

HAFP-0086-Ohio
Treasury Feedback for Resubmission of Plan

Completeness

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

- None

Please revise the HAF plan by providing a response to the question(s).

Homeowner Needs and Community Engagement

Data

- No questions

Community Engagement and Public Participation

- 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.

Ohio's HAF plan was developed after extensive consultation with affordable housing advocates and stakeholders. Shortly after receiving initial guidance from the U.S. Department of the Treasury, OHFA began holding informal discussions with interested parties about the top-level goals and principles OHFA should consider in developing an effective suite of programs to help homeowners who have experienced financial hardship as a result of the coronavirus pandemic.

Early in the plan development process, OHFA convened a virtual meeting of about thirty advocates and stakeholders from around the state, including representatives from Legal Aid organizations, community development corporations, homeless advocacy organizations, mortgage lenders and servicers, and federal government agencies. This forum gave OHFA the opportunity to benefit from the advice of those representing a wide range of perspectives and experiences. There were several themes that had strong support from most, if not all, of the participants. Among these are streamlining distribution and eligibility requirements; focusing on internal operations and efficiencies; ensuring data integrity; creating durable, productive support networks; and leveraging relationships with leaders who are trusted in the communities that are being targeted. Attendees strongly encouraged OHFA to focus efforts first on programs designed to help homeowners retain their homes; programs like home repair and maintenance, while important and helpful, were deemed less critical, and there was general agreement that these types of programs should only be developed after the crisis of impending foreclosures was addressed.

OHFA was also able to draw on lessons learned from administering the Hardest Hit Fund (HHF) over the last decade. Of particular note, OHFA staff met with Stephanie Casey Pierce, who was instrumental in the development and administration of the HHF and who is now at the Ohio State University working on an evaluation of the HHF foreclosure prevention program. Having spent a decade designing, administering, and studying Ohio's HHF program, she is an

invaluable source of insight into aspects of the program that have proven to be effective as well as those that she would do differently if she had it to do over again.

On June 16, 2021, OHFA published a draft of this plan, invited written public input via a dedicated email address, and announced a public hearing, which was held virtually on June 22, 2021, and attended by sixty-nine people. Much of the feedback was in the nature of questions about particular program details. Suggestions included reducing the cap on the amount of assistance any individual could receive; adding a minimum amount of time that someone receiving assistance must stay in the house without having to pay back at least a portion of the assistance because of concerns about undue enrichment; requiring those who receive assistance to also receive housing counseling (it should be noted that we have also received advice that we should not make receiving housing counseling an absolute requirement given that it could be a disincentive, and thus a barrier, to those who have found themselves experiencing a financial hardship through no fault of their own); providing funds to housing counseling agencies and legal aid providers; eliminating the restriction on receiving assistance for those who are in an active bankruptcy; and paying for expenses that were incurred and came due prior to January 21, 2020.

- 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.

OHFA has not held any additional public hearings on the plan nor has OHFA received any additional written comments on the draft plan. OHFA has had ongoing conversations with Housing Counseling Agencies and Legal Aid Service organizations about the operation of the pilot phase and data that is beginning to come in to inform potential program adjustments.

Ongoing Assessment of Homeowner Need

- No questions

Program Design

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

While much of the data that is available predates the pandemic and is therefore of limited use, or is not granular enough to be particularly useful, there is a great deal of evidence that the most pressing needs facing Ohio's homeowners are reinstatement of delinquent mortgages, assistance with future mortgages in order to help homeowners get back to a position of financial stability, and assistance with both delinquent and ongoing utility payments, property taxes, and homeowner-related fees. Since we began operating programs to address these needs in the pilot phase, the level of activity has confirmed the demand for this assistance.

- 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. OHFA has entered into subaward agreements with a number of community action agencies (and continues to have discussions with others about doing so) because the community action agencies are uniquely prepared in Ohio to evaluate precisely these types of threats to the housing stability of applicants.

