



OREGON HOUSING *and*
COMMUNITY SERVICES

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Homeowner Assistance Fund
Emergency Housing Team
U.S. Treasury

Dear U.S. Treasury HAF team,

Please find below responses to your November 23, 2021 requests for additional information or clarification. If you have further questions related to this document or the Oregon HAF submission, please do not hesitate to email me at ryan.vandenbrink@hcs.oregon.gov or to phone me at 971-720-3775.

Updated program terms with track changes will be uploaded to the portal. The HAF plan uploaded with the original submission has not been revised but can be upon request. Changes within the portal include:

1. SDI targeting: added a sentence on a prioritization tool Oregon developed for use.
2. Languages: added Chinese as a fifth chosen language. Please note in the pilot we were only able to offer English and Spanish. In addition, for the main program, we are working on an issue related to the online application portal. If it is not technologically or cost feasible to offer the online application in all five languages, we will continue to offer online and paper program materials and a paper application in all five languages.
3. Pilot information was updated because our pilot opened to Phase 1 applicants on November 30, 2021.
4. Budget information was updated to request the full allocation. Our administrative requests should now be within the 15%. Budget allocations within the administrative estimates may change as program activities, contracts and grants are finalized.
5. Our agency email addresses were change and updated in the portal.

Thank you,

Ryan Vanden Brink
Assistant Director of Homeowner Assistance Programs

Completeness

- **Your plan lists Ryan Vanden Brink as the Authorized Official, while the original application for HAF payments was signed by Caleb Yant. 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, a request should be submitted by email to HAF@treasury.gov**

Oregon Housing and Community Services believes that multiple individuals are authorized officials for the rental assistance program. For HAF, the agency intends to request appointment



of Beth Brown and Ryan Vanden Brink as additional authorized officials for HAF. As requested, a submission request will be made to HAF@treasury.gov.

Homeowner Needs and Community Engagement

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

The agency completed its homeowner needs assessment based upon both quantitative and qualitative data listed in the HAF plan and portal application. The Oregon data and needs analysis was shared with stakeholders and the public and feedback was incorporated into the HAF plan, including the outreach and targeting sections, program design, and our more detailed outreach and communication strategies. For instance, the agency has provided pre-program initial foreclosure prevention information in presentations to BIPOC homeowners, including presentations in Spanish, based upon data that Black and Hispanic populations have a higher risk of foreclosure and displacement. The agency plans to continue this outreach and fund marketing and outreach by community-based organizations, including culturally-specific organizations and rural organizations. The data helped shape the agency's outreach and communications plan as well as efforts to assist with direct outreach by trusted local partners.

The agency is using the needs analysis and data to implement its outreach plan as well. For example, a prioritization tool was developed using various data sets related to the U.S. Treasury's SDI definition and related data sets. The agency can use this data to target outreach to various zip codes in Oregon that are likely to be the most at-risk. The agency has operationalized its targeting of priority populations as well using program application priorities, so that populations identified as the most at-risk are prioritized during the application process.

Community and Public Participation

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

The agency has contacted the Confederated Tribes of Oregon and convened two meetings with representatives of the Tribes to discuss HAF, coordination and planning, and general housing and capacity issues. Oregon plans to offer HAF assistance to Tribal members to leverage HAF funding for Tribes while taking steps to avoid duplication of benefits for the same time period or costs. Now that Oregon's pilot program is open, the agency plans to engage Tribes again to discuss collaboration or coordination in marketing, intake assistance, fraud prevention, and fast-tracking tribal member applications where those members have already been approved under the same program eligibility requirements with the Tribes.

These discussions will continue beyond HAF as Oregon and some Tribes expressed interest in coordinating other homeownership and foreclosure prevention opportunities.

- **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.**

After submission of Oregon's HAF plan and program terms to the U.S. Treasury, copies of each were placed on the agency's website. U.S. Treasury's feedback and questions were also placed



on the agency's website and emailed to several stakeholders for comment on four of the questions. The agency received the following public comments at its Housing Stability Council meeting update on December 3, 2021:

1. *Housing Alliance (a coalition of homeownership advocates):* Written comments expressing concern about the HAF timeline and lack of recent engagement. The agency provided a written response. The comments helped shape the six completed engagement meetings since December 3, 2021 and a commitment to weekly and monthly updates.
2. *DevNW (a local homeownership center):* Verbal comments expressing concern about the HAF timeline and lack of recent engagement. The agency followed up with a phone call to learn more about these concerns. The comments helped shape the six completed engagement meetings since December 3, 2021 and a commitment to weekly and monthly updates.

