



# Wisconsin Department of Administration

## Division of Energy, Housing and Community Resources

### CDBG – CV Public Service

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# Topics of Discussion

- General Overview
- Eligible Activities
- Individual Activity Requirements
- Lead Safe Housing Rule
- Duplication of Benefits
- Reporting Requirements
- Financial Management
- Environmental Review
- Questions

# General Overview

- Funds may only be used to prevent, prepare for, and respond to the coronavirus.
- CDBG-CV assistance is limited to events that occurred as of January 21, 2020 or later.
- Can only be used for activities outlined in the Grant Agreement.
- Grantees responsible for
  - proper documentation to ensure all costs are eligible
  - developing policy for operating and administering the CV Program including assistance caps
  - ensuring all activities meet a CDBG National Objective
- All CDBG CV funds are provided as a grant.

# Eligible Activities

# Eligible Activities

- Subsistence Payments for Rent/Security Deposit/Mortgage/Utilities
- Transitional Housing
- Food Pantry Assistance
- Hotel/Motel Vouchers

**RENT/SECURITY DEPOSITS  
MORTGAGE & UTILITY  
ASSISTANCE**

### REQUIREMENTS:

- Applicants will be required to fill out an application
  - Grantees will develop an application
  - Application must contain and ask for the following:
    - names, DOB, SS #, age, ethnicity and race of all household members
    - income and asset information of the household
    - year the unit was constructed
    - description of the need for assistance: how the household has been impacted by the Covid-19 pandemic
    - rental, mortgage, and/or utility information
    - duplication of Benefit Statement & Repayment Agreement
    - release of Information
    - conflict of interest form

### REQUIREMENTS (CONTINUED):

- Household verified income must be at or below 80% of the CMI.
  - Detailed information on verifying and calculating income can be found in Chapter C of the 2019 CDBG Housing Implementation Manual.

<https://doa.wi.gov/DECHR/2019%20CDBG%20HOUSING%20IMPLEMENTATION%20MANUAL%20-%209-2-20%20Update%20posted.pdf>



### REQUIREMENTS (CONTINUED)-

- Eligible expenses are those incurred as of January 21, 2020 or later.
- Demonstrated gap between current income and pre Covid-19 event income; or
- Significant increase in household expenses due to Covid - 19; or

### REQUIREMENTS (CONTINUED)-

- Other financial hardship documentation.
- Documentation of other relief programs applied for including the history of benefits received or estimate benefits.

### REQUIREMENTS (CONTINUED)-

- Assistance is limited to six consecutive months.
  - May include a combination of arrears and current month.
  - Six consecutive months begins with the first payment made not the number of months being paid.
  - No pre-payment allowed.

### REQUIREMENTS (CONTINUED)-

- Payments are made directly to the service provider-no exceptions.
- Funds can not be used to reimburse the household.
- Grantees will determine assistance level caps.

### REQUIREMENTS (CONTINUED)-

- Documentation that the assistance requested is for a unit that is currently occupied by and is the primary residence of the household, excluding requests for security deposits.
- Documentation of assistance needed
  - unpaid amounts by month
  - monthly rent/mortgage payment
  - utility bill

# Individual Activity Requirements

# Individual Activity Requirements

## Rent & Security Deposits

- Renters
  - Lease agreement/letter/email from property owner/landlord indicating:
    - amount of rent the tenant/household pays.
    - household not subject to an eviction for failure to pay rent prior to January 21, 2020.
    - unpaid rent amount and months for which they are due
    - renters with an eviction notice are eligible for assistance if the assistance will stop the eviction and the renter has sufficient income or other resources to remain in the unit after the CDBG CV assistance is exhausted.

# Individual Activity Requirements

## Rent & Security Deposits

- Security deposits may be paid for
  - units currently occupied by the household (lease agreement on or after 1/21/20)
  - a new unit that will be the household's primary place of residence



# Individual Activity Requirements

## Utility Payments

- Ineligible utilities under the CDBG CV Program include:
  - cable
  - satellite
  - telephone (landline or cellphone)
  - internet

# Individual Activity Requirements

## Mortgage Payments

- Homeowners
  - Property must be primary residence and owner occupied. Cabins, second homes and rental properties are not eligible.
  - Mortgage statement showing amount of mortgage payment and arrearage. Must include the months for which the arrearage is due.
  - Documentation of ownership (property tax statement).

# Individual Activity Requirements

## Mortgage Payments

- Homeowners (continued)
  - Properties in foreclosure are eligible if the CDBG-CV assistance will stop the foreclosure and the household has sufficient income or other resources to remain in the home after the CDBG assistance.
  - Properties in foreclosure prior to 1/21/20 are not eligible.
  - Property taxes may be delinquent
  - Payments made directly to the local treasurer for property taxes are not an eligible CDBG CV expense.

