



City of Palmdale

Mortgage Assistance Program Guidelines

August 2020

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TABLE OF CONTENTS

Introduction.....	1
Program Definitions	1
Program Marketing and Outreach	2
Program Description.....	2
Eligible Assistance	3
Eligible Period for Assistance	3
Applicant Eligibility	3
Annual Income Definition and Documentation	4
Documenting Economic Impact during COVID-19 pandemic period.....	5
Eligibility Determination.....	5
Availability of Application Forms.....	6
Intake and Assessment Process	6
Mortgage Assistance Program Committee	7
Appeals.....	8
Duplication of Benefits.....	8
False Claims	8
Applicant Confidentiality	8
Nondiscrimination	9
Conflict of Interest.....	9
Program Guidelines Changes or Modifications	9

Exhibits

Exhibit 1	Program Application
Exhibit 2	Verification of Income or Reduction of Hours and/or Pay

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Introduction

The City of Palmdale (City), as an entitlement grantee under the Community Development Block Grant (CDBG) Program, receives an annual allocation from the U.S. Department of Housing and Urban Development (HUD) to use in the implementation of eligible programs.

In response to the Coronavirus Pandemic (COVID-19) the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program has notified the City of Palmdale that it will receive a formula allocation of CDBG-CV funding to be used specifically for the prevention of, preparation for, and response to COVID-19. This allocation was authorized by the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed on March 27, 2020.

The City will be utilizing a portion of their CDBG entitlement funds to implement an Mortgage Assistance Program (MAP) Program that provides emergency and short-term mortgage assistance in response to the COVID-19 pandemic. The CDBG MAP funds shall be used to provide urgent mortgage housing assistance to low- and moderate-income individuals and families experiencing a financial hardship due to the Covid-19 pandemic.

Program Definitions

Mortgage Assistance Program

Oversight Committee:

The Mortgage Assistance Oversight Committee shall be a minimum of three members and consist of three City staff. All applications and all grant financial assistance shall be approved unanimously by this committee prior to the provision of CDBG funded Mortgage Assistance Program.

Family:

The term “family” refers to individuals or families, with or without children. As defined at 24 CFR 5.403, “family” includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status: 1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or 2) A group of persons residing together, and such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); an elderly family; a near-elderly family; a disabled family; a displaced family; and the remaining member of a tenant family.

Program Marketing and Outreach

Program marketing shall be initiated by the Community Programs Division and may include any of the following:

- Public Service Announcement/ Advertisement in a media of general circulation;
- Flyer/ Advertisement on the City website;
- Public service announcements on City cable television;
- Posting at SAVES, Community Centers and other locations where individuals and families seek services;
- Posting at City Hall;
- Posting at other City facilities; and
- Any other means of advertising as approved by Community Programs Division.

Marketing and outreach shall facilitate fair access and transparency. The program shall not rely solely on web-based marketing and outreach. Alternative, non-digital forms may include: radio announcements, electronic display board advertisements, or shared marketing with other entities/ organizations providing emergency assistance. Information for applicants shall include any necessary pandemic related disclosures and social distancing requirements.

To facilitate meaningful access to program participation for Limited English Proficiency persons, program marketing intended for the general public shall be provided in English and in Spanish, in accordance with the City of Palmdale's current Limited English Proficiency Plan.

A log shall be kept to document marketing and outreach to individuals and families who may be eligible for MAP funds.

Program Description

The Mortgage Assistance Program provides emergency mortgage assistance grants up to \$6,000 to low- and moderate-income individuals and families economically impacted during the COVID-19 pandemic through job loss, furlough or reduction in hours or pay, residing in the City.

Emergency grants are mortgage payments up to a maximum of 100 percent of the monthly mortgage payment made on behalf of income-eligible applicants. Assistance payments can be made for a period of no more than six (6) consecutive months. All or a portion of assistance can be used to pay back mortgage amounts (arrearages). All payments will be made directly to the entity servicing the mortgage on behalf of the individual or family. The City may also use CDBG funds for program implementation costs such as direct personnel and non-personnel costs.



MAP program payments of mortgage shall be paid by the date specified on the mortgage agreement and program staff shall verify proper on-time partial or full mortgage payment has been made. The MAP program will log all payments made on behalf of eligible individuals or families.

This activity is a public service activity under the CDBG program regulations at 24 CFR 570.201(e) as allowed pursuant to 24 CFR 570.207(b)(4) that provides emergency grant payments made over a period of up to six (6) consecutive months directly to the provider of the housing. The activity is further regulated pursuant to 24 CFR 570.208(a)(2)(i)(B) whereby applicants shall supply information on family size and income to qualify.

