

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

Effective January 1, 2021



WEST VIRGINIA DEPARTMENT OF
ECONOMIC DEVELOPMENT

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Hannah Carter	March 31, 2021	Edited: Utility Servicer Documentation and Payment Requirement
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Introduction

This CDBG-CV Policy and Procedure Manual is intended as a guide, not as a substitute for a thorough knowledge of state and federal laws and regulations referenced in this manual. In the event of any discrepancy, federal regulations will prevail. The Grantee is responsible for compliance with the most current and stringent of any applicable local, state or federal law or regulation(s). The West Virginia Department of Economic Development does not discriminate on the basis of age, race, color, religion, sex, national origin, familial status or disability in the admission, access to, treatment of, or employment in, its federally assisted programs or activities.

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. Of the total CARES allocation, 70% must directly benefit low to moderate income persons. 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.

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 Department of Economic Development (WVDED) (WVDED) 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.

Prevention of DOB

Preventing DOB as the Subrecipient

Project administrators must ensure there has not been and will not be a DOB with each application before assistance is provided. The Subrecipient must review each application the project administrator(s) has deemed to be eligible to ensure DOB has not occurred. Personally Identifiable Information (PII) must remain in the project file and should not be shared electronically or to the public. Protecting this information is crucial; therefore, the Subrecipient should review the files in-person to ensure all requirements are being followed.

Preventing DOB as the State

The following steps are taken by the WVDED 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.
- vi. Completion and signature of a subrogation agreement by the Subrecipient to ensure

repayment of any duplication of benefits.

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.

Analyzing DOB through State Act Direct

When the State of West Virginia Department of Economic Development acts directly, DOB certification can be verified at the agency level (e.g., food bank Executive Director) instead of the direct Household. The agency must show there is not a duplication of benefits for the same project but also continuously be in communication with the WVDED to ensure that disbursement of funds to local food distributors will not be a duplication.

While direct Households of food bank distribution with State Act Direct projects are not required to complete the Non-Duplication of Benefits form, Households must complete the Applicant Income Self-Certification Form in order to determine eligibility and receive food assistance. The form does include a DOB certification reference, requiring the applying Household to certify that they have not and will not receive food assistance from any other source, for the same purpose, during the same month the application is submitted.

The WVDED 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 WVDED. These DOB policies and procedures can be found at [Resources | West Virginia Community and Development Office \(wvcad.org\)](#) under 'CDBG'. 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). The Subrecipient is held responsible to repay any duplicative benefits, referenced in the Subrogation Agreement, Attachment E- Form C5, to the Evidentiary Materials. Refer to Updates to the Duplication of Benefits Requirements Under the Stafford Act for Community Development BlockGrant (CDBG) Disaster Recovery Grantees FR Notice 6169-N-01. www.hud.gov/sites/dfiles/Main/documents/6169-N-01_Main_DOB_Notice.pdf

Additional recapture policies can be referenced on pages 32-33 of this manual.

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 Department of Economic Development (WVDED) will act directly through Subrecipient Agreements with State Agencies to deliver food distribution. The WVDED 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.

Additional State Act Direct eligibility requirements and guidance can be referenced on page 26 of this manual.

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. Further guidance on program eligibility and guidance can be found at: [CDBG-CV Toolkit: Introduction - HUD Exchange](#)

Eligible Subrecipient Costs

- i. Administration (Direct and Indirect)
- ii. Pre-Award Costs
 - a. Eligible activities from January 21, 2020 to current, subject to HUD Community Development and Planning review.
- iii. 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>
 - m. Landlord must document the visual assessment.

Ineligible Subrecipient Costs

- i. Funding for activities already provided by a city or state or ongoing funding for municipal services.
- ii. Maintenance of vehicles or facilities.
- iii. Income payments in the form of grants.
- iv. Political or religious activities such as campaigning for legislative reform or for activities that include religious worship, instruction, or counseling is ineligible.
- v. Household groceries- past receipts or future bills.

