



**Homeowner  
Assistance Fund  
(HAF) Meeting One**

Oregon Housing and Community Services  
June 17, 2021

# TODAY

- Welcome & Leadership Update
- HAF Timeline
- HAF Overview
- Plans for HAF's Initial Funds
- The Needs Assessment & Oregon Data
- Engagement & Program Design
- Feedback & Discussion

Discussion at the end, but please feel free to add questions and comments in the chat box as we go—staff will keep an eye on the chat and bring them into the final discussion.



We are here to help Oregon homeowners facing pandemic-related financial hardships.

### **Our Vision**

All Oregonians have the opportunity to pursue prosperity and live free from poverty.

### **Our Mission**

We provide stable and affordable housing and engage leaders, to develop an integrated statewide policy that addresses poverty and provides opportunity for Oregonians.



**OREGON HOUSING** *and*  
**COMMUNITY SERVICES**



# A Message from OHCS Leadership

# HAF and Equity & Racial Justice

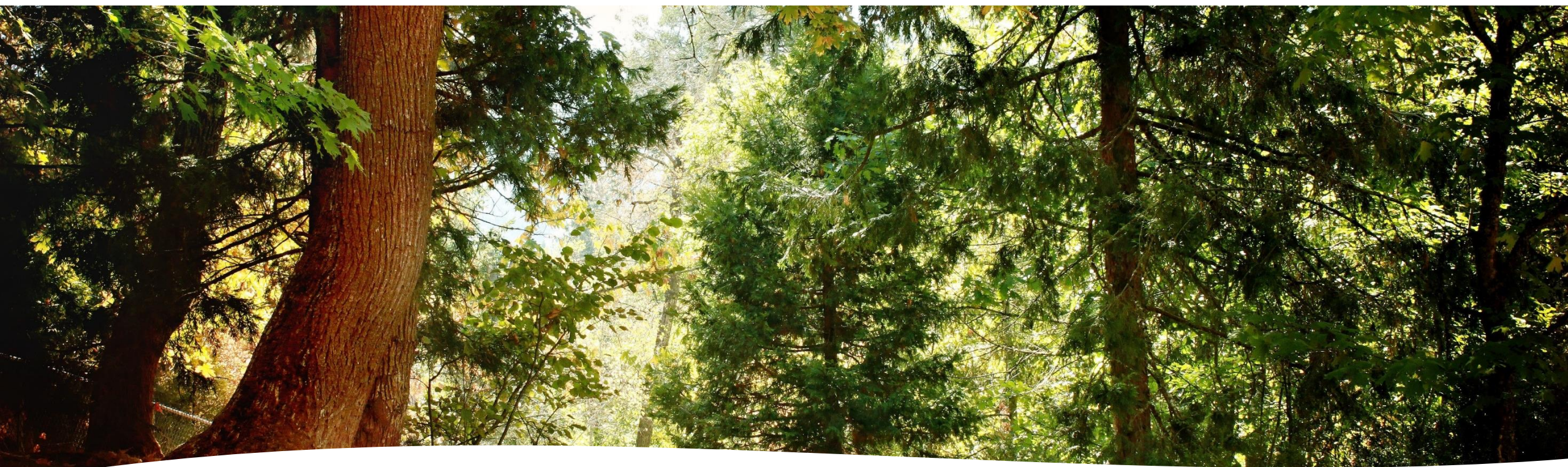
OHCS is engaging in the planning process with:

- Governor's Racial Justice Council;
- Oregon's Sovereign Tribes; and
- Other culturally specific organizations.

Oregon plans to inclusively conduct outreach and provide application assistance in multiple languages and formats, accessible to those with disabilities or access limitations

*We are trying to follow Treasury's guidance to remove barriers to assistance and we hope you will let us know other ways we can further that goal.*





**Socially  
Disadvantaged  
Individuals,  
Oregon's REAL-D  
(and beyond?)**

Treasury guidance defines SDIs as “those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities...”

