

CITY OF ANAHEIM
SENIOR SAFETY NET PILOT PROGRAM GUIDELINES/OPERATING
PROCEDURES
(January 2020)

I. INTRODUCTION

The Senior Safety Net Program (Program) is a pilot program enacted to assist eligible seniors to address emergency or short-term situations impacting their housing status. The purpose of the program is to promote housing stability among low income seniors by providing either emergency or short-term rental assistance to prevent displacement and/or assist in obtaining decent, safe, affordable housing. The need for assistance will be evaluated through case management services and based on the qualifications outlined below.

The pilot program will utilize funds from the HOME Investment Partnerships Program (HOME) funds, Community Development Block Grant (CDBG) funds and Housing Set-Aside funds. All regulatory requirements applicable to these programs must be adhered to in the administration of this program.

II. Qualifying Guidelines

The guidelines below primarily apply to provisions of emergency assistance and the Tenant-Based Rental Assistance Program (TBRA). Assistance in identifying and/or navigating community services, as described under the case management component of the Program is open to all seniors.

1. Senior is defined as 55 years of age or older for the Case Management and Emergency Assistance components of the program. For HOME Tenant-Based Rental Assistance (TBRA), senior is defined as 62 years of age and older.
2. Residency Requirement - to be eligible for any financial assistance, a senior must be a current resident and have resided in the City for a period of no less than six (6) consecutive months. Applicants must provide documentation verifying their current place of residence.
3. Income requirements – Priority in providing financial assistance will be given to seniors whose income is at or below the Extremely Low Income (ELI) category, which is 30% of the Average Median Income (AMI), as established by the U.S. Department of Housing and Urban Development (HUD) for federal programs. In all cases, income may not exceed the Very Low Income, or 50% of the AMI category, for either the Emergency or TBRA components of the Program.
4. The applicant and all other adults residing in the household must provide a current picture identification (i.e. government issued ID, including driver's license, State ID, and student ID if 18 and younger.)
5. The applicant and all household members, 18 years of age and older, must provide proof of income dated within the last 30 days (i.e. employment stubs, unemployment, S.S.I., S.S., Cal-Works, documentation of self-employment, child support, etc.) when requesting Emergency or TBRA assistance. If additional documentation is necessary to confirm total household income, the applicant must provide the information requested in a timely manner, generally defined as 10 business days, in order to continue with the eligibility review process.

6. The applicant and all household members, 18 years of age and older, must provide documentation of assets dated within the past 30 days. The eligibility process will include a review of assets. Households with liquid assets exceeding \$5,000 and or an overall net worth at or exceeding \$100,000 are not eligible for assistance under the Emergency Assistance component of the Senior Safety Net Program. Liquid assets refers primarily to resources such as savings and checking accounts that do not require further action or expense to access. A review of net worth will take into consideration all assets including real property.

III. Case Management

Case management services are available to all seniors. There is no income verification associated with this component of the Program. Services under this section include;

- Intake and assessment of client needs, coordination of a service delivery plan, para-professional counseling, and follow-up on success of client/agency linkage, and conduct client progress checks.
- Information and referral services; identification of on-going support services/needs of seniors, assistance in accessing services; identification of short-term and long-term needs of clients and providing responsible referrals to social service agencies for assistance.
- Monitor and document client progress toward independence; establish and prepare case management files; prepare and maintain long term tracking records of clients; prepare and maintain statistical and narrative reports, productivity records, daily staff logs, project plans, and incident reports.

IV. Emergency Assistance

Emergency assistance may be provided to eligible seniors experiencing financial hardship which may contribute to housing displacement as a result of an unforeseen event such as a job loss, medical emergency, loss of family member, and/or significant but short-term increase living expenses. Assistance may also be provided to assist a qualifying senior to obtain permanent, stable housing.

Under limited circumstances, emergency assistance may be provided to address a significant rent increase or utility bill (on a case by case basis). When assistance is requested to address these circumstances, applicants must be able to demonstrate that moving forward they will have sufficient income to cover rent and other living expenses needed to remain stably housed.

A review of asset is required as a condition of providing any emergency assistance. Households with liquid assets that exceed \$5000 and/or a net worth at or above \$100,000 are not eligible for emergency assistance. Additionally, applicants may be asked to utilize available assets before any emergency assistance is provided.

Emergency assistance can be provided to eligible seniors for the following categories:

- Moving costs – when the applicant is moving into a unit that provides financial stability or obtaining housing following displacement. Not to exceed \$1000.

