FHFC CRF Training #9: Updates and New Staff Orientation

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Our Thanks to the Florida Housing Catalyst Program

Sponsored by the Florida Housing Finance Corporation

Presenters

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Updates for All CRF Staff

Updates to the Manual

- Document posted on our website: https://www.flhousing.org/fhfc-coronavirus-relief-fund-program/
- Summary of CRF Policy Clarifications or Changes
  - NEW: CRF forms in Spanish
  - When to pay property taxes as part of foreclosure prevention assistance
  - Do not pay months of rent/mortgage in advance
  - You must pay it after the due date
  - Do not pay utility bill that is not past due
  - Environmental review does not pertain to CRF
  - Duplication of Benefits form might need to be updated when providing assistance multiple times
  - Davis Bacon does not pertain to CRF Emergency Repairs

Summary of CRF Policy Clarifications or Changes

- GOAL: Spend CRF to get $225 million of SHIP
- Remove maximum awards
- Allow for self-certification
- Check your outreach
- Remove all local program guidelines not required by FHFC

Adjustments to Expend All Funds by Dec. 30

- Handout: Updated CRF DATA Spreadsheet includes 3,000 row for data
- The CRF DATA Spreadsheet has two columns: encumbered and expended. Only dollar amounts should be in this row.

CRF Report

- Some rental assistance cases only show expenses. Are unencumbered funds missing? Are maximum award amounts limiting your ability?
- Some percentage of these applicants will likely need more assistance.
- Encumber funds for November and December. Update report today, email Robert.Dearduff@floridahousing.org

Is Encumbered Information Missing?

Some rental assistance case only show expenses. Are unencumbered funds missing? Are maximum award amounts limiting your ability? Consider expanding them.
CRF Report

• Emergency repair projects must be complete and paid out on December 30 or the funds could be subject to recapture
• Select local government name from the dropdown at the top of the CRF DATA Spreadsheet

Serving Homeless Households with PHFC-CRF Resources

• Housing Recovery is an allowable CRF Activity [see Subrecipient Agreement C.4.(c)(v)]
• Eligible costs under CRF include
  • Security deposits
  • Utility deposits
  • Temporary storage of household belongings
  • Rent payments
  • Utility payments

Eligibility and Homelessness

• Households have a COVID hardship by virtue of being homeless
• They do not have to have any COVID hardship beyond homelessness (e.g., do not have to have a loss of income due to COVID)
• Permanent housing these individuals is a health and safety measure that limits their exposure to COVID as cases rise
• Income eligibility requirements still apply

Starting a Program

• Can subgrant funding to Continuum of Care and/or homeless providers, including Project Delivery Costs
• Can collaborate to receive referrals from CoC

Questions and Answers

Before New Staff Orientation

CRF channeled through the City and County SHIP network

• $120 million through SHIP infrastructure
• December 30, 2020 deadline
• Two rounds of payments
• Allocation formula based on calculations related to reemployment rate within each county
More CRF Information

- Visit Florida Housing Coalition’s COVID-19 page to see the SHIP-CRF Manual and more
- Upcoming Webinars on FLH Training Calendar
- Technical Assistance is Available:
  - Michael: chaney@flhousing.org 850-980-1307
  - Kody: glazer@flhousing.org
  - Aida: andujar@flhousing.org
  - Susan: pourciau@flhousing.org
  - Call: 1-800-677-4548

Types of SHIP-CRF Assistance

- Rent and Utility Assistance
- Mortgage and Utility Assistance
- Rent Assistance for Persons Experiencing Homelessness
- Rent Payment Provided through Continuum of Care (CoC)
- Emergency Repairs

To Be Eligible for SHIP-CRF:
Applicant Income at or below 120% Area Median Income (AMI)

- An income reduction due to COVID, often Unemployment or Underemployment
- Document with "CRF Self Certification of Income & Hardship"
- CRF Application contains space to explain hardship

More COVID Hardships

- Job income reduction most common
- Persons Experiencing Homelessness automatically have a COVID hardship
- Some cases involve increased COVID-related costs
- Scenario: Elderly applicant on a fixed income receives regular cash contributions from adult children who are now unemployed
- SOLUTION: Elderly applicant is ineligible, but adult children should apply

Rent Assistance

- Eligible applicants need not be delinquent on rent to receive assistance
- CRF does not test if rent is “affordable”
- No moratorium on Eviction Moratorium, CDC Moratorium most complicated to use
- Pay past due rent back to March 1, 2020
- PAST DUE Utility Assistance: CRF may pay Water, Sewer, Trash, Electricity, Gas, Internet, Phone, Cable, similar services

Rent Assistance for Applicants in Subsidized Housing

- CRF can pay as long as it is not paid prior to the due date
- May be less than 30-days past due
- CRF cannot assist unless lack of payment results in discontinuation of service
- CRF can help an eligible applicant pay utility bills even if the utility is government-owned. This is not “replacing lost revenue” directly, which is an ineligible activity

