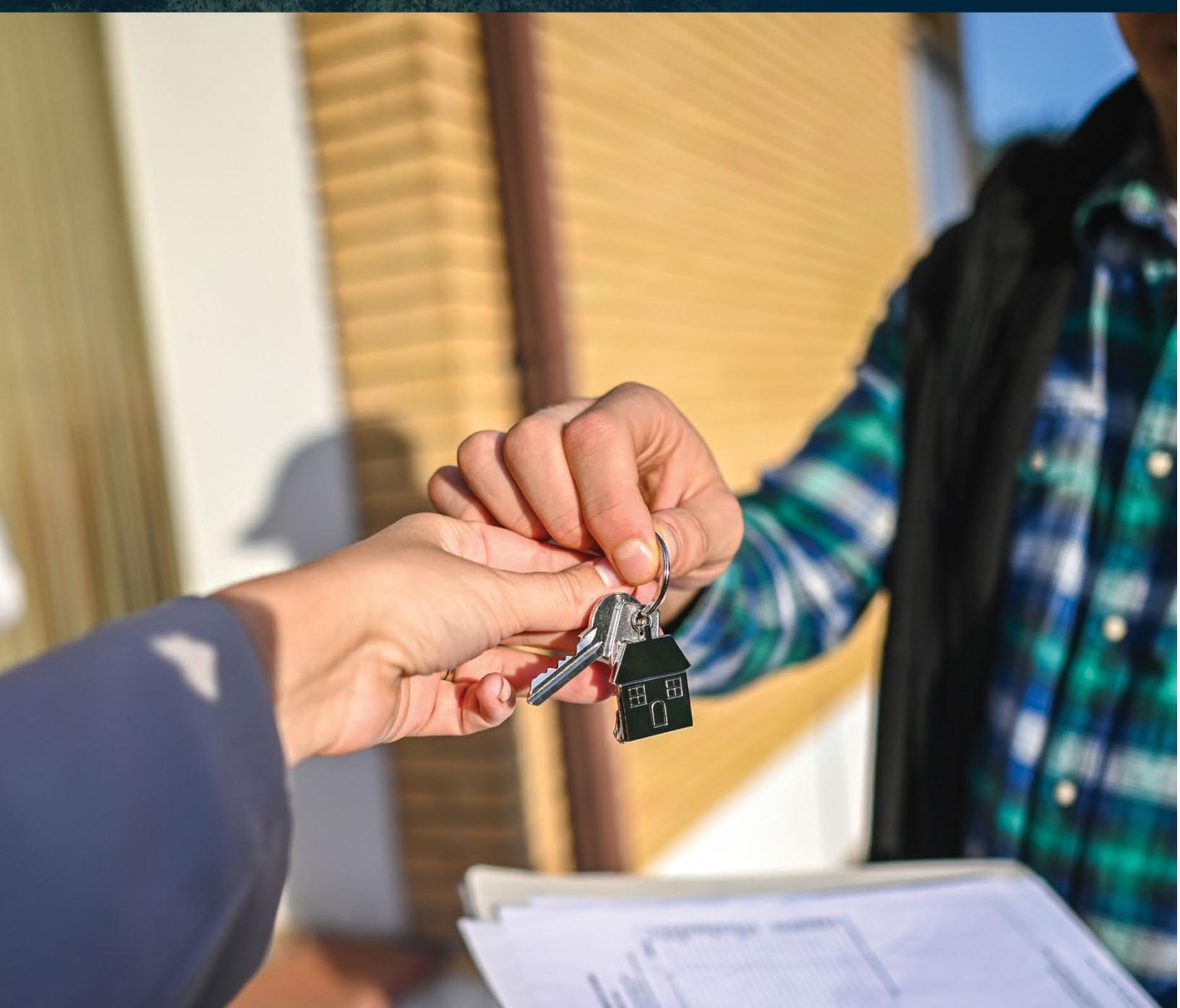


Housing Support Services Program

# Policy Manual

Version 3.0



## Got Questions?

Email: [housingsupport@reoregon.org](mailto:housingsupport@reoregon.org)  
Call: 877-510-6800 or 541-250-0938



## Version History and Version Policy

The version history of the policy manual is tracked in the table below, with notes for each change. The dates of each publication are also tracked in the table.

Oregon Housing and Community Services (OHCS) will publish a new version after making substantive changes that reflect a policy change. The updated policy manual will be assigned a new primary version number, such as 2.0, 3.0, etc.

After making non-substantial changes, such as minor wording revisions and editing or clarification of existing policy that does not affect the interpretation or applicability of the policy, OHCS will publish a version of the document with a sequential number increase behind the primary version number, such as 2.1, 2.2, etc.

Amendments made to policy may go into effect on the date of the revision or may be applied retroactively, depending on the applicant pipeline and status of applicants in the program intake and recovery process. Whether a policy will be applied proactively or retroactively will be detailed in the version history below and/or within the relevant program sections.

Version Number	Date Revised	Key Revisions
1.0	11/01/2024	Original Housing Support program policy
2.0	04/03/2025	<ol style="list-style-type: none"> <li>1. Provided clarification on the following DPA items:             <ol style="list-style-type: none"> <li>a. Made sure "plus eligible closing costs and fees" was correctly included in the text.</li> <li>b. Added language on pre-approval expiration date</li> <li>c. Added language regarding co-signers on the property</li> <li>d. Added language on the list of eligible and update ineligible closing costs the program when they can be paid</li> <li>e. Modified language regarding priority for households/applicants to be served</li> <li>f. Added language around leveraging sources and DPA Award</li> <li>g. Modified language regarding duplication of benefits</li> <li>h. Revised Manufacturing Housing standard year</li> </ol> </li> <li>2. Revised "request for reassessment" language to "appeal"</li> </ol>

Version Number	Date Revised	Key Revisions
3.0	06/04/2025	<ol style="list-style-type: none"><li>3. Clarified temporary storage fee requirements under IHA Moving cost program activities</li><li>1. Clarified the different applications apart of the program – the program application and the mortgage application and when they are used</li><li>2. Clarified DPA phasing requirements</li><li>3. Modified first-time homebuyer documentation requirements to be more strict</li><li>4. Added language on debt-to-income ratio requirements related to exception requests</li><li>5. Clarified property insurance requirements on who should be listed</li><li>6. Clarified that “Payment of earnest money deposits/payments” is not eligible under IHA</li></ol>

# Table of Contents

<b>Version History and Version Policy .....</b>	<b>i</b>
<b>Program Overview.....</b>	<b>1</b>
1 Program Overview.....	2
1.1 Program Authorization .....	2
1.2 Purpose of the Policy Manual.....	2
1.3 Purpose and Overview of the Program.....	3
1.4 Program Allocation.....	4
1.5 Method of Distribution .....	4
1.6 Program Principles .....	5
1.7 CDBG-DR Requirements .....	6
<b>Program Administration .....</b>	<b>12</b>
2 Program Administration .....	13
2.1 Roles and Responsibilities .....	13
<b>Program Eligibility .....</b>	<b>16</b>
3 Program Eligibility.....	17
3.1 Overview.....	17
3.2 Baseline Eligibility .....	17
3.3 Applicant Eligibility Phases .....	18
<b>Eligibility Criteria Verification .....</b>	<b>25</b>
4 Eligibility Criteria Verification.....	26
4.1 Applicant Eligibility .....	26
<b>Program Activities .....</b>	<b>40</b>
5 Program Activities.....	41
5.1 IHA Overview.....	41
5.2 DPA Overview .....	51
5.3 Housing Counseling Services Overview.....	58

<b>Program Elements .....</b>	<b>57</b>
6 Program Elements .....	58
6.1 Outreach and Engagement.....	58
6.2 Applicant Notifications and Communication .....	58
6.3 Program Entry.....	58
6.4 Intake and Application Review .....	59
6.5 IHA Housing Stabilization Plan .....	60
6.6 Duplication of Benefits Review.....	60
6.7 Award Calculation.....	63
6.8 Unit Selection.....	63
6.9 Inspections and Environmental Reviews.....	65
6.10 Unit Approval.....	69
6.11 Award Payments.....	70
6.12 Changing IHA Rental Units.....	70
6.13 IHA Income Recertification .....	71
6.14 Program Exit .....	71
<b>Applicant Withdrawal .....</b>	<b>74</b>
7 Applicant Withdrawal .....	75
7.1 Voluntary Applicant Withdrawal.....	75
7.2 Voluntary Program Withdrawal.....	75
7.3 Administrative Withdrawal From Program .....	75
<b>Reassessments, Complaints, and Grievances .....</b>	<b>78</b>
8 Reassessments, Complaints, and Grievances .....	79
8.1 Program Reassessments .....	79
8.2 Program Complaints .....	81
8.3 Section 504 Coordination Complaints and Grievances.....	82
8.4 Rental Lease Grievances .....	83

<b>Grant Recapture .....</b>	<b>84</b>
9 Grant Recapture .....	85
9.1 Recapture Policy .....	85
<b>Financial Management.....</b>	<b>86</b>
10 Financial Management.....	87
10.1 Financial Administration.....	87
<b>Records Requirement and Reporting .....</b>	<b>89</b>
11 Records Requirement and Reporting .....	90
11.1 Data Collection and Reporting.....	90
11.2 Administrative Records .....	92
11.3 Confidentiality and Personally Identifying Information .....	93
11.4 Participant Files.....	94
11.5 Applicant Power of Attorney and Designated Communications .....	95
11.6 Record Access .....	96
11.7 Record Retention .....	96
11.8 Fair Housing and Civil Rights.....	96
11.9 Conflict of Interest .....	98
11.10 Compliance and Monitoring .....	99
11.11 Program Closeout.....	99
<b>Definitions.....</b>	<b>101</b>
12 Definitions.....	102
<b>Abbreviations and Acronyms .....</b>	<b>108</b>
13 Abbreviations and Acronyms .....	109



# Program Overview



# 1 Program Overview

## 1.1 Program Authorization

Housing Support Services, or “the program,” will offer fire-impacted and low- and moderate-income (LMI) households a single point of entry to access multiple pathways to achieve housing recovery. Applicants will be able to submit one application to be considered for Intermediate Housing Assistance (IHA), Housing Counseling Services, and Down Payment Assistance (DPA) pathways, which are all intended to help households meet their housing goals for long-term stability. The program is funded through the U.S. Department of Housing and Urban Development’s (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) program, as appropriated by Congress in response to the 2020 Labor Day wildfires and straight-line winds (DR-4562, or disaster). Assistance for the 2020 disasters was appropriated on Oct. 29, 2021, by the Extending Government Funding and Delivering Emergency Assistance Act of 2021, the Disaster Relief Supplemental Appropriations Act of 2022, and any applicable future allocations. CDBG-DR grants are authorized under Title I of the Housing and Community Development Act of 1974 (HCDA) for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed (MID) areas resulting from a major disaster. HUD maintains all federal rules, regulations, and documents related to the CDBG-DR allocation to Oregon. These can be accessed online at [HUDExchange.info](https://HUDExchange.info) and [HUDExchange.info/Programs/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices](https://HUDExchange.info/Programs/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices).

The Disaster Recovery and Resilience division of OHCS administers the program, and subrecipients implement it.

## 1.2 Purpose of the Policy Manual

This document is a user guide for subrecipients and grant administrators associated with one or more of the pathways under the Housing Support Services program, including IHA, DPA, and Housing Counseling. It includes information on important topics such as:

- Who is eligible to receive program assistance
- What type of assistance is available
- What process, compliance, and documentation requirements are needed in order to participate
- How awards and benefits are calculated

- What an approved applicant must do before and after they get assistance from the program
- What additional resources are available to help applicants move forward with their application
- How to file an appeal about a program decision

**Definitions and Acronyms:** There are many terms and acronyms throughout this document, and they are defined in the [Definitions](#) section of this manual. Common acronyms that are used throughout the manual are included in the [Abbreviations and Acronyms](#) section.

## 1.3 Purpose and Overview of the Program

The program provides assistance to 2020 wildfire-impacted homeowners and renters to obtain stabilized housing through the following programs:

- **IHA:** Support eligible participants who lack the necessary resources or support networks to obtain affordable housing and need alternative housing until permanent solutions are secured.
- **DPA:** Support eligible participants directly by providing homeownership assistance to make the home purchase affordable to **income-eligible, disaster-impacted first-time homebuyers.**
- **Housing Counseling:** Support eligible participants by providing housing counseling services, which may include homebuyer and homeowner education, renter counseling, financial literacy, credit rehabilitation, debt management, budgeting, homelessness counseling, avoiding fraud and scams, applying for public and private resources, foreclosure prevention strategies, and relocation counseling, among other services tailored to fit the applicant's needs.

OHCS strongly encourages subrecipients to leverage partners and other resources in their communities and to provide residents with information on resources that may meet their specific needs.

OHCS will provide grants to eligible subrecipients to contribute to providing the following rental and supportive services. Specific services will be outlined in the scope of work section of the contract for each subrecipient:

- Up to 24 months of rental, temporary relocation, and/or other intermediate housing assistance to help make housing costs more affordable to eligible applicants
- Housing navigation to assist program participants in finding suitable housing and connecting them to other services and programs as needed to sustain housing
- Case management and housing navigation to help applicants and participants to understand program requirements and limitations, assist the participant with creating a housing stabilization plan, and help participants achieve sustainable housing goals
- Up to \$150,000 or 70% of the price of the home in down payment assistance plus eligible closing costs for eligible first-time homeowners to purchase an eligible home
- Full range of housing counseling services including assisting program participants in financial literacy and budgeting counseling to meet their goals for long-term stabilized housing, providing Homebuyer Education Courses, and connecting them to other services and programs as needed

## 1.4 Program Allocation

The total Housing Support Services program allocation is \$47,573,231.

## 1.5 Method of Distribution

OHCS will make grants to subrecipients to deliver the program to eligible applicants. OHCS will allocate funds to subrecipients based on (a) estimated unmet needs, especially LMI households in the impacted communities; (b) estimates from the subrecipients on the number of participants they can serve; and/or (c) subrecipient capacity. OHCS does not anticipate issuing awards to subrecipients through a competitive procurement process for IHA. However, awards for DPA and Housing Counseling Services will likely be issued through a competitive procurement process.

Eligible subrecipients include:

- Community action agencies
- Culturally specific and community-based organizations (CBOs) (nonprofits)
- Long-term recovery groups (LTRG) (nonprofits)

- Local governments
- Local public housing authorities
- Other nonprofit, quasi-public, or public organizations

## 1.6 Program Principles

### 1.6.1 Expectations of Subrecipients

- **Housing comes first.** Help participants obtain decent, safe, and secure housing as quickly as possible. Understand, eliminate, and/or compensate for immediate barriers to obtain and maintain housing. Proactively support program participants through Housing Navigators, including coordinating with other organizations and service providers. This includes incorporating individualized and participant-driven support that recognizes that individuals are unique. As the participant works toward meeting their permanent housing solution, subrecipients should strive to offer or connect participants with a range of treatment and support services that are voluntary, individualized, culturally appropriate, and portable.
- **Choice and respect.** Administer a participant-centric program that empowers individual decisions around housing or services and encourages responsibility for those decisions.
- **Transparency and data-driven decision-making.** Share challenges and potential solutions with other organizations supporting participants to improve program administration and provide regular status reports to OHCS.
- **Targeted universalism.** Programs are designed to meet the needs of the most vulnerable, ensuring the right level of financial and/or housing support to get participants into permanent housing while preserving limited resources to serve as many participants as possible.

### 1.6.2 Trauma-Informed Communications

Disaster case management involves serving participants who have experienced trauma on individual and community levels. Communicating with those who have experienced or are experiencing trauma requires a mindful approach, ensuring that program participation does not further traumatize participants. Key trauma-informed principles for case management include:

- **Listen with empathy.** Practice active listening so that participants feel safe and respected. Join the conversation without judgment and as an ally in the broader work. Offering humility and compassion is critical.

- **Guide with compassion.** Help participants understand how the program will support them and help them identify their needs. Reassure them that this program is here to help.
- **One size does not fit all.** Program staff appreciate that each participant's needs are different and work with them to meet those needs.

## 1.7 CDBG-DR Requirements

HUD and Congress define activities that can and cannot be undertaken with CDBG-DR assistance. The following subsections identify the eligible activities for which assistance can be used and the objectives that must be met. Program participants must meet all appropriate eligibility requirements as specified in the [Program Eligibility](#) section of this manual. All appropriate requirements as specified in the [Program Activities](#) section of this manual must also be met.

### 1.7.1 CDBG-DR Eligible Activities

Eligible activities must be directly related to the recovery and resilience needs of eligible applicants whose homes were damaged or destroyed by the 2020 Labor Day wildfires and straight-line winds (DR-4562).