U.S. Treasury's feedback and questions were also placed on the agency's website and emailed to several stakeholders for comment on four of the questions. We received responses from three individuals representing NeighborWorks Umpqua and DevNW, both homeownership centers that are agency partners. The responses were incorporated into this response, further changes to the program terms and Oregon portal response, and our planning and work that is not a full commitment conveyed in the HAF plan and program terms.

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.**

Please refer to the uploaded Oregon HAF plan, including without limitation the needs analysis for more detailed information and citations. The agency completed its homeowner needs assessment based upon both quantitative and qualitative data listed in the HAF plan and portal application. The data informed our analysis of the mortgage landscape in Oregon (delinquency, forbearance, and foreclosure statistics and trends), the demographics of homeowners, the geographic distribution of homeowners, the economic hardships in Oregon, particularly pandemic related, and the cost burden of homeowners. The Oregon data and needs analysis was shared with stakeholders and the public and feedback was incorporated into the HAF plan. The data helped shape the program terms, program priority populations for application processing and targeted outreach, the phases for our phased opening focused on at-risk and traditionally underserved homeowners, our performance goals, and our related procurements and opportunities, including funding for community-based outreach for culturally-specific organizations or work.

- **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)?**

Using a phased opening and our HAF application itself, Oregon designed and implemented a program with a de facto screening process and prioritization processing mechanisms. This will assist the agency in evaluating the immediate threats of foreclosure and to housing stability that our applicants may be experiencing. It will allow HAF program staff to prioritize the applicant and address any needs related to reinstatement or ongoing payments. The application itself will also help identify any housing costs or delinquencies (e.g. chattel loan actions) which may require a more expedited timeline. Oregon strongly encourages each applicant and each homeowner reviewing HAF materials to communicate with their mortgage servicer and/or a housing counselor in order to receive individual advice. We will refer homeowners with immediate threats to legal aid.

- **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 options.**

Our HAF program connects homeowners with housing counselors and legal services early in the process. Oregon strongly encourages each applicant and each homeowner reviewing HAF materials to communicate with their mortgage servicer and/or a housing counselor to receive individual advice. Prior to the submission of an application the homeowner has access to a full list of housing counselors and community partners statewide in which they can use to find the option nearest them. This list is accompanied by additional legal aid resources. A reiteration of these resources occurs throughout the application review process.

Homeowners can access additional information or obtain assistance regarding engaging in loss mitigation options with their mortgage servicer by visiting one of the housing counseling agencies. Housing counselors will discuss applicable options and help them evaluate which options could be best to pursue given their situation. Housing Counselors can also provide updates and information about upcoming trainings or educational clinics regarding foreclosure prevention available to homeowners. We will refer homeowners with immediate threats to legal aid and will make a central legal aid intake available for homeowners with questions on their loss mitigation options. The agency will fund both counseling and legal assistance in the pre-foreclosure Oregon Foreclosure Avoidance program, which most servicers are required to participate if a homeowner opts into the program to discuss loss mitigation options.

- **How will your program leverage resource 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?**

Oregon will leverage available loss mitigation options to homeowners. As discussed previously, Housing Counselors will be available to assist homeowners in understanding their options. Homeowners are repeatedly referred to housing counselors (and their mortgage servicers) in all of the HAF materials, in the HAF application process, and in public and individual communications with the agency.

In our application, Applicants will be asked which loss options they have previously pursued or discussed with their mortgage servicer when completing the initial application as well as throughout the review process. This is another reminder that other options may be available. We hope to communicate with mortgage servicers directly in unique situations raised by housing counselors or homeowners.

More broadly, Oregon's phased opening and program prioritization on homeowners most at risk (active foreclosure, no loss mitigation options, etc.) effectively targets aid to homeowners that do not have other viable options. By focusing efforts on these specific categories of homeowners we help duce the potential that HAF funds would replace other viable relief options. We worked with stakeholders to confirm our phased opening targets homeowners without other viable alternatives, such as chattel loans, land sale contracts, unemployment without benefits, etc. Stakeholder feedback on this U.S. Treasury question confirmed the use of a phased opening will serve this purpose. A stakeholder also pointed out the availability of the Oregon Foreclosure Avoidance program that allows homeowners to request "sit down" loss mitigation review before a servicer may proceed to foreclosure, and the availability of counseling funds to assist with loss mitigation review as part of this program and outside of this program. Finally, a stakeholder pointed out that counselors understand the servicer loss mitigation waterfall, including COVID-specific options, and are in a better position to evaluate whether a servicer's denial of options is legitimate.

