

# **United States Department of the Treasury**

**Homeowner Assistance Fund Plan  
Submitted by GOVERNMENT OF THE VIRGIN ISLANDS**

HAF Grantee Plan Name  
**HAFP-0272**

# United States Department of the Treasury

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

Allocation Amount	\$5 Million or Greater
Submission Date	3/3/2022 11:22 AM
Total Plan Requested Amount	\$8,521,959.00
Record Type	State
Application Record	<a href="#">SLT-0070</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.

**Banco Popular de Puerto Rico - mortgage lender in the US Virgin Islands; portfolio includes Conventional, FHA, USDA Guarantee, and VA mortgages**

**First Bank Virgin Islands - mortgage lender in the US Virgin Islands; portfolio includes Conventional, FHA, and VA mortgages**

**Bank of St. Croix - mortgage lender in the US Virgin Islands; portfolio includes Conventional and ARM mortgages**

**Government Employees Retirement System - mortgage lender in the US Virgin Islands; portfolio includes locally government funded loans**

**Virgin Islands Housing Finance Authority - mortgage lender in the US Virgin Islands; portfolio includes locally funded government loans**

In its HAF planning process, has the Participant obtained and reviewed quantitative data or studies regarding which demographic segments in its jurisdiction have historically experienced discrimination in the housing or housing finance market?

**No**

In its HAF planning process, has the Participant obtained quantitative data from utility providers or entities charged with assessing and collecting property taxes or relied on quantitative data or studies to inform its planning about how to target and best serve eligible homeowners at risk of displacement due to utility arrearage or tax foreclosure?

**No**

In the following text box, please list any source not listed above of quantitative information, including sources of data on the performance of any of the Participant's previously implemented programs, that the Participant used to inform its HAF planning process, briefly describe how the data informed the Participant's planning.

**The Data contained information on the loan portfolios of various lending institutions in the Territory. Using these statistics acquired, the Territory's current delinquency rate is 11 percent with the majority of these loans at 90 or more days delinquent. Based on the data received from**

various lending institutions, the HAF plan targeted populations most in need of these services. The Authority will utilize this information to focus on outreach activities that meet the needs of the residents of the Territory through public service campaigns. It should be noted that the Territory is a majority-minority jurisdiction. Advertisements, social media posts, and brochures will be prepared to reflect the many cultures and ethnicities of the Territory's residents. This will include the availability of the outreach materials in Spanish.

The Virgin Islands Housing Finance Authority is also collaborating with the Office of the Lt. Governor's Office of the Tax Collector to assess the number of delinquent property tax owners affected by the COVID-19 pandemic.

Did the Participant communicate with mortgage servicers regarding the development of its program design?

**Yes**

Did the Participant communicate with other HAF participants regarding the development of its program design?

**Yes**

### **How Has Community Engagement and Public Participation Informed the Participant's Planning?**

Treasury will assess the extent to which a Participant's assessment of homeowner needs has been informed by and reflects input from organizations and individuals representing eligible homeowners, including any opportunities for public participation in the development of the Participant's plan. Treasury will pay particular attention to the extent of the Participant's engagement with populations that are the subject of statutory targeting requirements.

Has the Participant requested and received input on its HAF planning process from providers of housing counseling services or providers of legal assistance to homeowners facing foreclosure or displacement?

**No**

Has the Participant requested and received input regarding its HAF planning process from community-based organizations or organizations that serve potentially eligible homeowners?

**No**

Has the Participant consulted with localities or tribal governments (cities, counties, or rural communities) in its jurisdiction regarding the needs of eligible homeowners in its jurisdiction?

**No**

Has the Participant provided an opportunity for public input regarding its HAF Plan through public hearings or published materials?

**Yes**

If yes, please indicate whether a proposed or draft plan was published, please describe where details about the comment solicitation were posted, for how long, in what languages, and whether any efforts were made to make the posting accessible to persons with disabilities or individuals without reliable internet access.