Public Facilities

Eligible CDBG-COVID Public Facility activities include the following:

- i. Construct a facility for testing, diagnosis, or treatment of COVID-19.
- 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.
- vii. Renovate public schools to better respond to the Coronavirus.

Additional Eligible Public Facility expenses and guidance can be found at:

[CDBG-CV Public Facilities Quick Guide \(hudexchange.info\)](https://www.hudexchange.info/publications/cdbg-cv-public-facilities-quick-guide)

National Objective

See page 12 of this manual for Low to moderate income area or Urgent Need National Objective documentation.

Financial/Managerial/Crosscut 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 activities include the following:

- i. Labor, supplies, material, and equipment:
 - a. Eligible equipment must:
 - i. constitute all or part of the public service
 - ii. be owned by the Subrecipient or Sub-awardee that provides the public service
 - iii. show a need that it responds, prepares, or prevents COVID-19.
 - b. Examples of public service equipment include ventilators or other medical equipment and supplies that will be used in providing health care at a field clinic, or a vehicle outfitted with medical equipment to provide mobile health care.
- ii. Support operations of food banks/pantries including staffing, supplies, utilities, PPE, insurance.
- iii. Travel fuel, with supporting mileage documentation, not to exceed State per diem rate.
- iv. Emergency assistance payments (i.e. rent, mortgage, utilities) that do not exceed six (6) consecutive months.
- v. Purchasing of food for emergency food box assistance.
- vi. Payments made directly to providers of services, such as utilities, which are made on behalf of an individual or family.

Additional Eligible Public Service expenses and guidance can be found at:

[CDBG-CV Toolkit: Eligible Uses: Public Services - HUD Exchange](https://www.hudexchange.info/publications/cdbg-cv-toolkit-eligible-uses-public-services-hud-exchange)

National Objective

See page 12 of this manual for Low to Moderate Income Area or Urgent Need National Objective documentation.

Financial/Managerial/Crosscut Requirements:

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<https://wvcad.org/resources/cdbg-manual> and the executed Subrecipient agreement.

Eligible Public Service Activities

Household Definition

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 Definition

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:

- ii. a new service, or
- iii. 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

CDBG statute has a 15% cap on the amount of a grantee's yearly allocation that may be obligated for all public services. However, the CARES Act suspends the statutory 15% cap, as long as the public service prevents, prepares for, or responds to the coronavirus. 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 FY2019 and FY2020 funds.

[CDBG Memorandum: Waiver of the 15% Public Service Cap - HUD Exchange](#)

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>

[FY 2021 ACS 5-Year 2011-2015 Low- and Moderate-Income Summary Data - HUD Exchange](#)

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. 2021 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#2021>

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 funds available. Urgent Need does not meet direct low to moderate income benefit, nor is applied towards the minimum 70% or greater direct low to moderate income benefit.

- 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 source documentation, 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.
- 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. Any assets from the 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

All items below are required to be submitted with application for assistance:

- i. Pay stub(s) covering at least most recent 8 weeks (weekly, bi-weekly) or covering most recent two months (monthly, semi-monthly).
- ii. Self-certification only for unemployment and disability compensation.
- iii. Payments in lieu of unemployment and disability compensation, worker's compensation, and severance pay, and similar payments in lieu of earnings.
- iv. 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.
- v. Self-certification of asset income amount that is not greater than the amount of assistance requested.