- Rent arrears – not to exceed two months’ rent or \$3000 whichever is less.
- Security deposit – not to exceed two months’ rent or \$3000, whichever is less. Assistance shall only be provided to meet the property owner’s customary security deposit requirement, that is, if only a one month deposit is requested from new tenants, financial assistance shall not exceed that amount.
- Assistance with first and last month’s rent – not to exceed \$3000
- Assistance for other expenses for which there is a demonstrated nexus between the financial assistance requested and housing stability may be considered on a case-by-case basis and will need to be approved by an authorized manager.

Emergency assistance may only be granted once in a 5 year period. In some cases, it may be necessary to provide assistance for two or more categories. For example, it may be necessary to provide assistance with moving assistance and a security deposit to stabilize a senior experiencing a financial hardship. In such cases, assistance shall not exceed \$4000.

V. Tenant Based Rental Assistance (TBRA)

Applicants who may need more assistance than is available under the Emergency Assistance component of the Program to achieve housing stability may be considered for Tenant Based Rental Assistance (TBRA). This component of the Program is funded by federal HOME funds therefore all program requirements governing documentation and income requirements will apply. TBRA assistance may be approved for up to 6 months depending on the needs of the applicant. Under limited circumstances, assistance may be extended on a case by case basis but may not exceed 12 months. Manager approval is required for assistance beyond 6 months.

VI. TENANT SELECTION POLICY

The Tenant Based Rental Assistance (TBRA) program follows all of the requirements set forth for the HOME Program under Section 24, Part 92, of the Code of Federal Regulations (24 CFR 92).

- A.** Eligible Participating Tenant Households - For the purposes of participating in the City’s TBRA Program, an eligible Senior Tenant Household must qualify as a low-income household and must meet local preference requirements. Senior is defined as 62 years of age and older.

While the definition of a **lowi-income household** is a Tenant Household that has an adjusted annual income that does not exceed eighty percent (80%) of the median income, adjusted for family size, established by U.S. Department of HUD for the City of Anaheim, the City may adopt local priorities.

The purposes of the Senior Safety Net program, the City shall adopt the following local priorities:

1. Seniors (62 years or older) whose income is at or below 30 % of AMI and that are paying over 50% of their monthly income for rent, first-come, first-served basis.

2. Seniors (62 years or older) whose income is at 30% that are paying over 30% of their monthly income for rent, first-come, first-served basis.
3. Seniors (62 years or older) whose income is at or below 50% or AMI that are paying over 50% of their monthly income for rent, first-come, first-served basis.
4. Seniors (62 years or older) whose income is at or below 50% or AMI that are paying over 30% of their monthly income for rent, first-come, first-served basis.

Applicants shall be selected based on Fair Housing priorities which prohibit discrimination based on age, race, creed, religion, sex, handicap, national origin or familial status.

B. Determination of Participating Tenant Household Income - Gross annual income, includes all payment from all sources, whether in cash or in-kind, that is anticipated to be received by all adult members of the Participating Tenant Household. The Gross Annual Income includes, but is not limited to:

1. Gross amount of wage, salary, overtime pay, commissions, fees, tips and bonuses
2. Net income from the operation of a business or profession
3. Interest and other income of any kind from real or personal property
4. Full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability/handicap or death benefits
5. Payment in lieu of earnings such as unemployment, worker's compensation and severance pay.
6. Social Security Assistance (SSA) and/or Social Security Disability Supplemental Income Assistance (SSI)
7. Alimony, child support and other regular contributions

B. Adjustment of gross monthly income - Monthly income shall equal one-twelfth of gross annual income, reduced by each \$400.00 per senior household member.

VII. ELIGIBLE HOUSING UNITS

A. Eligible Housing Units - Participating Tenant Households receiving Program assistance from the City of Anaheim must reside in an eligible Housing Unit. An eligible Housing Unit must:

1. Be inspected to demonstrate that the housing unit meets the federally established Housing Quality Standards (HQS) as set forth in 24 CFR 982.401. If necessary, eligible households may apply for assistance (in the form of a loan or grant) through the City's Residential Rehabilitation Program, if repairs are necessary to pass an HQS inspection.