The Virgin Islands Housing Finance Authority published the Territory's HAF Action Plan on the Authority's website, [vihfa.gov](http://vihfa.gov), for public review and comment. Media sources, including internet and print, published the Notice of Availability of Funding to ensure wide distribution of the plan to all residents of the Virgin Islands. Hard copies of the HAF plan were available at the VIHFA's office in St. Thomas and St. Croix. The public comment period occurred for fourteen days from October 29 to November 11, 2021. All comments were accepted through email and web submission. The Authority published the HAF draft plan through various media sources during November 2021 to solicit public comments for the development of the Homeowner Assistance Fund. During the public comment period, the Authority has not receive any feedback regarding the Territory's HAF since the Plan was submitted.

The developer of the Plan, VIHFA, is the primary entity in the Territory that serves low- and moderate-income first-time homebuyers. As such, VIHFA has a unique understanding of how to engage the target population. VIHFA has conducted numerous outreach campaigns over the years including, but not limited to public ad campaigns (print and radio) as well as direct outreach to large entities where large numbers of potential clients may be employed. VIHFA is presently administering the Territory's Emergency Rental Assistance Program (ERAP). The Authority will partner with the lending institutions in the Territory to expand its outreach initiatives and will focus on media campaigns that highlight the goals of the HAF. All entities will collaborate to ensure that the targeted population is served.

## **How Will the Participant Continue to Assess the Needs of Eligible Homeowners?**

Treasury anticipates that an ongoing process of assessing the needs of eligible homeowners will help address the needs of potentially eligible homeowners as economic conditions change over time.

Does the Participant plan to update its assessment of community needs within the next year to determine whether its HAF program design should be updated to address changing needs of potentially eligible homeowners?

**Yes**

What additional data would be helpful to the Participant as it seeks to assess homeowner needs over time?

The data was received from lending institutions operating in the US Virgin Islands. They include Banco Popular de Puerto Rico, FirstBank VI, Bank of St. Croix, Government Employee Retirement System, and the Virgin Islands Housing Finance Authority. Additional information was received from the Lt. Governor's Office of Banking and Insurance. These entities represent all except one of the major mortgage lenders serving the Territory. At the request of the VIHFA, these entities compiled loss mitigation statistics to be used for consideration of the populations to be served through this grant. Although the available data did not address all of the specific parameters requested, the VIHFA relied on the data as well as anecdotal evidence when considering the program design. VIHFA is confident that the proposed program design is sufficiently broad to serve the diverse needs of the targeted populations. Additional information related to delinquent mortgagors may be required from the mortgage lenders and government entities as the VIHFA continues to assess homeowner needs. This includes monthly data on loan delinquency and default, statements regarding HOA and condo fees, and monthly documentation on delinquent property taxes.

As data is received, the Territory will incorporate any necessary changes to ensure that homeowner needs are addressed. This may result in revisions to the HAF Plan that correspond to the needs of the delinquent clients. US Treasury will be notified of any modifications made to the

**plan.**

**The predominant non-English language found in the Territory is Spanish and there are no other languages which occur in numbers that meet the threshold of other consideration. The VIHFA employs bilingual staff, who will assist with marketing and outreach to LEP homeowners. The VIHFA will continue to obtain input from the population to ensure the program meets the needs of the community.**

**As a Territory of the US, there are no tribal entities located in the U.S. Virgin Islands jurisdiction.**

# 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.

<b>Title</b>	<b>Upload Date</b>
Performance Goals - HAF	3/3/2022 11:12 AM
Readiness - HAF	3/3/2022 11:20 AM
Program Design - HAF	3/3/2022 11:11 AM
HAF - Program Design elements	11/19/2021 3:14 PM
HAF Program Design elements	11/16/2021 9:16 AM

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 elements to this HAF Plan within one year of this submission?