# TRANSITIONAL HOUSING

- Transitional Housing
  - Scattered site (private landlord)
    - Applicants must be income verified at 80% or less of the CMI
    - Assistance limited to six consecutive months
    - Payments made directly to the landlord
    - Assistance must be based on a correlated need due to Covid 19
  - Group/shelter/congregate living facility
    - Owned/rented and/or operated by the Grantee or subrecipient
    - CV funds used to pay operational costs of the facility
    - 51% of all applicants/household must 80% or less of the CMI
    - Self-Certification of Income
    - Assistance must be based on a correlated need due to Covid 19
    - No direct rent payments

# FOOD PANTRIES

- Food Pantries
  - CV funds may be used to pay for purchase of consumables for distribution.
  - CV funds may be used to pay operational costs of the food pantry.
  - 51% of all applicants/household must be 80% or less of the CMI.
  - Self Certification of Income.

- Food Pantries

- CV funds may also be used to make modifications and/or improvements to food pantries to assist with preparing for, responding to, and preventing the coronavirus.

- Not discussed in this presentation
- Information on public facility improvements can be found in the Bureau of Community Development (BCD) Implementation Handbook located at:  
<https://doa.wi.gov/Pages/LocalGovtsGrants/CDBGImplementationHandbook.aspx>



# HOTEL/MOTEL VOUCHERS

# Eligible Activities

## Hotel/Motel Vouchers

- Hotel/Motel Vouchers
  - Can be used to provide temporary housing to
    - households that have experienced homelessness due to Covid-19
    - assist in the prevention and/or spread of Covid-19
      - » for isolation or quarantine
      - » for chronically homeless households
    - vouchers may not be provided directly to the household
  - 51% of all applicants/households served must have income at or below 80% of the CMI.
    - Self Certification of income

# Lead Safe Housing Rule

# Lead Safe Housing Rule

All households applying for CDBG-CV subsistence payments must receive the “Protect Your Family from Lead in Your Home” pamphlet.

All households must sign a disclosure acknowledging receipt of the pamphlet.

The brochure is available at:

[http://www2.epa.gov/sites/production/files/documents/pyf\\_brochure\\_landscape\\_b\\_w\\_1-16-13.pdf](http://www2.epa.gov/sites/production/files/documents/pyf_brochure_landscape_b_w_1-16-13.pdf)

# Lead Safe Housing Rule

Direct assistance payments that continue past 100 days are subject to the Lead Safe Housing Rule (LSHR) and are subject to a visual lead-based paint inspection. Units built after January 1, 1978 are exempt from the LSHR.

- The 100 days begins at the time of the first payment going forward.
- As direct payment assistance period approaches the end of the 100-day grace period, the grantee must undertake a visual inspection of the property.
- Due to the Coronavirus, it may not be possible for an onsite visual inspection to occur. If the situation does not allow for an onsite visual inspection, the owner(s) or a surrogate may perform a remote visual inspection. Grantees are encouraged to develop policies and procedures that allow this method and the necessary documentation required for it.

# Duplication of Benefits

# Duplication of Benefits

- A duplication of benefits (DOB) occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance.
- To comply with DOB requirements, grantees are required to establish and follow procedures to ensure that DOB does not occur. Establishing a process to effectively identify and prevent duplication of benefits is critical for CDBG-CV grantees to effectively manage the multiple active funding streams related to coronavirus response and efficiently target CDBG-CV resources to meet unmet needs within the community.

# Duplication of Benefits

- All applicants/households applying for and/or receiving CDBG-CV assistance are required to report any benefits received for the same services for which they are applying for under the CV Program. Applicants must agree to repay assistance that is determined by the Grantee to be duplicative.
  - A sample Duplication of Benefits Statement and Subrogation Agreement are included in the CDBG-CV Public Service Handbook.



# Reporting Requirements

# Reporting Requirements

CDBG program must report certain accomplishments including:

- Fair Housing
- MBE/WBE
- Section 3
- Labor Standards
- Beneficiary Data
- Single Audit

Refer to your grant agreement for a timeline of when reports are due.

More information found in Chapters 6 & 9 of the BCD CDBG Implementation Handbook.

# Financial Management

# Financial Management

CDBG funds must be maintained in a separate account or in a separate fund (with a separate account register) within an existing account. Detailed records of receipts and expenditures of grant funds must be maintained at all times.

Records must be supported by source documents including (but not limited to):

- deposit receipts;
- invoices;
- payment receipts;
- copies of processed checks;
- bank statements; and
- contracts awarded.

# Financial Management-Requesting Payment

When requesting CDBG funds the following must be submitted.

- Completed Payment Request form signed by authorized persons
- Current Cash Control Register
- Current CDBG Disbursements Journal
- Invoices to support the amount requested on the Payment Request Form

Detailed information on financial management can be found in Chapter 8 of the BCD CDBG Implementation Handbook.

# Environmental Review

# Contacts

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Questions?