Documentation for Assistance Types

The following information applies to all public service assistance types (i.e., rental, mortgage, utility, food):

All assistance types have a maximum time period of allowed funds for **six** consecutive months, with a maximum of **one** application for each household. Assistance payments are eligible for current and past due bills dating back to January 21, 2020—subject to HUD Community Development and Planning review—so long as they do not exceed six consecutive months of assistance. 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 WVDED Subrecipient must ensure actual cost of rental/mortgage/utility cost is necessary and reasonable. WVDED Subrecipients are allowed to pay the amount shown on the supporting bill payment is being requested for. There is no maximum cost limit for applications of rental, mortgage, or utility assistance; however, the Subrecipient must have a process in place to ensure costs are necessary and reasonable. While the WVDED is allowing Subrecipients to pay the total amount being requested—so long as there is supporting documentation of that total—there may never be a payment for rental, mortgage, or utility assistance that is greater than the actual amount shown in the supporting documentation.

Rental Assistance

Rental Assistance will assist families for a **maximum of six (6) consecutive months** who have been impacted by COVID-19 with rental payments (rental assistance payments) so long as the payment is in the tenant's name and all other eligibility requirements are met. Submitting an application with documentation showing conflicting physical addresses, or multiple addresses, is not eligible. Any combination of arrears, current and future rent will be available to assist the household. Rental assistance payments for current and past due payments dating back to January 21, 2020. Maximum rental reimbursement limit is the actual amount of rent for either onemonth (monthly rental agreement), or 30 days (daily agreement).

A. Required Information for Applicant Certification and Eligibility

- i. Income Eligibility
 - a. The Household must have gross annual income at or below 80% of the 2021 Area Median Income (AMI) and the project 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. 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 have not 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
- B. 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 rental payments that show the following:
 - a. the dates of requested assistance matching the time period on the statement
 - b. the total dollar amount being requested matching the amount on the statement
 - c. the physical address of requested assistance matching the address on the statement
 - v. Required certification from tenant that:
 - a. They have been economically impacted by the COVID-19 pandemic.
 - b. They do not receive a gross annual income above 80% of the 2021 Area Median Income (AMI).
 - c. They need rental assistance.
 - d. They do not have assets that could pay for the requested assistance.
 - e. They have not already received assistance for these same months.
 - f. They have not previously received other funding assistance for rental payments.
 - g. All submitted information and documentation is true and accurate.
 - vi. Non-Duplication of Benefits form, provided by WVDED.

C. 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. 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.
 - iv. Age of Property
 - a. The Landlord is certifying to the accurate age of the property.
 - v. 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.
 - vi. 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.
 - vii. Fees and Penalty Forgiveness
 - a. Landlord must agree to forgive late fees/penalties for rental arrears.
 - viii. Truth and Accuracy
 - a. The landlord must certify to the accuracy of all items on the certification.

D. Required Documentation from Landlord

The Subrecipient or Sub-Awardee is required to obtain the following documentation from the landlord in order to verify assistance requirements are being followed:

- i. Completed Landlord Certification Form, created by the Subrecipient, with the qualifications referenced above in sub-section C
- ii. Written lease OR certification to tenancy and another method (e.g., cancelled check, money order, utility bill, etc.
- iii. Non-Duplication of Benefits form, provided by WVDED
- iv. Documentation of missed rental payments that show the following:
 - a. the dates of requested assistance matching the time period on the statement
 - b. the total dollar amount being requested matching the amount on the statement
 - c. the physical address of requested assistance matching the address on the statement

Mortgage Assistance

Mortgage Assistance will assist families for a **maximum of six (6) consecutive months** who have been impacted by COVID-19 with mortgage payments (mortgage assistance payments) so long as the mortgage is listed in the homeowners name, and all other eligibility requirements are met. Submitting an application with documentation showing conflicting physical addresses, or multiple addresses, is not eligible. Any combination of arrears, current and future mortgage statements will be available to assist the household. Mortgage assistance payments for current and past due payments dating back to January 21, 2020. 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).