#### 1.7.1.1 Intermediate Housing Assistance

The IHA program awards assistance to meet intermediate housing and relocation needs, including housing navigation and case management. These activities are eligible public service activities allowed under the HCDA Section 105(a)8 and 20 and any applicable waivers or alternative requirements identified in the Federal Register (FR) Allocation Announcement Notice and Consolidated Notice (87 FR 6364). Specifically:

- IHA rental assistance activities are eligible under the [Rental Assistance Waiver and Alternative Requirement \(State of Louisiana, State of New Jersey, and State of Oregon only\)](#), issued by HUD on May 23, 2023, which expands the definition of public service to include the provision of rental assistance (e.g., rent, security deposits, and utility deposits) and utility payments for up to 24 months.
- IHA housing navigation and case management activities are eligible public service activities allowed under HCDA Section 105(a)8.

The actual maximum assistance that each applicant is eligible to receive will be determined using a consistent award calculation methodology described further in the [Award Calculation](#) section.

In the event that nonparticipant tenants of properties participating in IHA are either temporarily or permanently displaced, tenants are provided protections, support, and/or assistance under the Uniform Relocation Act (URA). Subrecipients notify OHCS in such cases in order to ensure that the program works with program applicants with tenant-occupied properties to comply with the URA.

For applicants currently leasing a residence or manufactured home (MH) pad that is determined not decent, safe, and/or sanitary, the IHA program may use funds to break a lease or to pay off the remaining months in a lease to assist the applicant in moving to a more habitable living condition. The months paid would count toward the 24-month maximum assistance.

For IHA participants purchasing a home through DPA, participating in another ReOregon program or moving into a new stabilized and permanent housing unit with an overlapping period of when they close on their home or their new lease start date and when the previous lease period under IHA ends, IHA will pay up to a maximum of one month after the closing date or new lease start date on the participant's new property. The month paid cannot exceed the 24-month maximum assistance time frame.

#### 1.7.1.2 Down Payment Assistance

DPA awards homeownership assistance to eligible disaster-impacted, first-time homebuyer households who seek to purchase a home. The following activities under the HCDA Section 105(a)20 and 24 are eligible.

DPA will provide households with a verified residential loss from the disaster earning up to 120% of the Area Median Income (AMI) the opportunity to purchase a home by providing financial assistance toward eligible closing costs and the purchase price of a new or pre-owned manufactured housing unit (MHUs); single family (one-unit) stick-built home; or condo or townhouse in buildings with four units or fewer in the counties of Clackamas, Douglas, Jackson, Klamath, Lane, Lincoln, Linn, and Marion.

#### 1.7.1.3 Housing Counseling Services

The Housing Counseling Services program awards assistance to provide housing and financial counseling services through HUD-certified housing counseling agencies. The following activities under HCDA Section 105(a)20 are eligible.

Housing Counseling Services providers will help impacted residents, vulnerable populations, and members of underserved communities expedite their recovery by carrying out the following activities, which are intended to help overcome barriers that restrict access to opportunity:

- Performing outreach and engagement to understand unmet needs
- Assessing housing needs and financial resources and addressing other concerns about short- and long-term housing
- Discussing the unique assistance needs and resources available
- Connecting with state and local recovery resources
- Reviewing income, expenses, credit, and debt and helping to develop ways to improve a participant's financial situation
- Creating a personalized action plan
- Providing other housing navigation services

## 1.7.2 CDBG-DR Ineligible Activities

The following are all ineligible activities for which CDBG-DR grant funds cannot be used for any of the program pathways:

- Grants or assistance for second homes
- Compensation payments for losses of personal property
- Other activities or ineligible costs not specifically included in 2 CFR (Code of Federal Regulations) Part 200, the applicable FR notices, HCDA, or 24 CFR Part 570 Subpart C
- U.S. Small Business Administration (SBA), other subsidized loan, or private loan or credit card payoffs

### 1.7.2.1 IHA Ineligible Activities

The following are additional ineligible activities under IHA:

- Reimbursement for:
  - Pre-award costs paid for by an applicant prior to the first IHA assistance payment
  - Childcare and work support
  - Replacement or new household goods
  - Late fees incurred during program participation
- Assistance to purchase a home
- Payment of earnest money deposits/payments
- Other costs that do not conform to this policy manual and the intent of the program and/or regulations

### 1.7.2.2 DPA Ineligible Activities

The following are ineligible activities under DPA:

- Purchase of:
  - A home in a floodway or 100-year floodplain
  - A home with tenants when the owner is not under duress to sell
  - A home that requires repairs and/or reconstruction (home must be move-in ready to be eligible)
  - A second home
  - Vacant land
  - A recreational vehicle or other non-conventional structure
  - A single-family home that is two to four units
  - A unit (condominium, townhouse) in a building with five or more units
- Payment of:
  - Seller's real estate agent fees or other closing costs or fees typically payable by the seller
  - Past or current non-DPA loans/debt to allow for mortgage qualification
  - Earnest money deposits/payments
  - To break a lease or to pay off the remaining months in a lease
- Award (or ineligibility determination) through Homeowner Assistance and Reconstruction Program (HARP)

### 1.7.2.3 Housing Counseling Services Ineligible Activities

The following are ineligible activities under Housing Counseling:

- Counseling services conducted by anyone who is not HUD-certified
- Counseling services provided to ineligible individuals or families

## 1.7.3 National Objectives

The primary objective of HCDA is to develop viable communities by providing decent housing and a suitable living environment and to expand economic opportunities, principally for LMI persons. Consistent with HCDA, HUD has required OHCS to comply with the overall benefit requirements in the HCDA, 24 CFR Part 570.484, 24 CFR Part 570.200(a)(3), and 24 CFR Part 1003.208, which require that a minimum of 70% of funds be used for activities that benefit LMI persons. A household is LMI if their household income is at or below 80% of the AMI. IHA will require income and household size information from all program participants and will determine LMI status using the applicable income limits to

demonstrate that at least 51% of beneficiaries are LMI. Current fiscal year LMI limits are available on oregon.gov:

- English: [oregon.gov/ohcs/disaster-recovery/reoregon/about-reoregon/Pages/reoregon-income-requirements.aspx](http://oregon.gov/ohcs/disaster-recovery/reoregon/about-reoregon/Pages/reoregon-income-requirements.aspx)
- Español: [oregon.gov/ohcs/es/disaster-recovery/reoregon/acerca-de-reoregon/Pages/requisitos-de-ingresos-de-ReOregon.aspx](http://oregon.gov/ohcs/es/disaster-recovery/reoregon/acerca-de-reoregon/Pages/requisitos-de-ingresos-de-ReOregon.aspx)

OHCS will track all LMI beneficiaries per HUD requirements using the following income ranges and categories:

- 0%–30%: AMI Extremely Low
- 31%–50%: AMI Very Low
- 51%–80%: AMI Low

Household income will be determined based on the total number of persons in the household and the total annual income of each household member 18 years and older. When full-time students who are 18 years and older are dependents, a small amount of their earned income will be counted. See the [Income](#) section for additional information on the income verification process.

The program will contribute to this overall LMI expenditure goal through its phased approach, which prioritizes LMI households. For more information, see the [Applicant Eligibility Phases](#) section.

The program will use the following national objectives, as applicable:

- **Low-Mod Income Limited Clientele:** IHA and Housing Counseling Services will use the low-moderate limited clientele category to qualify program assistance and activity delivery costs (ADCs) since at least 51% of beneficiaries served by each pathway must be LMI.
- **Low-Mod Housing:** DPA will use the low-moderate housing category to qualify program assistance and ADCs provided to or on behalf of LMI households.
- **Urgent Need (UN):** HUD allows for the use of the UN national objective when existing conditions pose serious and immediate threat to health/welfare of the community, the existing conditions are recent or recently became urgent, and the recipients cannot finance the activities on their own because other funding sources are not available.
  - Assistance and ADCs for homeownership assistance through the DPA pathway that is provided to or on behalf of households with incomes at or above 80%, up to 120%, of the AMI will be classified under UN. The program can use the UN national objective for households with incomes greater than 80% of the AMI because all applicants are required to meet eligibility criteria.

Each approved application will describe the type, scale, and location of the disaster-related impact that will be addressed through the provided award.

#### 1.7.4 Environmental Review

Every project undertaken with CDBG-DR funds is subject to the provisions of the National Environmental Policy Act of 1969 (NEPA), as well as the HUD Environmental Review regulations at 24 CFR Part 58. The scope and level of environmental review depends on the activities and circumstances of the project.

OHCS has determined that IHA, DPA, and Housing Counseling Services program activities are categorically excluded not subject to the federal laws and authorities referenced at Section 58.5. OHCS will ensure the submission of environmental review documentation for each program pathway prior to the start of program activity.

IHA and Housing Counseling Services will each require an environmental review record (ERR) be completed prior to committing funds to any subrecipient. For DPA, a separate ERR must be created and maintained in the file for each individual site/home an eligible participant is seeking to purchase using program assistance. Qualified participants must include the completion of the ERR as a contingency within any offer to purchase submitted to the seller of an eligible home, and the environmental review must be completed before DPA funds can be committed to the purchase of the property. Participants purchasing a MH on leased land/lot should submit the property information to the subrecipient so they can complete an environmental review prior to the participant signing a lease/rental agreement for the property.

The DPA subrecipient must submit the following to OHCS at least 21 days prior to the closing date specified in the purchase agreement:

- A purchase agreement that includes the ERR contingency
- Property information
- The approved DPA award amount

OHCS will review the submitted documentation, and the certifying officer will certify the ERR. Once certification is complete, the certified ERR will be returned to the subrecipient.

The subrecipient is prohibited from proceeding with the property closing until the certified ERR is received from OHCS. Both OHCS and the subrecipient are responsible for retaining all documentation related to the ERR in their respective records.



# Program Administration



## 2 Program Administration

### 2.1 Roles and Responsibilities

#### 2.1.1 Lead Agency

As the HUD grantee, OHCS serves as the lead agency and will engage subrecipients to implement programs and manage individual cases. OHCS's roles and responsibilities include:

- Provide subrecipient monitoring and oversight of funds.
- Provide guidance and technical assistance to subrecipients on compliant use of CDBG-DR funds prior to and during implementation.
- Perform pre-allocation budget reviews and additional budget reviews as needed in the event of program changes and/or performance or contractual amendments.
- Perform a capacity and risk assessment to determine the necessary level of monitoring and to ensure that subrecipients have the resources to implement the program.
- Review and approve all project or programmatic amendments, contract changes, and exception requests prior to execution.
- Coordinate and consult with state and local partners, when applicable, to ensure that IHA, DPA, and Housing Counseling Services efforts are coordinated with related projects and programs.
- Cancel and recapture funding from subrecipients when expenditures are noncompliant with federal or programmatic rules or requirements.
- Provide access to OHCS's system of record (SOR) to ensure records are maintained in compliance with program requirements and with federal, state, and local regulations and to ensure that participant data is tracked in a manner consistent with related projects and programs.
- Ensure that the environmental review process for a DPA property is completed accurately and is responsible for completing and certifying the Environmental Review Reports.
- For DPA, when needed, finalize loan terms and conditions, prepare and sign the loan agreement, and set up repayment mechanisms.

## 2.1.2 Subrecipient Assignment

Participants may come into the program directly through subrecipients or by referral from other state or CDBG-DR programs, LTRGs, CBOs, or other organizations. OHCS encourages outreach, engagement, and support for those who are not engaged with traditional forms of disaster support to ensure that all those who are eligible receive assistance.

Subrecipients and OHCS will match participants to subrecipients based either on their current location or the location in which they want to live (subject to the geographic restrictions listed below). Participants may be transferred from one subrecipient to another, if needed, but that process should be closely coordinated between the two subrecipients to help the participant feel supported through the process.

## 2.1.3 Subrecipient Responsibilities

Subrecipients are responsible for coordinating with other recovery partners to ensure that participants have the resources to achieve housing stabilization. The coordination must include the following steps, at a minimum (unless previously completed in intake into another ReOregon/CDBG-DR program and verified through the OHCS SOR):

### IHA Subrecipients

- Process intake and application for all program pathways (IHA, DPA, and Housing Counseling)
- Verify initial and annual income and associated benefits
- Pay eligible program benefits
- Provide housing search assistance
- Recruit and manage landlords
- Mediate landlords and tenants
- Ensure rent readiness
- Inspect selected unit or verify that outside inspections meet program requirements
- Create a housing stabilization plan for each participant
- Provide ongoing case management to support the participant in moving toward a stable housing solution, including coordinating with disaster case managers (DCMs) and other ReOregon programs
- Maintain knowledge of available affordable housing options, rental assistance programs, and referrals to other affordable housing units, including those administered by housing authorities and those created using CDBG-DR funding
- Provide access and referral to community-based resources/training programs

- Offer referrals to legal and other services, as appropriate
- Assist with application assignment to the applicable Housing Counseling Services and DPA subrecipients in the Neighborly SOR, if applicant requests and/or needs this assistance
- Recommend permanent housing, if applicable

All costs integral to the delivery of the IHA program shall be categorized as rental assistance; however, program costs incurred exclusively for rental assistance (e.g., rent, security deposits, and utility deposits) and utility payments shall be accounted for or tracked separately.

### **Housing Counseling Services Subrecipients**

- Reach out to applicants referred to Housing Counseling Services within 14 days of referral
- Provide homebuyer education and counseling
- Offer budgeting and financial planning
- Provide referrals to legal and other services, as appropriate
- Assist with application assignment to the applicable IHA and DPA subrecipients if the applicant requests and/or needs this assistance

All costs integral to the delivery of Housing Counseling Services shall be categorized as housing counseling services.

### **DPA Subrecipients**

- Reach out to applicants referred to DPA within 14 days of referral
- Direct financial assistance toward the purchase of a new home
- Underwrite a loan
- Finalize loan terms and conditions, prepare and sign the loan agreement, and set up repayment mechanisms
- Provide referrals to legal services, as appropriate
- Assist with application assignment to the applicable IHA and Housing Counseling Services subrecipients if applicant requests and/or needs this assistance
- Perform inspection-related services and testing
- Submit ERR supporting documentation (as outlined in Section 1.7.5 Environmental Review) to OHCS at least 21 days prior to the closing date specified in the purchase agreement.

All costs integral to the delivery of DPA shall be categorized as support services; however, program costs incurred exclusively for direct financial assistance shall be accounted for/tracked as financial assistance.

The coordination requires that subrecipients keep accurate and updated information on program applicants and participants. The subrecipient's staff must communicate and update the SOR(s) in a timely manner to keep an applicant or program participant progressing to full recovery.

# Program Eligibility



## 3 Program Eligibility

### 3.1 Overview

The program is designed to provide assistance to households that were affected by the 2020 wildfires and straight-line winds and face housing instability that either have not achieved a permanent housing solution or need support to maintain their permanent housing solution. Benefits under the program pathways are designed to make unaffordable temporary rental housing payments affordable through partial or full rental subsidies (based on income, as described in Section 5: Program Activities), provide housing counseling services, and/or provide down payment assistance. To target assistance to the most impacted households, the program will use a phased approach to providing support to eligible applicants, which is outlined for each of the specific pathways under Section 3.3: Applicant Eligibility Phases.

The IHA subrecipient will receive and process program applications and refer to the appropriate pathway. The DPA subrecipient will receive, review and determine DPA program eligibility and complete the mortgage application, known as the Uniform Residential Loan Application (URLA) around the time of the purchase offer.

### 3.2 Baseline Eligibility

#### 3.2.1 Identity

Applicants, co-applicants, and powers of attorney (POA), when applicable, must prove their identity. Proof of identify is required to reduce fraud and ensure program funds are awarded to the correct individuals.

The individual's information on the identification should match the information provided in the application.

#### 3.2.2 Geographic Eligibility

Across every applicant processing phase, applicants must be affected by the disaster in an eligible county (HUD or grantee MID, listed below). In addition, all IHA and DPA assistance must be connected to intermediate housing located in one of the HUD- or grantee-identified MID counties.

- **HUD-Identified MID Counties:** Clackamas, Douglas, Jackson, Lane, Lincoln, Linn, and Marion

- **Grantee-Identified MID County:** Klamath

The city of Salem spans two counties, Marion and Polk, with Marion County being the only HUD-identified MID county of the two. Because of this, an exception to geographic eligibility applies to eligible participants living in the city of Salem in Polk County. No other areas of Polk County or other non-MID counties are eligible.

## 3.3 Applicant Eligibility Phases

### 3.3.1 Intermediate Housing Assistance Processing Phases

The table below provides an overview of the phased approach to assisting eligible applicants. It also includes a summary of criteria by phase. Each phase will be open to all applicants who meet the required criteria, including those applicants who were eligible to apply under prior phases.