2. Receive no other rent subsidies from Federal, State or other local sources.

Occupancy Standard - The eligible Housing Unit shall contain at least one bedroom or living/sleeping room of appropriate size. The following occupancy standard shall apply:

Unit Type	Number in Household
One-Bedroom Unit	1 to 3 Persons
Two-Bedroom Unit	3 to 5 Persons
Three-Bedroom Unit	5 to 7 Persons

VIII. ADVERTISING TO ELIGIBLE SENIOR HOUSEHOLDS RESIDING IN HOUSING UNITS LOCATED WITHIN THE CITY OF ANAHEIM

The City shall advertise the Program by distributing flyers and/or offering workshops to senior residents.

LANDLORD REQUIREMENTS

- The lease agreement will include a lease addendum that will be executed in connection with the lease between the landlord and the eligible household.
- The addendum will include the terms of the rental assistance payments to be paid to the landlord on behalf of the eligible household, confirm the obligations of the landlord, confirm obligations of the eligible household regarding payment of rent, utilities and appliances, rules and regulations of tenancy and confirm the landlord's obligation to maintain the housing unit in accordance with HQS.
- The property owner will be required to provide the City or its Consultant with notice of a lease termination, prohibit discrimination by the landlord against the eligible household as well as lease provisions prohibited by the HOME Program.
- The City or its Consultant will review the rental agreement to confirm its compliance with state law and all HOME Program requirements.
- Each landlord will be required to submit a completed IRS Form W-9 Request for Taxpayer Identification Number and Certification. The City or its Consultant will rely on this information when issuing a 1099 form to each payee as required by the IRS. A 1099 form must be issued annually to all participating landlord (payee).

MAXIMUM AMOUNT OF RENTAL SUBSIDY/TENANT HOUSEHOLD CONTRIBUTION

- A. Payment Standard - The City shall utilize the Payment Standard established by the Anaheim Housing Authority (AHA) for the Section 8 Housing Choice Voucher Program, which is published by AHA on a yearly basis. (See Attached Rent Subsidy Chart).

- B. Total Tenant Household Payment - Participating Tenant Households shall pay 50% of their adjusted monthly income (as hereafter defined) for housing costs consisting of monthly rent payment. If the rent is above the Payment Standard the household will pay 50% of its income toward housing plus the amount by which the rent exceeds the payment standard
- C. Rent Reasonableness Review - City shall review the Participating Tenant Household's lease agreement to verify the amount of rent paid on a monthly basis, excluding utilities.

IX. LENGTH OF ASSISTANCE

The City will provide rental assistance payments for up to six months from the date of the execution of Rent Payment Contract with the possibility of an extension, not to exceed twelve months.

Rental Assistance Payments will be made by the City on a monthly basis directly to the Property Manager. Assistance may be terminated upon verification that the Participating Tenant Household:

- A. Is no longer income eligible (i.e. income exceeds fifty percent of area median income adjusted per family size), or
- B. No longer resides in the eligible Housing Unit on a full-time basis.

In addition, rental assistance could be terminated if the City no longer receives HOME funding. If HOME funding to the City is discontinued the TBRA program funding will be terminated on June 30th of the current program year.

X. RIGHT TO AN INFORMAL HEARING PROCEDURE

Participating Tenant Households have the right to be heard by an impartial official, without prejudice. Program participants may appeal a proposed Program action that may have an adverse effect upon them by submitting a written Request for Hearing to the City of Anaheim, which includes the Participating Tenant Household's objection, name and relationship of all potential parties, list of documents to be presented, current address and telephone number. Appeals must be filed within seven (7) calendar days of notification of proposed Program action.

The informal hearing will be scheduled as soon as possible. The informal hearing shall be conducted in English. Notice of Informal Hearing will be issued at least ten days prior to the Hearing appointment. The Participating Tenant Household may bring legal counsel and/or a translator at their expense. Participating Tenant Household may bring person(s) to testify and/or documents at their expense. Participating Tenant Households may review pertinent file documentation as long as such documentation does not infringe on any other party's rights.

Within ten business days of the Informal Hearing, the official's decision will be mailed.

XI. PROGRAM PROCEDURES

1. The City or its Consultant receives the application.

2. City staff reviews application and tenant lease agreement. The lease must be signed by the tenant and landlord which outlines the prohibited lease terms and other basic leasing requirements.
3. Annual gross income is verified and adjusted monthly income is calculated to determine the Total Tenant Payment.
4. Application approved by City staff.
5. Unit inspection.
6. Preparation and execution of the Rental Assistance Contract between the City and the Participating Tenant Household.
7. City sets up project on HUD IDIS.
8. City will make monthly payments to the Property Manager on a reoccurring basis based on the discretion of the Community and Economic Development Manager. City shall drawdown Federal funds to reimburse City for such costs.