A. Homeowner Eligibility for Mortgage Assistance

i. Income Eligibility

- a. The Household must have gross annual income at or below 80% of the 2021 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

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. Mortgage statement

- a. The applicant must provide a copy of a recent mortgage statement showing missed payment(s) with the following information:
 - i. the dates of requested assistance matching the time period on the statement
 - ii. the total dollar amount being requested matching the amount on the statement
 - iii. the physical address of requested assistance matching the address on the statement

iv. 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 and/or documents from the County Court House property tax showing a homestead exemption,
 - iii. all borrowers on the mortgage statement should be included in the application

v. 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

vi. 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 payback Subrecipient within at least 30 calendar days.
- b. Certify that they cannot have previously received mortgage assistance funded with other funding sources, that would exceed 6 months in total, when combined with this assistance.

vii. Truth and Accuracy

- a. The applicant must certify to the accuracy of all they are stating.

B. Required Documentation for Homeowner Application

- i. Income determination documentation (refer to pages 13-14).
- ii. Personal ID for one household member that is on the mortgage.
- iii. Documentation of missed mortgage payments that show the following:
 - a. the dates of requested assistance matching the time period on the statement
 - b. the total dollar amount being requested matching the amount on the statement
 - c. the physical address of requested assistance matching the address on the statement
- iv. Required certification from homeowner that:
 - a. They have been economically impacted by the COVID-19 pandemic.
 - b. They do not receive a gross annual income above 80% of the 2021 Area Median Income (AMI).
 - c. They need mortgage assistance.
 - d. They have not already received assistance for these same months.
 - e. They do not have assets that could pay for the requested assistance.
 - f. They have not previously received other funding assistance for mortgage payments.
 - g. The mortgage(s) were not made with federal, state, or local funds.
 - h. The residential property, in West Virginia, is their primary residence.
 - i. All submitted information and documentation is true and accurate.
- v. Non-Duplication of Benefits form, provided by WVDED

C. Mortgage Lender Certification and Eligibility

The Subrecipient or Sub-Awardee is required to obtain the following documentation from the mortgage lender in order to verify assistance requirements are being followed:

- i. Eligible Lenders
 - a. Must be a bank, trust company, savings bank, mortgage company, credit union, national banking association, savings and loan association, life insurance company, or another financial corporation regulated by a federal banking agency and registered with the National Multi-State Financial Licensing System.
 - b. All entities must be authorized to do business in West Virginia.
 - c. All entities must meet the definition of an Eligible Lender and NOT be a debarred or suspended lender.
- ii. Fees and Penalty Forgiveness
 - a. Late fees/penalties for mortgage arrears are eligible but homeowners should first negotiate with the lender to request late fee forgiveness and/or reduction.
 - b. Late fees that are already in collection status are not eligible for assistance.
- iii. Prevention of Duplication of Benefits Certification
 - a. Lender cannot have received assistance from another program for the same loan for the same client and must agree to not apply in the future for the covered months.
 - b. The lender receiving CDBG-CV assistance must agree to repay any assistance that is determined to be duplicative.
 - c. Lender will reimburse the Subrecipient within at least 30 business days if they receive duplicative payment for the same loan during the same time period.

D. Required Documentation from Mortgage Lender

The Subrecipient or Sub-Awardee is required to obtain the following documentation from the mortgage lender in order to verify assistance requirements are being followed:

- i. Completed Mortgage Certification Form, created by the Subrecipient, including all qualifications referenced in above sub-section C.
- ii. Non-Duplication of Benefits form, provided by WVDED.

E. Mortgage Assistance 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 further described in the Mortgage payment section.
- ii. Late fees are allowable expenses, but homeowners should first negotiate with the lender to request late fee forgiveness and/or reduction.
- iii. Up to 6 consecutive months allowed for payments.
 - a. Includes mortgage arrears or payments in forbearance, but not amounts owed that have been sent to a collection agency.
 - b. Payments may include all escrowed first mortgage expenses including:
 - i. principal, interest, property taxes, and insurance (the escrow must have been established with the mortgage and is being managed by the mortgage servicer).
 - ii. HOA fees or special assessments are not eligible expenses.
 - iii. Must be a first lien mortgage or a first and second lien mortgage, but if paying first and second lien mortgage, the mortgages must be part of the same months of assistance.
 - c. The first lien mortgage must not have been made with federal, state, or local government funds (e.g., HOME, NSP, CDBG, CDBG-DR, HTF etc.). A homeowner with both a first and second lien mortgage where the second lien mortgage was funded with Federal, State, or local funds may still receive a payment for the first lien mortgage.
 - d. Mortgage Payment must be made to an Eligible Lender.
- iv. Contract for deed or rent to own instruments are not eligible.

