

## COVID-19 Emergency Assistance Payment Program

In response to the Coronavirus Aid, Relief, and Economic Security (CARES) Act the City of Kingsport in partnership with Greater Kingsport Alliance for Development (GKAD) will provide much needed relief of rent or utility payment for up to three (3) months to alleviate the housing burden for low income households that have lost their employment income as the result of the Covid-19 pandemic.

These funds may only be used to prevent, prepare for, and respond to coronavirus. The program is limited to the city limits of Kingsport and subject to the availability of CARES Act CDBG-CV funds and changes in program guidelines from the Department of Housing and Urban Development (HUD). The Greater Kingsport Alliance for Development will take the lead administrative duties for this program.

### **Program Goal:**

- To alleviate financial pressure for low income households as the result of the Covid-19 pandemic.
- To provide greater economic security to renters and rental property owners.

### **Eligible Applicants:**

- Applicant MUST be living in the city limits of Kingsport;
- Household Income is at or below 80% of Area Median Income (AMI)
- Lost household income as a result of Covid-19;
- Provide documentation of income received as a result of any governmental response program due to Covid-19 (such as unemployment compensation); and
- A gap exists between household income prior to COVID-19

### **Type and Use of Assistance Available:**

Applicants that meet all of the criteria listed above are eligible to apply for an Emergency Income Payment for rent and may be eligible to receive utility assistance for current electric, water or fuel costs for a period not to exceed three (3) months. All payments made on behalf of the applicant will be paid directly to the provider/vendor. **Under no circumstance will the payment be made directly to the household and under no circumstance will more than three (3) months of payment assistance be provided.**

### **The following assistance is available through this program:**

1. The funds may only be used for up to three (3) months of rent and/or utility assistance. Assistance is available beginning with March 12, 2020 for rent and utilities and not before.
2. The amount of assistance provided will not exceed the actual amount needed.
3. Applicant(s) will be responsible for any rent and/or utility payments that exceed the time frame listed above. Applicants will need to provide proof that the additional amount has been paid, show proof that other funds are committed, or that a payment plan has been established with the property owner and/or utility company.
4. The rent funds must be used for a unit the applicant(s) is currently residing in. The utility funds may be used for a prior unit if the applicant(s) are in a payment plan with the utility company.

5. The funds can include payments for late fees related to the months during which assistance is received; however, the amount of assistance provided will not exceed the actual amount needed.
6. The funds cannot be used for payment of special amenities, which may include but are not limited to cable, homeowner association fees, hot tubs, outbuildings, swimming pools, parking, pets, telephone, etc.
7. No rent and/or utility assistance will be paid out if the amount is under \$50.00.

### **Process for Accepting Applications:**

COMPLETE applications will be processed on a first-come, first-served basis, based on the date and time received. Funds will NOT be held for incomplete applications.

### **Applicant Requirements:**

To be considered for assistance under this program the following guidelines shall be met:

#### **1. Eligibility Determination**

- a. Applicant(s) must have experienced/are experiencing a loss of income directly related to COVID-19.
- b. Applicant(s) need to have been current in rent and/or utilities as of March 12, 2020.
- c. Rent Relief applicant(s) must be in good standing with their lease agreement other than non-payment of rent. Applicant(s) not in good standing for other reasons, may still receive assistance if it can be confirmed that the lease violation can be mediated, and eviction will not take place.
- d. Gross household income shall not exceed, at the initial application, 80% of the current Kingsport-Bristol-Bristol, TN-VA Metropolitan Statistical Area (MSA) income limits per household size established by HUD (see Attachment A).
- e. Applicant(s) must not have more than \$1,000.00 total liquid assets for rent and/or utility assistance
- f. Rent Relief applicant(s) must not be homeowners
- g. Applicant(s) must be a United States citizen or a non-citizen who has Eligible Immigration Status
- h. The Head of Household must be a 18 years or older
- i. Applicant(s) must be a current Kingsport City resident(s) living within the city limits.
- j. Applicant(s) who are college students must meet the definition of a "nontraditional college student" OR be elderly, disabled or a family with dependent children.
- k. Participants who will be receiving rental housing subsidy are eligible for rent or utility assistance. This includes but is not limited to: Section 8 Housing Choice Voucher Program, Project Based Housing, Public Housing, other government-based rental assistance programs, or ongoing monthly assistance through other community service/charitable programs/services, however overlapping costs already covered by other federal sources are not eligible.

