

**HAFP-0131-Pennsylvania  
Treasury Feedback for Resubmission of Plan**

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

**Completeness**

- No Questions

**Homeowner Needs and Community Engagement**

***Data***

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

The outreach plan for the Pennsylvania Housing Assistance Fund (PAHAF) includes various communication pathways to ensure that low to moderate income, at risk, and socially disadvantaged populations across the commonwealth are notified of program availability and afforded meaningful access to program resources. Data analyses performed during the needs assessment process demonstrated that Pennsylvania homeowners, both with and without mortgages, experienced financial distress as a result of the COVID-19 pandemic that threatens housing stability. Excerpts from the needs assessment that were particularly informative on the program's outreach strategy include the following:

Applying a combined average mortgage forbearance and delinquency rate [of 10.5% (derived from available data sources)] to the population of PA homeowners with incomes below 100% of AMI, approximately 28,676 PA owner-occupied households were delinquent and 62,633 were in forbearance in the first quarter of 2021. In total, an approximated **91,309** owner-occupied households with incomes below 100% of AMI are currently in forbearance or delinquent on their mortgages. [PHFA further investigated these data sources to identify] the estimated number of households in delinquency and forbearance across different racial and ethnic groups, using nationally estimated delinquency and forbearance rates for different racial and ethnic groups.<sup>1</sup> [PAGES 14-15]

Additionally, there are ZIP Codes across the Commonwealth with combined delinquency/forbearance rates above 10% - from Philadelphia to Scranton, Johnstown, in the Southwest and Northwest. The greatest concentrations of ZIP Codes with elevated populations of Social Disadvantaged households tend to be clustered in the Southeast (Philadelphia), Northwest (Erie), South-Central (Harrisburg and York), Northeast (Monroe), and Pittsburgh areas. Data suggests that roughly 36,500 socially disadvantaged homeowners' mortgages are either in forbearance or delinquent. [PAGE 16]

Based on American Community Survey, 2015-2019 data from Integrated Public Use Microdata Series (IPUMS), an estimated 935,422 Pennsylvania homeowners are income eligible at 100% of AMI and do not currently have a mortgage, including 107,521 socially disadvantaged homeowners. Socially disadvantaged homeowners without a mortgage live predominately in Philadelphia (43%), Allegheny (8%), Montgomery (7%), and Delaware (7%) counties. Income-eligible Hispanic homeowners without a mortgage also commonly live in Berks (9%) and Lehigh (8%) counties. [PAGE 16]

Analysis of delinquent property tax and utility data indicated significant need for these services as well. In Philadelphia, 2,271 homeowners became newly delinquent on property taxes in 2020, possibly because of COVID-

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<sup>1</sup> [https://files.consumerfinance.gov/f/documents/cfbp\\_characteristics-mortgage-borrowers-during-covid-19-pandemic\\_report\\_2021-05.pdf](https://files.consumerfinance.gov/f/documents/cfbp_characteristics-mortgage-borrowers-during-covid-19-pandemic_report_2021-05.pdf)

related income losses. In February 2021 there were 814,508 ‘at risk’ accounts, representing about 16% of the Pennsylvania population, associated with \$852,054,166 in outstanding debt reported by most of the commonwealth’s largest utility providers.

Using this information, PHFA has devised the following targeting and outreach approach:

The PAHAF communications and outreach strategy focuses on the development and successful implementation of the PAHAF goals of accessible marketing, mobile intake operations, and leveraging program champions. A targeted outreach approach will ensure the Program is highly visible across the Commonwealth to build general awareness of the available resources to Pennsylvania homeowners. Our outreach targeting is three-fold – target all eligible Pennsylvania homeowners, particularly those who are socially disadvantaged, and at or below 100% AMI. The needs assessment data analysis, as described above, informs the geographic targeting activities.

Understanding the rich diversity of Pennsylvanians, PAHAF will ensure that all external facing marketing materials and resources are made available in both English and Spanish. Additionally, PAHAF will work with local organizations that are deeply connected to racially and ethnically diverse groups to clearly identify additionally language and cultural competencies that must be incorporated into our messaging and outreach efforts to increase Program reach and accessibility.