F. Mortgage Assistance Ineligibility

- i. Ineligible Households
 - a. Households receiving duplicative mortgage assistance from any other source for the same period of time for which they are seeking assistance from the CDBG-CV program.
 - 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, WVDED, 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

Utility Assistance

Utility Assistance will assist families for a **maximum of six (6) consecutive months** who have been impacted by COVID-19. The applicant requesting assistance must be the occupant of the submitted physical address that is supported through bill statement documentation. Submitting an application with documentation showing conflicting physical addresses, or multiple addresses, is not eligible. 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 assistance.

A. Applicant Eligibility

- i. Income Eligibility
 - a. The Household must have gross annual income at or below 80% of the 2021 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.

B. Required Documentation for Utility Assistance Application

- i. Income determination documentation (refer to pages 13-14).
- ii. Personal ID for one household member that demonstrates occupancy such as:
 - a. a lease agreement
 - b. mortgage statement
 - c. utility bill
 - d. voter registration
 - e. school registration form
 - f. mortgage statement, etc
- iii. Documentation of missed utility payments that show the following:
 - a. the dates of requested assistance matching the time period on the statement
 - b. the total dollar amount being requested matching the amount on the statement
 - c. the physical address of requested assistance matching the address on the statement
 - d. the disconnect notice for payment
- iv. Required certification from occupant that:
 - a. They have been economically impacted by the COVID-19 pandemic.
 - b. They do not receive a gross annual income above 80% of the 2021 Area Median Income (AMI).
 - c. They need utility assistance.
 - d. They do not have assets that could pay for the requested assistance.
 - e. They have not already received assistance for these same months.

- f. They have not previously received other funding assistance for utility payments.
 - g. All submitted information and documentation is true and accurate.
 - v. Non-Duplication of Benefits form, provided by the WVDED.

C. Eligible Utility Assistance Costs

- i. Gas, electric, water, sewer, trash, telephone (landline), and internet payments are eligible costs, so long as:
 - a. landline and internet are separate expenses from cable service;
 - b. if landline and internet are bundled with a cable package, the applicant must be able to show the exact amounts of each line item on the bill statement in order for landline and internet to be paid.

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 is not eligible and must be taken out of any cable bill package that includes internet and/or landline phone in order to determine assistance amount.
- 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

The Subrecipient or Sub-Awardee is required to obtain the following documentation from the utility company in order to verify assistance requirements are being followed:

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

Food Assistance

Food Assistance will assist families for a **maximum of six (6) consecutive months** who have been impacted by COVID-19. Individuals or households who request to receive food assistance must complete self-certification forms with all requirements listed in this section before receiving the assistance.

A. Applicant Eligibility

ii. Income Eligibility

- a. The Household must have gross annual income at or below 80% of the 2021 Area Median Income (AMI) in the project's service area.

iii. COVID-19 Impact and Hardship

- a. The Household must have been economically impacted by COVID-19.
- b. The Household must be asked what event caused economic impact by COVID-19.

iv. No Duplication of Benefits

a. The Household must:

- i. Certify that they have not received food 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.

v. Truth and Accuracy: the applicant must certify to the accuracy of all they are stating.

