

## **Revisions to HAF Plan in response to HAFP-0083-Louisiana Treasury Feedback for Resubmission of Plan**

### **Completeness**

- Your plan lists Christina Dayries as the Authorized Official, while the original application for HAF payments was signed by James Waskom. To ensure prompt payment upon approval, the Authorized Official needs to be the same as the signatory on the original application for HAF payments. If you need to establish a new authorized representative for HAF payments, you may request to do so by email to [HAF@treasury.gov](mailto:HAF@treasury.gov).

The state will establish a new authorized representative due to Mr. Waskom's retirement from the agency. The state will request that his successor, Mr. Casey Tingle, be substituted as the Authorized Official.

### **Homeowner Needs and Community Engagement**

#### ***Data***

- No questions.

#### ***Community Engagement and Public Participation***

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

The data allowed the state to reach out to key Stakeholders (financial institutions, housing counseling agencies, and local governments) to discuss efficient ways to serve Louisiana citizens. A communication plan and website were created that allow citizens, nonprofits, etc. to receive more information on the program. The state contracted with Louisiana's 211 nonprofit calling service which provides information and resources typically to low and moderate income and socially disadvantaged populations seeking assistance.

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

- No questions.

### **Program Design**

- Please explain how your program intends to assist homeowners seeking HAF assistance in obtaining information about and utilizing existing loss mitigation options available for their mortgage?

The state has a multi-pronged approach to support homeowners in obtaining information about and utilizing loss mitigation options available. First, the state is providing information directly to all applicants on their ability to contact their lender to discuss loss mitigation options. Second, the state is working with lenders to share program information with their customers/homeowners and discuss loss mitigation options. Third, the state is working with key stakeholders (housing counseling agencies, advocacy groups, etc.) to ensure that housing counseling will be provided to applicants in need to understand and capitalize upon loss mitigation options. In sum, homeowners will have multiple opportunities to discuss and facilitate loss mitigation options through the HAF process.

- 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)?

Yes. Each applicant is asked questions about their existing monthly expenses and financial obligations/debts and any threats to their housing stability or ability to pay an existing mortgage. This information is available to the case managers to assist them in evaluating the need for counseling and other potential program assistance. Homeowner applications are also flagged if there is an identified urgent need present.

- 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.

Each applicant will be evaluated for the need to be referred to housing counseling or legal services at the outset of case management review of survey information and application responses. Further, applicants who provide information demonstrating potential need for such services are provided with contact information for housing counseling and legal services to enable and empower them directly to take action as well. The state has and continues to conduct key stakeholder engagement and orientation with housing counseling and legal entities to work closely in serving homeowners, conducting roundtables and providing program communications and outreach collateral as well. Those in forbearance will be referred to legal services if they are not represented at the time of application and they request a referral. Those applicants who have on-going financial instability and show evidence of being unable to sustain their current monthly mortgage payment will be referred to counseling services.

- the role housing counseling or legal services providers will play in supporting homeowners' efforts at engaging in loss mitigation.

Legal representation will utilize all available tools, including loss mitigation, to resolve the foreclosure proceedings in the most advantageous posture for the applicant. Housing counseling will engage lenders directly with respect to the loss mitigation process and as an intermediary between the state program, the applicant and the lender.

- 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?

The state's program anticipates fully utilizing the loss mitigation process and the HAF funds available per applicant to obtain the most advantageous and sustainable monthly payment feasible for each applicant. This process will be led in most cases by a program referred counselor who will fully examine the financial situation of each applicant, determine the status of the loss mitigation process between the lender and applicant, determine a sustainable monthly payment amount and determine the best way to apply HAF funds to implement that monthly payment amount. This may include principal reduction, refinancing to reduce interest rates, payment of past due amounts, or a combination of these. The state is working to determine the best practices for working with lenders to optimize the loss mitigation process in conjunction with the state's HAF allocation.

- 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?

Each applicant is asked to provide a full financial picture of their household, including debts and income. Housing financial counselors will be able to evaluate this information, in addition to interviewing the applicant, to determine the monthly payment amount which the applicant household feels it can sustain and in which the lender's loss mitigation team believes is within an acceptable debt to income ratio.

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

The state is not anticipating this being a huge problem due to the generally seasonable weather experienced in most of Louisiana during winter months. The state and local jurisdictions have robust LIHEAP programs to cover most weather driven energy bill assistance which may be experienced.

- Your programs set \$10,000 as the maximum amount of assistance per homeowner. Please explain how you determined this amount will be sufficient to resolve housing-related delinquencies and whether the cap will be sufficient in areas with higher housing costs?

This cap amount was determined based on the data received on delinquent mortgages from Black Knight and the Atlanta Federal Reserve along with the Louisiana Housing Corporation's portfolio of loans in delinquent status. Both sources of data were statewide samples that included various parishes and, therefore, a range of housing costs. The average of delinquent payments from both sets of datum did not exceed \$8,000.00 per household. Based on this as the best available information at the time, the state deemed \$10,000.00 per household as sufficient to cover most, if not all, eligible delinquencies. The state is validating the household cap through its pilot program population and will adjust the program cap as appropriate when the full program is launched, based upon updated data obtained from homeowners and lenders through the pilot program.

### ***Eligibility***

- Regarding reverse mortgages, please note that Treasury's update [Sample Term Sheets](#) for\$ provides eligibility under the Mortgage Reinstatement Program (p.2) for a homeowner that is either in default due to property charges or has entered a repayment plan to repay such charges. Please consider updating your program eligibility to reflect this provision.

The state will update its policies in accordance with the updated Sample Term Sheets.

### ***Outreach***

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

Program outreach and communications collateral will be translated into Spanish and Vietnamese and program communications staff will coordinate with community stakeholder entities that work with these limited English proficiency populations. All documents, including plan, policies and application, are available in Spanish and Vietnamese. In addition, the program website and on-line application portal being used by the state provides limitless language choices so that application and related information can be accessed in the language of choice of each applicant.

- Please explain how the program will provide culturally relevant marketing.

The state has obtained the services of a communications firm which will address the cultural appropriateness and effectiveness of varying communications methods and platforms to insure that the state's HAF program is messaged effectively in all areas of the state. This method of marketing and communication which is directed to different populations and regions of Louisiana is a standard operating procedure for the state and its implementing agency, the Office of Community Development.

### **Prioritization**

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

The state will serve this population if it has sufficient funding, though the population below 100% AMI is the target for funds. It is likely that if any households over 100% AMI are funded that they will be identified and targeted by the state based on reference to SOVI data and published analysis of same pertaining to Louisiana. The state's system of record for HAF processing allows the state to filter applicants over 100% AMI with distinct attributes for this purpose.

### **Performance Goals**

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

The state has already stood up a website which will capture all program statistics and reporting. The public will be directed to the website for all program information. Updated program statistics will be made public no less than weekly. Further, the communications team intends to utilize press releases, social media, and traditional media opportunities for program performance visibility.

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

Number of households served, number of counseling referrals and number of home losses avoided.

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

This data is already captured by the state's system of record which it is utilizing for the program.

- 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).

This will be captured by the state.

### **Readiness**

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

The state is fully staffed and is already implementing its pilot program via its contracted service provider for program management and system application portal.

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

Yes.

- 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.

The state has hired a contractor and is implementing its pilot program. The Program remitted its first award payments on November 2, 2021 totaling \$7,801.19. The state has made payments totaling \$337,860.01 in administrative costs. Additionally, the state has contractual obligations of \$6,933,702.20 remaining.

### **Budget**

- No questions.