

The State of West Virginia Community  
Development Block Grant Coronavirus  
Response (CDBG-CV) Policy and  
Procedures Public Facilities and Services

Effective February 1, 2021



WEST VIRGINIA DEVELOPMENT OFFICE

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## Change Log

Name	Date	Changes Made
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Hannah Carter	March 22, 2021	Edited: Forms and Reporting
Hannah Carter	March 24, 2021	Edited: Utility Documentation and Ineligible Lenders
Hannah Carter	March 31, 2021	Edited: Utility Servicer Documentation and Payment Requirement
Hannah Carter	April 6, 2021	Edited: Utility Servicer Documentation

## Introduction

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed to provide immediate and direct response to the emerging crisis impacting our country as a result of the COVID-19 global pandemic. This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136. A Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants and Other Formula Programs was published on August 7, 2020. Supplementary information and resources are available at:

<https://www.hudexchange.info/programs/cdbg/disease/> and <https://www.hudexchange.info/resource/6113/fr-6218-n-01-notice-of-program-rules-waivers-alt-requirements-under-cares-act-cdbg/>. Additionally, the [State of West Virginia amended FY2019 Annual Action Plan](#) is available at <https://wvcad.org/resources>.

## Federal Requirements/CDBG-Cares Act Federal Register

These funds will be governed by the Housing and Community Development Act of 1974, the regulations of the Community Development Block Grant (CDBG) for states at 24 CFR 570.480 and the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) PL 116-136. The requirements will also include any waivers or additional guidance issued by the Department of Housing and Urban Development under the Cares Act [www.hud.gov/coronavirus](http://www.hud.gov/coronavirus).

## Tie-Back to COVID-19

Applicants must demonstrate the direct tie-back to the COVID-19 Pandemic. The need and/or direct impact from the pandemic must be clearly and concisely described and documented. CDBG-CV funding is only available for eligible activities that address the prevention of preparation for, or response to the Coronavirus.

## Duplication of Benefits

A duplication of benefit (DOB) occurs when:

- i. an applicant receives assistance from multiple sources intended for the same purpose, or
- ii. the amount of assistance provided to an applicant exceeds the total identified need.

The Robert T. Stafford Act (Stafford Act) prohibits the use of federal disaster assistance to pay a person, household, or entity twice for the same disaster loss. The Stafford Act also requires CDBG-CV grantees to limit their assistance to *unmet needs* for eligible activities. An *unmet need* exists when the total need for eligible activities is *more than* the total assistance received for the same purpose.

## Duplicative Assistance Sources

To comply with the Stafford Act and prevent a DOB, West Virginia Development Office (WVDO) will account for and verify all assistance received by CDBG-CV applicants before awarding CDBG-CV funds to a project. A DOB analysis is performed for each applicant to consider all possible duplicative funding sources when processing applications for CDBG-CV funding.

Duplicative assistance sources include but are not limited to:

- i. Federal Emergency Management Agency (FEMA);
- ii. Small Business Administration (SBA);
- iii. Community Development Block Grant (CDBG), CDBG-Cares Act, Emergency Shelter Grant (ESG), ESG-Cares Act, Housing opportunities Persons with Aids (HOPWA), HOPWA-Cares Act or Continuum of Care (CoC) grants;
- iv. Other Federal CARES Act Funding;
- v. City, County, or State General Fund;
- vi. Private Insurance;
- vii. Private funding or fundraising;
- viii. U.S. Treasury administered by the West Virginia Housing Development Fund (e.g. Coronavirus Relief Fund);
- ix. HOME, particularly tenant based rental assistance (TBRA);
- x. State housing agencies and other entities;
- xi. Local organizations (e.g., United Way, Catholic Charities), etc.;
- xii. West Virginia Public Service Commission Utility Reimbursement Fund;
- xiii. WV Department of Health and Human Resources Housing Programs.

## Preventing DOB for Requested Funds

The following steps are taken by the WVDO to prevent a DOB for applicants requesting CDBG-CV funds prior to the award of any CDBG-CV funds:

- i. Applicant self-reports all potentially duplicative assistance received and may submit documentation accounting for how previously received funds were expended.
- ii. Verify the amount, intended purpose and time period of assistance received to validate the applicant's self-reported information via most recent third-party data sources or direct verification with insurers or private/nonprofit entities.
- iii. Review permissible expenditure documentation to determine if the amount of duplicative assistance received can be reduced for permitted expenses.
- iv. Determine if funding adjustments are required to an applicant's award, specifically when assistance received exceeds permissible expenditures.
- v. Establish an unmet need exists by confirming the applicant's total remaining need for eligible activities is more than the applicant's total assistance received for the same purpose.

## Analyzing DOB as a Subrecipient

To analyze duplication of benefits a subrecipient should complete the following steps:

- i. Assess Need
  - a. Determine the amount of need (total cost).
- ii. Determine Assistance
  - a. Determine the amount of assistance that has or will be provided from all sources to pay for the cost.
- iii. Calculate Unmet Need
  - a. Determine the amount of assistance already provided compared to the need to determine the maximum CDBG-CV award (unmet need).
- iv. Document analysis
  - a. Document calculation and maintain adequate documentation justifying determination of maximum award.
    - i. Example: A family that has suffered job loss due to the economic impact of the coronavirus seeks rental assistance under a CDBG-CV Emergency Payment program for 3 months of arrears payments and 2 months of current/ future rent.  
Monthly Rent = \$1,000 Potential Total Need:  $\$1,000 * 5 \text{ months} = \$5,000$

### Step 1. Assess Need

Step 2. Determine Assistance in the Application. The applicant was asked to report if they are receiving or expecting to receive any additional or similar assistance. The applicant reported that a local faith-based organization provided \$250/ month for the past three months, but that aid is no longer available. The family certified that it has not applied for assistance from any other source.