Table 1: Applicant Processing Phases

Required Criteria		Applicant Processing Phases					
		1	2	3	4	5	6
Geographic (located in MID county)		✓	✓	✓	✓	✓	✓
Household Income (county AMI)	80% AMI or Below	✓*	✓			✓	
	100% AMI or Below			✓			
	120% AMI or Below				✓		✓
Current Emergency Rental Assistance 2 (ERA2) Recipient or HARP Applicant		✓					
Verified Loss Due to 2020 Labor Day Wildfires and Straight-Line Winds		✓	✓	✓	✓		✓
Faces Housing Instability		✓	✓	✓	✓	✓	
Displaced Due to the Fires and Actively Pursuing Permanent Housing Solution		✓	✓	✓	✓	✓	✓

\*Subject to exception described in [3.3.1 Phase 1 Criteria](#).

During the application period(s), respondents are grouped into phases based on the above criteria. OHCS will determine the duration of each application phase and will announce

updates to phases on subrecipient and OHCS websites and through additional communications and local engagement. Any respondent who is ineligible for any phase of the program will be notified in writing.

Applicants must meet all eligibility criteria to qualify for the current phase. For income requirements, the program will use the applicable year posted on the ReOregon website:

- English: [oregon.gov/ohcs/disaster-recovery/reoregon/about-reoregon/Pages/reoregon-income-requirements.aspx](http://oregon.gov/ohcs/disaster-recovery/reoregon/about-reoregon/Pages/reoregon-income-requirements.aspx)
- Español: [oregon.gov/ohcs/es/disaster-recovery/reoregon/acerca-de-reoregon/Pages/requisitos-de-ingresos-de-ReOregon.aspx](http://oregon.gov/ohcs/es/disaster-recovery/reoregon/acerca-de-reoregon/Pages/requisitos-de-ingresos-de-ReOregon.aspx)

As the program opens each program phase or makes additional assistance available, the program reserves the right to modify its criteria to provide additional or less assistance, in terms of duration, type, and/or total amount of assistance. Although the intent of the program is to assist as many impacted persons as possible, all assistance is subject to availability, and the program may implement a prioritization structure if needed within a given phase.

### 3.3.1.1 Phase 1 Criteria

In addition to meeting all eligibility criteria, applicants must meet the following additional eligibility criteria:

- **Income:** Household income must be at or below 80% of AMI.
  - Exceptions may be permitted for those applicants who are current ERA2 recipients (as described below) and whose income is above 80% of AMI.
- **Current ERA2 Recipient or HARP Participant:** The program recognizes that there are 2020 wildfire-impacted households who are currently receiving rental assistance through the U.S. Department of Treasury's ERA2 program or who are waiting to receive assistance through HARP. To ensure continued housing stability, the program will serve households who are current ERA2 recipients or applicants as of the Phase 1 opening date.
- **Verified Residential Loss Due to 2020 Labor Day Wildfires and Straight-Line Winds:** Applicants must have experienced a direct, verified residential loss to their primary home from the 2020 Labor Day wildfires and straight-line winds disaster.
- **Housing Instability:** The applicant must:
  - Have monthly housing costs (including rent, mortgage payments, property taxes, insurance, homeowners association (HOA) fees, personal property/chattel loans, land lease, and/or pad rent in a manufactured

- housing park) that total greater than 30% of gross monthly household income, or
- Reside in housing that does not meet decent, safe, and sanitary (DSS) standard as defined in [49 CFR Part 24.2\(a\)\(8\)](#) (including overcrowded housing) and demonstrate that the median rent in the MID county would be unaffordable for their household (according to the 30% standard above).
- **Displaced and Pursuing a Permanent Housing Solution:** The applicant was displaced from their primary home due to damage from the 2020 Labor Day wildfires and straight-line winds and is actively pursuing a permanent housing solution that is different from their current housing situation due to housing instability.

### 3.3.1.2 Phase 2 Criteria

In addition to meeting all eligibility criteria, applicants must meet the following additional criteria to be considered under this phase:

- **Income:** Household income must be at or below 80% of AMI.
- **Verified Residential Loss Due to 2020 Labor Day Wildfires and Straight-Line Winds:** Applicants must have experienced a direct, verified residential loss to their primary home from the 2020 wildfires.
- **Housing Instability:** The applicant must:
  - Have monthly housing costs (including rent, mortgage payments, property taxes, insurance, HOA fees, personal property/chattel loans, land lease, and/or pad rent in a manufactured housing park) that total greater than 30% of gross monthly household income, or
  - Reside in housing that does not meet DSS standards as defined in [49 CFR Part 24.2\(a\)\(8\)](#) (including overcrowded housing) and demonstrate that the median rent in the MID county would be unaffordable for their household (according to the 30% standard above).
- **Displaced and Pursuing a Permanent Housing Solution:** The applicant was displaced from their primary home due to damage from the 2020 Labor Day wildfires and straight-line winds and is actively pursuing a permanent housing solution that is different from their current housing situation due to housing instability.

### 3.3.1.3 Phase 3 Criteria

In addition to meeting all eligibility criteria, applicants must meet the following additional criteria to be considered under this phase:

- **Income:** Household income must be at or below 100% of AMI.
- **Verified Residential Loss Due to 2020 Labor Day Wildfires and Straight-Line Winds:** Applicants must have experienced a direct, verified residential loss to their primary home from the 2020 wildfires.
- **Housing Instability:** The applicant must:
  - Have monthly housing costs (including rent, mortgage payments, property taxes, insurance, HOA fees, personal property/chattel loans, land lease, and/or pad rent in a manufactured housing park) that total greater than 30% of gross monthly household income, or
  - Reside in housing that does not meet DSS standard as defined in [49 CFR Part 24.2\(a\)\(8\)](#) (including overcrowded housing) and demonstrate that the median rent in the MID county would be unaffordable for their household (according to the 30% standard above).
- **Displaced and Pursuing a Permanent Housing Solution:** The applicant was displaced from their primary home due to damage from the 2020 Labor Day wildfires and straight-line winds and is actively pursuing a permanent housing solution that is different from their current housing situation due to housing instability.

#### 3.3.1.4 Phase 4 Criteria

In addition to meeting all eligibility criteria, applicants must meet the following additional criteria to be considered under this phase:

- **Income:** Household income must be at or below 120% of AMI.
- **Verified Residential Loss Due to 2020 Labor Day Wildfires and Straight-Line Winds:** The applicants must have experienced a direct, verified residential loss to their primary home from the 2020 wildfires.
- **Housing Instability:** The applicant must:
  - Have monthly housing costs (including rent, mortgage payments, property taxes, insurance, HOA fees, personal property/chattel loans, land lease, and/or pad rent in a manufactured housing park) that total greater than 30% of gross monthly household income, or
  - Reside in housing that does not meet DSS standards as defined in [49 CFR 24.2\(a\)\(8\)](#) (including overcrowded housing) and demonstrate that the median rent in the MID county would be unaffordable for their household (according to the 30% standard above).
- **Displaced and Pursuing a Permanent Housing Solution:** The applicant was displaced from their primary home due to damage from the 2020 Labor Day

wildfires and straight-line winds and is actively pursuing a permanent housing solution that is different from their current housing situation due to housing instability.

### 3.3.1.5 Phase 5 Criteria

In addition to meeting all eligibility criteria, applicants must meet the following additional criteria to be considered under this phase:

- **Income:** Household income must be at or below 80% of AMI.
- **Housing Instability:** The applicant must be living in a HUD or grantee MID at the time of submitting an application and:
  - Have monthly housing costs (including rent, mortgage payments, property taxes, insurance, HOA fees, personal property/chattel loans, land lease, and/or pad rent in a manufactured housing park) that total greater than 30% of gross monthly household income, or
  - Reside in housing that does not meet DSS standard as defined in [49 CFR 24.2\(a\)\(8\)](#) (including overcrowded housing) and demonstrate that the median rent in the MID county would be unaffordable for their household (according to the 30% standard above).
- **Displaced and Pursuing a Permanent Housing Solution:** The applicant was displaced from their primary home due to damage from the 2020 Labor Day wildfires and straight-line winds and is actively pursuing a permanent housing solution that is different from their current housing situation due to housing instability.

### 3.3.1.6 Phase 6 Criteria

In addition to meeting all eligibility criteria, applicants must meet the following additional criteria to be considered under this phase:

- **Income:** Household income must be at or below 120% of AMI.
- **Verified Residential Loss Due to 2020 Labor Day Wildfires and Straight-Line Winds:** Applicants must have experienced a direct, verified residential loss to their primary home from the 2020 wildfires.
- **Displaced and Pursuing a Permanent Housing Solution:** The applicant was displaced from their primary home due to damage from the 2020 Labor Day wildfires and straight-line winds and is actively pursuing a permanent housing solution that is different from their current housing situation due to housing instability.

### 3.3.2 Down Payment Assistance

DPA will be available to first-time homebuyer households earning up to 120% of the AMI living in the MID counties at the time of the disaster and/or currently, with a priority to serve households under 80% of the AMI and fire-impacted residents. All households earning between 80.1% and 120% AMI must demonstrate a verified residential loss from the 2020 Labor Day wildfires and straight-line winds. At least 85% of all available funding is required to go toward serving households under 80% AMI.

DPA is designed to prioritize individuals and households who have struggled to access the necessary resources to initiate or complete their recovery. DPA providers may need to set aside DPA funding for applicants in later time frames (months or years after initial application) to assist LMI applicants who may not be eligible upon initial application but who actively engage in financial and/or housing counseling to be able to qualify for a mortgage.

The below provides an overview of the approach to assisting eligible applicants.

- **LMI Households (80% AMI or Below):**
  - A minimum of 85% of the DPA funding must go to LMI households.
  - The applicant must be a first-time homebuyer as defined in Section 4.1.4.1.
  - Households served must demonstrate that they have a residential loss or lived in a MID county at the time of the disasters.
    - DPA will first serve households with verified residential losses, adhering to a one-to-one replacement policy. This means that each household affected by the disaster will receive one repaired, reconstructed or replacement home, regardless of the funding source. Importantly, households sharing the same disaster address will collectively receive only one recovery home in total.
    - DPA can then fund LMI applicants who lived in a MID county at the time of the 2020 Labor Day wildfires and straight-line winds that did not have a verified loss. The DPA provider must document that they tried to engage and serve residents with a residential loss before assisting LMI residents who lived in a MID county at the time of the 2020 Labor Day wildfires and straight-line winds. DPA providers must receive approval from OHCS before assisting LMI residents who lived in a MID county at the time of the 2020 Labor Day wildfires and straight-line winds.

- **Non-LMI Households (80.1%–120% AMI):**

- A maximum of 15% of the allocated DPA funding can go to households between 80.1%–120% AMI.
- The applicant must be a first-time homebuyer as defined in Section 4.1.4.1.
- Households served must demonstrate that they have a verified residential loss due to the 2020 Labor Day wildfires and straight-line winds.

By setting aside funding, lower income applicants are offered the opportunity to improve their financial status to qualify for a mortgage while ensuring funding remains available to them. If applicants fail to show that they are actively working on improving their financial status, the DPA provider may choose to not fund the household in accordance with their policy. Any respondent who is ineligible or whose funding is unobligated will be notified in writing.

Applicants must meet all eligibility criteria to qualify. For income requirements, the program will use the applicable year posted on the ReOregon website:

- English: [oregon.gov/OHCS/disaster-recovery/Pages/ReOregon-Assistance.aspx#HARP](http://oregon.gov/OHCS/disaster-recovery/Pages/ReOregon-Assistance.aspx#HARP)
- Español: [oregon.gov/OHCS/es/disaster-recovery/Pages/ReOregon-Homeowners.aspx](http://oregon.gov/OHCS/es/disaster-recovery/Pages/ReOregon-Homeowners.aspx)

As the program sets aside funding for households or makes additional assistance available, the program reserves the right to modify program criteria to provide additional or less assistance, in terms of duration, type, and/or total amount of assistance. If no eligible households apply for DPA or a county's set-aside is not enough for the maximum award for one household, that county's set-aside may be either used for DPA in another MID county or added to the county's Affordable Housing Development (AHD) allocation to develop affordable housing to serve fire-impacted LMI households. Though the intent of the program is to assist as many impacted persons as possible, all assistance is subject to availability, and the program may implement additional prioritization structure if needed within a given phase.

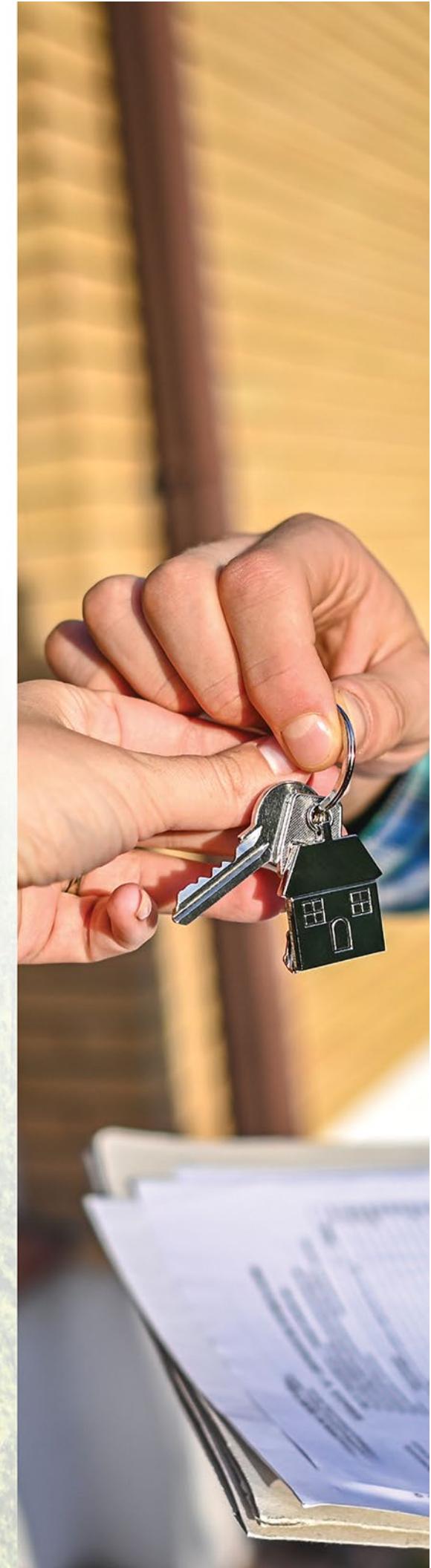
### 3.3.3 Housing Counseling Services

Housing counseling services are on a first-come, first-served basis for those who are actively engaged in working with housing counselors to complete the required actions related to stabilizing and improving their housing scenario.

If funding is limited, housing counselors will prioritize participants who are actively engaging in their services.



# Eligibility Criteria Verification



## 4 Eligibility Criteria Verification

### 4.1 Applicant Eligibility

#### 4.1.1 Overview

This section describes how applicants may demonstrate that they meet the eligibility criteria applicable to the Housing Support Services program and each specific pathway phase. The IHA subrecipient will be responsible for reviewing general eligibility requirements for the Housing Support Services program. If an applicant is interested in or has a need for DPA and/or Housing Counseling, the IHA subrecipient will assign the application to the appropriate subrecipient following the general eligibility determination. For the IHA and DPA pathways, additional requirements need to be met as outlined in their applicable sections below.

For the Housing Counseling Services pathway, applicants are eligible for assistance if they are displaced or facing housing insecurity in one of the HUD- or grantee-identified MIDs or were referred from another ReOregon program. Housing Counseling Services may serve eligible households that are over 80% AMI; however, at least 51% of all Housing Counseling Services funding needs to serve LMI households.

#### 4.1.2 General Housing Support Services Eligibility Requirements

##### 4.1.2.1 Identity

Applicants, co-applicants, and POA(s), if applicable, must provide a copy of official identification containing their full name and date of birth. For the purposes of verifying identity, variations in a suffix are generally acceptable naming variations recognized by the U.S. Social Security Administration, the U.S. Department of State, and the U.S. Department of Homeland Security.

##### **Applicants, Co-Applicants, and POA(s) Must Provide Either:**

- One government-issued identification that contains a photograph:
  - Driver's license (not expired more than 13 years)
  - State-issued ID (not expired more than 13 years)
  - Passport or passport card (not expired more than five years)
  - Current military or armed forces ID
  - Current Oregon federally recognized Tribal ID

- Oregon concealed weapon/handgun license (not expired more than five years)
  - Oregon Department of Corrections release ID (issued after 2005)
  - Consular ID (not expired more than five years)
  - Valid foreign passport
  - Certificate of Citizenship (Form N-560 or N-561)
  - Certificate of Naturalization (Form N-550 or N-570)
  - Permanent resident card or alien registration receipt card (Form I-151 or I-551)
  - Valid employment authorization card (Form I-688)
  - Valid reentry permit (Form I-327)
  - Valid employment authorization document issued by INS (Form I-688B)
- Two government-issued identification documents that do not feature a photograph:
  - Social Security card
  - Birth certificate
  - Voter registration
  - Medicare or Medicaid card
  - Health insurance card
  - U.S. marriage license or certificate or record of marriage
  - W-2 or 1099 tax form
  - Oregon student ID (issued within the last five years)
  - School registration

The individual's information on the identification should match the information provided in the application.