B. Required Documentation for Food Assistance

- i. Non-DOB Self Certification Form, provided by the WVDED.
- ii. Applicant Income Self-Certification Form, provided by the WVDED.
- iii. Subrecipient's documentation of food procurement. (See Chapter 5 of the CDBG Policy and Procedure manual, found at <https://wvcad.org/resources/cdbg-manual>).

C. Eligible Food Assistance Costs

- i. Canned and dry goods
- ii. Meat and poultry
- iii. Fruits and vegetables
- iv. Dairy
- v. Eggs
- vi. Breads and cereals
- vii. Frozen foods (i.e., vegetables, beef, fish, fruit, etc.)

D. Ineligible Food Assistance Costs

- i. Candy
- ii. Carbonated beverages
- iii. Alcoholic beverages
- iv. Vitamins, medicines, supplements
- v. Tobacco
- vi. Point of sale (POS) hot foods
- vii. Animal food
- viii. Nonfood items (e.g., personal hygiene products, toiletries, household cleaners)

State Act Direct Food Distribution

The West Virginia Department of Economic Development may act direct through food distribution as an eligible activity under the CDBG-CV program. Each project is granted a 12 consecutive month expenditure completion period and must meet a National Objective of Low to Moderate Income (LMI) Benefit. Beneficiaries must verify their income meets the Low to Moderate Income amounts through a self-certification form provided by the WVDED. This form can be found at the following location, under CDBG-CV Program Documentation:

<https://wvcad.org/infrastructure/community-development-block-grant>

Each beneficiary must meet all requirements in Section A, under Food Assistance, titled “Applicant Eligibility”, found on page 25 of this manual. For income eligibility, all beneficiaries of the activity must qualify as LMI persons, earning 80% or less of the area median income as defined located at HUD exchange for the project area being served (counties). To qualify, the Subrecipient must establish that at least 51% of food bank beneficiaries are persons whose household income does not exceed the LMI 80% limit. 2021 HUD Low to Moderate Income Guidelines for the State of West Virginia counties can be found at:

https://www.huduser.gov/portal/datasets/il/il2021/select_Geography.odn

For DOB requirements associated with State Act Direct Food Distribution, refer to section titled “Analyzing DOB through State Act Direct” found on page 7 of this manual.

All Food Banks procured by the WVDED must follow all requirements associated with eligible and ineligible costs in Sections C and D, titled “Eligible Food Assistance Costs” and “Ineligible Food Assistance Costs”, found on page 25 of this manual.

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 StateCode 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, WVDED 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. WVDED 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 WVDED 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 WVDED 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 Clearinghouse.

The Subrecipient, in sub-awarding for any performances described in the Subrecipient agreement, expressly understands that in entering into such subawards, WVDED is in no way liable to the Subrecipient's sub-awardee. WVDED 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 WVDED to the Subrecipient throughout the program:

- i. Subrecipient Agreement
- ii. Evidentiary Materials List and Applicable Forms
- iii. Request for Payment Form
- iv. Invoice Summary Sheets
- v. Assistance Documentation Checklist
- vi. Budget Amendment
- vii. Quarterly Reporting Form
- viii. Final Performance Report

Subrecipient Project Documents and Forms

All asterisked items must be created by the Subrecipient and be approved by the WVDED before use throughout the entirety of the grant:

- iii. Rental Assistance
 - a. Tenant Application*
 - b. Landlord Certification Form*
 - c. Non-DOB Self Certification Form, provided by the WVDED. To be completed by both the tenant and the landlord.
- iv. Mortgage Assistance
 - a. Homeowner Application*
 - b. Mortgage Lender Certification Form*
 - c. Non-DOB Self Certification Form, provided by the WVDED. To be completed by both the homeowner and the lender.
- v. Utility Assistance
 - a. Household Utility Application*
 - b. Non-DOB Self Certification Form, provided by the WVDED.
- vi. Food Assistance
 - a. Non-DOB Self Certification Form, provided by the WVDED (only for food assistance, non-State Act Direct).
 - b. Applicant Income Self-Certification Form, provided by the WVDED (food assistance and Food Bank State Act Direct).
- vii. Marketing Materials for Advertisement of project (Flyers, Newspaper Ads, etc.)*

Financial Management and Debarment

Financial Management Subrecipients must demonstrate to the satisfaction of WVDED 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.