As part of our PAHAF marketing and outreach efforts, our GIS analysts are conducting further research into our homeowner data and needs assessment to complete a ZIP Code level targeting map. This map will provide invaluable information for media, digital ad targeting, and out of home marketing to focus our efforts on key communities and populations. Additionally, PAHAF plans to work hand in hand with nonprofit organizations, faith-based organizations, and other local entities that have already established relationships and trust with our target populations. Through regular engagement and communication with these local leaders, PAHAF will increase access and visibility to homeowners that need PAHAF the most. PAHAF will also be cognizant to adjust outreach strategies and targeting accordingly to move resources to communities that need the assistance the most.

Connecting to elected officials, locally and statewide, PAHAF will become a household name that will be essential in building trust and legitimacy. The PAHAF Outreach team will execute a robust paid media campaign that not only promotes PAHAF across the Commonwealth, but additionally pinpoints targeted ZIP Codes to increase digital targeting and “out of home” advertising to reach Pennsylvanians where they are.

Program assistance will be made accessible to all through an easy application process. Applicants can apply online or by phone, as well as visit a nearby mobile intake site to learn more or receive in-person assistance to complete their application for program assistance. For those Pennsylvanians that have limited to no internet access – the PAHAF call center, partner organizations and housing counseling agencies and mobile intake sites will allow the Program to increase its accessibility and visibility.

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

- Your plan does not highlight your approach to serving low- or moderate-income populations or addressing housing discrimination. Please explain how the program is confident in its ability to reach targeted populations.

PAHAF has established the following prioritization scheme in its program policies and procedures.

Because available funding may not be sufficient to meet the needs of all Pennsylvania homeowners, the PAHAF program will serve homeowners with the most need first. The following is the order of priority for eligible PAHAF applicants:

- **Priority 1** - Homeowners with annualized current income of no more than 100% of area median income (AMI) for the relevant household size or 100% of the area median of the United States (\$79,900) whichever is greater and meet the definition of socially disadvantaged.

- **Priority 2** - Homeowners with annualized current income of no more than 100% of area median income (AMI) for the relevant household size or 100% of the area median of the United States (\$79,900) whichever is greater.
- **Priority 3** - Homeowners with annualized current income of no more than 150% of area median income (AMI) for the relevant household size and that meet the definition of socially disadvantaged.
- **Priority 4** - Homeowners with annualized current income of no more than 150% of area median income (AMI) for the relevant household size.

Note that the PAHAF pilot program will first consider applications from Priority 1 through Priority 3 while closely monitoring that 60% of the pilot funding falls within Priority 1 and Priority 2. This methodology is intended to ensure that the PAHAF program meets minimum Treasury spending requirements. PAHAF will not accept applications in Priority 4 until such time that it has been demonstrated that the program can comply with the 60% spend threshold for households at or below 100% AMI.

Our PAHAF Outreach team identified key organizations, including state and local social service organizations, that regularly engage and interact with low to moderate income populations that would most benefit from PAHAF. By developing a robust community partner engagement strategy that further grows PAHAFs network, the Program will increase program visibility and access to the commonwealth’s most vulnerable communities.

PAHAF has also partnered with housing counseling agencies and legal services providers. These entities will assist in program outreach and application submission activities. Outreach efforts conducted by these groups are able to concentrate on homeowners that have been subject to or homeowner populations that have historically been subject to housing discrimination. Fair housing and predatory lending education is a consistent service offering among these providers.

- Please describe any coordination you intend with Tribes or Tribal entities.

PHFA is aware that the Mohegan Tribe of Connecticut and the Poarch Creed Indian Tribe of Alabama have both invested significant resources in Pennsylvania. These resources include operation of state-licensed facilities, but do not include any Tribal Lands. There are no federally designated Tribes or Tribal Lands in Pennsylvania.

However, PHFA recognizes that Tribal Nations that receive HAF program funds can provide financial assistance to their Tribal Members regardless of the state in which the member lives. To the extent that a Tribal Member of any Tribal entity owns his or her home in Pennsylvania, that Tribal Member is eligible to apply for assistance through the PAHAF program.