Step 3. Calculate Unmet Need Total Need = \$5,000 Other Assistance = \$750 (\$250/ month for three months) Actual Unmet Need (Maximum Award) = \$4,250 (\$5,000- \$750).

Step 4. Document the Analysis Maintain documentation of calculation and justification to confirm amount of unmet need.

The WVDO also has policies and procedures in place to request repayment or recapture of any duplicative assistance received *after the award of CDBG-CV funds* from the WVDO. Repayment or recapture policies and procedures also apply in instances when an applicant must return all or part of the CDBG-CV awarded funding to the respective program (i.e. due to fraudulent activity or non-compliance with grant award terms and conditions). Refer to Updates to the Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees FR Notice 6169-N-01.

[www.hud.gov/sites/dfiles/Main/documents/6169-N-01\\_Main\\_DOB\\_Notice.pdf](http://www.hud.gov/sites/dfiles/Main/documents/6169-N-01_Main_DOB_Notice.pdf)

# Funding

## Applications for Cities and Counties

Applications, supplemental documents, application memo and instructions can be found at <https://wvcad.org/resources> under the Community Development Block Grant tab.

### Funding Round 1

In response to the Coronavirus Pandemic (COVID-19), the U.S. Department of Housing and Urban Development (HUD) allocated the State of West Virginia \$8,377,856 in CDBG-CV1 in non-Entitlements Cities and Counties. The following Entitlements are not eligible to apply for CDBG-CV1 Funding: Beckley, Charleston, Huntington, Martinsburg, Morgantown, Parkersburg, Vienna, Weirton, and Wheeling. Non-Entitlement Cities and Counties are eligible to apply.

### Funding Round 2

In response to the Coronavirus Pandemic (COVID-19), the U.S. Department of Housing and Urban Development (HUD) allocated the State of West Virginia \$5,764,239.00 in CDBG-CV2 Statewide Cities and Counties.

### Funding Round 3

In response to the Coronavirus Pandemic (COVID-19), the U.S. Department of Housing and Urban Development (HUD) allocated the State of West Virginia \$6,108,513.00 in CDBG-CV3 distributed directly to states or units of general local government, at the discretion of the Secretary.

## State Acting Directly

The West Virginia Development Office will act directly through subrecipient agreements with State Agencies to deliver food distribution. The WVDO reserves the right to act directly and deliver other public service activities based on applications submitted through Round 1, 2, and 3 if funding remains available or the tie-back and need remains unmet during the COVID-19 pandemic.

## Eligibility and Program Administrative Requirements

Eligibility is defined at Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. §3505(a)) and 570.482 of CDBG Entitlement Regulations. For additional information, please refer to the State Community Development Block Grant Program -- Guide to National Objectives and Eligible Activities.

### Public Facilities

Eligible CDBG-COVID Public Facility activities include the following:

- i. Construct a facility for testing, diagnosis, or treatment.
- ii. Rehabilitate a community facility to establish an infectious disease treatment clinic.
- iii. Construct or rehabilitate a group living facility that may be used to centralize patients undergoing treatment.
- iv. Rehabilitate a commercial building to establish an infectious disease treatment clinic, (e.g., by replacing the HVAC system).
- v. Construct or renovate health care facilities to better respond to the Coronavirus.
- vi. Construct or renovate senior, youth, childcare, and community centers to better respond to the Coronavirus.

### National Objective

Low to moderate income area or Urgent Need National Objective documentation see pages 10-12 of the CDBG-COVID Policies and Procedures

### Requirements:

See CDBG Policy and Procedures Manual under the Community Development tab at: <https://wvcad.org/resources/cdbg-manual> and the executed subrecipient agreement.

### Public Services

Eligible CDBG-COVID Public Service expenses include the following:

- i. Labor, supplies, and materials.
- ii. Operation and maintenance of the facility where the public service is located.
- iii. Support operations of food banks/pantries including staffing, supplies, utilities, maintenance, sanitary maintenance, and insurance.
- iv. Rent/Mortgage payments that do not exceed six (6) consecutive months.
- v. Payments made directly to providers of services, such as utilities, which are made on behalf of an individual or family.

### Eligible Public Service Activities

#### Emergency Rental Assistance

For those who need assistance with rent because of the impact of COVID-19 in their homes and provides income-eligible, COVID-impacted household description, can receive up to six months of consecutive rental assistance. Any combination of arrears, current and future rent will be available to assist the household.

### Mortgage Assistance

For those who need assistance with mortgage because of the impact of COVID-19 in their homes and provide income-eligible of COVID-impacted household description, can receive consecutive mortgage assistance up to six months. Any combination of arrears, current and future mortgage will be available to assist the household.

### Utility Payments

For those who need assistance with utilities because of the impact of COVID-19 in their homes and provide income-eligible of COVID-impacted household description, can receive consecutive utility assistance up to six months. Eligible utility payments are for gas, electric, and water, as well as landline phone and internet payments if expenses are separate from cable package. Cable service is not eligible. Other ineligible services are listed under Ineligible Utility Assistance Costs.

### National Objective

National objective low to moderate income and required documentation:

Low to Moderate Income Persons

80% median income or below <https://www.huduser.gov/portal/datasets/il.html> and

<https://wvcad.org/resources> under the Community Development Block Grant tab.

### Household

Defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

### Gross Amount

For the types of income counted, gross amounts mean income before any deductions have been taken. In general, a Subrecipient evaluating a household's income should assume that the household's circumstances today will continue for the next 12 months (ANNUALIZE), unless there is verifiable evidence to the contrary.