Eligible Assistance

The City will pay up to 100% of arrears owed and/ or current mortgage due (for a period of no more than six (6) consecutive months). The maximum assistance shall not exceed the lesser of \$6,000 or the sum of six months' mortgage payments.

Eligible Period for Assistance

The program cannot provide more than six (6) consecutive months total of mortgage assistance, including arrears assistance. The period from April 2020 forward is eligible for assistance until such time that the Mortgage Assistance Program funds are depleted.

Applicant Eligibility

Completed applications will be accepted via hand delivery or via submission on the City's website (www.cityofpalmdale.org/mortgageassistance). Paper applications are available to be mailed to an applicant by calling (661) 267-5450 or by requesting a paper application at 823 E. Avenue Q-9, Suite B, Palmdale, CA. Paper applications can be submitted Monday - Thursday from 8:00am-12:00pm and 1:00pm-6:00pm. City offices are closed on Fridays.

Please note, City offices are open and maintaining appropriate social distancing requirements. Masks are required upon entering any City facility, reception windows are outfitted with shields and patrons must maintain 6 feet distancing when in line for service. Applicants should not visit in person if they are exhibiting any symptoms of illness.



To be eligible for assistance, an applicant must:

- Have their primary residence located within the incorporated limits of the City of Palmdale.
- Have applicant’s primary residence as the assisted unit.
- Have a current annual family income that does not exceed the HUD’s established “Moderate-Income” limits for Los Angeles County. Family income eligibility is based on the following two (2) factors (see Annual Income Definition and Documentation section below):
 - The total number of people residing in the housing unit; and
 - The total amount of current annual family income for all family members 18 years of age and older, as stated in the Program Application and confirmed by supporting source documentation
- Have experienced an economic impact because of the COVID-19 pandemic (job loss, furlough or reduction in hours or pay) (see Documenting Economic impact during COVID-19 section below)
- Have a current mortgage agreement for a housing unit located in the City of Palmdale.
- Submit evidence of the current mortgage balance (for arrears payment only) and that the MAP assistance will bring the account current.
- Certify that the applicant has neither received nor will seek any other source of assistance from any private, local, state, or federal funding source for the same period of mortgage assistance.
- Complete program application and submit supporting documentation.

Individuals and families that are currently participating in any Publicly Assisted Housing program are ineligible under this program (i.e. Section 8 Housing, etc.).

Annual Income Definition and Documentation

To determine family income for all applicants, the City will use the annual income definition as defined by HUD at 24 CFR 5.609 (commonly referred to as Part 5). All household members are considered members of the family for the purposes of determining income eligibility. The City will use the Part 5 method to calculate the annual income by projecting the prevailing rate of income of the family for the next 12-month period as measured from the date that the City performs the income determination.

Each applicant will need to provide verifiable documentation to support the applicant’s stated income. The income limits for this program are:

Family Size	1	2	3	4	5	6	7	8
80% Median Income	63,100	72,100	81,100	90,100	97350	104,550	111,750	118,950



Effective April 1, 2020 for the Los Angeles, Long Beach, Glendale, CA MSA and updated from time to time.

As defined at 24 CFR 5.403, “family” includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status: 1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or 2) A group of persons residing together, and such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); an elderly family; a near-elderly family; a disabled family; a displaced family; and the remaining member of a tenant family.

Therefore, family member information must include, at a minimum, the following:

1. Full names and ages of all family members living in the residence; and
2. Signature of all adult family members age 18 or over, certifying that the information provided related to the annual family income and family composition is correct.

Documenting Economic Impact during COVID-19 pandemic period

Applicants must submit documentation confirming negative economic impact during the COVID-19 pandemic period. Acceptable documentation of negative economic impact shall include:

1. A copy of family member(s) notification of job loss/termination from employer during the eligible pandemic period (March 1, 2020 to present); or
2. A copy of family member(s) notification of furlough from employer during the eligible pandemic period (March 1, 2020 to present); or
3. A copy of family member(s) notification or employer signed form confirming reduction in hours and/or pay during the eligible pandemic period (March 1, 2020 to present). The **Exhibit 2** to the Program Guidelines may be used for this purpose; or
4. A copy of family member(s) application during the eligible pandemic period (March 1, 2020 to present) and/or approval for Unemployment Insurance benefits; or
5. A signed notarized affidavit including the name of the family member who is self-employed, the name and nature of the business, and narrative confirming economic impact on self-employment during eligible pandemic period (March 1, 2020 to present); or
6. Other appropriate documentation acceptable to the City.