WVDED 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 WVDED 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. WVDED 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 a part of the WVDED Payment Process Requirements, found in Chapter 3 of the WVDED website below.

Maximum Allowable Cost for Public Facility Administration is up to 10%.

Maximum Allowable Cost for Public Service Administration is up to 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 (WVDED).
- ii. CDBG-CV Planning and Public Service Projects will have **ONE** year to complete their project from execution of the grant agreement with WVDED. 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 WVDED. 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>

Request for Payment Process

The Subrecipient cannot request payment before submission and WVDED approval of the Evidentiary Materials and the Environmental Review. Please note, pre-award costs can be paid back to January 21, 2020, subject to HUD Community Development and Planning review. The Request for Payment (RFP) must be submitted to the appropriate CDBG-CV Project Manager by the 17th of each month in order for that month's payment to be processed. When the Subrecipient requests payment for services rendered, the following documentation must be submitted in order to receive reimbursement:

- i. Request for Payment Form (RFP)
- ii. Invoice Summary Sheets
- iii. Supporting invoices for requested amounts
 - a. All invoices must be signed and dated by the project administrator (RPDC) or Subrecipient to ensure they are being reviewed to their entirety.
- iv. Travel Mileage Documentation (if applicable)
- v. Documentation Checklist for Assistance Types, signed and dated by the Subrecipient's authorized signature.

If indirect costs are being requested, WVDED must have the Indirect Cost Acknowledgement letter from the cognizant agency on file for the applicable fiscal year. The Subrecipient must ensure the Indirect Cost Allocation plan is on file at the administrating office.

A Request for Payment will not be processed without an adequate report given during the monthly project update calls. Failure to provide an adequate report given during monthly calls may result in the withholding of funds. A Request for Payment will not be processed without supporting documentation or an updated project schedule.

In order for payment to be made, there are several steps of approval that must be completed. The WVDED project managers must review, and request revisions be made- if necessary- then sign, and forward to the WVDED program manager for approval. Once approval has been granted, WVDED project managers send the RFP to the accounting office. The accounting office receives RFP's from the WVDED project manager(s) on the 27th of every month. Once the RFP is approved by the accounting office, a transfer of funds is requested from the U.S. Treasury to the state's CDBG account. Upon notification of deposit, a state transmittal must be prepared and processed before a check can be issued. When a check is issued, it will be forwarded directly from the State Treasurer's Office to the subrecipient for deposit into the subrecipient's CDBG project account. The check must be deposited immediately. Receipt of the U.S. Treasury check triggers the count of the three-day rule.

It is anticipated that the payment process outlined above will take approximately 30 days. Subrecipients are advised that they will have to use their own resources to accommodate probable cash flow problems. As explained earlier, funds must be expended in accordance with the "Three-Day Rule."

Budget Amendments

If a Subrecipient wishes to amend the original budget submitted with the Evidentiary Materials, a Budget Amendment must be drafted and sent to the applicable project manager at the WVDED. Once the amendment has been reviewed, approved, and sent back to the Subrecipient, the following RFP line items and totals must match the most recent Budget Amendment. Please note, the Budget Amendment must be submitted well in advance to a following RFP and should not be submitted with an RFP at the same time.

Recapturing Funds

This section articulates the policies that will guide WVDED's CDBG-CV program in its efforts to recapture funds that have been overpaid to or unused by the Subrecipient. CDBG Financial Regulations apply directly to the CDBG-CV program, as stated in this section.