Presumptively SDI: Black Americans, Latinx, Native Americans, and Asian Americans and Pacific Islanders

# Tentative HAF Timeline

June

July

August

September

Complete data research for Oregon needs analysis

Engage stakeholders and homeowners on Oregon hardships and needs analysis

Begin procurement for IT system and initial fund projects (informational programming, legal aid, outreach)

**6/30: Submit extension request to US Treasury**

Engage stakeholders and homeowners on HAF program design

Finalize HAF Plan and initial programs

Begin hiring of core HAF staff

Design program manuals, finish procurements and prepare for launch

Implement pilot mortgage assistance program

Continue hiring, implement IT system, train staff, and prepare for launch

Submit HAF Plan to OHCS Housing Stability Council and US Treasury

**9/30: Foreclosure moratorium ends (optional extension through December)**

# OHCS Homeowner Assistance Fund (HAF)



Oregon's  
\$90M

**60% must be allocated  
to households at or  
below 100% AMI**

**May provide assistance to households  
at or below 150% AMI, but must  
prioritize those funds to Socially  
Disadvantaged Individuals**

**Maximum of 15% may be used for  
administrative costs**

**Maximum of 5% may be used for counseling,  
legal services, and education**





# Qualifying Housing Costs

1. Mortgage payment assistance;
2. Financial assistance to reinstate a consensual mortgage or pay other housing-related costs for a period of forbearance, delinquency, or default;
3. Mortgage principal reduction, including second mortgages provided by nonprofits or governments;
4. Facilitating mortgage interest rate reductions;
5. Payment assistance for:
  - a. Utilities, including electric, gas, home energy, and water;
  - b. Internet service, including broadband;
  - c. Insurance, flood insurance, or mortgage insurance;
  - d. HOA fees, liens, condominium association fees, common charges;
  - e. Down payment assistance loans provided by nonprofits or governments;
6. Payment assistance for delinquent property taxes to prevent tax foreclosures;
7. Measures to prevent homeowner displacement, such as home repairs to maintain habitability or assistance to enable households to receive clear title to their properties;
8. Counseling or education efforts by HUD-approved housing counseling agencies or legal services targeted to eligible households related to foreclosure prevention or displacement (up to 5% of funds);
9. Reimbursement of funds advanced by jurisdictions (not federal funds) for qualified expenses from January 1, 2020 through the initial HAF payments; and,
10. Planning, community engagement, needs assessment and administrative expenses related to disbursement of funds for qualified expenses (up to 15% of funds).

# Additional Plans for HAF's Initial Funds

While working to meet Treasury's planning requirements, we are taking immediate steps to reach homeowners, help them navigate complex systems in a time of crisis, and prevent foreclosures

- Design plans to engage and outreach eligible homeowners at multiple stages. (Survey?)
  - If OHCS pursues a bond program pilot, we can utilize homeownership centers to reach their past and current clients regarding participation and assistance.
- Design informational programming for homeowners, in different languages and formats, regarding mortgages, forbearance, workouts, and foreclosures.
- Provide legal aid to eligible homeowners in the foreclosure pipeline.



# HAF Planning Process

Treasury guidance requires that we **gather data and engage stakeholders** to create a **needs analysis** that will inform our program design to address Oregon financial hardships.