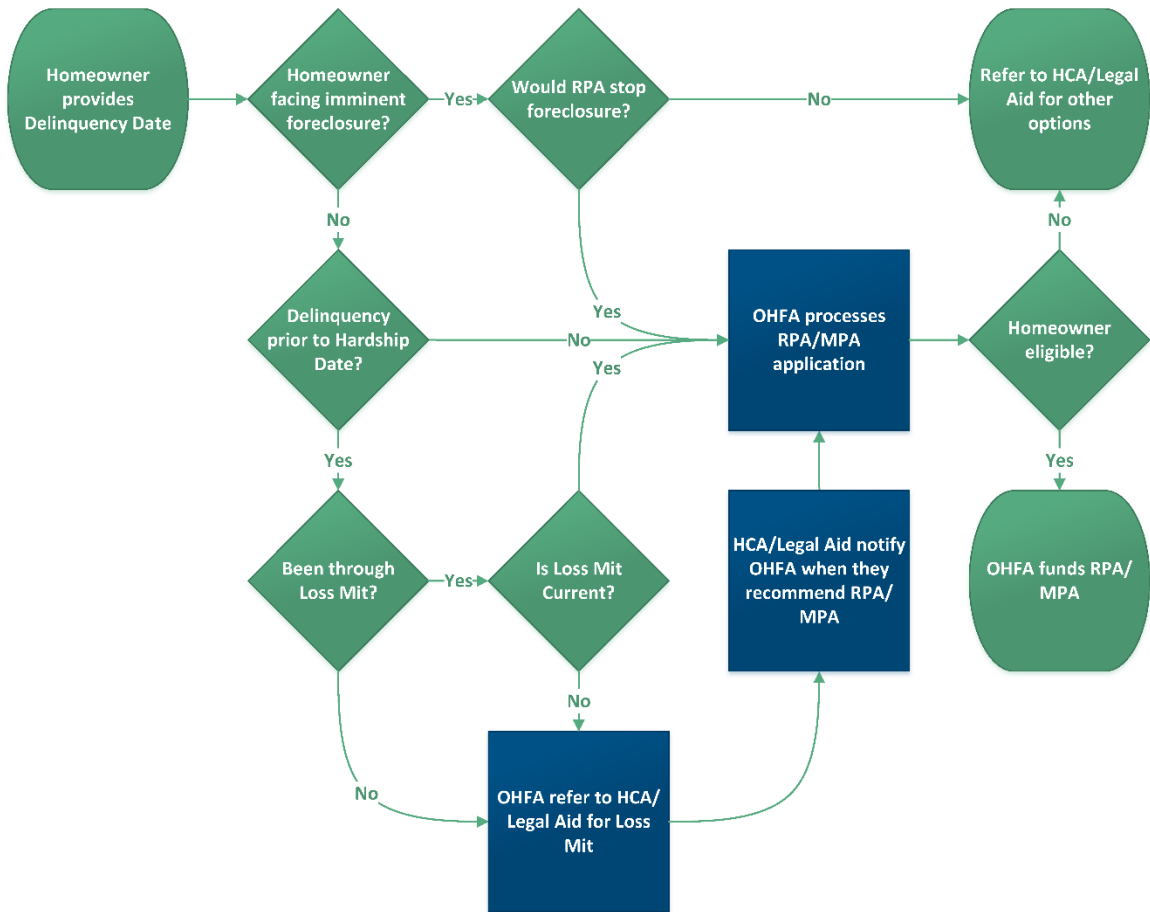
Furthermore, OHFA is evaluating the risk of imminent foreclosure to homeowners who apply for Rescue Payment Assistance (RPA) and expediting the review of these applications to determine if RPA will prevent the foreclosure.

- 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.

In the prequalification and application process, homeowners will provide the date their delinquencies began. If the homeowner is facing an imminent foreclosure and the Rescue Payment Assistance (RPA) program OHFA is administering would stop that foreclosure, OHFA will process that application and, if the applicant is determined to be eligible, OHFA will make the payment to the servicer. If, however, the RPA would not stop the foreclosure or the applicant is determined not to be eligible, OHFA will refer the applicant to housing counseling/legal services.

If the homeowner is not facing imminent foreclosure and their delinquency began prior to their hardship date, OHFA will refer the homeowner to housing counseling/legal services if the homeowner has not been through a loss mitigation process or if the homeowner has been through the loss mitigation process but it's not current. If the housing counseling/legal services then recommends the HAF programs as the most appropriate assistance for the homeowner, OHFA will process the application and determine eligibility.

This process is best illustrated in the flow chart below.