### New or Increased Quantifiable Public Service

To be eligible for CDBG-CV funding, a public service activity must be:

- i. a new service, or
- ii. a quantifiable increase in the level of an existing service

Provisions must be new or quantifiable (new to the community) at the time CDBG-CV funds are first used in order to fund and support the activity.

#### Quantifiable Increase

At the time CDBG-CV funds are first used for a public service activity that is already in existence, it must be demonstrated that as a result of the CDBG-CV funds there will be a quantifiable increase in the level of the existing service. (The purpose of this requirement is to prevent CDBG-CV funds from being used to merely replace other funds without an increase in the level of the public service.)

The quantifiable increase must be at or above the level of service provided by the local government, or by another agency or organization on behalf of the local government, through funds raised by the local government or received from the State of West Virginia.

The increase in the level of service must be an increase over that which existed in the six (6) months immediately prior to the submission of the application or modification proposing the use of CDBG-CV funds for the service.

#### Cap on Assistance

As outlined in the CARES Act, the 15% cap of public service activities has been removed from all CARES Act funding as well as Fiscal Year FY 2019 and FY 2020 funds.

### Ineligibility

- i. Funding for activities already provided by a city or state or ongoing funding for municipal services is ineligible.
- ii. CDBG-CV funds may not be used to make income payments in the form of grants.
- iii. Political or religious activities such as campaigning for legislative reform or for activities that include religious worship, instruction, or counseling is ineligible.
- iv. Funds shall not be used for household groceries- past receipts or future bills.

## National Objective Compliance

### Low to Moderate Income Benefit

There are three approaches for meeting the Low to Moderate Income qualifications: Benefit to Low- to Moderate- Area-Wide (LMA) Benefit: Refer to 24 CFR 570.483(b)(1)(i) and HUD CPD Notice 14-10 as updated by CPD memo 19-02.

- <https://files.hudexchange.info/resources/documents/Notice-CPD-14-10-Transition-Policy-for-LMISD-Updates-during-FY-2014-CDBG-State.pdf>
- [www.hudexchange.info/manage-a-program/acs-low-mod-summary-data-block-groups-places](http://www.hudexchange.info/manage-a-program/acs-low-mod-summary-data-block-groups-places)

### Benefit Low to Moderate Income (LMI) Persons

An activity which provides benefits to a specific group of persons of which at least 51% of the beneficiaries of the activity qualify as LMI persons earning less than 80% of the area median income as defined located at HUD exchange for each county. To qualify, all individuals must establish, by means of financial information on household size and income, that at least 51% of the clientele are persons whose household income does not exceed the LMI limit. 2020 HUD Low to Moderate Income Guidelines for each county in the State of West Virginia can be found at the following location:

<https://www.huduser.gov/portal/datasets/il.html#2020>

### Low to Moderate Income Limited Clientele (LMC)

There are certain populations that HUD presumes to be low to moderate income. For programs serving these populations, income data does not need to be collected, but race and ethnicity do. Limited clientele populations include *abused children, elderly persons, battered spouses, homeless persons, severely disabled adults, illiterate adults, persons living with AIDS, and migrant farm workers.*

## Low to Moderate Income Area Benefit (LMA)

An activity *which is available to benefit all the residents of an area*, in which at least 51% of the households are low- to moderate-income, qualifying under HUD guidelines. HUD has identified neighborhoods eligible to receive funding based on income data provided by the census and American Community Survey. How to conduct an LMA survey can be found at:

<https://www.hudexchange.info/programs/cdbg/cdbg-low-moderate-income-data/>

## Urgent Need

Limited to 30% of project funding [**Total Allocation – Admin. Funds = Project Funding**]

- i. Nature and degree of seriousness of the conditions. Unit of Local Government Declaration of Disaster
- ii. The existing conditions are of recent origin or recently became urgent. (generally, within the past 18 months)
- iii. The grantee is unable to finance the activity on its own.
- iv. Other sources of funding are not available.

\*\* The State of West Virginia reserves the right to allocation projects under the Urgent Need National Objective if a submitted application does not meet the Low to Moderate National Objective and for State Acting Directly projects. The State may act directly to provide eligible activities.

# Income Documentation

## Income Verification

All projects shall use the HUD Part 5 definition of income for determining income eligibility. Income must be verified for all applicants using at least two months of source documentation (e.g. pay stubs, account statements, etc.). Where there is at least two months of sourcedocumentation, third party verification is not required. Third party verification (e.g. employer verification) is required and must be used in situations where source documentation is not available, such as a starting a new job.

Report all current income and income expected to be received in the next 12 months including long-term unemployment compensation and all hazards pay. **DO NOT INCLUDE:** IRS Economic Impact Payments (stimulus checks), Federal Pandemic Unemployment Compensation (the additional \$600 per week), Lost Wages Supplemental Payment Assistance (up to \$400 per week), income of a live-in-aide, children of live-in-aides, foster children, foster adults, or the income of minors. All following sources are considered income:

- i. Unemployment Compensation;
  - a. Include regular unemployment,
  - b. Pandemic Unemployment Assistance,
  - c. Pandemic Emergency Unemployment Compensation,
    - i. Exclude IRS Economic Impact Payments; Federal Pandemic Unemployment Compensation; Lost Wages Supplement Payment Assistance
  - d. Include current benefit letter with gross benefit amount;
- ii. Wages, salary, overtime, hazard pay, commissions, fees, tips, bonuses (before payroll deductions);
- iii. Net income from business and self-employment;
  - a. Include income from independent contractors, Gig economy jobs such as Etsy, Amazon, eBay, Uber, Lyft, Instacart, Grubhub, etc.
  - b. Include most recent tax return (1040 or 1040A), W-2 Forms, and/or
  - c. Current year profit and loss statement,
- iv. Interest, dividends, and other net income of any kind from real or personal property;
  - a. Include rental income
  - b. Include amounts received by or on behalf of a minor (current statement or prior year 1099)
- v. Social Security;
  - a. Include disability/supplemental
  - b. Include gross amount prior to any Medicare premiums
  - c. Include current Social Security Benefits Letter (including benefits paid to minors)
- vi. Retirement/Pension/Insurance policy/Annuities;
  - a. Include current Pension/Retirement Benefit Letter (if applicable), or prior year 1099
  - b. Include current Annuity Payment Letter (if applicable), or prior year 1099
- vii. Disability or Death Benefits;
  - a. Include Disability compensation
- viii. Worker's Compensation and Severance pay;
  - a. Include Welfare Assistance Payments
- ix. Temporary Assistance to Needy Families;