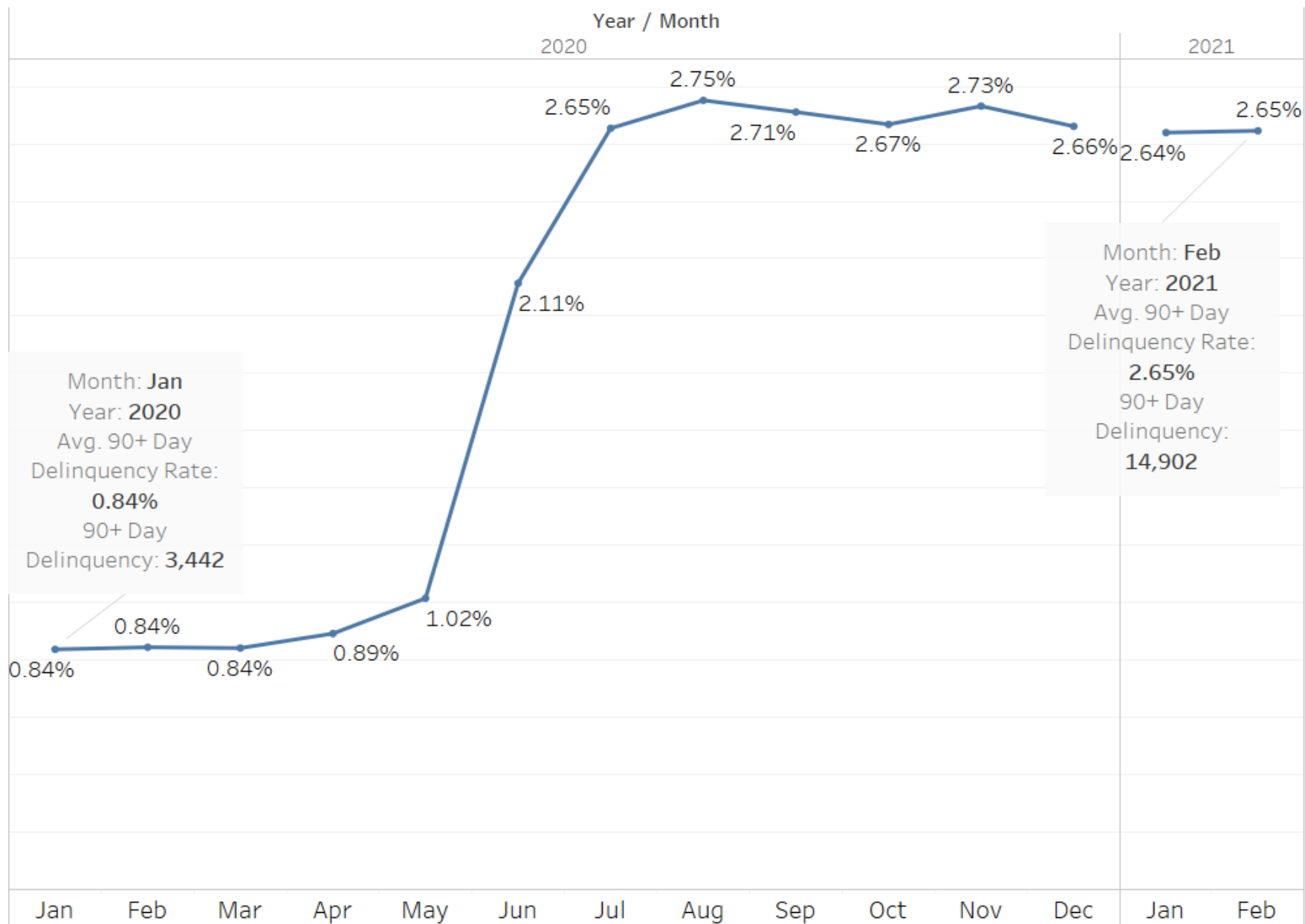
# Impact of COVID-19 on BIPOC Community

- Black and Latino/a/x people are more likely to have missed a mortgage payment – 14.7% of Black homeowners, 12.5% of Latino/a/x homeowners, 6.3% of Non-Hispanic White homeowners.<sup>1</sup>
- Black and Latino/a/x people who lost employment were more likely to rely on credit card debt and savings to deal with financial stress: 51.6% of Black families, 59.2% of Latino/a/x families, 36.1% of Non-Hispanic White families.<sup>2</sup>
- Homeowners in predominantly Black or Latino/a/x neighborhoods are more likely to have unprotected mortgages: 2.3% in Black neighborhoods, 1.6% in Latino/a/x neighborhoods, 1.2% in White neighborhoods.<sup>3</sup>

# Needs Analysis

- Homeowner data we plan to use:
  - Cost burden
  - Income
  - Foreclosure Rate
  - Forbearance Rate
  - Delinquency Rates
  - Race/Ethnicity
  - COVID-19 Impact – unemployment, lack of health insurance