- In situations where the HAF assistance includes or will be limited to payments for mortgage reinstatement, please explain whether and how your [sic] will assess whether a similar or more appropriate alternative loss mitigation option is available through the servicer.

Please see the prior answer and illustration. Additionally, we are requiring servicers to use the new Common Data File that includes eight (8) columns related to current COVID loss mitigation status.

- 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?

Please see the prior answer and illustration.

- 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?

If homeowners were delinquent on their mortgages prior to the onset of their coronavirus pandemic-related financial hardship, their mortgages were not sustainable before the pandemic, which made a bad situation worse. For these homeowners, as long as they are not facing imminent foreclosure that could be prevented by the speedy processing and approving of HAF funds, OHFA will refer them to housing counseling/legal services to determine the best

approach to address the causes of their inability to make the mortgage payments.

If the coronavirus-related financial hardship took place before the delinquency began and thus is the direct cause of the delinquency, OHFA will process that application and, upon a determination of applicant eligibility, provide HAF fund assistance.

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

Yes. That is why we have enlisted community action agencies to administer the Utility Assistance Plus program we have developed. Because they administer similar utility assistance programs, they are best able to determine the appropriate sources of assistance for applicants in a cost-effective and efficient way.

Eligibility

- No questions.

Outreach

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

Ohio will undertake a two-tiered approach to target funds to homeowners living in counties with a high share of mortgage delinquencies and high unemployment rates: 1) purchase and earned media and 2) direct community outreach.

Data and research will provide critical direction to the program's marketing and communication plan. The number of delinquent loans will guide the communications team's efforts to reach into targeted communities. Although every Ohio region will receive advertising about the program, areas with the highest need and the highest number of socially-disadvantaged individuals (SDIs) will receive a higher concentration, thereby increasing the likelihood that the program's message will reach its target audiences and that those targeted audiences will apply for and receive assistance.

Ohio's marketing and advertising plan to target this cross section of homeowners includes traditional far-reaching media outreach, niche publications/broadcast advertising (e.g., Spanish-language newspapers), and the use of data-driven advertising methods.

OHFA will employ traditional media outreach through earned media: press releases, media interviews, and news media stories. OHFA will launch the statewide campaign at a press event, offering local and statewide media a central location to ask questions, receive materials, and interact with the appropriate staff to get accurate information about the program. Media will help disseminate the program details across the state.

OHFA will use outdoor and transit advertisements to highlight the program's availability to a wide swath of Ohioans, focusing attention on the Ohio HAF 1-800-number and website, and encouraging those at-risk to call and visit the website. In addition, OHFA will use census tract data to focus some outdoor and transit advertisements on areas of greatest need. Outdoor ads and billboards can be particularly beneficial in some rural communities that don't have

consistent access to the internet. Trusted sources of information in SDI communities include niche print publications and/or broadcast outlets, in which OHFA will place ads and, when possible, editorial content.

Share and like buttons, along with other social media tools, propel today's word of mouth. OHFA intends to use digital media to its advantage by advertising via Google and Facebook. OHFA will do this both specifically focused on HAF programs and as part of larger media campaigns with vendors across the state, including print, radio, and television outlets. These vendors also offer opportunities to participate in interviews with local talent, furthering the goal of making as many Ohioans as possible aware that help is available.

Data-driven tools like geo-targeting and geo-fencing send ads/information to persons who are within a certain radius or at certain locations. Ohio will request to target specific demographics using these options. Staff will use these tools in concert with data and the aforementioned census tracts.

Other tools available for promoting the program include streaming radio, targeted email blasts to Ohioans that meet the criteria set forth in the guidelines, and targeted display ads. OHFA also regularly creates content, including a podcast and blog. Both tools will be used to showcase the program and discuss its benefits. The OHFA website will include a special section outlining program eligibility requirements and how Ohio homeowners can apply for assistance. OHFA's website routinely sees more than 20,000 users each month, with more than 80,000 page views. OHFA anticipate that number increasing significantly when the program officially launches.