#### 4.1.2.2 Geographic Eligibility

Across every applicant processing phase, subrecipients must use funds to benefit participants (or beneficiaries) impacted by the disaster in the HUD- and grantee-identified MIDs. In addition, all IHA and DPA assistance must be connected to housing located in the HUD- and grantee-identified MID counties.

- **HUD-Identified MID Counties:** Clackamas, Douglas, Jackson, Lane, Lincoln, Linn, and Marion
- **Grantee-Identified MID County:** Klamath

- The city of Salem spans two counties, Marion and Polk, with Marion County being the only HUD-identified MID county of the two. Because of this, an exception to geographic eligibility applies to eligible participants living in the city of Salem in Polk County. No other areas of Polk County or other non-MID counties are eligible.

**Required Documentation:** Applicants with documentation of verified impact from the 2020 wildfires (see 4.1.2.4 Verified Residential Loss Due to 2020 Labor Day wildfires and straight-line winds) in a MID county will be considered to meet this criteria.

For Phase 5 IHA applicants and certain DPA LMI applicants (see 3.3.2) only, documentation of a primary residence in a MID county at the time of an application may be considered to meet this criterion. Such documentation may include:

- Lease: Current lease or other written housing agreement for a rental property, including applicant name and address, signed by both property owner and applicant.
- Rent Receipts: Rent receipts or bank statements with canceled checks in applicant's name, including applicant address, dated within three months of application.
- Employer's Statement: Paystub or similar document dated within three months of application in applicant's name and including applicant address.
- Utility Bills: Electric, gas, heating, trash, or water/sewer bills in applicant's name and including applicant address, dated within three months of application. Utility bills showing no usage charges will not be considered proof of residence.
- Other: Bank or credit card statement, phone bill, cable/satellite bill, or internet bill in applicant's name and dated within three months of application.

If the applicant has none of the above documentation, the program may consider alternate documentation on a case-by-case basis.

#### 4.1.2.3 Income Eligibility

##### 4.1.2.3.1 Verifying Income

To determine income eligibility, the program uses the HUD Community Planning and Development (CPD) Adjusted Gross Income (AGI) method to calculate total household income as well as the income limits published by HUD. The income limits vary by county and household size and can be accessed at [re.oregon.gov](http://re.oregon.gov).

The HUD-published income limits are updated annually and remain in effect until HUD's effective date of the income limits is published for the subsequent year. The program will consider an applicant's household income based on the income limits published at the time of processing. If the HUD income limits change after the income determination is

made, the program will not automatically reassess the applicant's income based on the new income limits. Litigation settlements are not considered income.

The AGI method calculates family gross income for of all household members 18 years of age and older using CPD methods. The income is verified using income documentation or other acceptable methods that are projected over the next 12 months. All applicants must provide required income documentation for the household, which will depend on the circumstances of the household. Additionally, applicants must certify if they anticipate that their income and/or household composition will or will not change within the following 12 months. If changes are anticipated or occur during program processing, the program may request additional documentation to calculate and project income. The income calculation will be used to determine which phase of the program the applicant is eligible for at that time.

Households that do not or are unable to file tax returns may still be eligible to receive assistance, particularly if they meet the other eligibility criteria. IHA will use the different methods of verifying income to determine household eligibility depending on whether or not the household files tax returns:

### **Verification of Income**

For all household members, applicants must submit supporting documentation based on the circumstances below:

- Household members who file tax returns must provide:
  - IRS 1040/AGI for the most recent calendar year or a proof of extension if filing is not up to date
  - IRS Form 8879
  - IRS Tax Return Transcript (Form 4506-T)
  - **Household Income Certification Form:** Guides the subrecipient and household in determining the household's annual AGI
- Household members who do not file tax returns must provide:
  - **Household Income Certification Form:** Guides the subrecipient and household in determining their AGI.
  - **Certification of Zero Income:** Certifies that the household member does not make any income and outlines how they pay for costs of living (e.g., utilities, mortgage, taxes).
  - **Verification of Recurring Cash Contributions:** Only for cases where household members are paid in cash and are unable to document income through other methods. This form can be used to document recurring cash contributions.

- **Verification of Income From Business:** Only for cases where household members receive income from a business, such as in cases of self-employment or sole-proprietorship, and are unable to document income through other methods. This form can be used to document recurring cash contributions.

### **Supporting Income Documentation**

- Earned income:
  - Last three months of paystubs
  - W2 or 1099 tax forms
  - Signed employer statement:
    - Date of employment
    - Current position
    - Wages and frequency of pay
    - Employer name
    - Employer phone number
- Unearned income:
  - Most recent benefits statement(s), including Social Security, pension, annuity, unemployment, and public benefits

#### **4.1.2.3.2 Determining Household Size**

HUD considers all persons who live in the same house to be household members for the purpose of household income calculation. Household members may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share the same house.

To determine income eligibility, the program will verify income for each household member who is 18 years and older. When full-time students who are 18 years and older are dependents, a small amount of their earned income will be counted. Count only earned income up to a maximum of \$480 per year for full-time students, age 18 and older, who are not the head of the family or spouse or co-head.

**Non-Household Members:** The following persons will not count as household members and should not be included when verifying annual household income:

- Foster children
- Foster aides
- Live-in aides and their children

- Unborn children (not considered in household size for income eligibility calculation but considered for bedroom count)
- Children being pursued for legal custody or adoption who are not currently living in the household

**Partially Absent Household Members:** The applicant may count the following types of persons as household members, at their discretion. Those persons included as household members must submit income documentation:

- Children who live in the house at least 50% of the time and who are named in a shared-custody agreement
- Permanently absent family members who can be classified as household dependents, such as children attending college or a family member in a nursing home (if included, and the person is 18 years and older, income must be reported to the program and will be included in the AMI calculation)

OHCS will review exception requests prior to participant approval on a case-by-case basis.

#### 4.1.2.3.3 Income Certification Frequency

Income determinations are valid for up to 12 months from the date of income verification. If an applicant has not signed an IHA award within 12 months of the date of their income determination, the program will require a recertification of income as required by CDBG-DR funding rules.

Following the issuance of IHA awards, which are approved for up to six months, if applicants have a change in income or household composition, they may request, or the subrecipient may require, a recertification at any time.

Exceptions to this may be made due to extenuating circumstances through the Exceptions Panel.

#### 4.1.2.4 Verified Residential Loss Due to 2020 Labor Day Wildfires and Straight-Line Winds

Applicants must provide documentation to show they experienced a verified residential loss to their primary home due to the 2020 Labor Day wildfires and straight-line winds.

#### Required Documentation

The program will consider any of the following forms of documentation, listed here in order of preference. If proof from disaster assistance programs is not available, subrecipients can then request damage assessments.

1. Eligibility determination from HARP
2. Proof from disaster assistance programs, such as documents from federal (including Federal Emergency Management Agency (FEMA) or SBA award letters with descriptions of qualifying costs), state, insurance, or other sources, which may include verified home loss, insurance adjuster estimates, or property payout
3. Damage assessment:
  - a. Assessments or letters issued by a state or local government agency (e.g., fire department or county emergency management) that demonstrate that damages were sustained to the applicant's home during the disaster, and
  - b. Proof of primary residence on the date of the disaster event (Sept. 7, 2020)
    - i. Applicants may provide **one** of the following:
      1. FEMA or SBA homeowner or renter eligibility determination listing the damaged dwelling address as valid at the time of the disaster event
      2. Driver's license or other government-issued identification card listing the damaged dwelling address as valid at the time of the disaster event
      3. Homeowners or renters insurance policy specifying the home as the primary residence
      4. 2020 tax return (Form 1040) or request for extension listing the home address
    - ii. Applicants may provide **two** of the following alternative documents:
      1. Lease or other written housing agreement from the period of the disaster, including applicant name and address, signed by both the property owner and the applicant.
      2. Rent receipts or bank statements with canceled checks in the applicant's name, including applicant address, dated August or September 2020.
      3. Utility bill or letter from electric, gas, water, trash, sewage, cable, or landline phone company. The letter must confirm that service was provided in August or September 2020 and must match the name and address on the program application. Bills must reflect usage of services indicative of occupancy.
      4. Credit card bill or bank statement sent to damaged property in August or September 2020 and matching the name and address on the program application.
      5. Voter registration from local elections department listing the applicant's name at the damaged dwelling address valid at the time of the disaster event.

6. School registration listing a name and address on the program application.
7. Federal benefits documentation (e.g., Women, Infants, Children (WIC), Medicare, unemployment, Temporary Assistance for Needy Families (TANF) listing both the applicant's name and the address of the damaged home).
8. If the applicant has none of the above documentation, the program may consider alternate documentation on a case-by-case basis.

4. Other: If the applicant has none of the above documentation, the program may consider alternate documentation on a case-by-case basis, in conjunction with applicant self-attestation. Documentation to support the self-attestation may include the following, paired with proof of primary residence at the time of the disaster (as described above):

- a. Evidence that the applicant's primary residence was located in the burn scar for the 2020 Labor Day wildfires and straight-line winds, as mapped by state or local government
- b. Evidence that the applicant's primary residence was located in the burn scar for the 2020 Labor Day wildfires and straight-line winds, as mapped by nongovernmental entities (where no government-sponsored burn scar map is available)
- c. Other documentation that the applicant's primary residence at the time of the disaster was damaged by the disaster

#### **4.1.3 IHA Eligibility Requirements**

In addition to the general eligibility requirements, applicants requesting IHA must meet the eligibility requirements outlined in the below sections.

##### **4.1.3.1 CDBG-DR Interim Mortgage Assistance**

Applicants must attest as to whether they have received or are receiving any form of CDBG-DR interim mortgage assistance, allowed in paragraph II.B.6. of the Consolidated Notice that may be offered by Oregon. If an applicant has received such assistance, they are not eligible for IHA.

OHCS will notify subrecipients should the state begin to issue CDBG-DR interim mortgage assistance. In this event, subrecipients will submit names of eligible applicants to OHCS regularly to allow OHCS to verify whether they have received CDBG-DR interim mortgage assistance.

#### 4.1.3.2 Housing Instability

Applicant must either:

- Have monthly housing costs (including rent, mortgage, property taxes, insurance, HOA fees, personal property/chattel loans, land lease, and/or pad rent in a manufactured housing park) greater than 30% of adjusted gross monthly household income, or
- Reside in housing that is not DSS as defined in [49 CFR Part 24.2\(a\)\(8\)](#) (including overcrowded housing according to the program [Occupancy Standard](#)), and demonstrate that the median rent in the MID county would be unaffordable according to the 30% standard above

#### Required Documentation:

- **Monthly Housing Costs:**
  - **Monthly Household Income:** Equal to adjusted gross household income, as determined through the household income verification process in the [Income](#) section, divided by 12. No additional documentation is required.
  - **Monthly Housing Costs:** Equal to the total of all monthly housing costs (listed above). Acceptable documentation includes:
    - Rent:
      - Current lease or other written rental agreement
      - Three months of rental payment receipts
      - Affidavit of rental payments made (signed by property owner and tenant)
    - Mortgage payments:
      - Current mortgage statement
    - Property taxes:
      - Current mortgage statement (if it includes property taxes)
      - Property tax statement or invoice
    - Insurance:
      - Current mortgage statement (if it includes homeowners insurance)
      - Current homeowners insurance statement or invoice
    - HOA fees:
      - HOA agreement or written invoice or statement of fees
      - Current mortgage statement (if it includes HOA fees)

- Personal property/chattel loans for manufactured, modular, park model, or tiny homes:
  - Monthly loan statement
- Manufactured housing park pad/space rent:
  - Current pad lease or written rental agreement
  - Three months of pad rent payment receipts
- Land lease:
  - Current land lease agreement
  - Monthly invoice or statement
- **Documentation That Housing Is Not DSS:** Attestation from the applicant describing their current housing (e.g., hotel, family/friends' residence, other temporary shelter/not DSS housing), including applicable information about the housing conditions. Subrecipients must conduct an inspection of the current housing using one of the program-approved inspection options (see Section 6.9).

#### 4.1.3.3 Current ERA2 Recipients or HARP Participants

IHA recognizes that there are 2020 Labor Day wildfire and straight-line winds-impacted households that are currently receiving rental assistance through Oregon's funding under the U.S. Department of Treasury's ERA2 program or are awaiting assistance through HARP. In order to ensure continued housing stability for these households, IHA will serve them under the first program phase.

**Required Documentation:** IHA subrecipient(s) will verify household participation in, or current application status for, ERA2 using subrecipient and OHCS ERA2 data; additional documentation from the applicant may be required. HARP participants may be referred to IHA, and the IHA subrecipient(s) will need to maintain the HARP referral documentation.

#### 4.1.3.4 Displaced and Pursuing a Permanent Housing Solution

The applicant must have been displaced from their primary home due to damage to their rental unit and/or rehabilitation or reconstruction to repair damage from the 2020 wildfires and straight-line winds. The applicant must be pursuing a permanent housing solution and must not own a second residential property.

**Required Documentation:**

- Applicant housing stabilization plan, which will be developed by the subrecipient and the applicant. Housing stabilization plans can include but are not limited to:
  - Participating in HARP, AHD, or DPA, as applicable
  - Seeking affordable rental housing (may be through AHD)

- Transitioning to other subsidized housing assistance programs
- Applicants who are also participants in HARP and whose award consists (or will consist) of more than retrofits alone (e.g., an award for MH replacement, reconstruction, rehabilitation, or MH replacement or homeownership on an alternative site) do not need to submit any documentation to meet this criterion.
- Applicants must attest to the fact that they do not own a second residential home. Subrecipients will collect supporting documentation which may include conducting a search of Oregon property records to verify the applicant's ownership status. If the applicant owns a rental property occupied by tenants, they must submit proof of tenant occupancy.

#### 4.1.4 DPA Eligibility Requirements

In addition to the general eligibility requirements, applicants requesting DPA must meet the eligibility requirements outlined in the below sections.

##### 4.1.4.1 First-Time Homebuyer

DPA is available to first-time homebuyers who meet the income requirements. For DPA, a first-time homebuyer is defined as:

- An individual who has had no ownership in a principal residence during the three-year period ending on the date of purchase of the property. This may also include a spouse.
- A single parent who has only owned with a former spouse while married.
- An individual who is displaced and has owned with a spouse only. A displaced individual is someone whose marital status affects their ability to be properly housed.

##### Required Documentation:

- **Affidavit of First-Time Homebuyer Status:** A sworn statement or declaration affirming that the individual is a first-time homebuyer

And at least one of the following:

- **Tax Returns:** Copies of tax returns for the past three years showing no mortgage interest deduction or property tax deduction that would indicate homeownership
- **Rental History:** Lease agreements, rental receipts, or a letter from a landlord to prove that the individual has been renting and not owning a home
- **Credit Report:** A credit report showing no mortgage history

- **Bank Statements:** Evidence that no mortgage payments were made from their bank account over the past three years
- **Utility Bills:** Utility bills in the individual's name from a rental property, demonstrating a history of renting
- **Title Search:** A title search showing no property ownership in the individual's name for the specified period

#### 4.1.4.2 Housing Education

Applicants will be required to complete a pre-purchase counseling and education course through a HUD-approved agency. If buyers have already completed such a qualified program within the last six months of initial review for DPA eligibility, this may count toward this participation requirement.

Separate from DPA requirements, a counseling completion certificate may be required as part of the pre-approval process from the lender and may be required for closing.

#### **Required Documentation:**

- Certificate of course completion dated in the last six months

#### 4.1.4.3 Mortgage Pre-Qualification

To be eligible for the DPA award, the applicant must have a valid mortgage pre-approval letter from a lender that has a verified NMLS number and is licensed/registered in Oregon. Additionally, the DPA provider will review the pre-approval terms and loan estimate to ensure that the loan is non-predatory, the rates are reasonable and fixed, and there are no balloon payments.

The DPA provider will issue a program pre-approval letter that is intended to obligate funds to the participating household. This pre-approval letter will be effective 180 days from the date the letter is sent. The participant is expected to secure a home within this 180-day period. Any extension of the loan pre-approval/obligation of funds is at the discretion of the loan originator and/or OHCS and is not guaranteed.

#### **Required Documentation:**

- A mortgage pre-approval letter from a lender that lists the applicant and other borrowers, if applicable, and the loan estimate and terms
- A screenshot from the NMLS Consumers Access website that shows the lender name, their verified NMLS number, and that they are registered in Oregon
- The DPA pre-approval letter sent to the participant.