# 90+ Day Delinquency Rate over Time



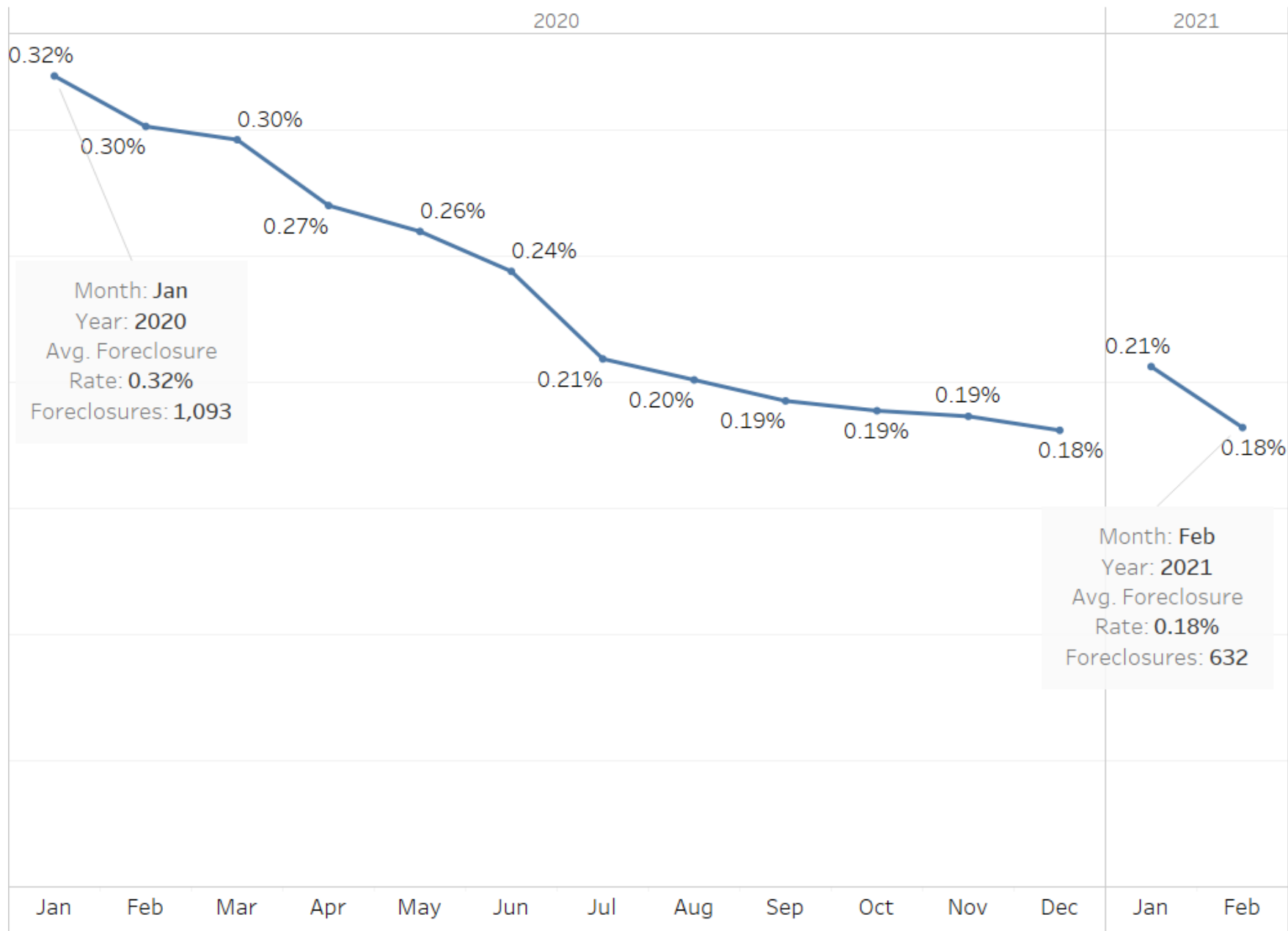
Month: Jan  
Year: 2020  
Avg. 90+ Day Delinquency Rate: 0.84%  
90+ Day Delinquency: 3,442

Month: Feb  
Year: 2021  
Avg. 90+ Day Delinquency Rate: 2.65%  
90+ Day Delinquency: 14,902

