



## CDBG, CDBG-CV & HOME GRANT PROGRAMS

### COVID-19 FINANCIAL HARDSHIP ASSISTANCE PROGRAM GOVERNANCE

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**Effective Date:** April 29, 2020

**Responsible Department:** Community Development-Grants Division

**Related Policies and Procedures:** Coronavirus Aid, Relief and Economic Security Act (CARES Act) and U.S. Department of Housing & Urban Development (HUD) Memorandums from HUD on Availability of Waivers and Suspensions of the HOME Program Requirement in Response to COVID-19 Pandemic  
CARES Act Flexibilities for CDBG Funds Used to Support Coronavirus Response and plan amendment waiver

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#### PURPOSE AND SCOPE

The Coronavirus Aid, Relief and Economic Security Act ( CARES Act) signed into Public Law ( 116-13) on March 27, 2020 has made available the use of limited funding to the City of Killeen to be used to assist Killeen residents who are experiencing a financial hardship as a result of the Coronavirus. The City of Killeen will make available limited, temporary assistance to low income residents of Killeen who have a demonstrated financial hardship due to temporary or permanent loss of employment income due to the effects of COVID-19 pandemic.

#### OBJECTIVES

- 1. Establish regulatory compliance.** For all grant allocations related to this funding, therefore criteria is established to ensure that all grant allocations meets the regulatory requirements detailed in 24 CFR Part 570 and 24 CFR Part 92 or additional guidance as developed by the funding agency.
- 2. Establish proper administration and allocation management.** The grant programs; Community Development Block Grant, Community Development Block Grant - CV and the HOME program will be appropriately administered by the Community Development Grants Division and the allocation management will involve the Killeen City Council in accordance with the amended Annual Action Plan, the amended Citizen Participation Plan and approved Consolidated Strategic Plan whereby the activities selected under the grant programs will be regulatory qualified as eligible and meet a required national objective.
- 3. Maintain fairness in the allocation and review of application process.** All financial hardship applications for assistance are reviewed undergo a technical review by City staff qualifying the applicant's application in accordance with priorities in the selection process. Staff will use the same set of objective measures and selection criteria based on the priorities, goals and objectives in the current Consolidated Strategic Plan.



4. **Maintain information transparency.** Information about the grant requirements and selection criteria are fully accessible to all potential applicants.

### **COVID-19 FINANCIAL HARDSHIP ASSISTANCE PROGRAM**

The City of Killeen will utilize CDBG funding first for utility assistance and rental assistance. This assistance is limited to a maximum of three consecutive months and must be made directly to the provider of such services on behalf of an individual or family no more than three months of assistance payments per applicant that is determined eligible for program. Once CDBG funds have been exhausted, the CDBG-CV funds will be utilized and then finally the HOME program funds allocated to this program will be used for Tenant Based Rental Assistance according to waivers issued by HUD for COVID19.

### **APPLICATION RELEASE PROCESS**

The City of Killeen Community Development –Grants Division developed a financial hardship application that details and describes the need for possible assistance with utilities and rent that can be paid on the behalf of income eligible applicants that were directly impacted by the COVID-19 pandemic. Applicants must demonstrate a financial hardship due to loss of income, reduction in income, or for persons who either contracted the coronavirus or had to quarantine because of the coronavirus and suffered a financial hardship.

A public notice about the application process and the program assistance was published in the Killeen Daily Herald on Sunday, May 3, 2020 and the same information was also available on the City of Killeen website at [www.killeentexas.gov/programs](http://www.killeentexas.gov/programs). Applications were released to the public at 10:00 am CST on Monday, May 4, 2020 on line and in person at Killeen Community Development offices located at 802 North Second Street, Building E, Killeen, Texas.

All applications will be accepted through Wednesday, May 13, 2020 by COB. All applicants must provide the applicable supporting documentation to assist Community Development staff in determining eligibility for the assistance being applied for.

Applicant priority to receive utility assistance and/or rental assistance will be in the following order:  
Graduating scale starting at Extremely Low Income (0-30%) level of annual household income based on household size and area median income (AMI) as provided by HUD applicable to the Killeen area up to 80% of the AMI; then to

Families with children under the age of 6 years; then to

Households with disabled persons in the following priority:

1. Disabled children under age 12 years; then to
2. Disabled children age 12-17 years; then to
3. Disabled adults age 18 years and over.

A request for rental assistance includes priorities as stated above then the following order:

All priorities as stated above, then to

Households who are not in violation of their current lease agreement, then to

Households who do not owe back rent to the landlord/property manager prior to March 27, 2020.



When using HOME funds, applicants requesting rental assistance must agree to execute a City of Killeen Rental Assistance Contract detailing the terms of assistance, tenant protections ( V.A.W.A.) Addendum, and Notice of Assistance Termination which includes requirements of acceptance by signature of the landlord/property manager in control of the rental unit.

Rental assistance will not be provided to households currently receiving a federal housing subsidy or living in federally subsidized housing unit/complex or any housing that has a federally insured mortgage.

### **PROCESS & REVIEW OF APPLICATION PROCEDURES**

Community Development staff will review all applications beginning May 4, 2020 as they arrive via email to designated City email address or in-person at Community Development office. Applicants will be notified via email if proper documentation is missing and be given a timeframe to return the information. Once all the needed information is provided by the applicant a hard file will be created with a reference number. The information on each applicant will be deposited into a database for tracking purposes for status of each applicant. It is incumbent on the applicant to return all documentation to determine eligibility for the assistance. Applications received in person at 802 North Second Street will be processed and entered into database for recording information and tracking purposes. Each applicant will receive a reference number to refer for future reference. Until all required supporting documentation is received from applicant, the applications will be considered incomplete. Once applicant has returned all available required documents, applications will proceed for COVID-19 hardship and income eligibility determination.

Applicants' income is determined by their self-certification. The self-certification is required to be signed by the applicant. Community Development staff will determine income based on the amount indicated on the signed application. Applicants will be prioritized by the annual income calculated using the most current HUD income limits for the Killeen area. Once prioritized by income, then applications will be prioritized as to the aforementioned stated priorities.

### **FUNDING PROCESS**

Once processed and determined eligible for COVID-19 financial hardship assistance, the City of Killeen will process assistance payments according to our financial policies and accounts payable process. The City will issue payment to the utility company and or the landlord/property manager on behalf of the eligible applicants. No payments will be issued to the applicant directly. Funding of applications will be made as timely as possible. There is no obligation by the City of Killeen to fund a submitted application. All funding considerations are subject to the availability of funds and program regulatory and statutory guidance from the U.S. Department of Housing and Urban Development. The limited funding is not committed unless the City has access to the CDBG, CDBG-CV or HOME funds for this assistance.

### **DUPLICATION OF ASSISTANCE**

Community Development staff will strive to ensure that coordination will be made with other community agencies that are providing COVID-19 assistance to avoid duplication of services and being provided in the Killeen community related to the CARES Act funding.



Attachments:  
Application for COVID-19 Financial Hardship Assistance