphis, Tennessee 38017 https://www.arkansasmba.org/home.html	<input type="checkbox"/>	<input type="checkbox"/>
Arkansas Bankers Association 1220 West Third Street, Little Rock, Arkansas 72201 https://www.arkbankers.org/	<input type="checkbox"/>	<input type="checkbox"/>
Arkansas Realtor Association 11224 Executive Center Drive, Little Rock, Arkansas 72211 https://www.arkansasrealtors.com/	<input type="checkbox"/>	<input type="checkbox"/>
Arkansas Association of Community Action Agencies 1111 West 6th Street, Suite C, Little Rock, Arkansas 72201 https://www.aaaa.org/	<input type="checkbox"/>	<input type="checkbox"/>
Crowley's Ridge Development Council 2401 Fox Meadow Lane, P.O. Box 16720, Jonesboro, Arkansas 72403 https://crdcnea.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
HouseAboutIt 10024 West Markham, Ste 140, Little Rock, Arkansas 72205 http://houseaboutit.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
East Arkansas Board of Realtors 704 North Missouri Street, West Memphis, Arkansas 72301 http://Coldwellbanker.com	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
JCREC Board of Realtors 2950 Cherry Road, Cabot, Arkansas 72023 http://N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Arkansas Broadcasters Association 2024 Arkansas Valley Drive, Suite 403, Little Rock, Arkansas 72212 http://arkbroadcasters.org/	<input type="checkbox"/>	<input type="checkbox"/>
Arkansas Manufactured Housing Association 1123 S. University, Suite 720, Little Rock, Arkansas 72204 http://www.amha.net/	<input type="checkbox"/>	<input type="checkbox"/>
Arvest PO Box 799, Lowell, Arkansas 72745 http://www.arvest.com	<input type="checkbox"/>	<input type="checkbox"/>
ServiSolution P.O. Box 242967, Montgomery, Alabama 36124 http://www.servsol.com/	<input type="checkbox"/>	<input type="checkbox"/>

US Bank U.S. Bank, 800 Nicollet Mall, Minneapolis, Minnesota 55402 http://www.usbank.com	<input type="checkbox"/>	<input type="checkbox"/>
Southern Bank Corp 601 Main Street, Arkadelphia, Arkansas 71923 http://Banksouthern.com	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Arkansas Community Organizations 2101 S Main Street, Little Rock, Arkansas 72206 http://Arkansascomm.org	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Arkansas Martin Luther King Commission 906 Broadway Street #100, Little Rock, Arkansas 72201 http://Arkingdream.org	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Bank of Arkansas 1111 W 6th, Little Rock, Arkansas 72201 http://BankonAR.org	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Bill Kopsky- Arkansas Public Policy Panel 1308 W 2nd Street, Little Rock, Arkansas 72201 http://Arpanel.org	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Achange 401 Main Street, N Little Rock, Arkansas 72114 http://Nchange.org	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Credit Counseling of Arkansas 1111 E Zion Road, Fayetteville, Arkansas 72703 http://CCofarcares.com	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Community Resources Technicians 800 Scott Street, Little Rock, Arkansas 72201 http://N/A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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.

See section 2.2 Public Participation within the attached plan for full details on public input measures.

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?

ADFA does anticipate continuing to assess the needs of eligible homeowners as additional data is obtained. As the pilot program matures and the official program launches, we plan to being reviewing the applications received to determine if the current programs are sufficient to meet the needs of the applicants and decide if new programs need to be added, eligibility requirements adjusted or cap amounts changed.

Additional helpful data:

- Data on utility and internet needs**
- Monthly data from servicers on loan delinquency**

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
Arkansas HAF Response Cover Letter[4]	11/16/2021 4:16 PM
Treasury Submission 8.18.21 Arkansas HAF_TB[6]	8/18/2021 3:17 PM
Arkansas_HAFP-0082_Feedback_FINAL	11/16/2021 4:16 PM
Arkansas HAF_TB 111621[2]	11/16/2021 4:16 PM
Treasury Submission 8.18.21 Term Sheets Arkansas HAF	8/18/2021 3:16 PM
Arkansas HAF_TB Term Sheets[2]	11/16/2021 4:16 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
All Programs	HAF funds will not be required to be only a supplement to other loss mitigation options offered by the servicer under investor requirements or where, without HAF funds, the homeowner would not qualify for that loss mitigation option.	ADFA understands the spirit and intent of the guidance to provide emergency assistance to homeowners in need. Based on this understanding, we believe this requirement as suggested in the sample term sheet will slow progress and funding of the HAF dollars. Therefore, we have removed this element from the term sheet included with our submission.