DEFINITIONS

Fair Market Rent (FMR)

The Fair Market Rent (FMR) is a rent standard that is established and published by the U.S. Department of HUD for individual jurisdictions based upon the rent for standard units within that jurisdiction.

Housing Unit Characteristics

The Housing Unit Characteristics are certain minimum housing quality standards that meet local building codes as well as established Federal Section 8 Program minimum housing quality standards.

Initial Income Verification

Initial Income Verification determines if program applicants are income-eligible by reviewing original source documents.

Income eligibility

Income eligibility is based on anticipated GROSS ANNUAL income from all sources as follows:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
2. The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation or assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the

withdrawal is reimbursement of cash or assets invested in the operation by the Family;

3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Where the Household has Net Household Assets in excess of \$5,000, annual Income shall include the greater of the actual income derived from all Net Household Assets or a percentage of the value of such Assets based on the current passbook savings rate, as determined by HUD;
4. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment;
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see paragraph (c)(3) of this section);
6. Welfare Assistance. If the Welfare Assistance payment includes an amount specifically designed for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
 - (i) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus
 - (ii) The maximum amount that the Welfare Assistance agency could in fact allow the Household for shelter and utilities. If the Household's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (b)(6)(ii) shall be the amount resulting from one application of the percentage;
7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
8. All regular pay, special pay and allowances of a member of the Armed Forces (but see paragraph (c)(7) of this section); and
9. Any earned income tax credit to the extent it exceeds income tax liability.

GROSS ANNUAL income does not include the following:

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children;
3. Lump-sum additions to Household assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (but see paragraph (b)(5) of this section);
4. Amounts received by the Household that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

5. Income of a live-in aide, as defined in 24 CFR 813.102;
6. Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the Government to a veteran, for use in meeting the costs of tuition, fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of the student. Any amount of such scholarship or payment to a veteran not used for the above purposes that is available for subsistence is to be included in income;
7. The special pay to a Household member serving in the Armed Forces who is exposed to hostile fire;
8. (i) Amounts received under training programs funded by HUD
- (ii) Amounts received by a Disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); or
- (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child-care, etc.) and which are made solely to allow participation in a specific program;
9. Temporary, nonrecurring or sporadic income (including gifts);
10. For all initial determinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era; or
11. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category or assistance programs that includes assistance under the United States Housing Act of 1937.

Lease

The lease must be a written document and have a term of at least one year.

Maximum TBRA Payment

The maximum TBRA payment is the difference between 50% of the Participating Tenant Household's adjusted monthly income and the rent limit (payment standard) established by the City.

Program Participant Selection

Participant selection occurs upon the receipt of a complete application package from a tenant household that is processed on a first-come, first-serve basis.

Payment Standard

The Program shall utilize the Payment Standard established by the Anaheim Housing Authority (AHA) for the Section 8 Housing Choice Voucher Program, which is published by AHA on a yearly basis. (See Attached Rent Subsidy Chart). If space rent is above the FMR household will pay 50 percent of its income toward housing plus the amount by which the unit's space rent exceeds the payment standard.

Tenant Based Rental Assistance (TBRA)

Tenant based rental assistance is a rental subsidy program provided by the City to help individual households afford housing costs.

Total Tenant Payment

The total tenant payment is the share of the amount of monthly rent to be paid by the Participating Tenant Household.

CURRENT INCOME GUIDELINES

Based on HUD Guidelines published April 24, 2019

FAMILY SIZE	VERY LOW (30% OF MEDIAN)	LOW (50% OF MEDIAN)
1	\$24,950	\$41,550
2	\$28,500	\$47,500
3	\$32,050	\$53,450
4	\$35,600	\$59,350
5	\$38,450	\$64,100
6	\$41,300	\$68,850
7	\$44,150	\$73,600
8	\$47,000	\$78,350

**FAIR MARKET RENTS
FY 2019
Santa Ana-Anaheim-Irvine, CA HUD Metro FMR Area
FMRs for All Bedroom Sizes**

2019 FMRs Per Unit Based on Number of Bedrooms			
<u>One-Bedroom</u>	<u>Two-Bedroom</u>	<u>Three-Bedroom</u>	<u>Four-Bedroom</u>
\$1,526	\$1,885	\$2,643	\$3,052

Fair Market Rents (FMRs) are published by HUD to be used by the Orange County Housing Authority (OCHA) for administration of the Housing Choice Voucher Program effective October 1, 2018.