- **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?**

Oregon's programs will not be modifying loans, unless completed in collaboration with a servicer option, so homeowners will be working with existing loan terms. This will likely only come up if the changed homeowner condition or hardship has impacted the ability to pay, permanently or temporarily.

The past-due payment relief program sets an affordability standard using the housing cost burden ratio of 43% based on traditional mortgage estimates and the agency's desire to use a higher percent at this time to account for a delta of moderate changes in circumstances. If 1) a homeowner's application shows a housing cost burden of 43% or below, 2) a counselor confirms the payment will be affordable, or alternatively 3) the homeowner attests that they can afford their payments, they qualify for reinstatement assistance.

If a homeowner's housing cost burden exceeds 43%, they will still qualify for reinstatement assistance if they qualify for ongoing payment relief. This will allow homeowners that need additional time or stability the opportunity to reinstate and attempt to improve their position, rather than face immediate foreclosure actions. Sustainability at the end of this process depends on if the homeowner is able to resume employment, obtain disability or other benefits, or transition from the home without adverse credit or financial impact.

As mentioned elsewhere, Oregon does and will continue to refer homeowners to housing counselors in our informational materials, communications, and in the application itself. This importance, particularly to this question, was superbly summarized by a responding stakeholder:

“This analysis is a cornerstone of foreclosure avoidance counseling performed by housing counselors. We undergo a deep dive of a homeowner's financial situation, assessing their mortgage costs relative to other debt burdens/monthly expenses, and evaluate all workout options based on a potential payment change. If the payment relief is temporary, we work with homeowners to plan for eventually taking the mortgage back on (this may include paying down debt in the meantime so their debt obligations lessen once their mortgage resumes). If the resolution will change their monthly payment in the long-term, we assist them in analyzing both the stability on paperwork (e.g. the new housing ratio) plus the reality of what it means for their monthly budget and sustainability. Additionally, we connect them with other resources or options for lowering monthly expenses or debt as needed.”

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

To avoid replacing viable alternative funding streams, Oregon HAF will not provide assistance with utility or energy housing costs as there are other programs available for homeowners. This cost is not factored into the housing cost burden calculation used for Oregon's program. Oregon had not contemplated increased winter energy costs as a Qualified Financial Hardship as it is not related to the coronavirus pandemic. Oregon will consider how this factor might become part of the programs with additional guidance on whether or how it is a Qualified Financial Hardship related to the coronavirus pandemic.

Eligibility

- **Please provide the rationale for establishing the following additional eligibility requirements specified in your plan, including how you determined these requirements will not create unnecessary barriers to participation by eligible homeowners.**
 - **No conviction in past 10 years for money laundering, fraud, or tax evasion.**

Oregon Housing and Community Services has implemented the feedback of Treasury and decided to remove this eligibility requirement from our programs as to reduce barriers or inequity.



Outreach

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

The agency plans to provide all informational HAF materials in five languages, a paper application, and either the online application itself or a summary in five languages. We are working out how we can provide the online application in our top five languages; due to cost and technology limitations, it may not be feasible. In Oregon, housing counselors and our intake partners will be required to have a language access plan to serve homeowners with limited English proficiency. Many provide assistance in another language.

Oregon will serve limited English proficiency homeowners in phase three of its opening, providing those homeowners with additional time to complete an application, with or without assistance, before all eligible homeowners may apply.

One of the responding stakeholders is ready to advocate for public service announcements with both larger listener radio stations on the southern Oregon coast, once the agency is prepared to accept and fund a higher volume of applications. Another responding stakeholder plans to work with trusted advisors, plans to provide Spanish radio ads and spotlights, provide cultural translation materials (not word for word), and provide an immediate Spanish service connection.

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

The agency has provided pre-program initial foreclosure prevention information in presentations to BIPOC homeowners, including presentations in Spanish, based upon data that Black and Hispanic populations have a higher risk of foreclosure and displacement. The agency will continue its culturally relevant marketing using multiple languages for all materials, social media posts, and information targeting priority populations pursuant to our data and stakeholder and public feedback.

In addition, based upon stakeholder feedback, the agency will fund marketing and outreach by community-based organizations, including culturally-specific organizations and rural organizations. The agency will assist with information for these activities but the trusted community partners will be able to provide marketing where, and in various methods, needed for each particular community or population. The agency has been engaged with organizations that are not housing partners to help raise awareness; these organizations may apply for marketing funding as well.