- x. Regular Pay, Special pay, and Housing Allowance for the Armed Forces;
  - a. Exclude military hazard pay
- xi. Veterans Administration (VA) Benefits;
  - a. Exclude deferred disability benefits
- xii. Adoption Assistance Payments;
  - a. Exclude amount in excess of \$480
- xiii. Court Ordered Alimony/Spousal Maintenance;
  - a. Child Support: include only amounts expected
  - b. Include copy of court order documentation
- xiv. Re-occurring cash gifts from private/nonprofit/charity or friends/family who will not reside in the unit;
- xv. Asset Statement from listed categories (see below);
- xvi. Other (please describe): \_\_\_\_\_

#### Income from Assets:

Annual income includes income derived from assets to which household members have access. Interest or dividends earned are counted as income even when the earnings are reinvested. Using the categories below, report the (a) type of asset(s) held by each member of the household, (b) cash value of asset(s), and (c) the income derived from the assets (report annual figures only). If the asset does not generate income, report zero. If the household member does not have assets, leave blank. Calculate the totals; include household member number, cash value of asset, and interest/dividends earned on assets.

#### Assets Categories:

Checking, Savings, Mutual funds, Money Market Acct. Equity in Rental Property, Retirement and Pensions, 401(K), Stocks, Bonds, Treasury Bills, Certificate of Deposit, Annuities, Revocable Trust, Mortgages or Deed of Trust, Whole Life Insurance policy, Lump sum-inheritance, Lottery Winnings, Insurance Settlements, Personal property held as an investment (e.g., antiques, gems, etc.)

#### Required Documentation

- i. Pay stub(s) covering at least most 8 weeks (weekly, bi-weekly) or covering most recent two months (monthly, semi-monthly).
- ii. 2019 Tax Return.
- iii. Self-certification only for unemployment and disability compensation.
- iv. Payments in lieu of unemployment and disability compensation, worker's compensation, and severance pay, and similar payments in lieu of earnings.
- v. Benefits statement from agency OR One month's bank statement demonstrating deposit(s) made from agency. Note: unemployment benefits should be included only for the period of time the applicant is actually eligible to receive those benefits.
- vi. Asset Income statement of asset value.

## Documentation for Program Types

All programs have a maximum time period of allowed funds for **six** consecutive months, with a maximum of **one** application for each household. In no case will the rental/mortgage assistance be more than the actual cost of rent/mortgage payment for either one month (monthly rental agreement or mortgage), or 30 days (daily agreement). In no case will more assistance be paid on behalf of the applicant than their demonstrated economic loss. The WVDO Subrecipient must ensure actual cost of rental/mortgage cost must be necessary and reasonable. WVDO Subrecipients are allowed to assign a maximum fund allowance to each applicant out of their granted funding award, although this is not necessary; there is no maximum cost limit for applications of rental or mortgage assistance. However, the Subrecipient must have a process in place to ensure costs are necessary and reasonable.

### Rental Program

#### A. Rental Reimbursement Limits

- i. Maximum rental reimbursement limit is the actual amount of rent for either one month (monthly rental agreement), or 30 days (daily agreement).
- ii. Up to 6 consecutive months including rental arrears.

#### B. Applicant Certification and Eligibility Required Information

- i. Income Eligibility
  - a. The Household must have gross annual income at or below 80% of the Area Median Income (AMI) and the program administrator must follow the income verification guidelines on pages 13-14 to determine the household's income eligibility.
- ii. COVID-19 Impact
  - a. The Household must have been economically impacted by COVID-19.
  - b. The Household will be asked to describe the impact but is not requested to submit documentation of such impact with their application.
- iii. Proof of Tenancy
  - a. Proof of tenancy is most readily established with a copy of the lease for the unit.
  - b. If there is no copy of the lease provided, or no lease exists, both tenant and landlord are required to certify that the information they have provided on the application regarding the terms of the lease and the rent amount is true and accurate and proof of tenancy must be provided (e.g., cancelled check, money order, utility bill etc.).
- iv. Unit Eligibility
  - a. Rental units must be eligible.
  - b. Ineligible units include those already receiving:
    - i. project-based assistance
    - ii. public housing units, and
    - iii. units owned by a unit of government
- v. No Duplication of Benefits:
  - a. The Household must:
    - i. Certify that they have not received assistance for the same period of time for the same unit and household, or if they do receive funding, that they

- will pay back Subrecipient within at least 30 calendar days.
  - ii. Certify that they cannot have previously received other rental assistance funds that would exceed 6 months in total, when combined with this assistance.
- vi. Truth and Accuracy: The tenant must certify to the accuracy of all they are stating.

### C. Required Documentation for Tenant Application

- i. Income determination documentation (refer to pages 13-14)
- ii. Copy of the executed lease with the tenant or if no written lease, required certification proving tenancy and ability to provide proof of tenancy (e.g., cancelled check, money order, or missed payment on ledger).
- iii. Personal ID for one household member that is:
  - a. on the lease, or where the member demonstrates occupancy through another identification method such as:
    - i. a sublease agreement
    - ii. utility bill
    - iii. voter registration
    - iv. school registration form, etc.
- iv. Documentation of missed payments (e.g., missed payment on ledger for rental arrears)

### D. Landlord Certification and Eligibility

The landlord must complete and certify the following to qualify for assistance.

