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Few take money aimed to help homeowners with mortgages, taxes: Surprised officials

David McKay Wilson Rockland/Westchester Journal News

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Despite a plenteous pot of federal funds for struggling homeowners, officials are struggling to find takers as the COVID mortgage relief program deadline nears.

The looming problem is that there's \$2 million available in Westchester County, but the money must be dispersed by Dec. 31.

Officials at two nonprofit housing agencies, with \$1.2 million to hand out, have given an average of \$9,500 to just 6 homeowners from this particular pot of COVID aid.

There's \$1,943,000 more to giveaway, but only 38 days left to do it.

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Interviews with officials at these two agencies found that they've had few inquiries since their contracts to vet applications for the funding were approved in early November.

“Right now, there’s more money than we can use,” said Julie Stern, director of Community Housing Innovation’s homeownership programs in White Plains. “We’d love to use it all.”

Marlene Zarfes, executive director of Westchester Residential Opportunities, said the agency has distributed flyers while also holding webinars to educate possible recipients. She stressed that the clock is ticking, with 2021 just six weeks away.

“There’s a process we have to go through, and if people want the money, they need to get moving on it now,” she said.

The generous federal program covers up to four months of delayed or delinquent mortgage payments, including taxes and home insurance, for those impacted by the pandemic.

There’s no income limits on who qualifies for the foreclosure prevention program, which means there’s serious money on the table, especially for those with hefty mortgages and sky-high property taxes.

The foreclosure prevention fund was part of Westchester County Executive George Latimer’s Community Build Back program, announced in mid-September. The four-part program provided federal funds to stop evictions, provide up to 12 months of rental assistance moving forward, and give assistance to small businesses that were behind on their rent to commercial landlords.

Planning Commissioner Norma Drummond said Latimer included a \$5 million eviction protection program in his 2021 budget. The department leads Latimer’s food security program, coordinating emergency food distribution programs with food pantries and local chambers of commerce.

“We had 85 contracts and we were trying to get it out the door that the same time,” she said.

The foreclosure prevention funding came from the federal CARES Act, that massive \$2 trillion relief program approved by Congress that also sent \$1,200 to taxpayers who earned up to about \$100,000.

The foreclosure prevention program has money available for homeowners whose income took a hit during the COVID-19 pandemic, be it a job loss, or a downturn in business income for the self-employed, said Alec Roberts, executive director of

Community Housing Innovations. To qualify, they had to be current on their mortgage payments in March, with any financial troubles beginning after COVID hit with such vengeance this spring.

Other Westchester agencies involved in the program are the Bridge Fund and Human Development Services of Westchester, also known as HDSW. Messages to those agencies were not returned.

Roberts said the grant program could be a boon to homeowners who already sought COVID-related mortgage relief through so-called “forbearance” programs offered by banks and mortgage companies. That allowed homeowners affected by COVID to seek a delay in mortgage payments, with those delayed payments tacked on to the back-end of one’s mortgage obligation, with interest.

This program would allow those homeowners to obtain grants to pay off up to four months of delayed payments, thus eliminating those months of delayed payments, plus whatever was owed in property taxes and homeowners insurance over those months. Maintenance fees for condominium owners would also be covered under the foreclosure prevention program.

“It’s a pretty generous program,” said Roberts. “We have to expend the money by the end of December, or it’s gone.”

Contact Community Housing Innovations: 914-681-683-1010; Westchester Residential Opportunities: 914-428-4507.

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