Eligibility Determination

Eligibility for the MAP program will be determined upon review of the completed program application with all required information and documents. Program staff shall review application information and provide an eligibility determination to each applicant. If an application is determined to be incomplete, a letter will be sent listing the outstanding documentation required. The applicant family will have fourteen (14) calendar days to provide the required information. If the required documentation is not received in that timeframe, the application will be denied. The



applicant may re-apply once all documentation can be provided. Information and supporting documentation for each applicant shall be recorded in an applicant file to demonstrate eligibility/ineligibility for the program. Documents supplied to the City in connection with program applications shall not be returned. Applicants are cautioned not to submit original documents and to only submit copies.

The program application form will include the following information and require supporting, verifiable documentation to be submitted:

- Applicant name, address, and family information
- Income certification for family or individual
- Requested period of assistance
- COVID-19 impact documentation
- Mortgage documentation; including:
 - Arrears information (if applicable)
 - Monthly payment statement

Eligible **individuals and families** will be assisted on a first come, first- qualified basis until all Mortgage Assistance Program funds are depleted. At that time, the City will maintain a waitlist of interested **individuals and families**. The waitlist will be maintained for up to six months from the date of fund depletion. **Applicants** will be placed chronologically on the list according to the date and time the application form was received by the City. If the City identifies additional funds for the Mortgage Assistance Program, staff will start at the beginning of the waitlist to further process applications to provide assistance to eligible individuals and families in accordance with program guidelines.

Availability of Application Forms

Completed applications will be accepted either via hand delivery or via submission on the City's website (www.cityofpalmdale.org/mortgageassistance). Paper applications are available to be mailed to an applicant by calling (661) 267-5450 or by requesting a paper application at 823 E. Avenue Q-9, Suite B, Palmdale, CA. Paper applications can be submitted Monday - Thursday from 8:00am-12:00pm and 1:00pm-6:00pm. City offices are closed on Friday.

The application period will be open from August 31, 2020 to September 10, 2020.

Intake and Assessment Process

Funding is limited. Therefore, applications will be reviewed on a first come first-qualified basis. The application form shall be date and time stamped and processed in the order received. If an application is incomplete, the applicant shall be notified by mail and given fourteen (14) calendar days after the date of first notification as noted on the date of the letter/email, to submit any



missing paperwork. Applicants that fail to respond within fourteen (14) calendar days shall be denied assistance. The Community Programs Manager shall be authorized to waive the fourteen (14) day period if in their opinion, there is just cause for an extension.

All applications shall be submitted online or hand-delivered to:

823 E. Avenue Q-9, Suite B, Palmdale, CA.

Applications will not be accepted by email, mail, or fax.

Applications shall include all required supporting documentation. Applications will be reviewed for completeness and compliance with program requirements. The City reserves the right to request additional information or documentation upon receiving the application. Submitting an application does not guarantee a grant award.

Once the program application is complete, the oversight committee shall recommend it for approval or denial. The oversight committee shall meet as frequently as necessary to ensure prompt decisions on each completed program application.

Upon approval of a program application, eligible individuals and families will execute an agreement with the City. The City will require that each mortgage company submit a completed W9 (Request of Taxpayer Identification Number) prior to issuing the award. The City will support individuals and families in collecting this information from the mortgage company. Payment of Mortgage Assistance will exclusively be made to a third party. The City will not make any direct payments to the applicant family or individual.

If the committee denies an application, staff shall prepare and send a letter to the applicant indicating the reason(s) for denial and shall include notification of the applicant's right to appeal the decision in accordance with the Appeals section of these Guidelines. A denied applicant file shall contain all submitted information and documentation, as well as the reason for denial (e.g., over income limits, incomplete information, or reside outside service area).

Mortgage Assistance Program Committee

The Mortgage Assistance Program Oversight Committee shall:

- Review and either approve or deny applications for assistance,
- Provide direction to terminate previously approved assistance for program participants who violate program requirements,
- Provide recommendations for policy improvements or clarifications, and
- Appoint a member whose responsibility it is to maintain all supporting documentation.

The City shall be responsible for maintaining applicant files. Files shall contain all submitted information and documentation necessary to meet all required eligibility criteria and contain completed forms, documentation, and necessary information for all members of an applicant.

Appeals

Applicants may appeal application denials. Appeals shall be submitted in writing to the Community Programs Manager, Community Programs Division at 823 E. Ave Q-9, Suite A, Palmdale, CA. 93550 within seven (7) calendar days of the date of the application denial letter. The written appeal shall state the reason(s) why the applicant believes the application denial was in error and provide any additional documentation necessary to support the applicant's assertion of same. The Community Programs Manager will review the appeal and issue a determination in writing within 14 calendar days. If further review is required, the Director of Administrative Services or designee shall review the appeal. The decision of the Director or designee shall be issued in writing within fourteen (14) calendar days and shall be final.