PHFA does note that this could create the potential for duplication of benefits between the PAHAF program and Tribal Nation programs. To this end, the PAHAF will request information from all applicants regarding any HAF assistance sought from Tribal entities and will institute a subrogation policy to recover any potential duplicative assistance.

- 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.

No new public comments have been received since submission of the PAHAF Plan. However, the Saves our Home Coalition has continued to express concerns that the organization raised prior to submission related to the \$30,000 cap on assistance. The organization believes this amount is too low. PHFA has addressed the comments and has made accommodation through the plan development process to allow for re-evaluation of the effectiveness of the cap and possible change in the future should data support such a change.

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

- Please explain how the program will address changes in homeowner needs in the coming years

PHFA conducted a thorough assessment of homeowner need in Pennsylvania as part of the initial HAF Plan development. To inform the distribution of resources and to target communities and populations in greatest need, PHFA examined demographics, economic conditions, and risk factors for housing instability for the entire Commonwealth. With the launch of the pilot program, more tangible data sources are becoming available. PHFA will examine applicant population characteristics, as the program progresses, to determine whether homeowner needs are being met and are changing over time. PHFA anticipates that applications that fail to meet eligibility requirements may be most indicative of areas of opportunity for expanded program services or modification of policy or procedure. Further, analysis of the rate of spending in each budget area will provide another key indicator of homeowner need upon which future program design decisions may be made. If funding is available, Treasury guidance is updated, and/or homeowner need is demonstrated, PAHAF may add program design elements, update policies and procedures, or modify budget allocations in the future to address changing homeowner needs.

### **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.

Key excerpts from the needs assessment are included below to illustrate the level of analysis performed and how the results of that study have informed the program's design elements of mortgage reinstatement, mortgage payment assistance, homeownership cost assistance (taxes, fees, insurance), and utility delinquency assistance.

The Commonwealth used a variety of data sets to determine the extent to which various types of homeowners may be at risk of default, foreclosure, or housing instability. The following combination of public and proprietary data were used to develop estimates of COVID-related homeowner needs in Pennsylvania: Home Mortgage Disclosure Act (HMDA) (12 U.S.C §§ 2801-2811), loan-level data (2007 to 2019), U.S. Census American Community Survey (Census ACS) 5-Year Estimates (2015-19), PHFA borrower records, Bureau of Labor Statistics' Local Area Unemployment Statistics program (2020 to Q1 2021), ZIP Code-level Mortgage Analytics and Performance Dashboard (MAPD) data on loan performance collected and compiled by the private research firm Black Knight, LLC. and accessed from the Federal Reserve Bank of Atlanta (2020 to Q1 2021)<sup>2</sup>, tax delinquency data from Allegheny County (courtesy of the Western Pennsylvania Regional Data Center) and the City of Philadelphia (courtesy of OpenDataPhilly), and delinquent utility account information from the Pennsylvania Utilities Law Project. [PAGE 3]

These data were analyzed to understand the contemporary volume of homeowners across the commonwealth and how homeownership varies across different regions of the commonwealth and among different populations. These analyses were developed with a particular focus on estimating the total population of PA homeowners who could benefit from support from the HAF related to mortgage assistance and other housing related costs such as utilities, taxes, condominium association fees, etc. [PAGE 3]

ACS 2015-19 records provide the most reliable way to identify areas in Pennsylvania with high populations of low income and Socially Disadvantaged homeowners, both with and without mortgages, who may be eligible for assistance under one of the PAHAF programs. Table 4 presents the number of owner-occupied homes with and without a mortgage, disaggregated by pre-pandemic income and Socially Disadvantaged status. [PAGE 13]

Using the estimated target populations, each population segment was further broken down by their vulnerability to foreclosure. Target populations who are the most likely to need assistance may be

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<sup>2</sup> Atlanta Fed calculations using Black Knight's McDash Flash daily mortgage performance data (available with a two-day lag), U.S. Census Bureau 2017 FIPS Codes.