Data comes from Corelogic's Market Trends Dataset



# Foreclosure Rate over Time



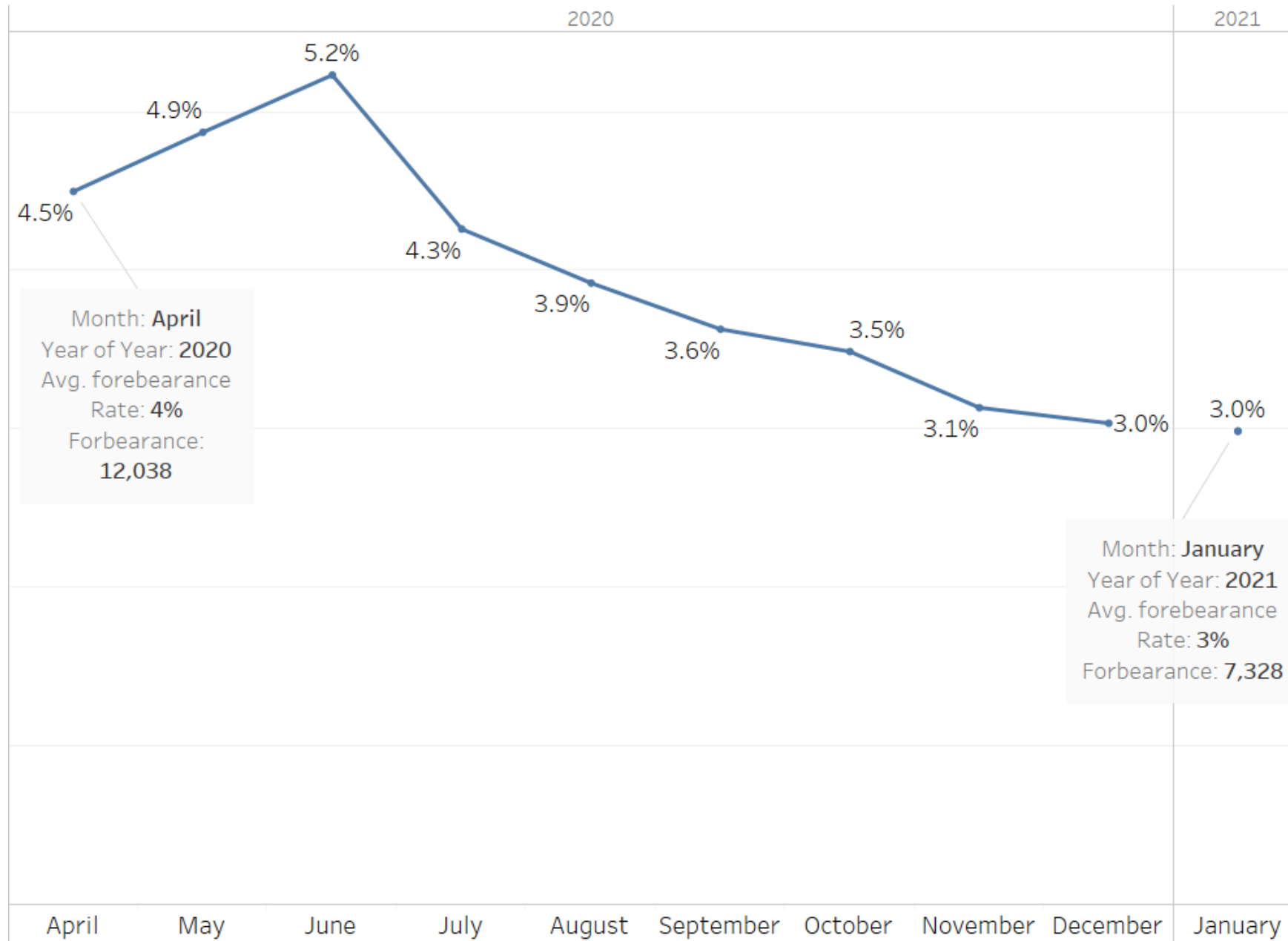
Month: Jan  
Year: 2020  
Avg. Foreclosure Rate: 0.32%  
Foreclosures: 1,093