**Yes**

Treasury has provided sample term sheets to assist HAF participants in developing their HAF plans. Participants may use these sample term sheets, in whole or in part, as part of their submission. To the extent the Participant intends to structure the program differently with respect to significant program terms described in the Sample Term Sheets, Treasury will, in the course of its review of the HAF Plan, request a justification for how the alternate approach will further the objectives of the HAF, including targeting and prioritization requirements. In the chart below, the HAF Participant may provide a justification for significant deviations from the terms described in the sample term sheets upon initial submittal. (optional for initial submission)

<b>Program Design Element</b>	<b>Deviation from sample terms</b>	<b>Justification</b>
Mortgage Loan Reinstatement Program	No deviation	n/a
Mortgage Payment Assistance Program	No deviation	n/a
Mortgage Principal Reduction Program	No deviations at this time	n/a
Homeowner Displacement Prevention	No deviations at this time	n.a
Homeowner Delinquent Property tax/Hazard Insurance Prevention Program	No deviations at this time	n/a

### **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.

**Reverse mortgages are not offered in the US Virgin Islands. The purchase of a manufactured home is not funded through mortgage lenders.**

## **How Will the Participant Target HAF Resources Consistent with Statutory Requirements?**

The Participant must describe how it will target HAF resources in accordance with the HAF guidance. Targeting strategies are affirmative efforts to inform, encourage the participation of, and facilitate access to resources for targeted households, including by offering multiple intake formats, engaging with nonprofit organizations (e.g., housing counselors or legal services organizations) to provide additional pathways into the program, and providing community outreach, partnerships with housing counseling agencies or legal aid

organizations, or other educational services that are aligned with the HAF participant's program design, in a manner that is culturally and linguistically relevant to the targeted communities.

## Defining Socially Disadvantaged Individual

Please describe the process the Participant will use to determine whether a homeowner is a "socially disadvantaged individual" as defined in the HAF guidance.

**Demographical information obtained from the application will be used to determine whether a homeowner meets the definition of a socially disadvantaged individual. HUD income Limits will be utilized to determine eligibility. The Territory is mainly comprised of majority-minority census tracts, with predominant African American and Hispanic American households. Given the demographics of the community, the Marketing and outreach activities will naturally target SDI individuals and these individuals will comprise the majority of persons served by the program.**

## Public Communications

Will the Participant engage in a public communications campaign to raise awareness among targeted populations about the availability of HAF resources, in media such as television, newspapers, online media, or social media?

**Yes**

If yes, please indicate whether the public communications campaign will include communications that primarily target the following populations:

- Homeowners earning less than 100% of area median income
- member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;
- resident of a majority-minority Census tract; (3)
- resident of a U.S. territory, Indian reservation, or Hawaiian Home Land
- homeowners in persistent poverty counties;
- individual with limited English proficiency

Please indicate in which languages, in addition to English, public communications to targeted populations will be undertaken:

**Spanish; Haitian Creole**

## 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?

**Yes**

If yes, please indicate whether the community outreach efforts will include partnerships with organizations that primarily target the following populations:

- member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;
- resident of a majority-minority Census tract; (3) individual with limited English proficiency;
- resident of a U.S. territory, Indian reservation, or Hawaiian Home Land;
- homeowners that reside in persistent poverty counties;
- individual with limited English proficiency.

### **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 Provider Address Provider Website</b>	<b>Provider Primarily Serves LMI Households</b>	<b>Provider Addresses Impact of Housing Discrimination</b>
<b>Virgin Islands Housing Finance Authority</b> 3202 Demarara Plaza Suite 200 , St. Thomas, Virgin Islands 00802 <a href="http://www.vihfa.gov">http://www.vihfa.gov</a>	<input type="checkbox"/>	<input type="checkbox"/>

### **Targeting specific groups of homeowners**

Will the Participant conduct outreach specifically tailored to target potentially eligible households that:

- have mortgages or mortgage assistance contracts held or backed by the Participant?
- have mortgages backed by any of the following agencies: Federal Housing Administration; Department of Veterans Affairs; U.S. Department of Agriculture?
- have privately held mortgages?