#### **2. Ineligibility Determination**

**The applicant(s) can be denied participation in this program for any of the following reasons:**

- a. Does not meet any of the qualifications listed above.
- b. Has given false, misleading, or inaccurate statements or information.
- c. Has changes in circumstances affecting eligibility that occur between the time of application and prior to receiving assistance.
- d. Has committed fraud on any program administered by the City of Kingsport Community Development Department and/or Greater Kingsport Alliance for Development and therefore will not be eligible for twelve (12) months.
- e. Has been denied CARES Act CDBG-CV Rent and Utility Relief Program assistance for non-fraudulent activity and therefore will not be eligible for three (3) months.

**Renter, Property Owner, and Utility Company Requirements:**

Before funds can be disbursed for the rent and/or utilities all the required information must be verified through the property owner and/or utility company.

**Property Requirements:**

- 1. **Rent Relief Program**
  - a. The property must be located within residentially zoned areas within the city limits of Kingsport.
- 2. **Utility Relief Program**
  - a. **For Homeowner Occupied Properties:**
    - The property must be located within residentially zoned areas within the city limits of Kingsport.
  - b. **For Rental Occupied Units:**
    - The property must be located within residentially zoned areas within the city limits of Kingsport.

**Application/Eligibility Determination and Verification Process:**

The following steps will be used in the acceptance and processing of applications for participation in these programs:

- 1. All applicants will be required to complete an application packet with the GKAD to determine if they meet the requirements of the programs. The application will not be considered complete until the applicant has submitted all the necessary documents needed to complete verification. The following information will be needed by the household in order to complete the application packet:
  - a. **Documentation of all current sources of annual income of all adult household members including but not limited to:**
    - Employment – Verification of Employment form
    - Self-Employment – last two (2) years filed tax returns
    - Unemployment – determination letter from Tennessee Workforce Development
    - Child Support – last three (3) months of payment records or Verification of Child Support form
    - Alimony – last three (3) months of payment records
    - Social Security/SSI –Social Security Award Letter, most recent

- Veteran's Benefits –Veteran's Affairs Award Letter, most recent
- b. **Documentation of all current liquid assets of all household members including but not limited to:**
  - Current statements for checking, savings, CDs, money market, and/or bonds or Verification of Assets form;
  - Current stock statements or Verification of Assets form;
  - Current statement of cash value of life insurance or Verification of Assets form.

*The financial institution's name, applicant's name, and all account numbers must appear on the documentation.*

2. Current State-issued Driver's License/ID for all adult (age 18+) household members
3. Social Security Card for all adult (age 18+) household members
4. Award letter from other agencies or organizations documenting any rent and/or utility assistance paid in the past twelve (12) months.
5. **Rent Relief Program**
  - a. Current lease in applicant's name.
  - b. Payment agreement with the property owner for past due rent, if applicable.
  - c. Eviction notice, if applicable.
  - d. A Lease Agreement or a letter/email from the rental property owner with the amount of rent the tenant pays and a statement that the household was in good standing with the property owner and not subject to an eviction for failure to pay rent prior to March 12, 2020, when the World Health Organization (WHO) declared COVID-19 a pandemic.
6. **Utility Relief Program**
  - a. Current monthly billing statement from the current lease in applicant's name.
  - b. Current Utility bill in applicant's name.
  - c. Payment agreement with the Utility Provider for past due utility bills, if applicable.
  - d. Disconnect notice, if applicable.
  - e. Applicant(s) will be notified in writing whether they are determined to be eligible or ineligible.
7. Any changes to the application during the eligibility phase must be reported immediately to the City.

**Program Terms, Conditions, and Disbursement of Funds:**

Before funds will be disbursed under this program, the following terms and conditions shall be adhered to.

1. Households applying for assistance must submit the following documentation:
  - a. Property Owner and/or Utility Company Agreement(s) (forms to be provided)
2. The payment for the rent will be made by GKAD directly to the property owner and/or utility company.
3. The program will not reimburse or give credit for any rent, and/or utilities already paid or advanced from other resources (i.e. applicant, human service agencies, family, friends, etc.). See Duplication of Benefits Policy,
4. Applicants will be eligible for assistance once per twelve (12) months.