homeowners with a mortgage who are coming out of a forbearance plan; homeowners without a mortgage who were unable to pay their real estate tax obligations; homeowners who may be delinquent on their home loan; or homeowners in condominiums who are delinquent on association fees. [PAGE 13]

Applying a combined average mortgage forbearance and delinquency rate (10.5%) to the population of PA homeowners with incomes below 100% of AMI, approximately 28,676 PA owner-occupied households were delinquent and 62,633 were in forbearance in the first quarter of 2021. In total, an approximated **91,309** owner-occupied households with incomes below 100% of AMI are currently in forbearance or delinquent on their mortgages. These data were analyzed for households in delinquency and forbearance across different racial and ethnic groups, using nationally estimated delinquency and forbearance rates for different racial and ethnic groups. Forbearance rates were (and remain) much higher in the Philadelphia (Southeast) and Northeast Regions compared to the rest of the commonwealth. [PAGES 14-15]

[Analyzing these data at the ZIP Code level], there are ZIP Codes across the Commonwealth with combined delinquency/forbearance rates above 10% - from Philadelphia to Scranton, Johnstown, in the Southwest and Northwest. The greatest concentrations of ZIP Codes with elevated populations of Social Disadvantaged households tend to be clustered in the Southeast (Philadelphia), Northwest (Erie), South-Central (Harrisburg and York), Northeast (Monroe), and Pittsburgh areas. [PAGE 16].

Many Pennsylvania homeowners without mortgages have income losses from the COVID-19 pandemic that have resulted in property tax arrearages, including many socially disadvantaged homeowners. Tax delinquency data from Philadelphia and Allegheny counties suggest that homeowners with COVID-related income losses could be thousands of dollars behind on property taxes. [PAGE 16]

In Philadelphia, 2,271 homeowners became newly delinquent on property taxes in 2020, possibly because of COVID-related income losses. These homeowners were typically about \$611 dollars in arrears, although the average is almost twice that amount (\$1,153). In Allegheny County 700 homeowners were newly tax delinquent in 2020,<sup>3</sup> with a median delinquency arrearage of \$1,172 and average of \$1,743. [PAGE 17]

In addition to household need for mortgage assistance and tax arrearages, a great deal of low to moderate income households in PA could also benefit from support for utilities arrearages incurred due to income losses associated with the COVID-19 pandemic. Accessing reliable data for utility arrearages is challenging due to the diverse range of providers, both public and private, across the Commonwealth. However, the Pennsylvania Utility Law Project (PULP) collects a range of data points from the Commonwealth's largest utility providers on a semi-annual basis to track 'at risk' accounts and dollar values of arrearages associated with these accounts. [PAGE 19]

In February 2021 there were 814,508 'at risk' accounts associated with \$852,054,166 in outstanding debt reported by most of the commonwealth's largest utility providers to PULP. This represents roughly 16% of all PA households. While it is not possible to know which of these delinquent accounts are associated with renters and those associated with homeowners, a conservative estimate of 10% of the income eligible owner-occupied households in PA in need of utilities assistance would represent roughly 182,000 households. Additionally, a recent report from Philadelphia's Community Legal Services and the PA Utility Law Project found that utility delinquencies are disproportionately concentrated among socially disadvantaged residents.<sup>4</sup> [PAGE 19]

- 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

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<sup>3</sup> Not all municipalities in Allegheny County had reported 2020 tax liens by the time of this writing, so this number understates the extent of need for property tax assistance there.

<sup>4</sup> [https://clsphila.org/wp-content/uploads/2021/03/CLS\\_UtilityReport\\_20200324.pdf](https://clsphila.org/wp-content/uploads/2021/03/CLS_UtilityReport_20200324.pdf)

an expedited or prioritized timeline (e.g. HOA liens, tax delinquencies, utility shut off)?

The application process is designed to gather information about the applicant's current housing situation. This includes data on the status of mortgage and homeownership costs that can pose an imminent threat to housing stability. The program is also providing utility assistance for homeowners with an imminent threat of utility disconnection. Further, applicants will be referred to supportive services through housing counseling and/or legal aid service providers.