Utility Assistance

Pay if Past Due and At Risk of Shut-off

- CRF can pay as long as it is not paid prior to the due date
- May be less than 30-days past due
- Also, CRF cannot assist unless lack of payment results in discontinuation of service
- CRF can help an eligible applicant pay utility bills even if the utility is government-owned. This is not “replacing lost revenue” directly, which is an ineligible activity

Foreclosure Prevention Assistance

(Mortgage Payments)

Can CRF pay the small portion of a mortgage payment for escrowed property taxes?
Yes, if the homeowner is at least 30 days delinquent on the mortgage
- Delinquent mortgages are in danger of foreclosure
- Paying escrowed property taxes is a permissible CRF payment according to US Treasury exception for assistance designed to prevent foreclosure

Do Not Pay Escrowed Property Taxes for Homeowners who are Not Delinquent

Examples of homeowners who are not delinquent:
- Some are struggling but paying each month
- Currently in Forbearance
- Paying mortgage still results in termination homeowner’s forbearance agreement
- Coming off Forbearance Period and need help paying
Steps to Take When Assisting Non-Delinquent Homeowners

1. Identify the amount of escrowed property taxes. Locate this on the mortgage statement, from customer service, or on the applicant’s online account.
2. Pay the mortgage payment due minus escrowed taxes.

Steps in the Application Process

Step 1: Review of Application and Self-Certification

Application
- Number in the household
- Explanation of Hardship
- Information about Income and Assets
- Signed by all household members 18 years of age or over

Self-Certification
- Confirm there is a COVID Hardship
- List amount of income
- One from each household member 18 years of age or over with income or hardship

Step 2: Obtain Additional Documents

- Identification for each household member
- A lease or mortgage statement in the applicant’s name
- A statement of the amount of past due rent, if applicable
- Contact information for the landlord, mortgage company and/or utility company

Before paying a past due utility bill, get the original bill to show it was after March 1.

Step 3: Determine Income Eligibility, Create RIC Income Certification

- Use Self-Certification and Application information to fill out RIC
- This may be signed by only CRF Staff

More Steps in the Application Process

- Lease or proof of tenancy
- Statement of past due rent
- Monthly mortgage statement
- Utility bill

Rent/Mortgage Assistance Files

- Lease or proof of tenancy
- Statement of past due rent
- Monthly mortgage statement
- Utility bill
- Foreclosure Prevention: proof of at least 30 day delinquency if you are paying escrowed taxes, HOA delinquency
- Copies of Invoices and Proof of Payment

Income Eligibility

- Income is still being calculated in accordance with 24 CFR part 5
- You must complete the income certification form for the file.
- This ensures that:
  - Household income does not exceed 120% AMI
  - Income and asset income is included in calculation
  - Income is projected for the next 12 months

Income Calculation

- Base income eligibility on current income
- Project income for all household members, not just those affected by COVID
- The self-certiﬁcation is completed by each adult household member
- Use information provided on the self-certification form by each household member
- Include non-employment income of minors

Types of Income

- Unemployment for any household member is projected for the next 12 months even if there is a termination date
- Social security, pensions, annuities are projected for 12 months
- Calculate employment income by projecting current income for the next 12 months
- Include bonuses, OT and other expected income in projections
Conflicting Information

- If you have conflicting information in the file it is subject to questions by monitors
  - Example:
    - The application has one source of income, and the self-certification has another
    - You request additional back-up documentation and it conflicts with the information on the self-certification
  - Best Practice: Use the higher of the two numbers when there is conflicting information

Assets

- The assets for all household members must be included in the RIC
- Use the asset information provided on the application and self-certification to add assets to RIC form
- Assets of minors are included
- Include both the value of the asset and the income from the asset based on the information provided

Calculating Assets

- Calculate cash value of the asset
- Calculate the income from the asset

Third Party Verifications

Not required
Local decision
You can question inconsistent information
You can ask for additional documentation

Resident Income Certification

- Must be completed and signed by SHIP/subrecipient staff
- Does not require the signature of each household member (local decision)
- Must be updated when income changes to ensure household is still eligible

Payment Procedures

- Payments shall be paid directly to the mortgage company, landlord, management agent, utility company, or other third party.
- Although it is not a CRF requirement, your local government finance department may require each landlord or mortgage company to provide a W-9 to receive payment.

Rent Payment

- For a rent payment, staff will calculate the current delinquent rents and fees from March 1, 2020 to the current rents due. The payments shall be made directly to the landlord and a copy of the payment provided the tenant.

Monthly Eligibility Verification

- Each month, use this form when contacting the applicant. Determine if still income-eligible and if COVID hardship continues
- Retain copies of all payments in the applicant’s file
- Obtain an updated Duplication of Benefits form signed by the head of household

Technical Assistance is Available

Call: 1-800-677-4548
Or Email:
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Questions and Answers

Please complete webinar evaluation