- i. Proof of Tenancy
  - a. The landlord must certify the:
    - i. lease term
    - ii. rent amount and be able to provide proof of tenancy by providing a copy of the Tenant's lease.
- ii. If no written lease is available, the landlord must provide:
  - a. Proof of Unit ownership or ability to sublease.
  - b. Evidence of payment from or benefiting Tenant for the unit dated on or after January 21, 2020 (e.g., cancelled checks or money order).
- iii. Documentation of missed payments (e.g. missed payment on ledger for rental arrears)
- iv. Unit Eligibility
  - a. Rental units must be eligible.
  - b. Ineligible units include those already receiving:
    - i. project-based assistance
    - ii. public housing units, and
    - iii. a property owned by a unit of government.
- v. Age of Property
  - a. The Landlord is certifying to the accurate age of the property.
- vi. Prevention of Duplication of Benefits Certification
  - a. Landlord cannot have received assistance from another program for the same rent for the same client and must agree to not apply in the future for the covered months.

- b. The landlord receiving CDBG-CV assistance must agree to repay any assistance that is determined to be duplicative.
  - c. Landlord will reimburse the subrecipient within at least 30 business days if they receive duplicative payment for the same tenant and same time period.
- vii. Non-Eviction
  - a. To receive financial assistance, the landlord must agree not to evict the renter for non-payment of rent associated with any of the months for which the rental assistance payment is made.
  - b. In the case of assistance, the Landlord must agree to release the tenant from payment liability and waive all claims raised in the eviction case and not evict the tenant for nonpayment of rent for the period covered by the assistance.
- viii. Fees and Penalty Forgiveness
  - a. Landlord must agree to forgive late fees/penalties for rental arrears.
- ix. Direct Deposit
  - a. Landlord must have a bank account with direct deposit, unless otherwise agreed to with the program administrator.
- x. W-9
  - a. Submission of a W-9 form completed by the landlord.
  - b. Assistance cannot cover rent any earlier than January 21, 2020.
- xi. Truth and Accuracy
  - a. The landlord must certify to the accuracy of all items on the certification.

#### E. Required Documentation for Landlord Application

- i. IRS W-9
- ii. Completed Landlord Certification Form
- iii. Written lease OR certification to tenancy and another method (e.g., cancelled check, money order, utility bill, etc.
- iv. Documentation of missed payments

### Mortgage Assistance Program

#### A. Mortgage Maximum Limits and Eligibility

- i. Maximum mortgage reimbursement limit is the actual amount of homeowner's mortgage for either one month (monthly mortgage), one week (weekly mortgage payment), or biweekly (biweekly mortgage payment).
- ii. Up to 6 consecutive months including mortgage payment arrears.

#### B. Applicant Certification and Eligibility Required Documentation

- iii. Income Eligibility
  - a. The Household must have gross annual income at or below 80% of the Area Median Income (AMI) and the program administrator must follow the income verification guidelines in the following section to determine the household's income eligibility.
- iv. COVID-19 Impact
  - a. The Household must have been economically impacted by COVID-19.

- b. The household will be asked to describe the impact but is not requested to submit documentation of such impact with their application.
- v. Mortgage statement
  - a. The applicant must provide a copy of a recent mortgage statement showing missed payment(s).
- vi. Proof of Primary Residency
  - a. To qualify for assistance the homeowner must provide proof of primary residency established through a combination of documents including:
    - i. a copy of the current mortgage statement in the homeowner's name,
    - ii. utilities under the name of the homeowner
    - iii. and/or documents from the County Court House property tax showing a homestead exemption.
    - iv. All borrowers on the mortgage statement should be included in the application.
- vii. Home Eligibility
  - a. The property must be the primary residence of the applicant.
  - b. Secondary or rental properties are not eligible for assistance.
  - c. Real estate taxes must be current.
- viii. No Duplication of Benefits:
 

The Household must:

  - a. Certify that they have not received assistance for the same period of time for the same unit and household, or if they do receive funding, that they will pay back Subrecipient within at least 30 calendar days.
  - b. Certify that they cannot have previously received rental assistance funded with other funding sources, that would exceed 6 months in total, when combined with this assistance.
- ix. Truth and Accuracy
  - a. The applicant must certify to the accuracy of all they are stating.

### C. Required Documentation for Homeowner Application

- i. Income determination documentation (refer to pages 13-14).
- ii. Copy of the mortgage statement of the homeowner.
- iii. Personal ID for one household member that is on the mortgage.
- iv. Documentation of missed payments.
- v. Required certification from homeowner that:
  - a. They have been economically impacted by the pandemic.
  - b. They need mortgage assistance.
  - c. They have not already received assistance for these same months.
  - d. They have not previously received other funding assistance for mortgage payments.
  - e. The mortgage(s) were not made with federal, state, or local funds.
  - f. The residential property, in West Virginia, is their primary residence.