Practical implementation steps include:

1. Questions in application specifically designed to allow the program to assess applicant mortgage and housing cost delinquency statuses.
  2. Call center/case management referral to housing counseling and/or legal service providers.
  3. Housing counseling/legal services entities are provided access to submit applications on their clients' behalf.
  4. Trigger notification to payees using CDF process by sending the Initial Submission, "I", record to make servicers aware of the application.
- 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 descriptions should include:
    - whether your program will connect homeowners with housing counseling or legal services early in the process.

A link to housing counselors and legal aid service providers will be available on our website at <https://pahaf.org/> to help individuals self-select into the resources that are needed. Further, this information is provided to homeowners through the application and case management processes—the earliest steps of the whole HAF process.

Additionally, the PAHAF program has developed a referral policy and procedure that allows applicants to enter housing counseling and legal services with partner agencies. The referral process includes outcome determinations that will allow the program to track services rendered for the assistance provided beyond a successful HAF Application some of which include:

- Legal Service Providers (LSP)
  - Non-HAF Assistance Obtained
  - Obtained forbearance, loan modification, or other loss mitigation
  - Debt/fees avoided
  - Bankruptcy discharge obtained
  - Client became record owner of property
  - Assistance unable to be obtained
  - Assistance with property taxes obtained
  - Assistance with utilities obtained
  - Assistance with insurance obtained
- Housing counseling
  - Households that obtained forbearance or other loss mitigation after receiving Housing Counseling Services.
  - Households for whom counselor provided assistance with HAF Application
  - Households for whom counselor developed mortgage payment plan.
  - Assistance unable to be obtained
  - Households that prevented or resolved a mortgage default after receiving Housing Counseling Services.
  - Households that prevented or resolved a reverse mortgage default after receiving Housing Counseling Services.
  - Households for whom counselor developed a sustainable household budget through the provision of financial management and/or budget services.
  - Households for whom counselor developed a budget customized to a client's current situation.
  - Households that gained access to resources to help them improve their housing situation (e.g. utility

- assistance, taxes, HOA/condominium fees, or insurance etc.) after receiving Housing Counseling Services.
- Households that gained access to non-housing resources (e.g., social service programs, legal services, public benefits such as Social Security or Medicaid, etc.) after receiving Housing Counseling Services.
- Households that received a forward mortgage modification and improved their financial capacity after receiving Housing Counseling Services.
- Households that received a forward mortgage modification and remained current in their modified mortgage after receiving Housing Counseling Services.

PAHAF will also engage housing counseling agencies and other nonprofits in Program outreach to increase staffing resources required to execute a robust statewide mobile outreach campaign. Through mobile outreach, with the support of housing counseling agencies, the Program will increase its footprint across the Commonwealth by promoting PAHAF servicers and providing on-site application support.

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

The PAHAF program will provide training to housing counseling and legal services providers to ensure that they have an understanding of PAHAF programming options, goals, and objectives. Such training will include requirements for reporting back to the PAHAF program. PHFA encourages the service providers to undertake loss mitigation support to homeowners as those entities determine to be in the best interest of their clients and according to those entities' own internal governing procedures, regulations, and processes. Services provided by these organizations will be particularly important for PAHAF applicants whose delinquencies are over program maximum caps on assistance to work out strategies that can either fully resolve the applicant's delinquency situation with their servicer or to work out arrangements that will bring the necessary PAHAF assistance under program maximums.

- 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?

PHFA does recognize the importance of loss mitigation opportunities for homeowners. As such, a reference will be made in the application process making homeowners aware that there may be other loss mitigation options available through their servicers and that they are encouraged to explore such options. Additionally, the partnership with housing counseling and legal aid service providers will offer an opportunity for homeowners to explore these solutions.

