

# **United States Department of the Treasury**

## **Homeowner Assistance Fund Plan**

**Submitted by Commonwealth of the Northern Mariana Islands**

HAF Grantee Plan Name

**HAFP-0219**

# United States Department of the Treasury

## Homeowner Assistance Fund Plan For Participants with Allocations Under \$5 million

Allocation Amount	Less than \$5 Million
Submission Date	2/8/2022 6:53 PM
Total Plan Requested Amount	\$4,158,268.00
Record Type	State
Application Record	<a href="#">SLT-7159</a>
HAF Grantee Plan Status (external)	Approved

# Homeowner Needs and Community Engagement

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## **What Quantitative Data Has Informed the Participant's Planning?**

Treasury will assess the extent to which a Participant has, in the course of its HAF planning process, relied on quantitative data, including from community-based organizations or organizations that serve potentially eligible homeowners.

In its HAF planning process, has the Participant obtained quantitative data from mortgage servicers, private data providers, government entities, community-based organizations, or other sources to inform its planning about how to target and best serve eligible homeowners with mortgage delinquencies, defaults, foreclosures?

**Yes**

If yes, please list and briefly describe each source of quantitative data.

**The only quantitative data available in the CNMI was obtained from the Northern Marianas Housing Corporation (NMHC), its Collections attorney's office, private lending institutions (mortgage data) and private companies offering broadband services (for data on broadband services). NMHC also requested data from the Commonwealth Utilities Corporation (for data on utilities); however, data is pending as of date. Note: The organization marked by an asterisk (\*) has yet to provide data requested by NMHC.**

**Data from NMHC and private lending institutions (listed below): Information on mortgage delinquencies in the CNMI**

**Data from broadband services in the CNMI (listed below): Information on broadband services' arrears in the CNMI**

**Data from the Commonwealth Utilities Corporation (listed below): Information on utility arrears in the CNMI**

**In addition to obtaining data from various entities, the Northern Marianas Corporation also published the HAF Draft Framework in the newspapers and on NMHC's website for public comment from August 25, 2021 to September 3, 2021. A virtual hearing was held on August 31, 2021 via Zoon Conferencing and Facebook Live. No public comments were received. The HAF Plan was made available for public comment from September 20, 2021 to September 24, 2021. A virtual hearing was held on September 23, 2021. No public comments were received.**

**Please also note that the sources listed below is currently using the "Hawaii" option under "State" because there is no option for the "Commonwealth of the Northern Mariana Islands". Once the option is available please let us know and we will correct.**

Has the Participant requested and received input on its HAF planning process from tribal councils, community-based organizations, providers of housing counseling, or providers of legal assistance to homeowners facing foreclosure or displacement?

**Yes**

If yes, please list the tribal councils, community-based organizations, or providers, including each organization's address and a website if available.

<b>Organization Name</b>	<b>Address</b>	<b>Website</b>
Northern Marianas Housing Corporation	PO Box 500514 , Saipan, Hawaii 96950	<a href="http://www.nmhcgov.net">http://www.nmhcgov.net</a>
First Hawaiian Bank	Oleai Beach Road Chalan Laulau , Saipan, Hawaii 96950	<a href="http://www.fhb.com">http://www.fhb.com</a>
Bank Pacific*	PO Box 503201 , Saipan, Hawaii 96950	<a href="http://www.bankpacific.com">http://www.bankpacific.com</a>
Bank of Guam*	Beach Road Garapan , Saipan, Hawaii 96950	<a href="http://www.bankofguam.com">http://www.bankofguam.com</a>
Express Financial	Townhouse Center, Beach Road , Saipan, Hawaii 96950	<a href="http://Myexpressfinancial.com">http://Myexpressfinancial.com</a>
Docomo Pacific	Gualo Rai Business Center, Middle Road , Saipan, Hawaii 96950	<a href="http://www.docomopacific.com">http://www.docomopacific.com</a>
Bank of Hawaii*	Springs Plaza, Chalan Pale Arnold Road , Saipan, Hawaii 96950	<a href="http://www.boh.com">http://www.boh.com</a>
Bank of Saipan	Quad L's Bldg. Rte. 308, Garapan , Saipan, Hawaii 96950	<a href="http://www.bankofsaipan.com">http://www.bankofsaipan.com</a>
IT&E*	500306 Oleai , Saipan, Hawaii 96950	<a href="https://store.ite.net">https://store.ite.net</a>

# Program Design

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## **What are the Program Design Elements Through Which the Participant Will Deliver HAF Assistance to Eligible Homeowners?**

A program design element is a specific activity or program, which is consistent with a qualified expense category, under which a Participant will disburse HAF funds in accordance with the HAF Plan. Please note that multiple program design elements may fit under a single qualified expense category; for example, a mortgage assistance program that has different terms for federally backed mortgages and manufactured-home mortgages may constitute two separate program design elements, for which case the Participant provides a separate term sheet or other description for each program design element.