#### 4.1.4.4 Assistance Reasonable Review

##### **Affordability**

Applicants will be reviewed for affordability during the underwriting process by evaluating both the front-end and back-end debt to income (DTI) ratios.

- **The front-end DTI ratio, also known as the housing ratio, must be between 20% and 30%.** The front-end DTI will be evaluated by looking at what percentage of an applicant's, and if applicable, the other borrower's, AGI would go toward housing expenses. Housing expenses include the monthly mortgage payment (principal and interest), property taxes, homeowners insurance premiums, and HOA fees (if applicable) associated with the purchase of the new home including the grant amount. Housing expenses are required to be in an escrow account. If the applicant is purchasing a MHU and/or has a chattel loan, pad lease costs are required to be included in the front-end ratio calculation. Living expenses, such as utilities, are not included in the DTI calculation.  
Exceptions for front-end ratios may be granted on a case-by-case basis, considering risk and long-term affordability, and cannot exceed 35%, provided the back-end ratio does not exceed 43%. OHCS will review and decide on any exception requests.
- **The back-end DTI ratio cannot be greater than 43%.** The back-end DTI will be evaluated by looking at what percentage an applicant's, and if applicable, the other borrower's, AGI would go toward all monthly debt obligations. This includes housing expenses in the front-end DTI, plus credit cards, car loans, child support, and student loans. Living expenses, such as utilities, are not included in the DTI calculation.

##### **Required Documentation:**

- **Income Verification:** See Section 4.1.2.3 for income verification requirements. Additional or updated income documents may be requested by the DPA subrecipient.
- **Housing Expenses:** A breakdown of the monthly mortgage payment (principal and interest), property taxes, homeowners insurance premiums, HOA fees (if applicable), and pad lease costs (if applicable) for the property homeowner is intended to purchase. Housing expenses are required to be in an escrow account.
- **Credit Report:** A credit report showing the current debts.
- **Other documents as determined in the underwriting process**

## **Sustainability**

The household will be evaluated to determine if it can maintain homeownership over the CDBG-DR compliance period. Requirements include:

- The mortgage is fixed rate and long term.
- There is no balloon payment at the end of the mortgage.
- Projected taxes and insurance are reasonable.
- Projected utilities costs are reasonable.
- The property does not contain physical conditions that can be expected to cause unusual or high maintenance expenses in the five to 10 years following the purchase of the property.

## **Required Documentation:**

To determine if maintaining homeownership is sustainable, the following documentation and evidence are required to assess an individual's financial stability and capability to manage the costs associated with owning a home:

- **Budget and Financial Plan:**
  - A financial plan demonstrating how the individual will manage mortgage payments, property taxes, insurance, and maintenance costs
  - Evidence of reserves or savings to cover a certain number of months' mortgage payments in case of emergency or income disruption
- **Property Information:**
  - An appraisal report to ensure that the property value aligns with the purchase price
  - An inspection report highlighting any potential issues with the property that might require future expenditures in the next five to 10 years (e.g., new roof)
  - A clear title report to ensure that the property is not subject to any liens, encumbrances, or disputes; all previous transfers of the property have been properly documented; and the chain of ownership is clear
- **Insurance:**
  - Proof of homeowners insurance coverage
  - Quotes or policies for additional required insurances (if applicable)

These documents, in addition to the income verification and calculated DTI ratio, help assess whether an individual has the financial stability, income, and planning needed to sustain homeownership.



# Program Activities



# 5 Program Activities

## 5.1 IHA Overview

OHCS will provide eligible subrecipients with grants that may include the following as outlined in the scope of work section of their contract:

- Up to 24 months of rental assistance to help make housing costs more affordable to eligible applicants
- Other intermediate housing assistance, such as utility payments, security deposits, pet deposits, pet fees (up to three months), and moving costs (up to two times per participant)
- Case management and housing navigation to help IHA applicants and participants understand program requirements and limitations, assist the client with creating a housing stabilization plan, and help clients achieve sustainable housing goals

The maximum amount of assistance an applicant may receive is described below.

All awards are subject to a duplication of benefits (DOB) review.

**Note regarding optional relocation assistance (ORA):** Assistance for HARP and AHD participants who are unable to occupy their homes due to construction activities will not be covered by IHA. This assistance may be provided by HARP and AHD and is described in the HARP and AHD policy manuals, which will be available on the [ReOregon website](#) when published.

### 5.1.1 Rental Assistance

#### 5.1.1.1 Term of Assistance

Subrecipients may provide rental assistance in increments of six months. The rental assistance will be paid monthly to the landlord on the participant's behalf and shall conclude when the participant moves into permanent housing and becomes stably housed or after 24 months (whichever comes first).

If the rental amount increases during an award cycle, the participant and/or landlord must inform the subrecipient of the change so that the rental assistance award can be adjusted accordingly. If either party fails to notify the subrecipient, the subrecipient cannot retroactively pay any arrears resulting from the unpaid difference. The landlord and tenant will need to resolve the difference between themselves.

#### 5.1.1.1 Rental Arrears

Rental assistance may be provided as a one-time payment of up to six months of rental arrears (including utilities, if included in the monthly rent) and up to six months of late fees on those arrears. The one-time arrears payment may be used in the following circumstances:

- Arrears are for a unit that the participant currently resides in and will continue to reside in.
- Arrears are for a unit that the participant does not or will not continue to reside in but will remove barriers for the applicant in successfully applying for units that meet program standards.
- Other cases with extenuating circumstances, upon review by the Exceptions Panel, may be considered.

Total rental assistance will still be capped at 24 months per applicant (e.g., a participant could receive six months of rental arrears and 18 months of monthly rental assistance or any combination thereof, providing that arrears do not exceed six months). Rental arrears are subject to the following [Payment Standard](#). The rental subsidy will be equal to the amount owed, up to the cost of six months of monthly rent (no tenant share calculation is needed) and actual late fees incurred prior to program entry.

Subrecipients may assist the participant in negotiating with landlords about arrears and late fee amounts due.

#### 5.1.1.2 Payment Standard

The payment standard establishes the rent limit that subrecipients must reference when determining the rent subsidy for eligible households. The same payment standard must be applied to all applicants.

Monthly rent must be necessary and reasonable based on family size and location. When determining what is necessary and reasonable, subrecipients may reference HUD's [Fair Market Rents \(FMRs\)](#) and/or [Small Area Fair Market Rents \(SAFMRs\)](#) by county or ZIP code, respectively. The FMR/SAFMR standards (or caps) can be used as an indicator of what is reasonable while not restricting the household. For example, actual rent may be a little more or less than the FMR/SAFMR as long as the subrecipient determines it is necessary and reasonable based on factors such as rental availability, applicant needs, or other factors. However, it would not seem reasonable to pay twice as much as the FMR or SAFMR. Subrecipients must document the reasoning behind their determinations of whether monthly rent is necessary and reasonable.

### 5.1.1.3 Tenant Share

The amount of subsidy will be the total of monthly rent and utility allowance minus the amount the tenant will pay ("tenant share"). Tenant share is not to exceed 30% of the tenant's adjusted gross monthly income. Under extenuating circumstances, subrecipients may provide a larger subsidy for a limited number of months at the start of IHA assistance and taper assistance down over time until the tenant share reaches 30% of the tenant's AGI. Such tapering must be done according to a consistent policy applied to all applicants. Subrecipients must seek OHCS review and approval.

The rent subsidy may not exceed the actual cost of rent or the maximum FMR for that applicant and location.

Below is an example of how to calculate the monthly tenant share:

Annual AGI	\$36,000
Divide by 12	\$3,000
Multiply by 30%	\$900
Subtract tenant-paid utilities <sup>1</sup>	\$150
<b>Maximum tenant share</b>	<b>\$750</b>

For HARP participants incurring additional housing expenses — such as mortgage, taxes, and insurance — on their damaged or project property while also paying monthly rent, the tenant's share will be reduced by the amount of these ongoing housing costs. However, the total IHA assistance provided cannot exceed the total rent amount. Direct payments toward the participant's mortgage, taxes, insurance, or similar expenses are not permitted.

Below is an example of how to calculate the monthly tenant share for HARP participants with housing costs on their damaged or project property:

Annual AGI	\$36,000
Divide by 12	\$3,000
Multiply by 30%	\$900
Monthly housing costs on HARP property	\$800
<b>Maximum tenant share</b>	<b>\$100</b>

---

<sup>1</sup> Tenant-Paid Utilities: If a tenant chooses to pay utilities and not receive assistance for utilities, IHA will subtract the average utility allowance based on their county and number of bedrooms in the unit from the tenant share.

### 5.1.1.4 Manufactured Housing Assistance

#### 5.1.1.4.1 Manufactured Housing Assistance Eligibility

Applicants residing in manufactured housing are not eligible for IHA assistance unless they meet one of the below requirements (in addition to general eligibility criteria for the current phase):

- **Current Housing Does Not Meet the DSS Standard:** Applicants whose current home does not meet the DSS standard may be eligible only if they are also pursuing a permanent housing solution that includes participation in HARP, other rehabilitation of their existing home to meet the DSS standard, or the sale of the MH. **Note:** HARP participants who are required to move out of their home due to HARP activities will be assisted under ORA, as described in the HARP Policy Manual.

In such cases, IHA may assist with finding, securing, and providing rental or other assistance for intermediate rental housing. Assistance will be calculated according to the regular program assistance policies in this section. No assistance will be issued for costs associated with the damaged property (including chattel loan payments, mortgage payments, pad rent, and land lease payments), except under extenuating circumstances.

- **Applicant Is Cost-Burdened:** Applicants are considered cost-burdened if:
  - Their MH is located in a manufactured housing park or on leased land and the applicant was residing there as of the program launch date.
  - The housing instability criteria, defined above, is met
  - They are pursuing an affordable permanent housing solution, as outlined in the housing stabilization plan.

In such cases, pad rent/land lease payments may be eligible, and the program will make such payments directly to the manufactured housing park owner or land leaseholder (or designated payee) according to the award calculation policy outlined in the Manufactured Housing Assistance Calculation section.

#### 5.1.1.4.2 Manufactured Housing Assistance Calculation

When calculating IHA assistance for pad rents or land lease payments for manufactured housing, subrecipients follow the same policies outlined in this [Rental Assistance](#) section, with the following exceptions:

- **Payment Standard:** The payment standard for monthly pad rent or land lease plus chattel loan monthly payments (instead of monthly rent) is 40% of the HUD FMR or SAFMR.
- **Tenant Share:** The tenant share is equal to the lesser of the pad rent/land lease or the tenant share as calculated in the Tenant Share section.

- **Rental Subsidy:** The rental subsidy is equal to the lesser of the pad rent/land lease or the total housing cost minus the tenant share.

Example:

- Applicant has total housing costs of \$1,000/month. The pad rent is \$300 for a two-bedroom MH. Forty percent of the HUD FMR for a two-bedroom home in Medford, OR, is  $\$1,396 \times 0.40 = \$558.40$ . The unit meets the payment standard.
- The calculated tenant share was \$250.
- The total housing costs minus the tenant share is  $\$1,000 - \$250 = \$750$ , which is greater than the pad rent. Therefore, the rental subsidy is equal to the pad rent of \$300.

#### 5.1.1.5 Occupancy Standards

Subrecipients must use the below standards to determine eligible unit size based on household size:

**Table 2: Occupancy Standards**

Number of Bedrooms	Household Size (number of people)
0	1-2
1	1-2
2	2-4
3	3-6
4	5-8

A household may occupy a unit different than the above chart describes:

- Larger unit: A household may occupy a larger unit (e.g., one person in a two-bedroom) due to but not limited to availability of units, if there is a demonstrated need, or if it is more reasonably priced than a smaller unit.
- Smaller unit: A household may occupy a smaller unit (e.g., five people in a two-bedroom) if the unit has an additional room used for sleeping (e.g., a living room that has a window and a light source).

Exceptions to this policy may be allowed. In such cases, this will be documented in the participant file and the housing stabilization plan.

When determining the allowable unit size for a participant, the same standards must be applied to all. For example, if a subrecipient decides that a household of two composed of a single parent with one child is eligible for a two-bedroom unit, then the same policy must be followed for all two-person households composed of a single parent with one child.

#### 5.1.1.6 Inspections

Each unit for which IHA rental assistance is provided must pass an inspection that meets DSS inspection standard, which may either be based on HUD's habitability standard or HUD's housing quality standards (HQS), and a lead-based paint (LBP) inspection. DSS inspections that are conducted within one calendar year prior to the IHA assistance start date and meet or exceed the DSS standard will also be accepted.

The subrecipient must choose one inspection standard it will use, and they must use that standard consistently for all units/households that will be receiving assistance under this program. To prevent housing inequalities, the subrecipient may not use a different inspection standard for different units. For example, if a subrecipient elects to use HQS as its inspection standard, all units must be inspected using the HQS standards.

Subrecipients will conduct annual inspections of units occupied by participants receiving IHA awards for rentals extending beyond one year.

##### 5.1.1.6.1 Existing Inspections

If an existing inspection — no more than one year old — is used to determine unit eligibility prior to providing IHA assistance to the applicant, the project file must contain evidence of:

- The disclosure of all known LBP prior to execution of the lease or rental agreement — or, at a minimum, by the start of IHA assistance — for all pre-1978 housing
- A visual assessment conducted by a trained individual on deteriorated painted surfaces for all pre-1978, HUD-assisted units with children under six years of age

#### 5.1.2 Portability

Assistance is not portable beyond the eight MID counties. Rental units must be located within the counties listed in the [Geographic Eligibility](#) section.

#### 5.1.3 Other Intermediate Housing Assistance

Housing costs other than rent may be IHA-eligible, subject to the guidance in this section. Assistance is limited to actual costs and must be reviewed for cost reasonableness by the subrecipient. If requested costs do not pass a cost reasonableness review, the subrecipient will limit payments to an amount deemed reasonable based on market prices in the area.

Eligible applicants for other IHA awards include applicants who meet the general IHA eligibility criteria outlined in the [Program Eligibility](#) section and who:

- Will receive IHA rental assistance, or
- Will not receive IHA rental assistance but have a need for one of the eligible types of other IHA Assistance (e.g., an applicant may receive an IHA security deposit or moving assistance to move into a unit that is affordable to them and does not qualify for a rental subsidy)

The requirements for [Inspection](#) and [Portability](#) that apply to rental assistance also apply to other IHA assistance, except that inspection requirements do not apply to utility payments.

#### 5.1.3.1 Utility Payments

Utility payments for heating (including hot water), cooling, electricity, and water, including arrears to the extent necessary to maintain service in the rental unit, are eligible.

Subrecipients may determine additional eligibility requirements for utility cost assistance, as long as applicants meet overall IHA eligibility criteria.

Assistance is limited to actual costs and will not exceed the average utility allowance for the county and number of bedrooms. The subrecipient must perform a cost reasonableness review. Up to six months of arrears in utility costs will be eligible, subject to the 24-month total assistance cap. Subrecipients may assist applicants in negotiating payment plans for utility payments where feasible.

#### 5.1.3.2 Fees Related to Searching for and Securing Housing

Refundable and nonrefundable fees related to finding and securing intermediate housing, such as application fees, rental security deposits, and up to three months of pet fees, are eligible.

Last month's rent will be considered eligible as well, if required by the landlord at move-in. Subrecipients must ensure that the program does not duplicate assistance in the participant's last month of assistance if last month's rent has been paid up-front.

#### 5.1.3.3 Security Deposits

Security deposits must be refundable and are limited to three times the monthly rent, subject to a cost reasonableness review and state laws listed at [oregon.public.law/statutes/ors\\_90.300](http://oregon.public.law/statutes/ors_90.300).

Eligible uses include:

- Deposits paid on behalf of applicants who:
  - Are moving from rental housing that does not meet the DSS standard or other program requirements for rental assistance.
  - Will receive rental assistance from the program.
  - Must pay an increased security deposit at lease renewal, as required by the landlord.
  - Are moving to permanent rental housing and will not receive — or will not continue to receive — rental assistance from the program.

At the end of IHA rental assistance, or when a participant moves out of housing for which the program paid a security deposit, subrecipients may do either of the following:

- Allow landlords to use security deposits as the final month(s) of rent for participants, as described in state law: [oregon.public.law/statutes/ors\\_90.300](http://oregon.public.law/statutes/ors_90.300). The use of the funds in this manner must be documented either in the lease or some other form of written agreement with the landlord.
- Make reasonable efforts to collect refunded security deposits at the end of the participant's lease term and document said efforts, including making efforts to document any amounts withheld by landlords. Subrecipients may be liable to OHCS for refundable security deposits if the participant's tenancy ends during the term of the subrecipient's agreement with OHCS and they do not make reasonable efforts to recover amounts due back. In accordance with Oregon state law, in the event that the lease agreement does not specify that the deposit is due back to the payor, but rather to the tenant, subrecipients are not required to attempt to recover deposits paid and will not be held liable for such deposits.