<p>Property Charge Default Resolution Program, AND Utility/Internet/Broadband Payment Assistance Program</p>	<p>The program will not allow for prospective payments.</p>	<p>At this time, ADFA only intends to assist homeowners with arrears. ADFA will continue to monitor data as the program matures to determine if there is a need for prospective assistance, and will also base that decision upon available funding.</p>
<p>Mortgage Reinstatement Program</p>	<p>The program will not include reverse mortgages or contracts for deed.</p>	<p>As described further below, based on data collected, we have determined the highest need in the state of Arkansas includes First Mortgages, Second Mortgages, and Loans Secured by Manufactured Housing (secured by real estate or a dwelling). At this time, we have not received inquiries or data demonstrating the need for Reverse Mortgages and Contracts for Deed of Land Contracts. ADFA will continue to assess the need for any exclusions and propose a modification to program types if data becomes available indicating significant needs in excluded programs.</p>
<p>Mortgage Reinstatement Program</p>	<p>The program will base household income on the borrow and co-borrower's (if applicable) income only.</p>	<p>In an effort to continue to reduce the documentation burden on applicants, we will only require income documentation from the borrower and co-borrower to determine income eligibility. As Household is not defined within the guidance and the borrower and co-borrower(s) are ultimately the parties financially responsible for the mortgage, we believe this approach to be appropriate.</p>
<p>Mortgage Reinstatement Program</p>	<p>The program will allow partial payments if the amount to reinstate the applicant exceeds the program cap. If a partial payment is made due to program cap limit, the applicant can fund the remainder themselves if the servicer allows.</p>	<p>In order to ensure that the homeowner is not displaced this allows for the opportunity for the applicant to pay the difference or the servicer to utilize the funds when working through a loss mitigation solution.</p>
<p>Property Charge Default Resolution Program, AND Utility/Internet/Broadband Payment Assistance Program</p>	<p>The program will allow for bundled internet services to be considered an eligible expense.</p>	<p>Many homeowner's internet services are bundled with other services. Partial payment to only include the portion related to internet could threaten the homeowner's access to internet. In an effort to bring the account current and reduce the threat to loss of internet services, we determined it appropriate to include bundled services.</p>

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.

Based on experience in the pilot program, ADFa does intend to implement a fact-specific proxy for the program. The approach will include written attestation plus reasonable fact-specific proxy for household income. A written attestation as to household income will be provided by the homeowner, and the proxy will be used for the homeowner's income verification. If the household falls within any of the persistent poverty counties identified, the household will be presumed to meet income verification requirements. This approach will avoid unnecessary barriers to participation and ease the documentation burden for these socially-disadvantaged homeowners. If a household does not fall within any of the persistent poverty counties, the applicant will be required to provide a written attestation within the system along with supporting documentation. Required supporting documentation is outlined within the attached Program Term Sheets included in the attachment section.

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?

No

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.

Based on data collected, we have determined the highest need in the state of Arkansas includes First Mortgages, Second Mortgages, and Loans Secured by Manufactured Housing (secured by real estate or a dwelling). At this time, we have not received inquiries or data demonstrating the need for Reverse Mortgages and Contracts for Deed of Land Contracts. ADFa will continue to assess the need for any exclusions and propose a modification to program types if data becomes available indicating significant needs in excluded programs.

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.

The Program will use a two-step method to determine whether a homeowner is a "socially disadvantaged individual" as defined by the HAF guidelines. If the Applicant satisfies step one or provides a self-attestation in step two, the applicant will be considered a "socially disadvantaged individual." See section 3.4 of attached plan for specific details on the two-step method.

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.

Marshallese

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.

Marshallese

Housing Counseling and Legal Services

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

No

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.