HAF participants must have at least one program design element intended to reduce mortgage delinquency among targeted populations. Treasury encourages HAF participants to consider program design elements that address homeownership preservation for targeted populations in areas where there is a sustained trend of increasing property taxes or utility costs, including for households that do not have mortgages.

Please identify each qualified expense category in which the Participant will offer a program design element by checking the boxes below.

- mortgage payment assistance
- mortgage principal reduction, including with respect to a second mortgage provided by a nonprofit or government entity
- payment assistance for homeowner's utilities, including electric, gas, home energy, and water
- payment assistance for homeowner's insurance, flood insurance, and mortgage insurance
- payment assistance for delinquent property taxes to prevent homeowner tax foreclosures
- payment assistance for down payment assistance loans provided by nonprofit or government entities
- financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing-related costs related to a period of forbearance, delinquency, or default
- facilitating mortgage interest rate reductions
- payment assistance for homeowner's internet service, including broadband internet access service, as defined in 47 CFR 8.1(b)
- payment assistance for homeowner's association fees or liens, condominium association fees, or common charges
- measures to prevent homeowner displacement, such as home repairs to maintain the habitability of a home or assistance to enable households to receive clear title to their properties

For each program design element that the Participant will offer, the Participant is required to upload a term sheet or other description, that, at a minimum, provides the following information regarding that program design element. Term sheets for all of Participant's HAF programs may be uploaded together as one document.

Title	Upload Date
Updated-Sample-Term-Sheets-for-HAF-Program-091921	9/29/2021 6:32 PM

A HAF participant may elect to revise its HAF Plan over time to add or subtract program design elements. Does the Participant anticipate adding additional program design element(s) to this HAF Plan within one year of this submission?

**Yes**

### **Documentation of Homeowner Income**

Homeowners are eligible to receive amounts allocated to a HAF participant under the HAF only if they have incomes equal to or less than 150% of the area median income or 100% of the median income for the United States, whichever is greater. In addition, not less than 60% of amounts made available to each HAF participant must be used for qualified expenses that assist homeowners having incomes equal to or less than 100% of the area median income or equal to or less than 100% of the median income for the United States, whichever is greater. The HAF guidance describes permissible ways for HAF participants to determine homeowner income.

Under the HAF guidance, one permissible approach for determining income is for (1) the household to provide a written attestation as to household income and (2) the HAF participant to use a reasonable fact-specific proxy for household income, such as reliance on data regarding average incomes in the household's geographic area. Will the Participant allow income to be determined in this way?

**No**

Under the HAF guidance, HAF participants may provide waivers or exceptions to this documentation requirement as reasonably necessary to accommodate extenuating circumstances, such as disabilities, practical challenges related to the pandemic, or a lack of technological access by homeowners; in these cases, the HAF participant is still responsible for making the required determination regarding household income and documenting that determination. Will the Participant allow applicants to request such waivers or exceptions?

**Yes**

### **Eligible Mortgage Types**

Please indicate which of the following mortgage types are eligible to be assisted under one or more of the Participant's program design elements.

- First Mortgages
- Reverse Mortgages (Home Equity Conversion Mortgages, Single-Purposes Reverse Mortgages, or Proprietary Reverse Mortgages)

Contracts for Deed or Land Contract (if it is a credit transaction secured by a consensual security interest in a dwelling)

Second Mortgages

Loans Secured by Manufactured Housing (secured by real estate or dwelling)

If the Participant excludes any of the forgoing mortgage types from one or more program design elements, explain the exclusion.

**The most simple, conventional mortgage type in the CNMI is the first mortgage type followed by the second mortgage. The CNMI believes that its HAF allocation will address a large population of homeowners who have opted for the first or second mortgage type .**

## **Outreach**

Will the Participant engage in outreach through partnerships with organizations that focus primarily on serving homeowners earning incomes below 100% of area median income or socially disadvantaged individuals and that have the capacity to engage targeted communities in a culturally and linguistically relevant manner to encourage the submission of applications for HAF resources from targeted populations?

**No**

Please indicate in which languages, in addition to English, community outreach efforts to targeted populations will be undertaken:

**Other**

Please list any other languages.

