

CDBG Public Services Subsistence Payments: Program Implementation

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CDBG and Subsistence Payments

- State vs. Entitlement
 - Entitlement (Safe Harbor) @ 24 CFF 570.207 (b)(4)
 - Income payments made directly to a household or individually are NOT eligible
 - Subsistence payments made directly to a landlord, utility, or other provider are eligible
 - Payments can be loans or grants
 - Public Service Activity – Subject to Caps/Waivers
 - National Objective LMI – Limited Clientele



Subsistence Payment Programs

- Subject to the same rules that govern LMC for Public Services (24 CFR 570.208)
- Recommend using Service Providers familiar with providing direct household assistance
 - Faith Based
 - Family Resource Centers
 - Public Agencies
 - Non-profits
- 51% of clients that access program must be Low/Mod
- Allow for payments up to 3 consecutive months



Limited Client Eligibility

- Client is income eligible under another program that requires income verification (does not need to be a HUD funded program)
- Client is presumed benefit
- Client self-certifies income
 - Requires at a minimum the same income validation as other LMC public services
 - Part 5
 - IRS 1040
 - ACS



Annual vs. Current Income

- Typical income verification uses past income to predict future income for income eligibility
- Atypical times – State or Jurisdiction should establish criteria for Income projections
 - Income verification should include current income
 - Unemployment, SSI, or similar
 - Income projections should account for income disruptions
 - Self-employed, reduced hours, unemployed, other loss of income
 - Use affidavits and standardized statement of income/no income forms
 - Notify household that, if monitored, the agency/jurisdiction/state may request additional income documentation



Policies and Procedures

- Encourage Subsistence Payment Program policies and procedures
 - Program eligibility (additional restrictions on client eligibility)
 - Income requirements
 - Intake process
 - Recordkeeping
 - Monitoring and follow-up

Alexandria, VA COVID-19 Emergency Rent Relief Assistance Programs

Council of State Community Development Agencies

OFFICE OF HOUSING

May 28, 2020



City of Alexandria
Virginia





- **Size: 16 square miles**
- **Population: 159,000+**
- **Located across the river just south of Washington D.C.**
- **One of the highest-income jurisdictions in Virginia**
- **% of homes in which a language other than English is spoken: 32%**
- **Renter-occupied homes: 57.5%**
- **Housing cost-burdened renters: 44%**

...ABOUT THE CITY



PROGRAM VISION

The COVID-19 Rent Relief Assistance Program is designed to reduce the amount of rent owed that would otherwise have to be repaid in the future by a renter household as the economy recovers

To efficiently and equitably assist Alexandria renters experiencing housing insecurity and financial hardship due to COVID-19 related loss of income



Who is eligible:

- Households who experience documented loss of income directly related to COVID-19
- CDBG Program –
 - Live in a City funded affordable housing unit in the City
 - (1,000 units in Alexandria)
- State Allocation - Cares Act Funding to Local Governments (City received \$13.9m in May - allocated \$4m to program)
 - Households who live in the City and are income eligible
 - Funding for priority group first



Assistance Per Household



- Up to 3 months of assistance
- Up to \$500 for CDBG program and \$600 for Cares Act per month toward unpaid rent amounts from April 1 forward that are related to COVID 19
- All rent assistance payments will be made directly to landlords on behalf of renter households, with the renter household's verification

Outreach and Communication Plan



- Culturally competent messaging; multiple languages (Amharic, Arabic, English, Spanish)
- Multiple formats including social media
- Communication with property owners/landlords
- Activate informal network of community leaders
- Outreach or other communication/handout in conjunction with any planned community events
- Outreach to underserved populations, including small Landlords and undocumented Alexandrians

Timeline – City Emergency Rental Assistance



Pre COVID -19 – CDBG Program

- Small Program Annual Budget of \$50,000
 - Serves Households from homeless shelters
 - Security deposit and help with first month rent

New Programs

- CDBG program
 - Approved by City Council April 18
 - HUD Approval May 15th
 - First Checks issued May 26th
- State Allocation of Cares Act to Local Governments
 - Program opened Mid May
 - Tentative Initial Application deadline May 29th
 - Rolling basis afterward based on availability of funds

Application Process



- CDBG Program
 - Through Non-Profit Affordable Housing Providers and Housing Authority

- State Allocation of Cares Act to Local Governments
 - Prescreening –
 - Community Partners
 - Alexandria 311 - <https://www.alexandriava.gov/Alex311>
 - Department of Community and Human Services
 - Office of Housing
 - 703-746-4311

 - Online pre-screening application
 - <https://alex311.force.com/customer/request/DOHRAMPI/location>

 - Application – Office of Housing and Partners

Contact Information



- Alexandria 311- <https://www.alexandriava.gov/Alex311>
- [alexandriava.gov/housing](https://www.alexandriava.gov/housing)
- COVID-19 Emergency Rent Relief Assistance Program Web page
 - <https://www.alexandriava.gov/housing/info/default.aspx?id=115425>
- Eric Keeler Deputy Director Office of Housing
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