Duplication of Benefits

All participating individuals and families must comply with the U.S. Department of Housing and Urban Development's forthcoming guidance regarding Duplication of Benefits, as required by the CARES Act and HUD guidance. The City will modify these guidelines once final HUD guidance has been released. At a minimum, individuals and families are not able to have received other federal or non-federal benefits or assistance for the same uses of this grant program and must certify that they will not pursue other federal or non-federal benefits for the same uses of this grant program in the future. Individuals or families who receive duplicative benefits will be required to notify the City of Palmdale immediately and return the duplicative funds to the City within fourteen (14) days.

False Claims

Applicants shall certify on the Program Application under penalty of perjury that "The information provided on this form is subject to verification by HUD at any time, and Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony and assistance can be terminated for knowingly and willingly making a false or fraudulent statement to a department of the United States Government."

Applicant Confidentiality

Employees and agents of the City will not disclose any applicant's personal confidential information as part of the program. All confidential information of applicants will be kept in a locked secured storage facility or password protected electronic files and unavailable to persons outside of the program. At all times, the City will abide by all requirements stated within the Privacy Act of 1974 as amended. If the City receives a request for public records related to the program, only non--confidential information, as verified by the City, will be provided.

Nondiscrimination

The MAP Program shall be implemented consistent with the City's commitment to State and Federal equal opportunity laws. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG program funds on the basis of their disability, family status, national origin, race, color, religion, sex, marital status, medical condition, ancestry, source of income, age, sexual orientation, gender identity, gender expression, genetic information, or other arbitrary discrimination.

The City will provide reasonable accommodations and/or modifications, or provide Spanish language assistance to individuals requesting such assistance to benefit from the services provided by the MAP Program.

Conflict of Interest

In accordance with 24 CFR 570.611 and the City of Palmdale's Conflict of Interest Policy, no member of the governing body and no official, employee or agent of the local government, nor any other person, either for themselves or those with whom they have business or immediate family ties, who exercises policy or decision making responsibilities will financially benefit from this program.

Program Guidelines Changes or Modifications

Minor changes to these Implementation Guidelines involving administrative procedures or accommodations to adapt to unique applicant situations or opportunities, or regulatory changes may be performed with the approval of the Community Development Department. Federal regulatory requirements for the CDBG program are not subject to modification or revision.

EXHIBIT 1: PROGRAM APPLICATION

(to be developed)

EXHIBIT 2: VERIFICATION OF INCOME OR REDUCTION OF HOURS AND/OR PAY

To Employer: _____ Date: _____

From Applicant: _____

Applicant's Address: _____

I am applying to the City of Palmdale’s Mortgage Assistance Program (MAP). In order for my eligibility to be determined, the City must verify all of my income and the impact of COVID-19 on my income. The requested information is for the confidential use of the City program and the U.S. Department of Housing and Urban Development only. Please furnish the information requested below and return to the applicant. Questions can be submitted to the City by calling (661) 267-5450.

(Signature of Applicant)

(Date)

EMPLOYER'S VERIFICATION

Employee's Name: _____ Position Held: _____

Dates of Employment: From _____ To _____

Types of Employment: ___ Permanent ___ Temporary ___ Seasonal ___ Intermittent

Probability of Continued Employment: _____

(For Income Verification)

RATE OF PAY: (estimated, if not actually paid on hourly, monthly or annual basis):

\$ _____ hourly; \$ _____ monthly; or \$ _____ annually

Additional Compensation: (actual amounts received in past 12 months)

Overtime: \$ _____, Tips \$ _____, Commissions, Bonuses: \$ _____

(For Pay and/or Hours Reduction)

RATE OF PAY CHANGE: (estimated, if not actually paid on hourly, monthly or annual basis):

Rate of Pay (prior to COVID-19 impact): \$ _____ hourly; \$ _____ monthly; or \$ _____ annually

New Rate of Pay (changed as a result of COVID-19) as of __/__/__ (mm/dd/yy):

\$ _____ hourly; \$ _____ monthly; or \$ _____ annually

REDUCTION OF HOURS WORKED: (estimated if not actual):

Former Regular Hours Worked (prior to COVID-19 impact): Hours per _____ day; _____ week; or _____ month

New Regular Hours Worked (changed as a result of COVID-19) as of __/__/__ (mm/dd/yy):

Hours per _____ day; _____ week; or _____ month

Printed Name of Employer	Employer Signature	Phone Number	Date