### D. Emergency Mortgage Program Eligibility

- i. Principal, Interest, taxes and insurance are allowable expenses if they are part of the mortgage payment made to an eligible lender in first or second lien position, as



- b. Public housing authority (PHAs) properties or properties receiving federal or state mortgage assistance are not eligible as they are already receiving assistance to meet their mortgage obligations.
  - i. Examples of federal mortgage assistance programs whose program participants are not eligible for CDBG-CV mortgage assistance include but are not limited to:
    - 1. The Housing Choice Voucher program (tenant or project based);
    - 2. Housing Opportunities for Persons with Aids (HOPWA), and;
    - 3. HOME Tenant-Based Rental Assistance (TBRA).
  - ii. Ineligible Lenders
    - a. A unit of government or affiliate, or a payday lender or other short-term (less than one year) financing are not eligible lenders.
    - b. An entity that is suspended or disbarred by WV Housing Development Fund, WVDO, the WV Insurance Commission, and any other WV State or Federal Agency.
    - c. The System for Award Management suspended, or disbarred list are not Eligible Lenders.
    - d. Mortgages that are owned by a unit of government are not eligible for assistance under this program.
    - e. The following specific lenders are ineligible:
      - i. HUD/FHA
      - ii. USDA
      - iii. VA
      - iv. Fannie Mae
      - v. Freddie Mac
  - iii. Ineligible Loans
    - a. Loans from payday lenders or other short-term (less than one year) financing.
    - b. Loans funded from federal, state, or local funds.
    - c. Loans not in first or second lien position.
    - d. Loans with a non-eligible lender or debarred or suspended lender.

## Utilities Assistance Program

Utility Assistance Program will assist families for a maximum of six (6) consecutive months who have been impacted by COVID-19 with gas, electric, water, sewer, telephone (landline), and internet payments (utility assistance payments), so long as landline and internet are separate expenses from cable service. Cable service is an ineligible cost. Utility assistance payments for current and past due bills dating back to January 21, 2020. The WVDO Subrecipient must establish a maximum assistance and frequency. This emergency assistance must assist residents who cannot afford their utility bills because of a financial hardship related to COVID-19. It is important to note that utility services need to be separate from rental service in order to receive utility assistance. If both services are included in the same bill, assistance will be covered under the rental program. The Subrecipient must have a process in place to ensure costs are reasonable and necessary.

### A. Eligibility

To be considered for the program, you must meet each of the following qualifying factors listed below and complete this application.

- i. Must be a resident of the Subrecipient jurisdiction limits.
- ii. Earn at or below 80% of the area median income.
- iii. Have a financial hardship related to COVID-19. This includes loss of income due to job loss, furlough, reduction in hours, compliance with public health to self-quarantine, provide care for a minor child residing at home.

### B. Applicant Certification and Eligibility Required Information

- i. Income Eligibility
  - a. The Household must have gross annual income at or below 80% of the Area Median Income (AMI) and the program administrator must follow the income verification guidelines on pages 13-14 to determine the household's income eligibility.
- ii. COVID-19 Impact and Hardship
  - a. The Household must have been economically impacted by COVID-19.
  - b. The Household will be asked to describe the impact and hardship but is not requested to submit documentation of such impact with their application.
- iii. No Duplication of Benefits
  - a. The Household must:
    - i. Certify that they have not received assistance for the same period of time for the same unit and household, or if they do receive funding, that they will pay back Subrecipient within at least 30 calendar days.
    - ii. Certify that they cannot have previously received utility assistance funded with other funds, that would exceed 6 months in total, when combined with this assistance.
- iv. Truth and Accuracy: the applicant must certify to the accuracy of all they are stating.

### C. Required Documentation for Utility Assistance Application

- i. Income determination documentation.
- ii. Personal ID for one household member that is
  - a. Demonstrates occupancy such as:
    - i. a lease agreement
    - ii. mortgage statement
    - iii. utility bill
    - iv. voter registration
    - v. school registration form, etc.
- iii. Receiving any other types of assistance.
- iv. Documentation of missed payments.
- v. Copies of utility bills to be paid.
  - a. Internet: a flat fee of \$100 so long as the applicant certifies that internet is needed to engage in the following:
    - i. distance learning;
    - ii. telework and/or telemedicine;
    - iii. to obtain governmental services;
    - iv. to seek employment, or;
    - v. for other vital purposes during the pandemic.A copy of the most recent internet bill is required to ensure that it is to a member in the household, for service at the tenant/homeowner address, and separate from a cable service package.
  - b. Copy of utility bill must have arrears balance and/or disconnect notice.

### D. Ineligible Utility Assistance Costs

- i. Data coverage.
  - a. Mobile data for cellphones or any other mobile device is not eligible.
- ii. Cable service.
  - a. Cable service packages are not eligible. Although internet and landline phone services are eligible, they must be separate from a cable package due to cable being ineligible.
- iii. New Utility Services.
  - a. Utility assistance must not be used for establishing new services.
- iv. Collection Agency Costs
  - a. Late fees that are already in collection status are not eligible for assistance.

### E. Utility Servicer Documentation for Reimbursement

- i. IRS W-9;
- ii. Bill statement with arrears amount and/or notice of shut off in order to document missed payments;

## Eligible Subrecipient Costs

### Eligible Administration Costs

- i. Supplies and equipment
- ii. Overhead (administration utilities, maintenance, etc.)
- iii. Transportation/mileage
- iv. Pre-Award Costs
  - a. Preparation of the CDBG-CV application and staff time to attend pre-contract training are eligible pre-award administrative costs and may be reimbursed
- v. Lead based paint
  - a. Emergency Rental Assistance
    - i. Provided for any period longer than 100 days for current or forward rent, is covered by the Lead Safe Housing Rule (LSHR) at Title 24, Part 35 and must follow the requirements of Subpart K, whether occupied by a child less than six years or not. Rental assistance for arrears does not trigger the LSHR.
    - ii. Subpart K requires that most dwelling units built prior to January 1, 1978, that receive Federal assistance undergo a visual assessment for deteriorated paint (inside, outside and all common areas) by a trained grantee or subrecipient.
    - iii. Visual Assessment training is free and may be taken through this link: <https://apps.hud.gov/offices/lead/training/visualassessment/h00101.htm>. Landlord must document the visual assessment.