Prioritization

- **If your program intends to serve households who are over the 100% AMI threshold, how will your program prioritize socially disadvantaged individuals? Please describe your marketing and outreach strategy to SDI communities?**

While Oregon's ongoing payment assistance program will only serve homeowners at or below 100% AMI for household size or 100% US median income, whichever is greater, the reinstatement program will serve homeowners up to 150% AMI.



Oregon plans to prioritize homeowners in four categories: low-income households (100% AMI and below), SDI households, rural households, and homeowners most at risk of foreclosure. To ensure these are prioritized we have developed a matrix tool which takes into consideration various responses from the application. In this way we are operationalizing SDI prioritization. Applicants may self-identify as SDI and the agency may flag certain applications based upon other application questions and/or our fact-based proxy prioritization tool.

Although Oregon’s reinstatement program intends to serve households who are over the 100% AMI threshold, we are aware that continual outreach and efforts should be made to these communities as to ensure adequate access to resources.

Stakeholder feedback on this question pointed out that rural Oregon homeowners that do not fall within the low-income threshold still satisfy the rural part of the SDI definition. Another responding stakeholder plans to work with trusted advisors to SDI populations (but may not provide housing services), plans to provide Spanish radio ads and spotlights, provide cultural translation materials (not word for word), and provide an immediate Spanish service connection.

Performance Goals

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

OHCS will implement a publicly available program performance dashboard that will be published on our website. This dashboard will be updated on a frequent basis as to provide program transparency. The agency has also developed a communications strategy to provide frequent updates in various formats as well as updates to our agency website.

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

1. Number of homeowners served. We anticipate serving 1,000 homeowners if each receives the maximum award. We hope to serve more homeowners, particularly at lower income levels and SDI populations. We hope to serve homeowners in representative percentages as to the state homeownership rates for BIPOC and rural homeowners.

2. Statewide serious delinquency rate (90+ days). We hope HAF and the other available programs will help homeowners exit forbearance into workable reinstatement or loss mitigation options. Our goal is to reduce the delinquency rate from 2.6% at the time of the HAF plan to the 1% pre-pandemic average.

3. Foreclosures and displacement avoided. To the extent that we can accurately track this statistic, we would like to report on the homeowners assisted that were in active foreclosure and/or had no other viable workout option.

Oregon HAF – U.S. Treasury Feedback Responses

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

OHCS will disaggregate data based on race, ethnicity, gender, geography, education, and other factors, when possible, to demonstrate the needs of those groups that have been traditionally excluded from homeownership opportunities and wealth generation, particularly communities of color, LGBTQIA persons, and women.

- **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 are considering how to best to track and report these statistics.

Readiness

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

Oregon has hired additional staff since submission of its plan, plans to hire additional staff for the higher volume of applications expected in winter/spring 2022, and is finishing up procurements that will enable it to serve Oregonians through local outreach and marketing, with intake assistance, with legal aid, and with application processing and customer service support. Oregon has completed an extensive state review of its HAF development and operational plan, including information security and various processes, which has all been reviewed by an independent quality management specialist. Further, Oregon opened HAF to Phase 1 applicants and is currently processing applications in this low-volume phase focused on high-risk homeowners.

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

Oregon is currently open and operating under a pilot program. Upon approval from Treasury and receipt of the additional funds OHCS will be able to move seamlessly from the low-volume first two phases of opening to the higher volume phase three, followed by opening to all eligible homeowners. We are currently finalizing procurements with contractors, which will provide further capacity to the program and Oregonians. We anticipate being ready to launch the higher volume phase three using our program administrator at the end of February 2022.

- **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.**

Oregon's pilot program is open (consisting of phases one and two of the phased opening). Although no funds have been disbursed, we are processing applications.

Budget



Oregon HAF – U.S. Treasury Feedback Responses

- Your total allocation amount is \$90,927,920.00. Our records indicate that you have received an initial 10% payment of \$9,092,792.00, and that upon plan approval, you may draw up to \$81,845,128.00.
 - The total budget in your draft plan is for \$78,985,498. Please confirm your budget is correct, and that at this time, you wish to receive less than your remaining allocation. If necessary, please revise your budget, including the initial 10% that was paid in your initial payment.
- Your budget allocates \$13,328,954.00 to administrative expenses, which is greater than 15% of the amount you have requested, the maximum permitted under HAF guidance. Please adjust your administrative expense budget so that it falls within the 15% limit.

Oregon will request the full allocation and revise the administrative expenses.