OHFA will place a heavy emphasis on leveraging the expertise, relationships, and credibility of community-based organizations. OHFA anticipates engaging with these organizations to go door-to-door in neighborhoods with high concentrations of eligible homeowners who are at-risk of foreclosure, which will include saturating neighborhoods and communities that have significant populations of socially disadvantaged individuals. As we receive data about the homeowners who are applying for and receiving assistance, OHFA is prepared to adapt and redirect resources to areas that continue to be underserved. These community-based organizations can also help facilitate community meetings at which OHFA or other trusted partners present information about the HAF programs.

OHFA is working with the Governor's Office of Faith-Based and Community Initiatives (GOFBCI) to engage the faith leaders around the state. OHFA has discussed attending and presenting at one of the GOFBCI's "Ask the Experts" events to present information about the HAF plan and seek to enlist their support in disseminating information about it to their congregations.

Organizations and state government agencies that routinely communicate with Ohioans who may be income-eligible homeowners are important partners who also help inform those who might benefit from Ohio's HAF programs. OHFA plans to develop informational inserts for inclusion in mail that these organizations send to their clients and customers. OHFA will likewise develop information that can be included in email communications.

In an effort to reach those individuals with limited English proficiency, OHFA has subscribed to a translation service which allows OHFA staff to communicate with individuals speaking languages other than English and assist them with filling out an application when necessary. Furthermore, OHFA has already begun translating fact sheets about the HAF programs in other languages (e.g., Arabic, Chinese, French, German, and Spanish) and is prepared to translate other documents as is determined necessary after consulting with community-based organizations who intimately aware of the needs of their neighborhoods; this includes exploring the feasibility of creating an informational version of the application as a PDF document that we could translate into other languages. OHFA will be encouraging these community-based organizations to assist limited English proficiency individuals with the online application process as well.

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

Please see the prior answer.

Prioritization

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

We are prioritizing Socially Disadvantaged Individuals (SDIs) regardless of whether they are in households below or over the 100% AMI threshold. Based on the results of the Pilot Phase, we will prioritize those areas with high concentrations of SDIs that we identify as applying in disproportionately low levels. Please see the prior answer regarding Outreach for more details.

Performance Goals

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

We will be producing quarterly Performance Reports that will track our progress on meeting our performance goals. These will be presented at OHFA's Board Meetings, which are open to the public, and will be published on our website along with all of our other performance data. We will also be communicating extensively with the public about the availability of the programs that can assist them.

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

The three metrics that will serve as the best indicators of the success of our program are:

- **Total homeowners assisted financially**
 - **Percentage of homeowners assisted financially who are socially disadvantaged**
 - **Total homeowners receiving housing counseling or legal services, in lieu of OHFA financial assistance, after an OHFA referral**
- Please indicate whether you intend to disaggregate metrics by income, race, gender, etc.

Yes. We are already disaggregating the metrics by income, race/ethnicity, and gender.

- 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 plan to collect these data from our third party housing counseling and legal aid agencies. To the extent that it is possible, this will include tracking whether homeowners receive loan modifications.

Readiness

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

We are ready and operating. We have hired nine (9) employees to administer the Rescue Payment Assistance and Mortgage Payment Assistance programs. We have entered into a contract with the Ohio Homeowner Assistance (OHA), the former fiduciary for the Hardest Hit Fund, to process payments to servicers, and payments are currently being made through them. We have entered into agreements with many of the servicers and continue to reach out to those that have not yet signed agreements. Our IT team has developed a prescreening and application web portal which is up and running.

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

Our program is not only prepared to launch upon approval, our base programs (i.e., Rescue Payment Assistance, Mortgage Payment Assistance, and Utilities Assistance Plus) are already up and running. We have been less aggressive than we will be once Treasury approves our plan because we do not want to ramp up, create an expectation among the public, and then run out of money and be unable to meet those expectations.

- 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.

Through the end of October 2021, we have spent or obligated approximately \$14.6 million. This includes approximately \$9.1 million in Rescue Payment Assistance and Mortgage Payment Assistance as well as approximately \$4.9 million to community action agencies for Utility Assistance Plus assistance. Additionally, we recently moved \$1.5 million from Administrative costs to the Mortgage Payment Assistance program because of the significant demand for this assistance.

Budget

- None.

Other

As with virtually every aspect of the programs OHFA is operating in the Pilot Phase, we intend to periodically evaluate the appropriateness of parameters that we have put in place. This

includes, among other aspects, the size of the cap on the amount of assistance a homeowner may receive.