



# **City of Livingston**

## **CDBG-CV Policies & Procedures**

### **Subsistence Payments Program**

City of Livingston  
1416 "C" Street,  
Livingston, CA 95334  
[www.livingstoncity.com](http://www.livingstoncity.com)

## **I. PROGRAM OBJECTIVE**

To provide Low-Moderate Income (LMI) clients/households who have been financially impacted, as a direct result of the coronavirus pandemic, with emergency mortgage and/or utility assistance for the purpose of preventing foreclosure and/or cutoff of utility services.

## **II. INTAKE**

Applications will be processed on a first come basis, until all funds are exhausted. Incomplete applications are not considered received until complete. Applications may be submitted in person or electronically. Applicants in need of assistance on how to complete the application will be provided assistance upon request.

## **III. NONDISCRIMINATION AND INCLUSION**

Title VI of the Civil Rights Act of 1964 requires that, “No person shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.” We strongly encourage under-represented and non-English speaking families in your community have a fair chance of receiving assistance. Steps could include:

- Working with services providers that serve primarily race and ethnic minority groups to announce the availability of assistance to hard-to-reach residents
- Allowing non-English speaking residents a fair amount of time to apply and gather the necessary documentation, and providing translation or other language support
- Accessing [COVID-19 racial equity and social justice resources](#).

## **IV. OUTREACH AND MARKETING**

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach, and access to the Program. No person shall, on the grounds of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation be excluded, denied benefits or subjected to discrimination under the Program. The Sponsor will ensure that all persons, including those qualified individuals with handicaps, have access to the Program.

**A.** The Fair Housing Lender and Accessibility logos will be placed on all outreach materials. Fair housing marketing actions will be based upon a characteristic analysis comparison (census data may be used) of the Program’s eligible area compared to the ethnicity of the population served by the Program (includes, separately, all applications given out and those receiving assistance) and an explanation of any underserved segments of the population. This information is used to show that protected classes (age, gender, ethnicity, race, and disability) are not being excluded from the Program. Flyers or other outreach materials, in English and any other language that is the primary language of a significant portion of the area residents, will be widely distributed in the Program-eligible area and will be provided to any local social service agencies. The Program may sponsor homebuyer classes to help educate homebuyers about the home buying process and future responsibilities. Persons who have participated in local homebuyer seminars will be notified about the Program.

**B.** The Program Operator will work with local non-profits and other services providers to explain the Program requirements for eligible households. Local non-profits and other service providers will also be encouraged to have their customers participate in the Program.

**C.** Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion of an otherwise qualified individual, solely by reason of disability, from participation under any program receiving Federal funds. The Program Sponsor will take appropriate steps to ensure effective communication with disabled housing applicants, residents and members of the public.

## **V. ELIGIBLE HOUSEHOLDS**

### **A. INCOME VERIFICATION**

Eligible clients/households need to be Low-Moderate Income (LMI) at or below 80% of the Area Median Income (AMI). Client eligibility can be verified by: **Household Income**.

#### **1. Household Income Verification**

Applicants must complete a Verifiable Certification indicating that his or her family income doesn't exceed the applicable income limit established in accordance with the regulations. Applicants may be required to submit backup documentation as requested and may need to verify the information they include on the form during a future audit or file review.

Household income verification requires obtaining current gross income for everyone 18 and older within a household. Gross household income needs to be within 2020 CDBG income limits. Household Income will be determined by projecting the household's current rate of income at the time assistance is provided. Third party documentation of income will not be required. Households must self-certify income and provide minimum required backup document to verify income eligibility.

Household income may be determined by projecting the household's prevailing rate of income at the time the assistance is provided and maintaining documentation of this determination. Household income includes income from all wage or income earning household members, including seniors receiving social security or pension payments, households with multiple wage earners, income from spousal and child support payments, and income from unemployment or other public benefit programs. Income does not include income from minors. For a complete list of what qualifies as income for the purposes of determining income eligibility in a subsistence payment program, please see [this link](#).

Due to the limited amount of funding available, and the staff resources needed to verify income at the time of application makes the program cost-prohibitive and unreasonable to implement. Therefore, household income will be determined by the completion of a Verifiable Certification Form completed and signed by the applicant. Applicants must complete a Verifiable Certification Form indicating that his or her family income doesn't exceed the applicable income limit established in accordance with the regulations. Applicants may be required to submit backup documentation as requested and may need to verify the information they include on the form during a future audit or file review. It is the applicant's responsibility to maintain supporting records documenting the income they are reporting.

Documentation is not required to be verified via third-party. However, Applicant's must

retain documentation sufficient to support current year income projections and may be either annual income or monthly income projected out 12 months. Jurisdictions and operators are not required to collect the below documentation, when using the Certified Verification Form; however, applicant should ensure sufficient documentation to support the applicant’s statement of income is retained for future auditing or monitoring purposes.