### **Review and Approval:**

GKAD will review the contents of the application and may use 3rd party verification methods to document income, assets, and expenses for all applicants. Expenses provided by the applicant will be analyzed and a cash flow analysis will be prepared for the time prior to Covid-19 when the applicant was laid off to the current time frame. The analysis will be reviewed and signed by the applicant household. A write up will be prepared for the Program Manager to review. Included will be an analysis of the gap payment, the amount and whether or not the household qualifies for utility assistance. The Program Manager will approve or deny the assistance and the applicant will be notified of the decision. If approved, the Intake Coordinator will prepare the closing documents and contact the applicant. If denied, the applicant will be provided a "Notice of the Right to Appeal". This notice will detail the reasons for the denial and will provide instructions of the appeal process. The applicant may appeal the Program Manager's decision to the Executive Director or his designee and will use the following procedure:

1. The request for a hearing must be made in writing to the GKAD Executive Director and GKAD Board of Appeals within 30 days of the date of decision.
2. No new information may be presented by the applicant, only clarification of information that was originally provided, which, in the applicant's point of view, may not have presented their complete financial condition.
3. The applicant may provide a written explanation to the GKAD Executive Director or may request a meeting, which may be on Zoom, conference Call or equivalent.
4. The GKAD Executive Director and Board of Appeals will review the information and make a determination on the appeal. The GKAD Executive Director will contact the City of Kingsport Community Development staff with the decision. The GKAD Board of Appeals decision is final.

### **Marketing of the Program:**

1. The Rent and Utility Relief Programs may utilize the following marketing sources for applicant(s):
  - Local Newspapers
  - Social Media Outlets (Facebook, Twitter, etc.)
  - Organizations familiar with families in need of housing
  - Rental Property Owners Association
  - City of Kingsport, GKAD and local housing authority Web Page
2. Efforts shall be undertaken to attract applicant(s) from all segments of the eligible population regardless of race, color, creed, religion, sex, national origin, disability, or age, whether working or receiving public assistance. Such efforts shall also apply to persons expected to reside in the community due to present or planned employment.
3. The City of Kingsport and GKAD, in its advertisements, will use the Equal Housing Opportunity logo.
4. Applications will be available from the City of Kingsport and GKAD in both electronic and paper format.
5. In all cases staff will be available to assist individuals in the completion of their application and are able to accommodate households with disabilities that may impede their ability to complete the application. Additionally, staff can also arrange for assistance for households that have limited English proficiency. These forms of assistance will be by appointment.

6. Applicants have the right to request a reasonable accommodation, which may include a change to a policy, procedure or practice to afford a person with a disability an equal opportunity to participate fully in the housing program as long as the request fall within the COVID-19 guidelines established by the CDC, the State of Tennessee, and the City of Kingsport

**Inclusion, Omissions, and Revisions:**

1. These guidelines are designed to amplify the provisions for program administration as set forth in the applicable CDBG regulations administered by the Department of Housing & Urban Development (HUD). These policy regulations and this plan, utilized together, provide the basis for program administration. The lack of any item to be included in these guidelines shall not relieve or release an applicant, the City of Kingsport and/or GKAD, and the participating property owners from their responsibility under the provisions of applicable CDBG administration regulations and program guidelines.
2. These guidelines may be amended by the Community Development Staff for reasons of operational efficiency or unforeseen circumstances that may arise or conflict with applicable Federal, State, or City regulations affecting the administration of the program.

**CDBG Eligibility and National Objective:**

This program is eligible for CDBG funding under 570.207(b) (4) and the National Objective is LMI Limited Clientele 570.208(2) (C).

**Environmental Review Requirements:**

This program is considered to be classified as 24 CFR 58.35(b) (2) a Categorical Exclusion Not Subject to 58.5.

**Equal Housing Opportunity:**

Greater Kingsport Alliance for Development and the City of Kingsport shall not discriminate because of race, color, sex, religion, familial status, disability, handicap or national origin in the leasing, rental or other disposition of housing.

## Attachment A

### Kingsport-Bristol-Bristol, TN-VA MSA

<u>Family Size</u> Effective 4/1/2021 – 3/31/2022	<u>80% AMI Income Limits</u> Effective 4/1/2021 – 3/31/2022
1	\$33,400
2	\$38,200
3	\$42,950
4	\$47,700
5	\$51,550
6	\$55,350
7	\$59,150
8	\$63,000