## Appeal Process

Subrecipient must establish a written denial of service complaint procedure to address written complaints (or an oral complaint if a person with a disability requests a reasonable accommodation based on their disability) from a household or landlord.

## Cross Cut Requirements

Public Facilities and Public Service Projects are subject to:

- i. Environmental Review-All environmental review regulations are required.
- ii. Procurement-All procurement regulations are required per 2CFR200 and WV State Code 55-2-1.
- iii. Fair Housing and Equal Opportunity - All Fair Housing and Equal Opportunity regulations are required.
- iv. Public Facilities Cross Cut requirements also include:
  - a. Davis Bacon wage rates;
  - b. Section 3;
  - c. MBE/WBE;
  - d. Uniform Relocation Act (URA);
  - e. 504 and American Disability Act Plan.

## Client Data and Other Sensitive Information

The Subrecipient is required to maintain data demonstrating client eligibility for activities provided under this Agreement. Such data may include, but not be limited to:

- i. client name,
- ii. address,
- iii. income level or other basis for determining eligibility, and
- iv. description of activities provided.

The Subrecipient must comply with 2 CFR §200.303 and take reasonable measures to safeguard protected personally identifiable information, as defined in 2 CFR 200.82, and other information HUD or the Grantee designates as sensitive or the Subrecipient considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

## Limited English Proficiency (LEP) and Special Accommodations for Applicants

Title VI of the Civil Rights Act of 1964 (Title VI) is the federal law which protects individuals from discrimination on the basis of their race, color, or national origin in programs that receive federal financial assistance. In certain situations, failure to ensure that persons who have limited English proficiency can effectively participate in, or benefit from, federally assisted programs may violate Title VI's prohibition against national origin discrimination. Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter.

Subrecipient should include language in program marketing materials and/or availability of applications that provides access to limited English proficiency persons and individuals accommodations with be made under the ADA Act to access the programs.

Marketing and application should include fair housing logo and the following language: Language assistance for persons who have Limited English Proficiency will be available upon request, and special accommodations will be made upon request. (INSERT SUBRECIPIENT AND NONPROFIT NAME) does business in accordance with the Fair Housing Act (The Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988) with equal access to all persons regardless of race, color, national origin, religion, sex, familial status, and disability.

## Subrecipients and Subawards

### Subrecipient Understanding

Subrecipient, in subcontracting for any performances described in this Contract, expressly understands that in entering into such subcontracts, WVDO is in no way liable to the Subrecipient's subcontractor(s). All subcontracts must be for goods or services and paid out of administrative funds. Subcontractors must be procured in accordance with 2 CFR Part 200 and WV State Code -55-2-1.

### Subrecipient Responsibility

Subrecipient has the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply with all Contract terms and as if such performances rendered were rendered by Subrecipient. WVDO maintains the right to monitor and require Subrecipient's full compliance with the terms of this Contract.

### Subawards from Subrecipient

The Subrecipient may request to the WVDO to enter into a subaward agreement via Memorandum of Understanding to a public housing authority or nonprofit organization for some or all of its program and administrative funds through a direct (non-competitive) award. The Subrecipient must fulfill all of the requirements of a pass-through entity listed in 24 CFR §200.332 and must monitor its sub-awardee at least once during the Contract Term.

Any subaward must contain all the applicable terms and conditions required by federal and state requirements and as further reflected in this Contract including but not limited to items specifically identified in the subrecipient agreement, 2 CFR §200.332, and 2 CFR Part 200 Appendix II (as applicable).

Subrecipient must provide the WVDO with the applicable contact information for all subawards to ensure that accurate contact information is available relating to both rental assistance and eviction diversion activities to include in a list of resources for landlords/tenants. Sub awardees may not further subaward funds.

### Requirements Before Entering Sub-awards

Before entering into a contract or other agreement with a sub awardee, Subrecipient must:

- i. Check the Federal and State debarment and suspended lists.
- ii. Ensure that the subrecipient is current on its Single Audit submission to the Federal Audit Clearing house.

The Subrecipient, in sub awarding for any performances described in the subrecipient agreement, expressly understands that in entering into such subawards, WVDO is in no way liable to the Subrecipient's sub awardee. Department maintains the right to monitor and require Subrecipient's full compliance with the terms of this Contract.

## Administrative Forms

The following forms are provided by WVDO to the Subrecipient throughout the program:

- i. Subrecipient Agreement
- ii. Evidentiary Materials List and Forms
- iii. Payment Request Form
- iv. Quarterly Reporting Form
- v. Final Payment Form
- vi. Close Out Report

## Subrecipient Program Forms

The Subrecipient will need to create the following list of Program Forms and receive approval by WVDO:

- iii. Tenant Application Form
- iv. Homeowner Application Form
- v. Utility Assistance Application Form
- vi. Landlord Certification Form
- vii. Mortgage Lender Certification Form
- viii. Marketing Materials for Advertisements (Flyers, Newspaper Ads, etc.)
- ix. Individual Program Specific CDBG-CV Policies and Procedures with required information
- x. DOB-Self Certification Form (provided by WVDO)

## Financial Management and Debarment

Financial Management Subrecipients must demonstrate to the satisfaction of WVDO that they are in compliance with the financial management requirements at 2 CFR Part 200, including the single audit requirements of 2 CFR §200.501.

Pursuant to 24 CFR Part 5, all CDBG-CV applicants are required to verify that they and their principals, or any/all persons, contractors, consultants, businesses, sub-awardees, etc., that will be conducting business with the applicant as part of the rental, mortgage, and utility assistance activity are not presently debarred, proposed for debarment, suspended, declared ineligible, or voluntarily excluded from participation in the covered transaction or in any proposal submitted in connection with the covered transaction.