CDBG regulations (24 CFR 570.502)³ governing grant administration and OMB cost principles (2 CFR 200.403 (a))⁴ require that payment of CDBG funds to beneficiaries be necessary and reasonable; and prohibit beneficiaries from retaining excess funds not used for eligible, approved costs. The provision of CDBG-CV funds more than what is needed for immediate use is also prohibited (2 CFR 200.305 (b) (1))⁵. In addition, the Stafford Act and the CDBG Notice indicate that funding may only be provided to the extent that it does not duplicate funding provided to a beneficiary for the same purpose.). The Subrecipient is held responsible to repay any duplicative benefits, referenced in the Subrogation Agreement, Attachment E- Form C5, to the Evidentiary Materials.

Common examples that may result in a revision to a CDBG-CV award, resulting in repayment of grant award funds from an applicant include, but are not limited to:

- i. DOB (as described in this manual on pages 5-7);
- ii. Ineligibility;
- iii. Substantial program non-compliance or threat of bodily harm;
- iv. Awards from multiple programs;
- v. Voluntary withdrawals;
- vi. Fraud.

All Subrecipient files will be reviewed and reconciled for accuracy to ensure DOB or overpayment did not occur at a program or activity (applicant) level. Once this process has been completed, if a Subrecipient or beneficiary/program recipient has been identified as receiving a potential overpayment, the project manager will document the amount and basis for the repayment in a letter to the applicant. In addition, the letter will contain the conditions for repaying funds and all appeal rights available to the applicant.

The Subrecipient has 30 days to appeal the determination of recapture or repayment. If an appeal is made, the project manager will review the written appeal and issue a final written determination of its decision within 30 days of receipt by WVDED. Appeals may be denied or granted in whole or in part. The project manager will only review facts and information already included in an Subrecipient's file unless the Subrecipient submits new documentation. The project manager has the discretion to accept or reject new documentation based upon its relevance to the appeal. If the Subrecipient fails to file an appeal with the WVDED within the 30-day period, the inaction will be deemed as an acceptance of the determination and a waiver of any further right to contest or appeal the amount to be repaid. In addition, if the Subrecipient's appeal is denied or there is failure on the part of the Subrecipient to appeal within 30 days the WVDED will proceed with collecting the repayment amount. If the appeal resulted in a revision to the award amount or eligibility, the Subrecipient will sign a new CDBG-CV Grant Agreement and fulfill any requirements related to such changes and will work to repay any remaining recapture amount.

Once it has been determined that the Subrecipient must return funds to the CDBG-CV grant fund, the Subrecipient must repay their funds in a timely manner. The amount of funds to be repaid in order for the WVDED to recapture should be referenced and submitted in the following documents before the closeout procedure is finalized:

- i. Final Performance Report (FPR)
- ii. Final Budget Amendment
- iii. Final Request for Payment (RFP)
- iv. WVDED Acceptance Letter of FPR
- v. Executed Grant Amendment between WVDED and the Subrecipient

All repayments shall be expected to be repaid in full as one lump sum amount. The Project Manager will review any claims of financial hardship and may make limited accommodations for repayment plans. All funds recovered as a result of this policy will be tracked in the project file and returned to the state's CDBG-CV account(s) or U.S. Treasury if the CDBG-CV grant has been closed out.

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 WVDED 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 WVDED.

- a. Quarterly reports are due to the WVDED 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 WVDED or are not completed in a manner acceptable to WVDED, WVDED 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 WVDED.
- 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 performancea.
2 CFR 200.329
- ii. Monitoring requirements
 - a. 24 CFR 91.330

The following resource provides additional guidance on WVDED Monitoring Policies and Procedures: [2021 Chapter 9 Monitoring, Annual Reporting and Closeouts.pdf \(wvcad.org\)](#)

Additional Resources

The following documents, plans, templates, and other resources are available on CAD websiteat 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, WVDED reserves the right, at its sole discretion, to suspend or amend the provisions governing this program. If such an action occurs, the WVDED will notify interested parties.