The PAHAF program is not imposing any additional eligibility requirements related to a homeowner's status with loss mitigation options. Doing so would be contrary to Treasury's published HAF guidance by placing an additional eligibility burden on homeowners. Time is of the essence to avoid foreclosure and eviction. Based on the PAHAF team's experience from the last housing crisis, homeowners that work directly with Mortgage Servicers are often confused about the requirements and the best path forward to save their home, so they often do nothing. By applying for HAF first, we can connect those homeowners with housing counselors and legal service providers, if HAF assistance alone is not that answer or it appears from the documentation they submitted, they need additional assistance.

- 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?

The PAHAF program is designed to provide mortgage reinstatement, mortgage payment, utility, and associated homeownership cost assistance. As such the program will not result in a modification to a homeowner's monthly payment. However, assistance is intended to provide homeowners with financial relief and time, including six months of forward paying assistance. Reinstating delinquent mortgages, paying off past due balances for homeownership costs, and providing forward paying mortgage assistance will offer homeowners the best chance to catch up on financial obligations and find new opportunities to stay current. PAHAF also refers homeowners to housing counseling to obtain assistance with adjusting budgets or obtaining other financial counseling assistance which may result in negotiations with servicers that could result in more sustainable payment terms.

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

Yes. Utility assistance is available for qualified homeowners through the PAHAF program. Our needs assessment included the following information upon which the decision to include utility assistance in the program design was based.

In February 2021 there were 814,508 ‘at risk’ accounts associated with \$852,054,166 in outstanding debt reported by most of the commonwealth’s largest utility providers to the PA Utility Law Project . This represents roughly 16% of all PA households. While it is not possible to know which of these delinquent accounts are associated with renters and those associated with homeowners, a conservative estimate of 10% of the income eligible owner-occupied households in PA in need of utilities assistance would represent roughly 182,000 households. Additionally, a recent report from Philadelphia’s Community Legal Services and the PA Utility Law Project found that utility delinquencies are disproportionately concentrated among socially disadvantaged residents.<sup>5</sup> [PAGE 19]

Note that there are legal protections against utility terminations in Pennsylvania. This includes a prohibition of utility shutoff during the winter heating months, from December 1 to the end of March for very low-income families. This will afford PAHAF time to help homeowners catch up on arrearages without the threat of imminent utility disconnection as program launch will likely coincide with increased cold weather and utility need.

Pennsylvania Utility Law Project and Community Legal Service-Energy Unit are two entities that will be funded by the PAHAF Legal Services Provider grant.

***Eligibility***

- No Questions

***Outreach***

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

The PAHAF program has a branded website which is available in both English and Spanish. The site has been translated into Spanish by a certified translation service. Additionally, all marketing materials will be made available in English and Spanish. As needed, the Program will work with local organizations that serve ethnically diverse groups to identify additional language needs, as necessary.

The program administration vendor we have engaged will focus on outreach to homeowners with limited English proficiency and other social disadvantages identified in the PAHAF plan. This outreach could include, but is not limited to, outreach to faith-based community organizations, cultural groups, and cultural centers that cater to the needs of Pennsylvania citizens who require language assistance.

The vendor will seek to employ bilingual staff members and may use certified translation services available through translation vendors via phone, web, or video service to ensure language assistance and equal access to the PAHAF program. In our Spanish translations, we ensure that materials are culturally appropriate for Spanish-speakers from Central America, South America, and the Caribbean. We will also ensure to provide outreach materials translated in other languages as the need arises using a reliable translation service. Our cloud-based and mobile application platform also offers translation of other languages.

Non-traditional and grassroots outreach may prove to be more effective in reaching some of the target populations, particularly methods based on guidance from local partners on what will work best in their communities. Additionally, printed materials have proven critical in past outreach endeavors. These will be used both at in-person events and in

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<sup>5</sup> [https://clsphila.org/wp-content/uploads/2021/03/CLS\\_UtilityReport\\_20200324.pdf](https://clsphila.org/wp-content/uploads/2021/03/CLS_UtilityReport_20200324.pdf)

strategic mailings. Materials will be provided in both English and Spanish to ensure wider reach to socially disadvantaged individuals with information on how individuals who speak other languages can access personal assistance.