#### 5.1.3.4 Pet Fees

Pet fees must be reasonable and are only allowed to be paid if not doing so would result in housing insecurity or homelessness of the applicant. They are limited to a period of up to three months. The following pet-related fees may be paid by the program:

- **Pet Deposits:** The program may pay a maximum of \$250 per pet to cover any refundable pet deposit(s) required by the landlord. The landlord must agree to not charge against the pet deposit for normal wear and tear incurred during tenancy and must use the deposit for pet-related damages only. The landlord must refund the entire deposit if there is no evidence of pet damage. Conversely, if there is evidence of pet damage, the landlord may retain only the portion of the deposit necessary to repair the damage.

- **Pet Rent:** The program may pay a maximum of \$30 per month for up to three months, per pet, to cover a nonrefundable monthly pet rent.

All eligible pet fees must be reflected in the signed lease and/or rental agreement. Service animals, companion animals, and emotional support animals are not considered pets; as a result, pet rent and deposits do not apply to and cannot be charged for these animals.

#### 5.1.3.5 Moving Costs

Moving costs are limited to the [General Services Administration schedule](#) or actual cost, whichever is lower, and may be paid up to two times per participant (moving in and moving out).

Eligible uses include moving costs paid on behalf of applicants who will:

- Receive rental assistance from the program and will be moving from housing that does not meet the DSS standard or that does not otherwise meet program requirements for rental assistance.
- Be moving into permanent housing and will not receive, or will not continue to receive, rental assistance from the program.
- Be moving to permanent housing outside of a MID county in Oregon. Other program fees like application fees and security deposits are not eligible for IHA if an applicant is moving outside a MID county in Oregon.

Temporary storage fees are only permitted in unusual circumstances that are justified, documented and approved by subrecipients. Temporary storage fees are allowed for participants in transitional housing only. These fees are limited to a maximum of three months and cannot exceed a total of \$150 per month per household or the actual costs of the storage, whichever is lower.

#### 5.1.4 Ineligible Costs

The following costs are not eligible for IHA:

- Reimbursement for:
  - Pre-award costs paid for by an applicant prior to the first IHA assistance payment.
  - Childcare and work support
  - Replacement or new household goods
  - Late fees incurred during program participation.

- Assistance to purchase a home
- Payment of earnest money deposits/payments
- Temporary storage fees for someone in a permanent housing unit
- Other costs that do not conform to this policy manual and the intent of the program and/or regulations.

### 5.1.5 Housing Navigation and Case Management

Subrecipients will provide housing navigation and case management to IHA participants to assist them with successful participation in the program from intake through program exit. These supportive services include the following, as needed:

- Assess applicant housing needs and goals and create a housing stabilization plan that includes specific referrals to other affordable housing units, including those administered by local housing authorities and those created using CDBG-DR funding.
- Support applicants in need of rental housing with the housing search process, including identifying potential housing units.
- Identify strategies and resources to mitigate housing barriers (such as criminal records, low credit scores, and prior eviction judgments).
- Assist with landlord negotiations and dispute resolution.
- Conduct a monthly case management meeting with each participant to ensure progress toward permanent housing and prevent homelessness following program exit. Permanent housing solutions may include but are not limited to:
  - Identifying ongoing rental subsidies from another rental assistance program
  - Identifying affordable rental housing
  - Returning to rehabilitated fire-damaged property
  - Buying a home
- Make referrals to other needed ReOregon or non-CDBG-DR services.
- Complete other actions related to assisting applicants and participants with securing and maintaining rental housing that meets program requirements.

Subrecipients and DCMs at the local level should coordinate weekly or regularly to ensure a holistic approach to meeting participant needs. This involves coordinating the participant's overall recovery plan while identifying contacts from various agencies to support the participant's unique needs. Supporting agencies may include:

- **Health Care:** Oregon Health Care Authority, Coordinated Care Organization
- **Basic Needs:** Oregon Department of Human Services

- **Unmet Needs:** LTRG

### 5.1.6 Duplication of Benefits

Subrecipients can award IHA funds only to a household that is not already receiving rental or other IHA assistance from another source for the same time period. It is critical to help participants keep documentation of rental assistance received from other sources, including amounts paid, when payment was made, and the specific time period it covers. For example, if FEMA provided rental assistance that covered 16 months of rent from January 2021 to April 2022, it is not considered a DOB if IHA is providing rental assistance from June 2023 to January 2024 because the rental assistance time periods do not overlap.

Further detail can be found in the [Duplication of Benefits Review](#) section.

## 5.2 DPA Overview

OHCS will provide grants to eligible subrecipients that may include the following as outlined in the scope of work section of their contract:

- A maximum homeownership assistance amount of the lesser of either value up to \$150,000 or 70% of the purchase price of a new home plus eligible closing costs and fees to help make permanent housing costs more affordable to eligible applicants. Applicants must contribute between 20% and 30% of their household income toward housing costs.
- Underwriting services to evaluate DPA applicants receiving awards and confirm that the household is contributing between 20% and 30% of the household's income to housing costs.
- The maximum amount of assistance an applicant may receive is described below. All awards are subject to a DOB review.
- Environmental review activities will be completed by OHCS.

### 5.2.1 Down Payment Assistance

#### 5.2.1.1 Household Contribution

To ensure long-term sustainability of homeownership for the households served, applicants should demonstrate the ability to qualify for an affordable mortgage. A mortgage is considered affordable if no more than 30% of the household income goes toward housing costs. By requiring a small, affordable mortgage with escrowed funds for taxes and insurance, the program will ensure that the household's investment is protected

and they have enough money left over each month for maintenance, repairs, and savings so that they would have the resources available for recovery in the face of a future disaster

#### 5.2.1.2 Terms of Assistance

Applicants will provide evidence of pre-approval for an affordable mortgage demonstrating their contribution of 20%-30% of the household income toward housing costs, to include principal, interest, taxes, insurance, and any required HOA dues or pad rent. Applicants will be required to execute a 0%, non-amortizing (no monthly payments) 30-year loan agreement with OHCS or the subrecipient. The loan agreement shall be secured by a recorded lien or other appropriate security instrument. Beginning on the first anniversary date of the loan and continuing for each year throughout the period that the applicant maintains property as their primary residence, a pro-rata share of the outstanding principal loan balance amount will be forgiven at a rate of one-thirtieth of the loan. Within three business days after closing, DPA subrecipients will be responsible for recording the loan and forgiveness events within the Neighborly SOR.

In the event of sale, transfer of title, or cash-out refinance (refinance for more favorable rate and/or term are permissible) or if the borrower ceases to occupy the property during the 30-year loan term, the outstanding amount of the loan will be due and payable. No further subordination will be approved except for allowable refinances. Loan proceeds returned to DPA will be considered program income.

DPA permits co-signers on the mortgage, but they cannot be listed on the deed or hold any ownership interest in the property. Anyone listed on the deed must qualify as part of the household and meet occupancy requirements.

##### 5.2.1.2.1 Primary Residence

Applicants must agree to occupy and maintain the property as their primary residence for no less than a 30-year period, which meets the requirements in 24 CFR Part 92.254(a)(4). This requirement will be enforceable by the filing of a lien against the real property title. During the affordability period, if the following special circumstances related to occupancy arise, the below policies will apply:

- **Active-duty military personnel** who receive homeownership assistance but are currently assigned to active-duty away from their home
- **Homeowner who is incapacitated due to illness or other** infirmity and may require extended residence in rehabilitation facility or other skilled nursing care

- **Homeowner who is incarcerated** and must give someone POA on their behalf to maintain the occupancy obligations regarding rent, utilities, property insurance, and other maintenance costs

Regardless of the special circumstances, all eligible applicants must be able to comply with the terms of the homeownership assistance agreement.

#### 5.2.1.2.2 Maintenance

Homeowners will be required to maintain their home in accordance with applicable state and local building codes as well with their MHU community park, if applicable.

#### 5.2.1.2.3 Taxes

Homeowners will be required to pay all annual state and local taxes in the county where the purchased home is located. Failure to pay all annual state and local taxes will be deemed a violation of the homeowner assistance agreement.

#### 5.2.1.2.4 Insurance

The homeowner will be required to maintain property insurance during the term of the loan. Additionally, OHCS will require that the DPA loan holder be named as a mortgagee on the policy to protect its interest in the property. The endorsement evidencing the DPA loan holder listed as an additional mortgagee must be updated annually.

#### 5.2.1.3 Maximum Assistance

Applicants should contribute between 20% and 30% of the household income toward housing costs including affordable mortgage principal and interest payments, taxes, insurance, HOA dues, and/or pad rent where applicable on the home/MH being purchased, as evidenced by a loan pre-approval letter and loan estimate. Applicants are eligible for up to \$150,000 in assistance or 70% of the purchase price of the new MHU or stick-built home, whichever is the lesser of the two, not to exceed the amount needed for purchase after considering the affordable mortgage through a traditional or nontraditional primary lender and any other assistance received for the purchase of the home plus eligible closing costs. For households under 80% AMI with a need, DPA may cover all eligible closing costs and fees in addition to the \$150,000 maximum. See Eligible Uses of Award Funds for a list of all eligible closing costs for LMI households.

As part of the review for assistance, the DPA provider will ensure settlement statements do not show any money going back to the applicant.

### 5.2.1.3.1 DPA Total Need

As 84 FR 28836 makes clear, “Generally, total need is calculated without regard to the grantee’s program-specific caps on the amount of assistance” and “For recovery programs of the grantee that do not entail physical rebuilding... the total need will be determined by the requirements or parameters of the program or activity.” In the case of home purchases through DPA, the underlying need for home purchase often exceeds the award caps for three primary reasons:

1. There is an ongoing lack of available affordable housing in the 8 MIDs, which will be exacerbated by a wave of new buyers from ReOregon.
2. Award caps take into account county-wide averages, but local neighborhood preferences for homebuyers often result in higher prices than the average.
3. LMI Households do not have adequate reserves or savings to pay for closing costs.

Therefore, applicants who must spend more than their DPA award for home purchases due to market conditions should be able to use other funding sources, including additional disaster recovery assistance, to cover the remaining need, within reason. If the need were established at the same level as the maximum award, applicants would have to pay the difference out of pocket, as any additional assistance received would reduce their DPA award. To provide flexibility for applicants in competitive housing markets, ensure equitable access to funding, and streamline the process of determining need while keeping costs reasonable for LMI households, DPA will factor need into the award calculation when applicants cannot pay for closing costs, and the mortgage amount does not cover any of these other costs.

Any identified disaster duplication of benefits (e.g. FEMA replacement), would be subtracted from the applicant’s need.

### 5.2.1.3.2 Leveraging Sources and the DPA Award

Applicants eligible for DPA and primary mortgage assistance may encounter difficulties in covering out-of-pocket expenses for earnest money and closing costs, which are typically not included in primary mortgage loans. To address this, DPA may cover all eligible closing costs and fees for LMI households in addition to the \$150,000 maximum. DPA may also optimize the leveraging of an applicant’s funds by first applying the DPA award to cover eligible closing costs, then using the remaining award amount towards the purchase price for any household participating in the program. This approach increases the primary mortgage to cover more of the home’s purchase price, provided the mortgage remains affordable. Additionally, applicants may leverage other assistance sources to cover

program costs not covered by the DPA award, such as earnest money or ineligible closing costs. Occupancy Standards

Subrecipients should evaluate not only the availability of suitable housing stock but also the appropriateness of the housing in relation to household size and needs. This includes ensuring that the property aligns with the household's requirements, such as the number of bedrooms, to support both long-term affordability and adequate occupancy standards.

## 5.2.2 Underwriting

DPA subrecipients will complete underwriting for DPA participants. These services should include at a minimum the following:

- Assess the applicant's credit history and credit score. Subrecipients are encouraged to consider alternative, nontraditional credit histories where appropriate for applicants with limited or no credit history.
- Verify borrower's income and assets to ensure affordability (DTI ratios) and sustainability.
- Review purchase agreements/contracts to purchase negotiated by the homebuyer with the seller to confirm the presence of required contingencies including satisfactory completion of the environmental review, availability of DPA funding, completion of a standard real estate inspection, and LBP inspection prior to signature by the applicant.
- Include any amended agreements as negotiated by the homebuyer or seller during the homebuying process.
- DPA subrecipient should include a copy of the signed agreement(s) in the homebuyer's file.
- Review appraisal reports and title searches completed by certified or licensed providers.
- Review homeowners insurance quotes/binders to confirm appropriate replacement value coverage; it is recommended to include fire coverage. Identify if it is required for the applicant to have a separate flood insurance policy if the property is located in a special flood hazard area. The DPA lien holder (subrecipient or OHCS) must be listed as a mortgagee on the policy along with any other lender.
- Verify pre-purchase counseling and education is completed.
- Prepare loan documents and/or work with OHCS to have loan documents prepared or reviewed, including any pre- and post-closing loan disclosures as

required by federal and state law, including the loan estimate and closing disclosure.

- Review preliminary and final settlement statement(s).
- Coordinate with title company or other closing/escrow agent handling the real estate transaction.
- Disburse eligible awards.
- Collect post-closing documents for closeout including homeowners insurance binders, title/deed showing transfer to applicant, signed and recorded DPA loan documents, final settlement statement, and title insurance policy.
- Make referrals to other needed ReOregon or non-CDBG-DR services.

#### 5.2.2.1 Loan Terms

The underwriting loan terms must outline the following:

- Zero percent interest.
- Deferred payments for the loan term.
- Preference for first lien position with the understanding that any repayable loans such as the primary mortgage lender will likely require the higher lien position, and the DPA subrecipient/OHCS (DPA lien holder) may need to agree to accept a lower lien position.
- Permanent financing.
- Recapture provision for term of affordability.
- Forgiveness terms.
- Applicant (homebuyer) may not receive any funds back from escrow after closing.

#### 5.2.3 Eligible Uses of Award Funds

- Down Payment toward the contracted sales price of the eligible home
- Closing Costs
  - Includes charges paid through escrow required for the act of sale such as:
    - Origination charges
    - Discount points
    - Appraisal fee
    - Credit report fee
    - Inspections
    - Flood determination

- Title searches and title insurance
- Surveys
- Taxes (prorated or otherwise as long as they are due at the sale and are not impounded/prepaid to escrow for future estimated charges)
- Other government fees such as recording costs
- Buyer's agent commissions if not paid by the seller

#### 5.2.4 Ineligible Costs

- Purchase of:
  - A home in a floodway or 100-year floodplain
  - A home with tenants when the owner is not under duress to sell
  - A home that requires repairs and/or reconstruction (home must be move-in ready to be eligible)
  - A second home
  - Vacant land
  - Recreational vehicles or other nonconventional structures
  - A single-family home that is two to four units
  - A unit (condo, townhouse) in a building with five or more units
- Payment for:
  - Seller's real estate agent fees or other closing costs or fees typically payable by the seller
  - Past or current non-DPA loans/debt to allow for mortgage qualification
  - Earnest money deposits/payments
  - Breaking the lease or paying off the remaining months
  - Rehabilitation, repairs or modifications to the subject property being purchased (or any other property)
  - Deposit or rent (included prorated rent) paid to secure a manufactured home pad or lease site even when included in the closing costs
  - Any payments toward a primary mortgage, including initial escrow impounds/prepays (amounts to be held in an escrow account by the mortgage lender for future costs such as homeowner's insurance and taxes since these are estimates and may be refundable if not needed or prepaid interest on the mortgage loan)
  - Any charges that are refundable to the buyer (applicant)

- Payment toward any existing debt, even if required by a lender for closing and/or mortgage qualifying
- Travel expenses or lost wages of any type even if related to viewing the property, attending inspections or going to the closing, etc.
- Any charges, fees, or expenses related to anything other than the act of sale of the eligible property as documented by being listed on the final settlement statement and approved as an eligible charge in advance of closing by the appropriate OHCS/DPA staff.
- Award (or ineligibility determination) through HARP

### 5.2.5 Environmental Review

Activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction (e.g., closing costs, down payment assistance, interest buy downs, and similar activities that result in the transfer of title) are considered categorically excluded from NEPA and not subject to 58.5 Authorities. Such financing activities are subject only to 24 CFR Part 58.6, which limits the review to the items described below.

As buyers select properties and make offers, but before final purchase agreements are signed, OHCS will make the determination that:

- The activity includes buyer-financing only and meets the conditions for categorically excluded not subject to 24 CFR Part 58.5 (provide HUD with the amount of CDBG-DR funds that will be used for the activity).
- The activity does not trigger any of the other requirements at 24 CFR Part 58.6, as applicable:
  - If the property is within a 100-year floodplain the property must be insured under FEMA's National Flood Insurance Program.
  - Evidence should show that the property is not in a coastal barrier resources area.
  - The buyer of the property was advised and signed a disclosure statement concerning the location of the property in a runway clear zone/clear zone.

