

## **HOMEOWNER ASSISTANCE FUND POLICY**

Homeowner Assistance Fund Policy, approved and adopted by the BAH-KHO-JE Housing Authority (BHA) Board of Commissioners by RESOLUTION at the Regular Board Meeting held on March 9, 2022.

### **INTRODUCTION**

This Homeowner Assistance Fund Policy of the BHA reflects the requirements of The U.S. Department of Treasury's Homeowner Assistance Fund use of funds guidance which was established under Section 3206 of the American Rescue Plan Act of 2021 (the ARP). This Policy sets forth the procedures to be used by the Housing Authority in the administration of the Housing Assistance Fund Program to ensure full compliance with the statutes and other Tribal, State and local laws as applicable.

Section 3206 of the American Rescue Plan Act of 2021 authorizes the U.S. Department of the Treasury (Treasury) to mitigate financial hardships associated with the coronavirus pandemic by providing funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, and displacements of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing.

### **APPLICABILITY**

This Policy is applicable to the Homeowner Assistance Fund obligated by the United States Treasury Department. This Program is available until all funds are expended. The period of performance for this award begins on the date April 1, 2022 and ends on September 30, 2026. Recipient shall not incur any obligations to be paid with the funding from this award after such period of performance ends.

### **SECTION 1**

#### **ELIGIBLE HOMEOWNERS**

Homeowners are eligible to receive amounts allocated to a HAF participant under the HAF if they experienced a financial hardship after January 21, 2020 (including a hardship that began before January 21, 2020 but continued after that date) and 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.

A HAF participant may provide HAF funds only to a homeowner with respect to qualified expenses related to the dwelling that is such homeowner's primary residence.

HAF participants must require homeowners to attest that they experienced financial hardship after January 21, 2020. The attestation must describe the nature of the financial hardship. Financial hardship means a material reduction in income or material increase in living expenses associated with the coronavirus pandemic that has created or increased a risk of mortgage delinquency, mortgage default, foreclosure, or displacement for a homeowner (for example, job loss, reduction in income, or increased

costs due to healthcare or the need to care for a family member).

The HAF does not preclude Tribes or TDHEs from providing assistance to members, or individuals otherwise eligible for HAF, who reside outside the tribal government's geographic jurisdiction.

Iowa Tribe of Oklahoma Members will be given preference in the application process followed by Native American with documentation of Certificate of Degree of Indian Blood (CDIB), and then all other eligible applicants that meet the following criteria:

The Iowa Tribe of Oklahoma will prioritize applications of eligible households satisfying the following conditions:

Income of household shall not exceed 100% of the U.S. Median Income as defined by the Homeowner Assistance Fund Income Limit Summary.

Bah-Kho-Je Housing Authority, in its sole decision, can adjust the order in which Applicants are served to ensure that not less than 60% of the funding made available to BKJ Housing Authority is used from 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.

## **SECTION II**

### **INCOME DETERMINATION**

Applicants must provide the following:

- Household annual income for 2021, OR
- Confirmation of the monthly income that the household is receiving at the time of application.

Documents used to fulfill this requirement include wage statements, unemployment compensation, tax returns and all other sources of earned and unearned income.

To qualify with monthly income eligibility the applicant must provide proof 2 months of prior income to confirm current monthly income.

**Definition of Income:** With respect to each household applying for assistance, grantees may choose between using HUD's definition of "annual income" in 24 CFR 5.6091 and using adjusted gross income as defined for purposes of reporting under Internal Revenue Service Form 1040 series for individual federal annual income tax purposes. **Methods for Income Determination:** The Act provides that grantees may determine income eligibility based on either (i) the household's total income for calendar year 2020, or (ii) sufficient confirmation of the household's monthly income at the time of application, as determined by the Secretary of the Treasury (Secretary). If a grantee uses a household's monthly income to determine eligibility, the grantee should review the monthly income information provided at the time of application and extrapolate over a 12-month period to determine whether household income exceeds 150% percent of area median income. For example, if the applicant provides income information for two months, the grantee should multiply it by six to determine the annual amount. If a household qualifies based on monthly income, the grantee must redetermine the household income eligibility every three months for the duration of assistance. **Documentation of Income Determination:** Grantees must have a

reasonable basis under the circumstances for determining income. Except as discussed below, this generally requires a written attestation from the applicant as to household income and also documentation available to the applicant to support the determination of income, such as paystubs, W-2s or other wage statements, tax filings, bank statements demonstrating regular income, or an attestation from an employer.

## **SECTION III**

### **ELIGIBLE EXPENDITURES**

Funds may only be provided to eligible households and paid directly to the Mortgage Company or the County Treasurer/County Assessor's office on the applicant's behalf.

Under no circumstances will compensation be given directly to the applicant.

Assistance includes payments for:

- Full or partial current or past due mortgage payments for applicant's primary residence and first mortgages only.
- Past due property taxes, property taxes coming due within 90 days of program approval for applicant's primary residences.

The HAF Program cannot provide assistance for the following: 2<sup>nd</sup> Mortgages, rent to own payments, rental property payments, property taxes due more than 90 days in advance, property taxes that were accrued before January 21, 2020 and any other expense as determined by the Bah-Kho-Je Housing Authority.

The Housing Assistance Fund can provide ONE of the following options for eligible homeowners:

- Up to six months of present/past due first mortgage payments for applicant's primary residence up to the maximum amount of assistance, not to exceed \$3,000.00.
- Past due property taxes, property taxes coming due within 90 days of program approval for applicant's primary residence, not to exceed \$3,000.00.

All payments depend on availability of funds and are not guaranteed until applications have been processed and approved.

## **SECTION IV**

### **PRIVACY**

- Information, including any personal identifiable information, is solely collected, and used for submitting reports as detailed under reporting requirements.
- The Bah-Kho-Je Housing Authority has confidentiality protections for data collected about any individuals who are:
  - Survivors of intimate partner violence, Sexual assault, Stalking