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

As noted above, the communications strategy focuses on the development and successful implementation of accessible and culturally relevant outreach and marketing materials that drive the call to action to apply for PAHAF assistance. We will produce and deliver materials and key messages through the most appropriate medium and in an easily digestible format.

- All Spanish materials will be run through a lens of Spanish-speakers from Central America, South America, and the Caribbean to ensure cultural relevance using in-house or contractor provided resources.
- The program will also work with local officials, community leaders, and partners in community-based and faith-based organizations to identify outreach materials and resources required to reach their constituents in a manner that is culturally sensitive and relevant. PAHAF will partner with community and ethnic organizations to leverage their existing outreach and communications infrastructure to greatly amplify exposure of the program and increase intake of potential applicants.
- The outreach team will seek out collaboration from partnering organizations that support amplification and awareness of program resources to non-English speaking communities. These not-for-profit organizations and community groups are trusted sources of information, understand and know the targeted audience and will be key to helping to meet the goal of reaching every eligible homeowner. In addition, we will work with community and ethnic publications for earned media and advertisements helping to reach eligible homeowners in the communities where they live and work.

### ***Prioritization***

- No Questions

### **Performance Goals**

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

PHFA will report on the quarterly data elements and the one-time interim report data elements as defined Treasury guidance. Further, PHFA expects to produce periodic general administration reporting to state oversight authorities. PHFA will, at a minimum, provide a summary of these reports on the program website, after they have been submitted to the relevant oversight entity. Additionally, PHFA intends to create a weekly report that will provide key insight into total applications, approvals, denials, total funding approved, total distributions, and other metrics that demonstrate program progress. These reports will be easily accessible at the following link: <https://pahaf.org/policies-and-reporting/>. Additional program progress reports may be published as need arises.

- 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 success include:

1. Number of homeowners and dollars of financial assistance provided through the PAHAF Program.
2. Number of socially disadvantaged homeowners and dollars of financial assistance provided.
3. Meeting and exceeding the minimum 60% Treasury requirement for assistance provided to applicants at or below 100% of the AMI.

Though these three metrics will demonstrate success factors for the program, PHFA also believes that the following statistics will be informative:

- Average assistance requested versus disbursed.
- Percent or share of homeowners that are Socially Disadvantaged Individuals and below 100% AMI.
- Data broken out by ZIP Code/County/Census Tract.
- Outcomes identified in this document specific to housing counseling and legal service providers
- Share of beneficiaries who avoid involuntary displacement within 12 months of receiving benefit (Program staff members may need to extrapolate data or define proxies to count homeowners in this category.)
- Please indicate whether you intend to disaggregate metrics by income, race, gender, etc.

The application has been designed to collect this information and can be reported against in a disaggregated manner.

- 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.

PHFA is coordinating services with housing counseling agencies and legal service providers. As part of this coordination, PHFA and its vendor are establishing a reporting mechanism to track services provided by these entities for homeowners who are applicants to the PAHAF program. Though we anticipate being able to track the outcomes of these cases and reporting these statistics, However, to the extent that such data may be captured by partnering agencies and is made available to PHFA, PHFA will report it.

As stated in response to previous question, PHFA has established outcome-based reporting for the housing counseling and legal services providers who will be partnering with the program. Examples of outcomes that PAHAF expects to be able to report against include:

- Legal Service Providers (LSP)
  - Non-HAF Assistance Obtained
  - Obtained forbearance, loan modification, or other loss mitigation
  - Debt/fees avoided
  - Bankruptcy discharge obtained
  - Client became record owner of property
  - Assistance unable to be obtained
  - Assistance with property taxes obtained
  - Assistance with utilities obtained
  - Assistance with insurance obtained
- Housing Counseling
  - Households that obtained forbearance or other loss mitigation after receiving Housing Counseling Services.
  - Households for whom counselor provided assistance with HAF Application
  - Households for whom counselor developed mortgage payment plan.
  - Assistance unable to be obtained
  - Households that prevented or resolved a mortgage default after receiving Housing Counseling Services.
  - Households that prevented or resolved a reverse mortgage default after receiving Housing Counseling Services.
  - Households for whom counselor developed a sustainable household budget through the provision of financial management and/or budget services.