### **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.

**Spanish; Haitian Creole**

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

**Yes**

# 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 home losses avoided by eligible homeowners who received program funds	Assist 70 households
Payment Assistance for Delinquent Property Taxes	Number of homeowners who received program funds to assist with maintaining taxes, insurance, and other assessments	Assist 7 households
Mortgage Reinstatement	Number of home losses avoided by eligible homeowners who received program funds	Assist 180 households
Mortgage Principal Reduction	Number of home losses avoided by eligible homeowners who received program funds	Assist 40 households
Payment Assistance for Homeowner's Insurance	Number of homeowners who received program funds to assist with maintaining homeowner's or flood insurance	Assist 7 households
Payment Assistance for HOA fees or liens	Number of homeowners who received program funds to assist with condominium association fees	Assist 6 households
Other measures to prevent homeowner displacement	Number of home losses avoided by eligible homeowners who received program funds	Assist 15 households

# 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?

**Yes**

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?

**No**

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**

## **Use of Initial Payment**

If the Participant has already received any HAF funds from Treasury, provide the following information about the use of such funds as of June 30, 2021.

What amount of the HAF funds that the Participant has received been disbursed to eligible homeowners?

**\$0.00**

Has the Participant begun accepting applications from homeowners for any HAF-funded programs?

**No**

How much of the HAF funds that the Participant has received been obligated?

**\$0.00**

Provide a brief description of how the Participant has used the HAF funds it has received.

**As of June 30, 2021, there were no HAF funds expended.**

# 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	\$1,750,000.00
Mortgage Principal Reduction	\$1,000,000.00
Payment Assistance for Homeowner's Internet Service	\$0.00
Payment Assistance for HOA fees or liens	\$30,000.00
Payment Assistance for Delinquent Property Taxes	\$35,000.00
Mortgage Reinstatement	\$4,500,000.00
Facilitate Mortgage Interest Rate Reduction	\$0.00
Payment Assistance for Homeowner's Insurance	\$35,000.00
Payment Assistance for Down Payment Assist. Loans	\$0.00
Payment Assistance for Homeowners Utilities	\$0.00

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

Measure	Amount
Foreclosure Prevention	\$375,000.00

Displacement Prevention Sub-Total	<b>\$7,725,000.00</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	\$0.00
Legal Services	\$0.00

Services Sub-Total	<b>\$0.00</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

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

<b>Type of Expense</b>	<b>Amount</b>
Administrative expenses will include staff/management costs	\$796,959.00

Administrative Expenses Sub-Total	<b>\$796,959.00</b>
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<b>Total Plan Requested Amount</b>	<b>\$8,521,959.00</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: **Valdez Shelford**

Agency/Office: **Virgin Islands Housing Finance Authority**

Email: [vshelford@vihfa.gov](mailto:vshelford@vihfa.gov)

Phone Number: **3407774432**

## Reporting Contact

Name: **Janine Hector**

Agency/Office: **Virgin Islands Housing Finance Authority**

Email: [jhector@vihfa.gov](mailto:jhector@vihfa.gov)

Phone Number: **3407724432**

## Additional Contact

Name: **Chivonne Moorhead**

Agency/Office: **Virgin Islands Housing Finance Authority**

Email: [cmoorhead@vihfa.gov](mailto:cmoorhead@vihfa.gov)

Phone Number: **3407724432**

## Proprietary or Otherwise Non-Public Information

Does your plan submission include any information or materials that are proprietary or otherwise non-public?

**No**

If "Yes," please indicate which information or materials are proprietary or otherwise non-public.

# 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
Title VI Assurance	11/17/2021 2:55 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:

**GOVERNMENT OF THE VIRGIN ISLANDS**

Name and Title of Certifying Official

Name: **Daryl Griffith**

Title: **Executive Director, VIHFA**

Telephone: **3407724432**

Email: [dgriffith@vihfa.gov](mailto:dgriffith@vihfa.gov)