Supporting documents may include

- Pay stubs (tabulated for annual income)
- Social Security letter or stub
- Unemployment letter or stub
- Statement of loss of income (for persons who are self-employed) including current year annual income projection
- Other proof of income or loss of income
- Signed statements of no-income (jurisdictions/operators may prepare template statement of no-income letters that can be signed and dated at application submittal)

2021 CDBG Income Limits								
Area Median Income	1	2	3	4	5	6	7	8
Extremely Low-Income 30%	14,700	17,420	21,960	26,500	31,040	35,580	40,120	44,660
Very Low-Income 60%	24,500	28,000	31,500	34,950	37,750	40,550	43,350	46,120
Low Income 80%	39,150	44,750	50,350	55,900	60,400	64,850	69,350	73,800

**VI. CDBG-CV EMERGENCY SUBSISTENCE PAYMENTS REQUIREMENTS**

- Eligible cost incurred after January 21, 2020
- Maximum assistance (*whichever is utilized first*):
  - Maximum assistance allotted is \$5,000 per household
  - Maximum payments are up to 90 consecutive days
- Allowable mortgage and utility assistance payments:
  - current month payments
  - past due payments
  - partial or full payments
- Mortgage assistance:
  - Escrow fees for taxes are not allowable
  - Escrow for insurance is allowable
- Allowable utility assistance includes:
  - electric, gas, water, sewer, trash, and broadband
- Payments must be paid to the service provider on behalf of a client, and not to the client.
- Payments must address hardship resulting directly from the COVID-19 pandemic.
- Payments made must be for client’s primary residence.

- Payments cannot be a Duplication of Benefit.
  - A Duplication of Benefit occurs when a person, household, organization, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance.
    - **A Duplication of Benefit statement must be completed for all CDBG-CV funded clients to ensure Duplication of Benefit compliance.**

## VII. APPLICATION PROCESS AND PACKAGE

To be considered for assistance the applicant must provide the following:

- a. Intake application – completed with all household information and signed by all household member’s age 18 and older.
- b. Complete and sign, Verifiable Income Certification Form, by ALL household members 18 and older *or* primary client presumed LMI supporting documentation
- c. Proof of hardship related to COVID-19
- d. Duplication of benefits statement
- e. Ethnicity/race demographics for federal reports
- f. Documentation of all client expenses
- g. Mortgage/Utility assistance documentation– Late payment notice, eviction or other proof that loss of housing or essential utility services are at risk and documenting the need for emergency payment:
  - i. Current mortgage statement
  - ii. Current utility bill
- h. Copies of payments and checks processed

## VIII. REQUIRED REPORTS

### A. FINANCIAL REPORTS

CDBG grants must be administered on a reimbursement basis. To request a monthly reimbursement, Subrecipient must submit the following items:

- Invoice
- General ledger of CDBG expenses
- Timesheets
  - *Timesheets must:*
    - Discern between hours charged and not charged to CDBG
    - Approved and signed a supervisor
- Mileage claims if applicable
  - *Mileage claims must:*
    - Indicate employee name, travel dates, departure and destination addresses, and mileage claim amounts.
    - Approved and signed by a supervisor

- Travel dates must coincide with CDBG timesheet dates
- CDBG supplies invoices

## **B. PROGRAM REPORTS**

Monthly program reports shall include the following items:

- Performance Tracker Report
- Monthly narrative highlighting progress in meeting objectives

Please submit financial and program reports to Monica Cisneros [mcisneros@livingstoncity.com](mailto:mcisneros@livingstoncity.com) by the 15<sup>th</sup> of each month.

## **C. RECORD KEEPING**

2. Client files must contain the following items:

- a. Intake application
- b. Current proof of income for ALL household members 18 and older *or* primary client presumed LMI supporting documentation
- c. Proof of hardship related to COVID-19
- d. Duplication of benefits statement
- e. Ethnicity/race demographics for federal reports
- f. Documentation of all client expenses
- g. Mortgage/Utility assistance documentation– Late payment notice, foreclosure, or other proof that loss of housing or essential utility services are at risk and documenting the need for emergency payment:
  - i. Current mortgage statement
  - ii. Current utility bill

Upon approval and issuance of payment(s) copies of payments and checks processed, will be provided to the applicant for their records.

Applicant must provide documented receipt of payment by the mortgage lender, utility provider, or other service provider.

## **D. RETENTION PERIOD**

All CDBG files must be maintained for a ***minimum of five (5) years*** after the completion of the program, in order to allow access for audit and public examination. The retention period starts when the final expenditure report is submitted. If any litigation, claim, or audit is started before the expiration of the 5- year period, the records must be retained until all litigation, claims or audit findings involving the records have been resolved and final action taken.