Marshallese

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 Reinstatement	<ul style="list-style-type: none"> • Number of home losses avoided due to HAF funds • Dollar amount paid for mortgage related expenses • Number of days spent to provide assistance from application to funding 	<ul style="list-style-type: none"> • Assist 1,900 homeowners with risk of home loss • Commit \$50.9M dollars of mortgage reinstatement assistance <ul style="list-style-type: none"> o \$30.5M dollars to LMI • 45 days to provide assistance once applicant has provided all required documents
Payment Assistance for Homeowners Utilities	<ul style="list-style-type: none"> • Dollar amount paid for utility related delinquencies • Number of days spent to provide assistance 	<ul style="list-style-type: none"> • Commit \$2.4M dollars of utility assistance • \$1.4M dollars to LMI • 45 days to provide assistance once applicant has provided all required documents
Payment Assistance for Homeowner's Internet Service	<ul style="list-style-type: none"> • Dollar amount paid for internet related delinquencies • Number of days spent to provide assistance 	<ul style="list-style-type: none"> • Commit \$506K dollars of utility assistance • \$304k dollars to LMI • 45 days to provide assistance once applicant has provided all required documents

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?

No

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

No

Does the Participant have policies or procedures that govern the implementation of 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?

Yes

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?

\$226,813.00

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

Yes

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

\$1,638,150.00

How many households have applied for HAF assistance?

178

How many households has the Participant provided with housing counseling or legal services using HAF funds?

0

How many households has the Participant provided with assistance using HAF funds?

26

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

The state received the initial 10% payment from Treasury and has launched a pilot program to deliver immediate resources to a targeted population. An assessment was done on loans originated by ADFA to determine the targeted population for the pilot program, specifically targeting the reduction of mortgage delinquencies. ADFA started the pilot program with ServiSolution, and is in the process of expanding the program to Arvest. We are also working with US Bank, and will engage them if additional resources are available in the pilot program prior to the launch of the larger program. A portion of the initial HAF funds has also been used on administrative expenses to launch the pilot program.

NOTE: Amounts listed above in pilot program are current as of date of this submission.

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	\$0.00
Payment Assistance for Homeowner's Internet Service	\$506,415.00
Payment Assistance for HOA fees or liens	\$0.00
Payment Assistance for Delinquent Property Taxes	\$0.00
Mortgage Reinstatement	\$50,906,936.00
Facilitate Mortgage Interest Rate Reduction	\$0.00
Payment Assistance for Homeowner's Insurance	\$0.00
Payment Assistance for Down Payment Assist. Loans	\$0.00
Payment Assistance for Homeowners Utilities	\$2,417,415.00

Other measures to prevent homeowner displacement

Measure	Amount
N/A	\$0.00

Displacement Prevention Sub-Total	\$53,830,766.00
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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	\$0.00

Services Sub-Total	\$0.00
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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
N/A	\$0.00

Reimbursement Sub-Total	\$0.00
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Allocation of Administrative Expenses

Type of Expense	Amount
IT Costs	\$1,266,606.00
Professional Services, including Program Administration, Underwriting, Call Center, Marketing and Outreach	\$6,399,999.00
Other Administrative Costs	\$1,832,942.00

Administrative Expenses Sub-Total	\$9,499,547.00
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Total Plan Requested Amount	\$63,330,313.00
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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: **Robert Arrington**

Agency/Office: **Arkansas Department of Finance Authority**

Email: robert.arrington@arkansas.gov

Phone Number: **5016825910**

Reporting Contact

Name: **Kristy Cunningham**

Agency/Office: **Department of Finance Authority**

Email: kristy.cunningham@arkansas.gov

Phone Number: **5016825925**

Additional Contact

Name: **Mark Conine**

Agency/Office: **Department of Finance Authority**

Email: mark.conine@arkansas.gov

Phone Number: **5016825914**

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
Title VI Assurances AR HAF	8/18/2021 3:58 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:

Arkansas Development Finance Authority

Name and Title of Certifying Official

Name: **Robert Arrington**

Title: **Director of Homeownership and Public Finance**

Telephone: **5016825910**

Email: robert.arrington@arkansas.gov