This information will be reflected in the ERR for the property. If it complies with 58.6, the activity is not subject to the Request for Release of Funds.

## 5.3 Housing Counseling Services Overview

OHCS will provide grants to eligible HUD-approved Housing Counseling Services subrecipients to provide any of the following housing counseling services:

- Budgeting and financial management to understand financial situation and provide plans on how to improve their budgeting and financial situation
- Rental counseling, including educating tenants on their rights and responsibilities
- Guidance on understanding credit reports, credit scores, and how to improve credit
- Pre-purchase counseling and education course
- Mortgage readiness counseling to help applicants understand mortgage and loan terms

# Program Elements



## 6 Program Elements

### 6.1 Outreach and Engagement

#### 6.1.1 Potential Applicant Outreach

Subrecipients will conduct outreach to potential applicants to the program, according to eligibility in the current phase. Outreach will be conducted in accordance with Oregon's language access plan (LAP) and in a manner that affirmatively furthers fair housing.

#### 6.1.2 IHA Property Owner Outreach and Engagement

OHCS and subrecipients will use statewide, interagency resources and networks to connect with landlords and property owners who are willing to rent their homes to program participants. This includes multimedia pushes, centralized and coordinated outreach to landlords, outreach to landlord groups, and informational sessions about this opportunity to support their community. Targeted outreach can be directed toward:

- Landlords
- CBOs
- Program participants

### 6.2 Applicant Notifications and Communication

The subrecipient must notify the applicant in writing about all major program decisions, including eligibility, award amount, housing unit approval, and withdrawal from the program. The subrecipient will ensure that all applicants receive key information about the program, including how IHA assistance may be used and what program and applicant responsibilities include. All written notifications should be saved in the applicant's file, and the subrecipient must keep up-to-date case notes on applicant communications.

### 6.3 Program Entry

Applicants must apply to the IHA subrecipient in their county or the county in which they are trying to live for IHA, DPA, and/or Housing Counseling Services assistance.

Subrecipients must accept applications in a variety of methods to ensure access for all, including persons with disabilities, limited English proficiency (LEP), and limited internet access or who are located far from the subrecipient.

- **Note regarding HARP participants:** HARP may refer participants in need of IHA and/or Housing Counseling Services to the program for assistance. As described in the Eligibility Criteria Verification section, some eligibility requirements may be verified using information already submitted by the applicant to HARP. However, these applicants must still apply to and work with the subrecipient for IHA, DPA, and/or Housing Counseling Services assistance.
- Prior to submitting a full application, applicants may be required to complete a program Eligibility Questionnaire. Based on their responses to the questionnaire, applicants who do not qualify under the current phase will be waitlisted until the appropriate phase opens. As subsequent phases open, applicants will be notified, including if there are any programmatic or policy changes associated with the subsequent phases.

**WARNING:** Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 18 U.S.C. 1001, and 31 U.S.C. 3729.

## 6.4 Intake and Application Review

IHA subrecipients will manage intake, gather applications (including supporting documentation), review complete applications, and issue an initial eligibility determination for Housing Support Services General Eligibility Requirements based on the criteria and required documentation detailed in the [Program Eligibility](#) and [Eligibility Criteria Verification](#) sections of this policy manual.

Following the initial eligibility review, IHA and DPA subrecipients will review applications and issue eligibility determinations based on their program applicable eligibility criteria as detailed in the IHA Eligibility Requirements and DPA Eligibility Requirements sections in these program guidelines.

Whenever possible, subrecipients will coordinate with OHCS to use third-party documentation (including checking records of other ReOregon programs, state records, or data sources) to verify eligibility rather than request such documentation from the applicant. The program reserves the right to seek clarification of any documentation that is unclear or contradictory.

### 6.4.1 Ineligibility

If subrecipients determine that an applicant completed the application but did not meet the criteria for the program, they will send a written notification to the applicant stating that the applicant is ineligible and will provide an opportunity to file an appeal that follows the [Program Reassessments](#) section of these guidelines.

## 6.5 IHA Housing Stabilization Plan

As soon as possible, but no later than one month after issuing the first IHA assistance payment, subrecipients will work with each participant to create a housing stabilization plan that outlines the participant's:

- Permanent housing needs
- Maximum affordable housing costs
- Plan to secure permanent housing, including a timeline and a list of participant and subrecipient actions needed
- Other resources or services available that may support the participant's recovery, including specific referrals to other affordable housing units, such as those administered by local housing authorities and those created using CDBG-DR funding

Subrecipients will contact participants at least once every month to support participant progress toward securing permanent housing, including referrals to relevant resources.

As part of the housing stabilization options, if the participant has transitioned into permanent housing but experiences hardship/extenuating circumstances and is unable to make their rental payments, the program may provide assistance for up to two consecutive months. The hardship/extenuating circumstance must be documented to the best of the participant's ability. If more than two instances of hardship/extenuating circumstances occur and the participant needs continued assistance, the subrecipient shall forward the request to OHCS for review and determination.

## 6.6 Duplication of Benefits Review

### 6.6.1 Overview

Subrecipients will review all eligible applicants to determine whether there is any DOB in accordance with the following federal law and regulations:

- Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121-5207)

- Additional DOB guidance published by HUD on June 20, 2019, (84 FR 28836 and 28848)
- The “necessary and reasonable” cost principles in the Uniform Administrative Requirements, cost principles, and audit requirements for federal awards in 2 CFR Part 200(e) (Cost Principles), which prohibit grantees from charging a cost paid by another source to the grant

### 6.6.2 DOB Review Elements

Subrecipients must account for all disaster recovery aid received by program applicants from any other federal, state, local, or other source and determine if any assistance is duplicative. Any assistance determined to be duplicative must be deducted from the program’s calculation of the applicant’s total need prior to awarding assistance. Where possible, subrecipients will electronically verify disaster recovery assistance received through federally and locally maintained datasets, such as FEMA Individual Assistance (IA) and SBA disaster home loan datasets, along with any other sources available to the program. When assessing an applicant’s need, based on unmet need at the time of application, subrecipients must consider all previous assistance the applicant has received up to the date of application and/or any potential services or proceeds to be disbursed later, be that monetary assistance or in-kind services provided to the applicant.

### 6.6.3 Duplicative Sources

Benefits received for the same purpose and that cover the same time period the Housing Support Services program assistance will cover may be considered duplicative. This includes:

- Federal, state, and local programs (including FEMA and SBA benefits); rental; utility; homeownership support; housing counseling aid; and other eligible expenses
- Cash awards, insurance proceeds, grants, and loans
- Benefits issued by private or nonprofit charity organizations

### 6.6.4 Non-Duplicative Sources

Benefits received for purposes other than those covered by the applicable Housing Support Services awards, or that serve the same purpose as the applicable awards but for a different time period, will not be considered duplicative. Additionally, any funding from the following sources will not be considered duplicative:

- Personal assets
- Checking or savings accounts (that are not affiliated with dwelling insurance)

- Retirement, pension, and 401(k) accounts
- Personal or private loans
- Credit cards or lines of credit

## 6.6.5 DOB Calculation

### 6.6.5.1 IHA

Subrecipients will perform a DOB calculation by evaluating aid and benefits received to determine if funds received were appropriately and fully spent. If a DOB is identified following this calculation, subrecipients will subtract duplicative assistance from the applicant's IHA award by assistance type. For example, if an applicant received duplicative assistance for utility costs, this amount would be subtracted from the utility award for the relevant time period.

### 6.6.5.2 DPA

Upon the purchase of a home, subrecipients will conduct a DOB analysis to ensure that no funds for the same eligible purpose and cost were provided either by another public agency or private source as identified in the original DOB analysis. If homebuyers receive additional funding for the same purpose as the program award, even after an award is executed, the applicant is required to report the additional funding to the program. By accepting the award, applicants agree that they will report any duplicative funds whenever received. Homebuyers should not receive any funds back at closing.

Utilization of FEMA Replacement funds for interim or temporary housing, including the acquisition of fifth wheels, RVs, or rental assistance, is deemed an eligible use under replacement housing and does not result in a duplication of benefits with securing a permanent housing solution under DPA.

Benefits received that cannot be offset by verifiable expense documentation, will be counted as a duplication of benefit and will be subtracted from the total calculated need.

### 6.6.5.3 DOB After Award

If a DOB is found after an IHA or DPA award is made, OHCS and subrecipients will require repayment and recapture of the CDBG-DR funds that were duplicative of another funding source. Section 312(b) of the Stafford Act permits a grantee to provide CDBG-DR assistance to an Applicant who is or may be entitled to receive assistance that would be duplicative if:

1. The applicant has not received the other assistance at the time the CDBG-DR grantee makes its award; and

2. the applicant agrees to repay the CDBG-DR grantee for any duplicative assistance once it is received. The agreement to repay future funds may enable a faster recovery in cases when other sources of assistance are delayed (e.g., due to insurance litigation). HUD requires all grantees to enter agreements with applicants that require applicants to repay duplicative assistance before receiving CDBG-DR assistance.

## 6.7 Award Calculation

Subrecipients will calculate the IHA or DPA amounts using the standards described in the [Program Activities](#) section.

## 6.8 Unit Selection

### 6.8.1 IHA

Subrecipients work with participants to determine whether their current housing unit meets the DSS standard as evidenced by inspection and occupancy requirements as described in the [Program Activities](#) section or to identify suitable housing that meets program requirements. This includes ensuring prospective landlords are informed about the program.

To encourage transition from the intermediate housing solution to a permanent housing placement as quickly and reasonably as possible, the subrecipients will work with participants to identify unit necessities and preferences (e.g., size, location, accessibility needs) to do their best to properly match the participant with a unit that best meets their needs, when possible. This is to maximize the efficiency of the program and manage time and resources effectively.

Participants must be informed of their IHA assistance amount once a unit has been identified.

#### 6.8.1.1 Limitations on IHA Units Rejected by Participants

Subrecipients will work with participants to identify housing in a timely fashion. Participants must actively participate in creating and working toward achieving their housing stabilization plan with the subrecipient.

It will be critical for the participants to work with the subrecipient to identify their housing needs and preferences prior to the subrecipient beginning the housing search process. This will reduce the number of units rejected by the participants. The participants will only

be afforded the opportunity to reject three units that meet their established unit criteria. However, if a unit beyond the three rejections is presented and does not meet their established unit criteria, imposes documented accessibility issues, or is rejected for other reasons that can be documented, the subrecipient may consider and honor the rejection. Since one of the main objectives of the program is to safely and quickly transition participants into permanent housing, those who are not cooperating and are continually rejecting eligible units that meet their established criteria may be determined to not be meeting program requirements and their case file may lose its priority or have a temporary pause of rental assistance.

## 6.8.2 DPA

An eligible MHU or stick-built home must be able to provide typical waste, water, and utility services to the structure. Waste services may be either in the form of treatment through an external party, typically provided by the municipality, or on-site waste treatment such as a septic system or treatment plant. Water may be provided by an external party, typically a municipality, or through an on-site well. Utility services must also be available to the selected property. A property which is unable to be provided with any or all of these components will be considered ineligible, and an alternative property must be found.

If the home requires repairs and/or reconstruction so that the home meets the DSS standard as defined in 49 CFR Part 24.2(a)(8) that will not be resolved by the seller prior to closing, the home will be considered ineligible, and an alternative property must be found.

Additionally, the purchase of a property is ineligible if it is located in a floodway or 100-year floodplain, it has tenants, the owner is under duress to sell, and/or it does not have a permanent dwelling on the land.

### 6.8.2.1 Manufactured Housing Units

Depending on the household composition and the county, a homebuyer may qualify to purchase a single- or double-wide MHU. The program will only fund MHUs that were built in 2010 or after. An exception review may be granted for MHUs built prior to 2010 if the unit has been updated and meets 2010 or more recent energy efficiency and local code standards and regulations.

Site work and preparation may differ between locations as different requirements apply to the structures being placed on the lot. Additional site requirements may be stipulated by the local regulating authority. The applicant is required to adhere to all applicable codes, ordinances, and regulations. All completed homes must have water, waste, and electrical services, and the site must be developed such that these components can be completed and permanently attached to the structure.

### 6.8.2.2 Stick-Built Homes

An applicant may purchase a stick-built home that passes the program inspection requirements for DPA. However, the program may consider the purchase of a unit that does not pass program inspection requirements if the seller is willing to address the items prior to sale, resulting in a passing inspection.

Sites that require a Phase II Environmental Site Assessment may be determined to be ineligible.

## 6.9 Inspections and Environmental Reviews

### 6.9.1 IHA

#### 6.9.1.1 DSS Inspection

Subrecipients must ensure that each unit for which IHA assistance is being provided (with the exception of utility assistance) passes an inspection. The subrecipient must select one of the following inspection options and inform OHCS which inspection type they will be performing for the life of their contract. If circumstances change, such as qualified inspection staffing leaving, the subrecipient must notify OHCS in writing and select a new type of inspection they will perform.

- **HUD's Habitability Standard Inspection:** The inspection must be conducted to the Emergency Solutions Grants minimum habitability standards as outlined in 24 CFR Part 576.403(c).
- **HUD's HQS Inspection:** The inspection must be conducted to the HOME HQS inspection standards using HUD-52580A inspection form and the HUD-52580 checklist. This type of inspection must be performed by a qualified inspector. Subrecipients must document all children under the age of 6 years who reside in IHA-assisted housing, including their date of birth. The selected inspection will include a visual assessment for deteriorated paint (cracking, scaling, peeling, or chipping paint as well as visible dust, debris, and paint chips) for pre-1978 properties. Subrecipients may use this checklist for this inspection: [LSHR Toolkit: Lead-Based Paint Document Checklist: TBRA \(hudexchange.info\)](#). Subrecipients may also refer to HUD's [Lead-Based Paint Visual Assessment Training](#) for further background.

Where an applicant is already residing in a rental unit and receiving rental assistance from another federal program, IHA will accept an inspection conducted on a unit for another federal funding source providing that the inspection was completed no more than one calendar year before the start of IHA assistance and the inspection standard used was one

of the following standards: HUD's habitability, HQS, or any inspection that meets or exceeds the program DSS standard. The inspection date and results must be documented in the client file.

#### 6.9.1.2 Inspection Results

Subrecipients must notify both applicants and landlords of the results of the inspections.

If the unit fails the DSS inspection or the visual inspection for lead, subrecipients may provide the landlord with a list of deficiencies found and allow an opportunity for the landlord to correct them.

- LBP correction: The owner shall stabilize each deteriorated paint surface in accordance with [24 CFR Parts 35.1330\(a\) and 35.1330\(b\)](#) before occupancy of a vacant dwelling unit.<sup>2</sup> Guidance on the Lead Safe Housing Rule is available on the HUD Exchange: [hudexchange.info/programs/lead-based-paint/lshr-toolkit/subpart-m](http://hudexchange.info/programs/lead-based-paint/lshr-toolkit/subpart-m). All paint stabilization activities must be:
  - Completed prior to occupancy (where the unit is not already occupied by the participant)
  - Performed by appropriately trained or supervised workers using safe work practices
  - Cleared by a qualified clearance examiner
- If conducting a lead hazard reduction activity while the tenant is already in the unit, the landlord must provide a notice to them within 15 calendar days of the paint stabilization completion date.

If the unit passes inspection, subrecipients must also notify landlords of their obligation to notify tenants of the hazard reduction work performed and clearance test results and to disclose information concerning LBP and/or LBP hazards for housing units built before 1978 to the tenants prior to issuing a lease.

Each unit for which IHA rental assistance is provided must pass a LBP inspection. Inspections that are conducted within one calendar year prior to the IHA assistance start date will be accepted. However, if a previously conducted inspection is used, the project file must contain evidence of:

- The disclosure of all known LBP prior to execution of the lease or rental agreement — or, at a minimum, by the start of IHA assistance — for all pre-1978 housing

---

<sup>2</sup> At their own expense, landlords have the option to test the deteriorated paint to confirm the presence or absence of LBP. If the test results show no LBP is present, a certified renovator using lead-safe work practices and third-party clearance is not required.

- A visual assessment conducted by a trained individual on deteriorated painted surfaces for all pre-1978, HUD-assisted units with children under 6 years of age

### 6.9.1.3 Lead-Based Paint Monitoring

Subrecipients will communicate quarterly with the relevant local public health department to ask if they have identified elevated blood lead level (EBLL) for residents under the age of 6 years at the unit assisted by the program. Subrecipients will notify OHCS if they learn of a confirmed case of a child with EBLL in an assisted unit. Subrecipients will verify that lead hazard work is completed by the landlord in such units. In addition, the owner of a covered unit occupied by one or more children under age 6 must incorporate ongoing LBP maintenance activities into regular building operations in accordance with 24 CFR Part 35.1355(a) and 24 CFR Part 35.1220.