**Chamorro and Carolinian**

## **Housing Counseling and Legal Services**

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

**Yes**

If yes, please identify below the providers of housing counseling or legal services that have indicated to the Participant that they are willing and able to support homeowners receiving assistance under the Participant's HAF programs.

<b>Provider Name</b> <b>Provider Address</b> <b>Provider Website</b>	<b>Provider Primarily Serves LMI Households</b>	<b>Provider Addresses Impact of Housing Discrimination</b>
<b>Northern Marianas Housing Corporation</b> Micro Beach Road Garapan , Saipan, Northern Mariana Islands 96950 <a href="http://www.nmhcgov.net">http://www.nmhcgov.net</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Please indicate all of the languages, in addition to English, in which HAF related outreach or communications activities will be undertaken.

**Other**

Please list any other languages.

**Chamorro and Carolinian**

**What Efforts will be Made to Address Barriers to HAF Program Participation for Potentially Eligible Homeowners, Including Those with Limited English Proficiency or Who are Disabled?**

Targeted outreach may be needed to reach homeowners who are likely to experience barriers to access, including persons with limited English proficiency and those with disabilities.

Indicate all of the languages, in addition to English, in which the Participant’s HAF application and other program documents will be made available.

**Other**

Please list any other languages.

**Chamorro and Carolinian**

Will the Participant’s HAF applications and other program documents be provided in forms that are accessible to persons with disabilities?

**No**

Please explain any other efforts being undertaken by the Participant to facilitate access to HAF resources by potentially eligible homeowners that are likely to experience barriers to their access?

**Should any persons with disabilities need special accommodations, they will be able to contact NMHC, (48) hours in advance. Should any persons with limited English proficiency need assistance, NMHC employs staff who are able to verbally translate/explain**



# Performance Goals

Treasury will consider the goals and benchmarks the Participant proposes to use to measure the effectiveness of its programs, including whether those goals address the homeowner needs identified by the Participant, the extent to which the goals are disaggregated by key homeowner characteristics as appropriate for the jurisdiction, and whether they include a goal focused on reducing mortgage delinquency.

Please describe Participant's goals and benchmarks for each of its programs with the following program design elements.

<b>Program Design Element</b>	<b>Metric of Success</b>	<b>Goal</b>
Mortgage Payment Assistance	Number of delinquencies prevented due to HAF funds	Prevent mortgage delinquencies (which may result in loss) of (40) homes within (12) months
Mortgage Reinstatement	Number of home loss avoided due to HAF funds	Prevent loss of (100) homes within (12) months
Payment Assistance for Homeowners Utilities	Number of utility services restored due to HAF funds (utility delinquency) Number of utilities maintained due to HAF funds (utility payment assistance)	Prevent (20) homeowners from living in substandard conditions due to the lack of utilities; Prevent the loss of utilities of (28) homeowners
Payment Assistance for Homeowner's Internet Service	Number of internet services restored due to HAF funds (broadband services' delinquency) Number of internet services maintained due to HAF funds (broadband services payment assistance)	To restore the quality of life for (20) homeowners by restoring broadband services To maintain the quality of life for (20) homeowners by maintaining broadband services
Payment Assistance for Homeowner's Insurance	Number of homeowner charges (specifically insurance payments) resolved due to HAF funds	Prevent loss of (40) homes due to the lack of insurance

# Readiness

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## **Staffing, Systems and Contractors**

Treasury seeks information regarding the Participant's organizational capacity to implement its HAF Plan.

Does the Participant anticipate needing to hire additional staff to implement this HAF Plan?

**Yes**

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

**No**

Does the Participant have policies or procedures that govern the implementation of each HAF program design element described in this HAF Plan?

**No**

Does the Participant have policies or procedures that govern the implementation of each HAF program design element described in this HAF Plan?

**No**

If no, is a policy and procedure in development for each HAF program design element described in this HAF Plan?

**Yes**

Will the Participant use HAF funds to assist eligible households through a program that was operational before the Participant first received HAF funds?

**No**

Will the Participant use any third-party contractor or partner to conduct program administration (such as reviewing applications, determining eligibility, processing payments, conducting reporting, and reviewing compliance) for some or all of the Participant's HAF programs?

**No**

Please provide a brief description of how the Participant has used any HAF funds it has already received.