- Households for whom counselor developed a budget customized to a client’s current situation.
- Households that gained access to resources to help them improve their housing situation (e.g. utility assistance, taxes, HOA/condominium fees, or insurance etc.) after receiving Housing Counseling Services.
- Households that gained access to non-housing resources (e.g., social service programs, legal services, public benefits such as Social Security or Medicaid, etc.) after receiving Housing Counseling Services.
- Households that received a forward mortgage modification and improved their financial capacity after receiving Housing Counseling Services.
- Households that received a forward mortgage modification and remained current in their modified mortgage after receiving Housing Counseling Services.

**Readiness**

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

The PHFA internal management team has been working on the design and implementation of the PAHAF program since HAF funding was first announced. This team has remained stable with little to no turnover. This team has also successfully launched and run the PAHAF Pilot Program.

PHFA has augmented this team by contracting with a vendor for long-term operational support and implementation. That contractor has been supporting the agency since September 2021. PHFA’s implementation contractor is providing PHFA with program support services that include:

1. application design and online portal creation,
2. outreach/marketing strategy support,
3. call center standup, operations, and management,
4. case management services including application intake and eligibility review,
5. coordination of CDF data transfer and other payee notifications,
6. payment of benefits on behalf of eligible homeowners to qualified payees,
7. quality control,
8. file closeout, and
9. reporting.

PHFA has completed PAHAF branding and design requirements. PHFA and the implementation contractor have developed and continue to develop materials for the PAHAF website and a marketing plan with collateral material design to ensure that we can begin marketing the full program as soon as it launches.

The program first established policies, procedures, and workflows for pilot program operations. These have been updated and maintained over time as lessons have been learned and new processes are developed. Task level activities necessary to execute outreach, intake, eligibility, quality control, and payment have been developed. The program has standard operating procedures for task level activities and is continuing to develop new standard operating procedures as new tasks are identified. Staff training on program rules, process workflows, systems, and tools is conducted at staff onboarding and on an ongoing basis.

Together, PHFA and the implementation contractor have stood up and activated a call center, case management services, an online application portal, and eligibility review workflows. The Pilot Program implementation was transferred to the PHFA implementation vendor December 1, 2021. Together we continue to build out new processes, including automation of application activities, streamlining application activities and requirements, and development of the CDF process. This has included staffing up and training as applicant influx is anticipated to increase.

PHFA is working toward full program launch and anticipates that the full program will be substantially similar to the PAHAF Pilot. The biggest difference between the two will be an expansion of program options available under the full program. The team continues building out the system, policy, and procedure requirements that will apply beyond those of the pilot program.

PHFA is identifying process bottlenecks and policy gaps, formulating resolution, and implementing changes to address them. These program improvements are intended to create a system ready for full operation when Treasury approves the HAF Plan.

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

Currently, there are more than 4,000 homeowners who have registered through the PAHAF Get Notified list, who have demonstrated interest in seeking PAHAF assistance. The Program will use this list as an outreach opportunity and invite these homeowners to apply through expansion of the PAHAF Pilot Program.

PHFA believes that the PAHAF program is ready for launch within 30-45 days of receipt of Treasury approval of the PAHAF Plan, but no later than February 1, 2022. The necessary infrastructure for full program launch is in place, working drafts of policies and procedures have been developed, systems are functional to handle increased volume of applications, plans have been activated to ensure appropriate staffing levels, and controls are in place to support anti-fraud, waste and abuse protocols.

- 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.

PHFA has spent \$826,768 on start-up activities of the total 10% allocation received. This includes applicant assistance disbursed as well as administrative expenses, outreach and marketing expenses, as well as bilingual communication expenses to support plan development, publication, and program planning.

The statistics on the pilot program are updated below:

Number of households that have applied for assistance: **385**

Number of households that have received funding: **267**

Amount of funding disbursed: **\$2,800,824.26**

There are an additional 118 applications undergoing the eligibility review process currently. The estimated need associated with the pending applications is \$2,551,387.00.

#### **Budget**

- No Questions