Month: Feb  
Year: 2021  
Avg. Foreclosure Rate: 0.18%  
Foreclosures: 632

Data comes from Corelogic's Market Trends Dataset



# Forbearance Rates in Oregon

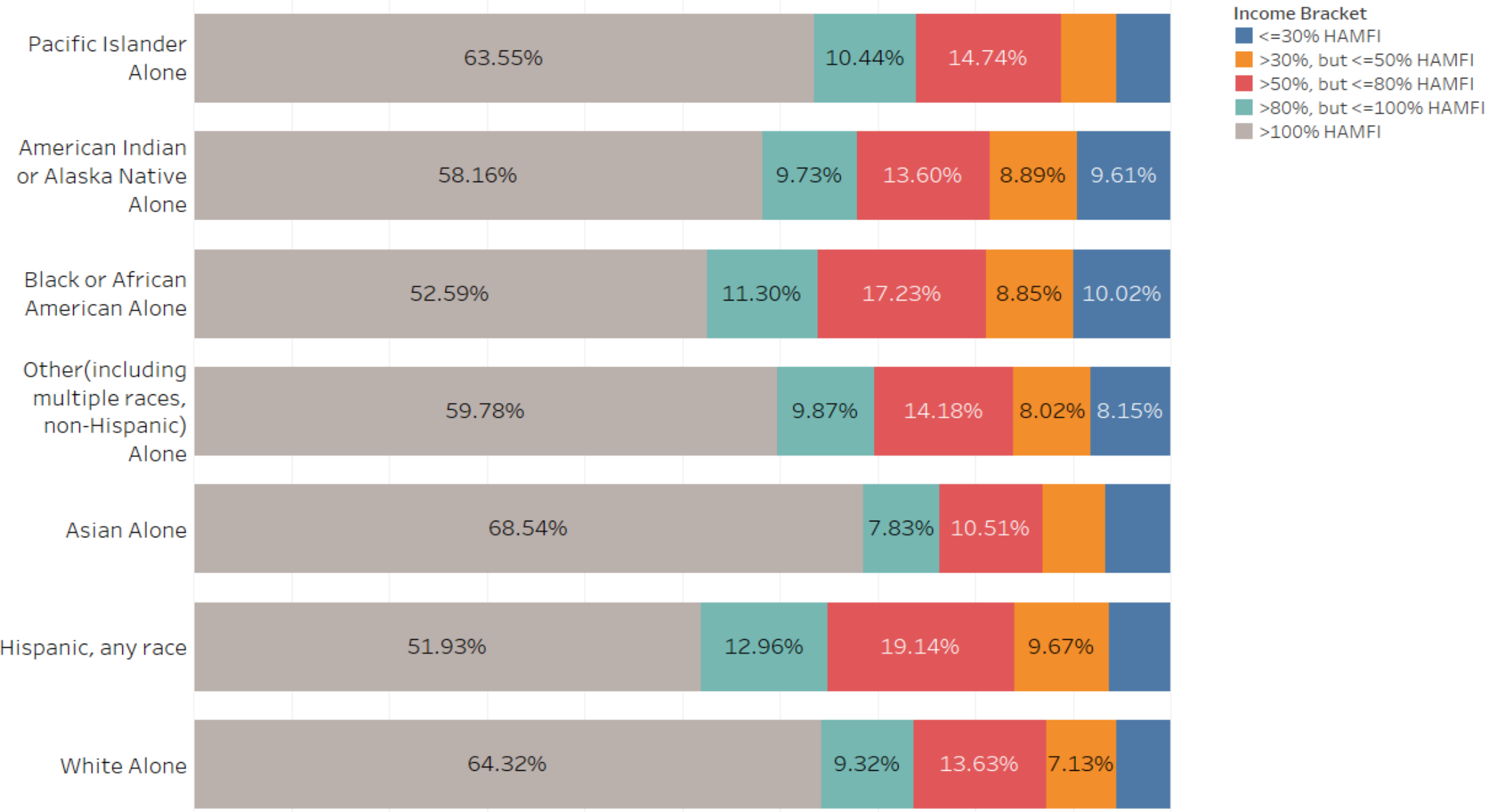


Data comes from the Atlanta Fed



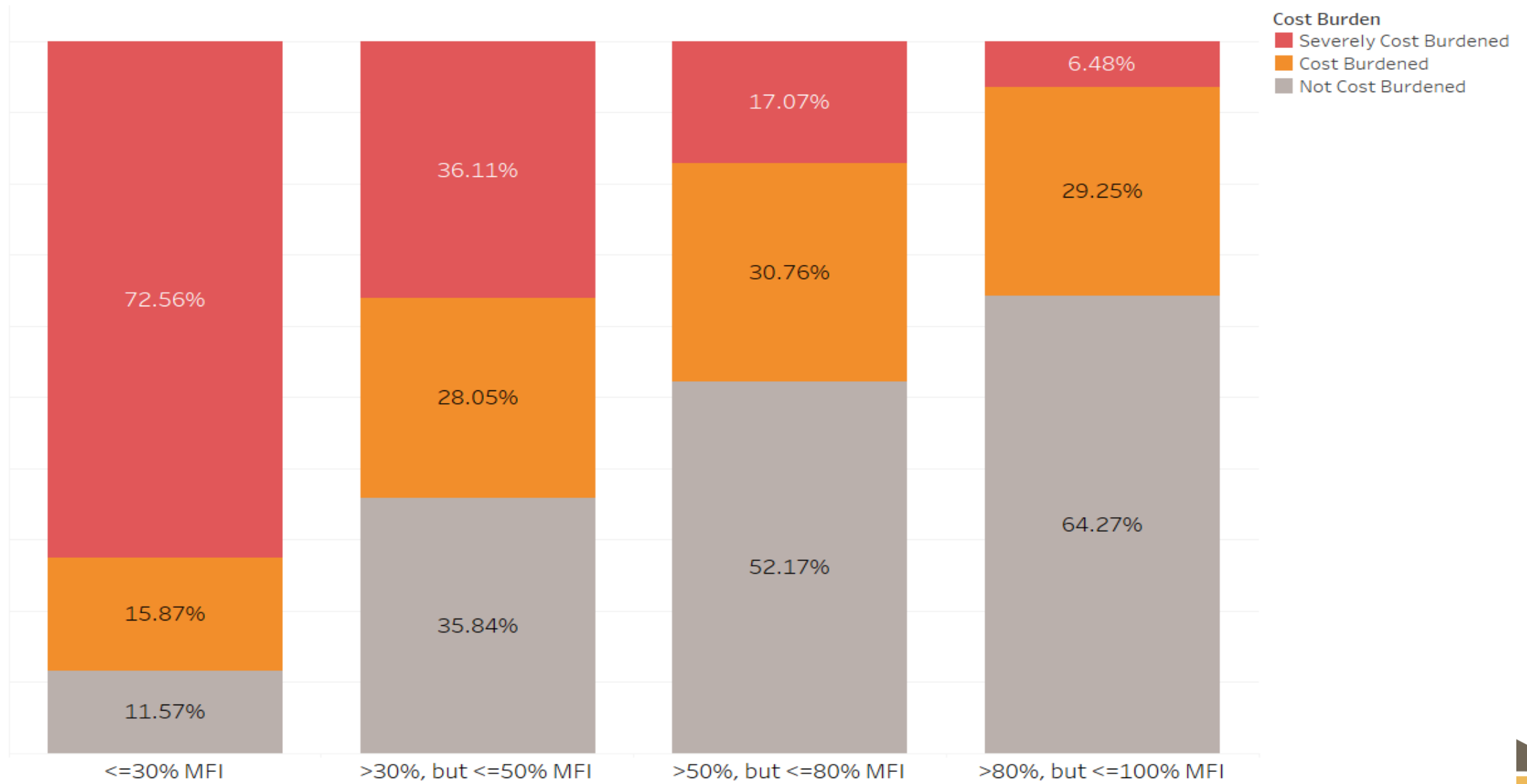


# Income by Race and Ethnicity



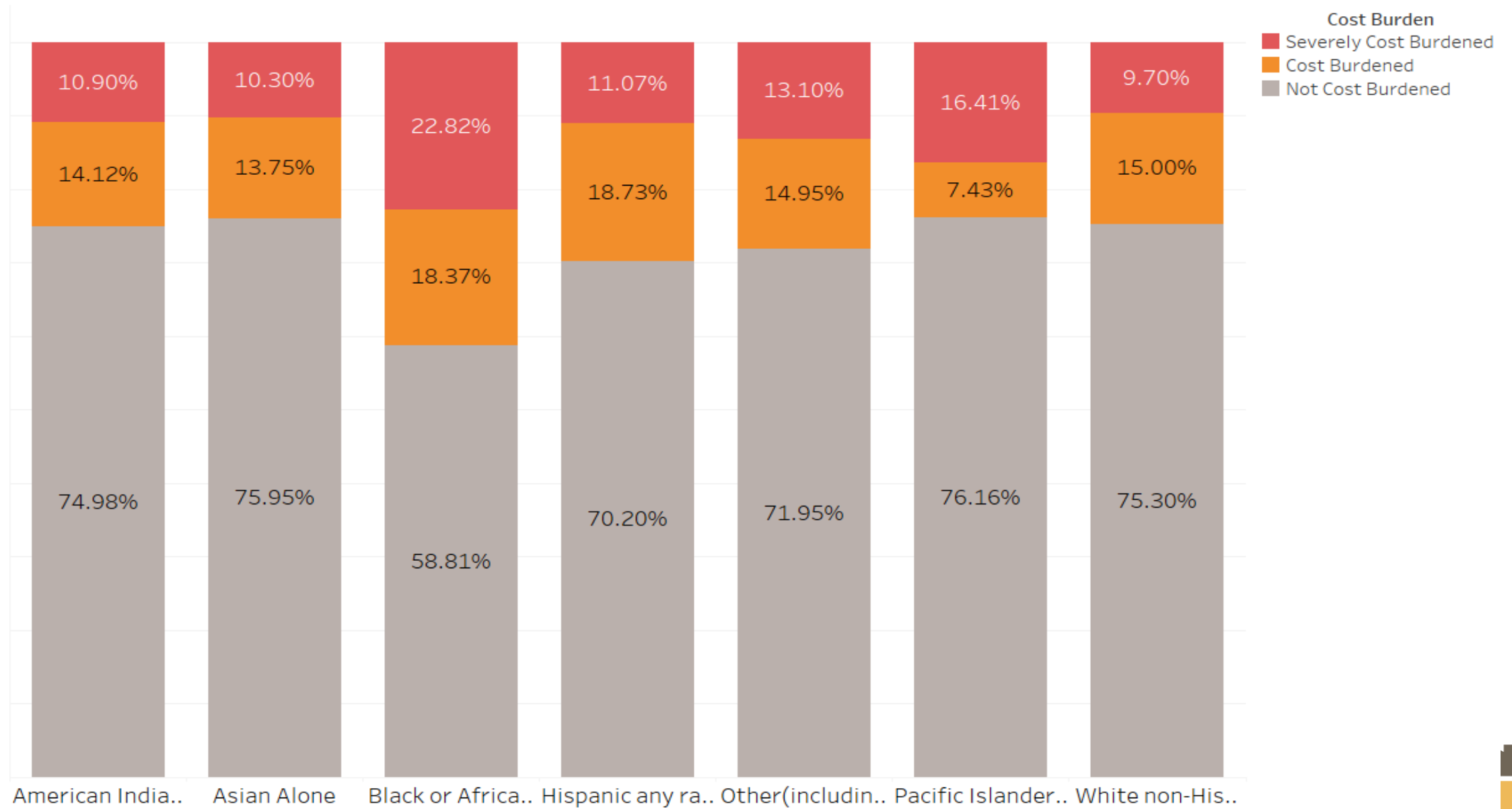
Data comes from the CHAS 13-17 dataset

## Percent of Owner Households with Housing Cost Burden, by Income



Data comes from CHAS 13-17 Dataset

# Percent of Owner Households with Housing Cost Burden, by Race and Ethnicity



Data comes from CHAS 13-17 Dataset

# References

1. Englehardt, G.V. and Eriksen, M. D. (2020). *Housing Related Financial Stress during the Pandemic*. Research Institute for Housing America.
2. Brown, S. (2020). *How COVID-19 Is Affecting Black and Latino Families' Employment and Financial Well-Being*. Urban Institute
3. Neal, M. and Young, C. (2020). *Delinquent Homeowners in Neighborhoods of Color Are Less Likely to Be Protected by Forbearance*. Urban Institute

# Engagement

- OHCS Housing Stability Council
- Housing Alliance Homeownership Asset Building Workgroup
- Manufactured Housing Advisory Committee
- Quarterly Homeownership Division call
- Other OHCS staff and initiatives for alignment