**The CNMI is currently using the HAF funds it has already received for planning (e.g. time spent on developing the HAF Plan)**

# Budget

## **Budgeting of HAF Funds by Program Design Element**

Specify the amounts of HAF funds that the Participant proposes to allocate to each of the following program design elements, if offered:

Measure	Amount
Mortgage Payment Assistance	\$969,268.00
Mortgage Principal Reduction	\$0.00
Payment Assistance for Homeowner's Internet Service	\$14,000.00
Payment Assistance for HOA fees or liens	\$0.00
Payment Assistance for Delinquent Property Taxes	\$0.00
Mortgage Reinstatement	\$2,540,000.00
Facilitate Mortgage Interest Rate Reduction	\$0.00
Payment Assistance for Homeowner's Insurance	\$68,000.00
Payment Assistance for Down Payment Assist. Loans	\$0.00
Payment Assistance for Homeowners Utilities	\$162,000.00

### **Other measures to prevent homeowner displacement**

Measure	Amount
N/A	\$0.00

Displacement Prevention Sub-Total:	<b>\$0.00</b>
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### **Counseling or Legal Services**

The Participant may allocate up to 5% of its HAF funds for counseling or educational efforts by housing counseling agencies approved by the Department of Housing and Urban Development or a tribal government, or legal services, target to households eligible to be served with funding from the HAF related to foreclosure prevention or displacement.

<b>Specify the Participant's allocations for the following</b>	<b>Amount</b>
Counseling or Educational Services	\$5,000.00
Legal Services	\$0.00

<b>Services Sub-Total</b>	<b>\$5,000.00</b>
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### Reimbursement of Funds Expended After January 21, 2020

As described in the HAF guidance, HAF funds may be used for reimbursement of certain expenses between January 21, 2020 and the date when the first HAF funds are disbursed by the HAF participant under the HAF for a qualified expense (with certain limitations, as set forth in the HAF guidance).

<b>Type of Expense</b>	<b>Amount</b>
N/A	\$0.00

<b>Reimbursement Sub-Total</b>	<b>\$0.00</b>
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### Allocation of Administrative Expenses

<b>Type of Expense</b>	<b>Amount</b>
Salaries and Wages	\$275,000.00
Marketing and Outreach	\$50,000.00
Office Equipment and Supplies	\$50,000.00
Printing Expense	\$25,000.00

<b>Administrative Expenses Sub-Total</b>	<b>\$400,000.00</b>
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<b>Total Plan Requested Amount</b>	<b>\$4,158,268.00</b>
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Amount Requested Confirmation:

**Yes**

# Contacts

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Please identify up to three contacts for the Participant- a primary contact, a designated point of contact for reporting, and an additional contact.

## Primary Contact

Name: **Vinney Atalig-Hocog**

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

Email: [v.atalig-hocog@dof.gov.mp](mailto:v.atalig-hocog@dof.gov.mp)

Phone Number: **6706641105**

## Reporting Contact

Name: **Zenie P. Mafnas**

Agency/Office: **Northern Marianas Housing Corporation1**

Email: [deputydirector@nmhcgov.net](mailto:deputydirector@nmhcgov.net)

Phone Number: **6702346866**

## Additional Contact

Name: **Thomasa DLG. Naraja**

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

Email: [t.naraja@dof.gov.mp](mailto:t.naraja@dof.gov.mp)

Phone Number: **6706641100**

## Title VI Assurances

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You must provide on behalf of the HAF Participant assurances that the HAF Participant will comply with Title VI of Civil Rights Act of 1964. Please download the assurances, then review, sign, and upload the signed copy to this page before submitting the HAF Plan.

Title	Upload Date
HAF Assurance of Compliance	9/29/2021 8:36 PM

# Official Certification

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I (the undersigned) certify that the information provided in the HAF submission is accurate and complete after reasonable inquiry of people, systems, and other information available to the HAF Participant. The HAF participant and I acknowledge that any materially false, fictitious, or fraudulent statement or representation (or concealment or omission of material fact) in this submission may be the subject of criminal prosecution under the False Statements Accountability Act of 1996, as amended, 18 U.S.C. § 1001 and also may subject me and HAF Participant to civil penalties and/or administrative remedies for false claims or otherwise, (including 31 U.S.C. §3729 et seq.). I am an authorized representative of HAF Participant with authority to make the above certifications and representations on behalf of the HAF Participant.

Name of HAF Participant:

**Commonwealth of the Northern Mariana Islands**

Name and Title of Certifying Official

Name: **JESSE S. PALACIOS**

Title: **CORPORATE DIRECTOR, NORTHERN MARIANAS HOUSING CORPORATION (NMHC)**

Telephone: **6702346866**

Email: [jspalacios@nmhcgov.net](mailto:jspalacios@nmhcgov.net)