WVDO will not award any CDBG-CV funds to organizations that are debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from participation from federal or state assisted programs, or that are proposing to partner, contract, or otherwise fund rental assistance activities through an organization that is debarred, suspended, proposed for debarment, or otherwise ineligible from participation in federally assisted programs.

## Payment Administration Process Requirements:

Requests for Payment must be submitted monthly, including all required invoices and documentation to substantiate costs, to the West Virginia Community Advancement and Development Office for approval and remittance. CDBG-CV funds are not paid to Subrecipients before costs are accrued. Subrecipients must be financially suited to cover initial costs for future reimbursement of expenses.

Please note, costs incurred before the execution of the grant agreement with WVDO is subject to the CARES Act provisions that CDBG-CV funds may be used to cover or reimburse allowable costs of activities to prevent, prepare for, and respond to Coronavirus incurred by a State or locality. WVDO can pay costs in accordance with pre-agreement cost authority under 24 CFR 570.489(b) (States). Reimbursed costs must comply with all grant agreements and the CARES Act Federal Register. Subrecipients should understand and familiarize themselves with the 'Three-Day Rule' that is apart of the WVDO Payment Process Requirements, found in Chapter 3 of the WVDO website below.

Maximum Allowable Cost for Public Facility Administration is 10%.  
Maximum Allowable Cost for Public Service Administration is 5%.

Subrecipients that do not comply with the Post-Award and Sub-Recipient Criteria listed below will forfeit their award of CDBG-CV funds. The forfeited funds will be then returned to the CDBG-CV program for reallocation.

- i. Subrecipient shall not incur any costs or obligate any CDBG-CV funding until approval of Environmental Review by the State of West Virginia (WVDO).
- ii. CDBG-CV Planning and Public Service Projects will have **ONE** year to complete their project from execution of the grant agreement with WVDO. A one-year extension can be requested for projects subject to WVCAD approval. Public Service projects will only have a Notice to Proceed for issuance of funds.
- iii. CDBG-CV Public Facilities Projects will have **TWO** years to complete their project from execution of the grant agreement with WVDO. A one-year extension can be requested for projects subject to WVCAD approval. Public Facility projects will have to go through the process of AUGF (Authority to Use Grant Funds) as well as a full Environmental Review.
- iv. Subrecipients will be asked to provide a final summary reporting all accomplishments and outcomes to be provided to the State. This includes a description of the impact or outcomes of the program or project. Final payment will not be issued until WVCAD receives the final summary report.

For additional payment details and processes, please review Chapter 3 in the CDBG Program Policies and Procedures Manual under the Community Development tab at:

<https://wvcad.org/resources/cdbg-manual>

## Reporting Requirements

Collect and track data elements associated with the program/project requesting funding. These elements include, but may not be limited to the following:

- i. how the person/household was directly impacted by the coronavirus;
- ii. number of persons/ households served;
- iii. family size;
- iv. race/ethnicity,
- v. income documentation;
- vi. residency documentation;
- vii. low to moderate income benefit data
- viii. fair housing.

The Subrecipient must provide the WVDO with quarterly reports and a close-out report. These reports must include the status and progress of the expenditure of funds under this Agreement, in addition to any other information requested by WVDO.

- a. Quarterly reports are due to the WVDO no later than 15 days after the end of each quarter of the program year and must be sent each quarter until submission of the administrative close-out report. The ending dates for each quarter of the program year are March 31, June 30, September 30, and December 31. The first quarterly report is due for the quarter ending June 30, 2021.
- b. The close-out report is due thirty (30) days after termination of this Agreement or 30 days after completion of the activities contained in this Agreement, whichever occurs first. If all required reports and copies are not sent to WVDO or are not completed in a manner acceptable to WVDO, WVDO may withhold further payments until they are completed or may take other action. "Acceptable to the Grantee" means that the work product was completed in accordance with the Budget and Scope of Work. The Subrecipient must provide additional program updates or information that may be required by WVDO.
- c. At a minimum, the Subrecipient shall maintain records required by 24 CFR 570.506, as if the requirements in 24 CFR 570.506 were directly imposed upon the Subrecipient and additionally include any additional recordkeeping requirements imposed by Federal Register notice governing the use of the funds.
- d. At a minimum, the following records are needed:
  - i. Records providing a full description of each activity assisted (or being assisted) with CDBG-CV funds, including:
    1. The location (if the activity has a geographical locus);
    2. The amount of CDBG-CV funds budgeted, obligated, and expended for the activity, and;
    3. The provision in subpart C (570) under which it is eligible.
  - ii. Records demonstrating that each activity undertaken meets one of the criteria set forth in §570.208

## Monitoring

- i. Monitoring and reporting program performance
  - a. 2 CFR 200.329
- ii. Monitoring requirements
  - a. 24 CFR 91.330

## Additional Resources

The following documents, plans, templates, and other resources are available on CAD website at the following link:

<https://wvcad.org/resources>

The following regulations establish federal and state requirements includes, but is not limited to, the following as now in effect or as amended in the future:

- i. CARES Act (Public Law No: 116-136)
- ii. Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq)
- iii. 24 CFR Part 570
- iv. CDBG-CV Notice, FR-6218-N-01
- v. Davis Bacon wage rates
- vi. Section 3
- vii. MBE/WBE
- viii. 504 and ADA Act
- ix. 2 CFR Part 200
- x. Fair Housing Act
- xi. Federal reporting requirements - 24 CFR 91.520
- xii. Monitoring and reporting program performance - 2 CFR 200.329
- xiii. Monitoring requirements - 24 CFR 91.330

If there is a conflict between the state and federal regulations, the federal regulations shall prevail. In addition, WVDO reserves the right, at its sole discretion, to suspend or amend the provisions governing this program. If such an action occurs, the WVDO will notify interested parties.