A photograph of a house with solar panels on the roof, surrounded by trees and a clear blue sky. The house has a mix of wood and metal siding. A large tree branch is visible in the upper right corner. A semi-transparent white circle is overlaid on the left side of the image, containing the text.

# TIMING

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1. Will Oregon miss out on funding?
2. How can we maintain a safety net and assist homeowners most at risk of foreclosure while OHCS develops its long-term HAF programs?
3. Many homeowner forbearances will be ending this summer and they may be confused and concerned about the status of their mortgages and their options.

# What will the HAF program cover?

## How will it assist homeowners with housing costs?

- Need to cover mortgage arrears to reinstate
- Need to cover forward payments if still experiencing hardship
- Need to fund principal reduction to maintain mortgage affordability
- Need to fund habitability investments
- Need to provide assistance with property taxes, insurance, and HOAs, especially if reamortized, causing an unaffordable payment
- Need to provide continuity for recipients of pandemic OHSI assistance
- Need to include lot rent



## Some Interesting Questions

- Can we help individuals that depleted savings (or ran up consumer debt) while trying to stay current in their mortgages and other housing costs? (No, but...)
- What is the measure of an affordable mortgage? This is different for households at different income levels and is not always best indicated by a (or the same) ratio.
- What does public engagement or public outreach mean? Who is the public? How do we break down barriers to public outreach?



## Engagement Going Forward

Second public meeting **Thursday, July 1st at 11am** to discuss our needs analysis findings and how that information will inform programming.

Governor's Racial Justice Council.

Culturally-specific organizations.

Oregon's Sovereign Tribes.

Surveys and direct feedback from partners, advocates, and the public.



# Tell Us More & Stay in Touch

<https://www.oregon.gov/ohcs/homeownership/Pages/Homeownership-Assistance-Fund.aspx>

E-News sign-up for HAF for our constant contact updates

<https://www.oregon.gov/ohcs/Pages/index.aspx> (top tab)

Email: [hcs.haf@oregon.gov](mailto:hcs.haf@oregon.gov)



# Summary of Comments during Meeting

- In gathering information: include specific questions to shape programs; expect low demographic responses.
- Include in programming: seniors aging in place (property tax and habitability) and manufactured homes.
- Pilot program: targeting bond homeowners makes sense because of the investments made; consider expanding to OFA and OHSI participants.

Question currently unanswered:

- How do you complete a needs analysis for home repair?