## 6.9.2 DPA

### 6.9.2.1 Inspections

For homebuyer assistance programs, there are no specific CDBG-DR requirements for inspections or property standards except the visual LBP assessment for pre-1978 properties. However, OHCS requires the following apply as a matter of program policy:

- Visual assessment for deteriorated (LBP) paint for pre-1978 property
- Visual assessment for asbestos for pre-2004 property
- Radon testing
- Standard real estate home inspection conducted by an inspector licensed in Oregon

### 6.9.2.2 Inspection Results

Subrecipients must notify participants of either a passing or failed inspection.

If the visual assessment for deteriorated LBP identifies cracking, scaling, peeling, or chipping paint as well as visible dust, debris and paint chips, a lead test will need to be ordered and performed. Positive test results would require mitigation with a minimum allowance for encapsulation by the seller.

If the visual assessment for asbestos for pre-2004 properties identifies any potential asbestos, an asbestos test will need to be ordered and performed. Positive test results would require mitigation by the seller.

If the radon testing results in radon levels are determined unsafe by the Environmental Protection Agency (EPA), radon mitigation would be required by the seller, and retesting

will need to be performed after the mitigation is completed to confirm the radon levels are at an acceptable level.

If the standard real estate inspection identifies any major findings such as structural, roof, electrical, or plumbing issues where the home is not considered DSS, the seller would be required to make any necessary repairs prior to purchasing the home. The DPA provider will be required to review inspection reports in a timely manner and provide written notice to applicants that the property is ineligible for purchase because it is not decent, safe, and/or sanitary before the end of the inspection period so the applicant can withdraw their offer without losing money or negotiate with the seller to make the necessary repairs. The applicant may request a reassessment or ask for an exception review on a property determined ineligible.

All inspection results, notifications, and other supporting documentation are required to be documented in the participant's file.

#### 6.9.2.3 Environmental Review

Activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction (e.g., closing costs, down payment assistance, interest buy downs, and similar activities that result in the transfer of title) are considered categorically excluded from NEPA and not subject to 24 CFR Part 58.5 Authorities. Such financing activities are subject only to 24 CFR Part 58.6, which limits the review to the items described below.

As buyers select properties and make offers, but before final purchase agreements are signed, OCHS will make the determination that:

- The activity includes buyer-financing only and meets the conditions for categorically excluded not subject to 24 CFR Part 58.5 (provide HUD with the amount of CDBG-DR funds that will be used for the activity).
- The activity does not trigger any of the other requirements at 24 CFR Part 58.6, as applicable:
  - If the property is within a 100-year floodplain, it is not eligible for DPA.
  - Evidence should show that the property is not in a Coastal Barrier Resources Area.
  - The buyer of the property was advised and signed a disclosure statement concerning the location of the property in a runway clear zone/clear zone.

If there are hazardous materials identified on-site, the current owner will need to pay for abatement and/or remediation for the property to be eligible for purchase under DPA. The current property owner is responsible for engaging with qualified contractors who can carry out the abatement and/or remediation activities per federal and state requirements. The program will not allow the applicant to close on the property until the current property owner has carried out any required remediation or abatement activities.

## 6.10 Unit Approval

### 6.10.1 IHA

For units that pass program inspection, subrecipients will collect the following and review them for compliance with program requirements:

- From the participant:
  - Signed IHA Participant Agreement, including all IHA assistance awarded (e.g., security deposit, moving costs, rent, utility payments)
  - Copy of participant's signed lease or written rental agreement, which must meet all of the following standards:
    - Signed by both the participant and the landlord (subrecipient must verify that the landlord is the actual owner of the rental property)
    - Specifies the following:
      - Tenancy start date and term
      - Property address
      - Monthly rent due date (e.g., first of the month)
      - Monthly rent amount due, including which utilities are included in monthly rent and information about any payment grace period or late fee policy, if applicable
- From the landlord:
  - Signed IHA Rental Agreement indicating that the landlord agrees to participate in the program

Subrecipients will provide all tenants with copies of the following documents prior to occupying the unit:

- Lead Hazard Information Pamphlet: [Protect Your Family from Lead in Your Home](#)
- Lead Disclosure Notice to tenants of units built before 1978, notifying them of any known LBP or hazards in the unit, prior to the tenant occupying the unit

- Information on tenant-landlord laws and resources such as [Oregon Renters Rights](#) | [Legal Aid Services of Oregon](#)

## 6.10.2 DPA

For properties that pass program inspection and environmental review requirements, OHCS, subrecipients and applicants will move forward in the loan closing process.

# 6.11 Award Payments

## 6.11.1 IHA

Subrecipients must make all IHA award payments directly to vendors and landlords. Rent shall be paid monthly and cannot be prepaid. Other IHA assistance will be issued as needed. IHA funds may not be used to purchase gift cards or other items not deemed eligible under Part 200. Subrecipients will obtain payment information directly from vendors and landlords and following the [Financial Management](#) section.

## 6.11.2 DPA

Subrecipients must make all DPA award payments directly to the escrow and/or closing agent.

# 6.12 Changing IHA Rental Units

Under extenuating circumstances, subrecipients may permit participants to move rental units and continue IHA rental assistance, including paying for moving costs, security deposits, and other IHA assistance. Subrecipients must seek approval from OHCS for such moves and must document the reasons for the move, which may include:

- Current housing is no longer DSS, and the participant and subrecipient have made reasonable efforts to resolve the issue with the landlord.
- The participant's household size changes, and current housing no longer meets program occupancy standard.
- The participant's lease is ending, the housing stabilization plan has not been achieved, and the participant is in need of new rental housing.

## 6.13 IHA Income Recertification

For IHA, subrecipients may begin gathering the most recent 30-days of income documentation (e.g., income, household composition, etc.) for recertification 90 days prior to the current award end date. Recertification documents may not be older than 120 days prior to the certification effective date. If documents have aged past 120 days, new documents must be obtained. Subrecipients will complete income recertification 75 days prior to the current award end date and will notify applicants of the determination at least 45 days prior to the current award end date/decision effective date.

**Table 3: Example Income Recertification Timing**

Award End Date	Begin Collecting	Recertification Complete and Notification Made (latest)	Termination of Current Award
May 31, 2024	March 2, 2024	April 16, 2024	May 31, 2024

There may be times where the subrecipient may have to recertify the applicant's income out of cycle (e.g., a household's income significantly changes and their award needs to be recalculated), and subrecipients cannot notify applicants 45 days in advance of the new award period. In this scenario a new award letter should be sent to the applicant as soon as possible to ensure they are receiving timely notification related to their new award. All award letters are to be retained in the applicant's file.

## 6.14 Program Exit

A participant will be exited from the program when one of the following occurs:

- The IHA participant has received the maximum assistance of 24 months allowed by the program or has achieved housing stability and/or self-sufficiency, as demonstrated by their ability to pay rent without assistance or subsidy.
- The DPA participant has received assistance and has closed on their new home.
- The participant has failed to fulfill their responsibilities as outlined in the program Participation Agreement.

### 6.14.1 IHA Exit Requirements

At least 60 days prior to the end of IHA rental assistance, subrecipients will send notifications to the participants and landlords advising of the effective end date of assistance, which will be based on the earlier of the scenarios for a participant being exited from the program. If a participant plans to move prior to the end date of the rental assistance, except under extenuating circumstances, participants must notify subrecipients at least 30 days prior to vacating an assisted rental unit to ensure that the subrecipient stops sending payments.

The subrecipient may continue to work with participants to provide case management and support for up to three months following the end of rental assistance. The limited-term, continued case management is intended to assist the participant take action steps to ensure their continued housing stability and achieve any remaining goals in their housing stabilization plan.

If the participant requires rental or other IHA assistance again during this period, continues to meet eligibility requirements, and has not used the maximum 24 months of rental assistance, they may request an exception review to restart rental or other IHA assistance. The subrecipient will evaluate such requests and make a determination based on available program resources, the reason the participant needs assistance again, and whether renewed IHA assistance will support the household's housing recovery and/or prevent homelessness.

### 6.14.2 Closeout Documentation

Subrecipients will work with participants to collect all closeout documentation for their file in accordance with their applicable participant closeout checklist. Subrecipients will close participant files after receiving and approving all documentation. Subrecipients will review all closed files to ensure that all documentation required in each step of the process is complete and compliant.

#### 6.14.2.1 IHA Closeout Documentation

At a minimum, participant closeout documentation must include the following:

- Documentation of participant housing outcome (e.g., continued residence in the IHA-assisted unit, moved back to rehabilitated/reconstructed wildfire-damaged property, secured alternate rental property, purchased new property)
- Updated DOB certification

- If a participant purchases property as part of their housing stabilization plan, proof that the subrecipient offered pre-purchase housing counseling or a referral to this service
- Amended IHA Assistance Agreement covering all benefits through program exit

Subrecipients will close participant files after receiving and approving all documentation. Subrecipients will review all closed files to ensure that all documentation required in each step of the process is complete and compliant.

#### 6.14.2.2 DPA Closeout Documentation

At a minimum, applicant closeout documentation must include the following:

- Contract to purchase MHU or stick-built home
- “Offer To Purchase” letter to evidence “voluntary sale”
- Documentation to establish of ownership (settlement or closing document)
- Documentation for occupancy at community park (site lease) if purchasing MHU
- Site inspection findings report and ERR
- Updated duplication-of-benefits certification
- Proof of property insurance for one year naming the DPA loan holder as a mortgagee
- Documentation of lien recording or filing with local county land records

#### 6.14.3 DOB Due Diligence and Monitoring

Upon the closeout of a participant’s project, OHCS will monitor DOB compliance by contacting the various agencies listed in the original DOB calculation, or that come to the attention of OHCS, such as legal settlements, and by contacting the recipient of CDBG-DR funds (i.e., the program participant). The participant must repay any assistance later received for the same purpose as those awarded through CDBG-DR funds. For more information, refer to HUD’s Duplication of Benefits Policy Guidance at 81 FR 83254 (Nov. 21, 2016), 76 FR 71060 (Nov. 16, 2011), 84 FR 28836 (June 20, 2019), 87 FR 7859 (Feb. 10, 2022), and [any future applicable HUD publications](#).



# Applicant Withdrawal



# 7 Applicant Withdrawal

## 7.1 Voluntary Applicant Withdrawal

Applicants may withdraw their application from the program at any time. Subrecipients must document applicant requests to withdraw their application through case notes or by retaining applicant written communications. Subrecipients must send the applicant a written notice of acknowledgment of voluntary application withdrawal.

### 7.1.1 Voluntary Application Withdrawal Reinstatement Requests

Applicants who have voluntarily withdrawn their application from the program may submit a written request for reinstatement. Requests will be reviewed by ReOregon staff, who will provide written notice of approval or denial of the request. If such applicants originally entered the program in a prior phase, they will not automatically be prioritized over current applicants.

## 7.2 Voluntary Program Withdrawal

Program participants who choose to withdraw from the program once assistance has been issued may be subject to the Recapture policy. See the [Grant Recapture](#) section.

## 7.3 Administrative Withdrawal From Program

### 7.3.1 Non-Responsiveness and Failure To Provide Documentation

Subrecipients will work closely with applicants during the application process. However, if applicants are nonresponsive or fail to provide the required information or documentation, the program may issue deadline communications (letters or emails) to applicants.

Subrecipients will attempt to contact nonresponsive applicants three times via a variety of methods (e.g., phone, text, email). If the applicant does not respond within 30 days, subrecipients will send a final letter or email specifying a deadline by which the applicant must respond. Applicants may be involuntarily withdrawn from the program if they do not respond within the prescribed deadlines included in the letters or communications.

Subrecipients may administratively withdraw an applicant who fails to provide required documentation or information by the deadline described in the written request.

Subrecipients must also notify landlords of applicant withdrawals, if applicable. OHCS

review of such decisions is not required, but subrecipients must inform OHCS of each applicant withdrawn for this reason via regular reporting.

### **7.3.2 Abuse of Program Staff**

Applicants or program participants who are abusive to any employee of the subrecipient or OHCS or any other representative or affiliate of the program may be administratively withdrawn. Subrecipients must submit recommendations for administrative withdrawal to OHCS for a final determination. Abusive behavior includes language (verbal or written) that may cause staff to feel afraid, threatened, or abused and may include threats, personal verbal abuse, and derogatory remarks. The program also considers inflammatory statements, remarks of a racial or discriminatory nature, and unsubstantiated allegations to be abusive behavior. Physical intimidation, including holding, impeding or blocking movement, following, stalking, touching, or any other inappropriate physical contact or advance, is considered abusive behavior.

Following the first reported incident of abusive behavior, the subrecipient will send a warning letter to the applicant or program participant explaining that such conduct will not be tolerated. Any subsequent reported incident of abusive behavior may result in termination of the participant's assistance and the administrative withdrawal from the program. The subrecipient may refer the applicant or participant to mental health services or for a wellness check in cases not involving physical intimidation or violence before issuing a warning letter or deciding to terminate the grant and withdraw the applicant or participant. Incidents involving the threat or use of physical violence toward a subrecipient, OHCS employee, or any other representative or affiliate of the program may be reported to the state police and to the local police for non-program affiliates.

### **7.3.3 Other Program Requirements**

The program may terminate assistance for a participant if the household fails to comply with program requirements. Subrecipients must submit recommendations for program termination to OHCS. OHCS shall make its determination after considering all relevant circumstances, including the extent of participation or culpability of individual household members, mitigating circumstances related to the disability of a household member, and the effects of denial or termination of assistance on other household members who were not involved in the failure to comply.

**Reasons for termination may include:**

- IHA household was evicted for a serious violation(s) of the lease.
- Any household member has committed fraud, bribery, or any other corrupt or criminal act in connection with the program or another state-administered housing assistance program.
- The household is absent from the assisted IHA unit for a period of more than 30 consecutive calendar days.

#### **7.3.4 Administrative Withdrawal Reinstatement Requests**

Applicants who have been administratively withdrawn from the program will have 30 days from receipt of the final administrative withdrawal certified letter to submit a written request for reinstatement, based on extenuating circumstances. The request will be reviewed by the subrecipient and OHCS staff, and the subrecipient will communicate approvals or denials. The program will consider an applicant's responsiveness to program correspondence or requests for documentation when making the reinstatement determination.

# Appeals, Complaints, and Grievances



## 8 Appeals, Complaints, and Grievances

Program applicants have the right to appeal any determination or denial based on program policy. However, an applicant may not file appeals that question program policies or challenge federal statutory requirements.

If an applicant disagrees with program policies, program conduct, or other issues, they may file a complaint with the program in the manner addressed in this section.

Subrecipients are required to have a written process for addressing applicant grievances for decisions, including termination or reduction of benefit, denial of benefit, or other grievance. At a minimum, the process must include the following components.

### 8.1 Program Appeals

#### 8.1.1 Method of Submitting Appeals

Applicants may appeal for the following types of decisions made by the program:

- Program eligibility
- Award calculation or individual benefit eligibility (e.g., utility assistance), prior to the program issuing assistance
- DOB
- Loss of priority or cessation of rental assistance resulting from exceeding the limitations on rejected units
- File closure

All appeals must be submitted in writing to the subrecipient within 30 calendar days of the decision (defined as either the date of notification by electronic means or the certified mail delivery date). Applicants may submit appeals via email, U.S. mail, or other methods identified by the subrecipient.

#### 8.1.2 Processing Appeals

The subrecipient will acknowledge receipt of appeals within three to five business days of receipt. Within five business days of receipt, subrecipients will start the review of the appeal. As part of its review, the subrecipient may request additional information from an outside party or from the applicant. In such cases, the program will provide a deadline by which the requested information must be provided (in most cases, one to five business days).

Regardless of the reason(s) an applicant files an appeal, the entire file will undergo a full review. The subrecipient will review each appeal against program policies and requirements and applicable local, state, and federal law. Applicants should be aware that this full file review may result in positive or negative changes to the eligibility status or an increase or decrease from the previously determined assistance amount. Such variations in assistance amount are necessary to ensure that all assistance to program participants aligns with program policy and that costs are necessary, reasonable, and within program guidelines.

### 8.1.3 Responses to Appeals

Subrecipients will review the appeal, make a decision, and notify the applicant in writing of the decision within 20 business days of the initial acknowledgment of receipt. However, some cases may require additional time for review. In such cases, the subrecipient will notify the applicant that the decision will be delivered later than the 20-business-day timeline. The subrecipient will keep a record of each appeals that it receives in the SOR.

### 8.1.4 Requests for Appeal Review

If an applicant believes their appeal has been decided incorrectly, they may submit a request for appeal review to the subrecipient. Requests for an appeal review must be submitted within 15 business days of receipt of the original decision (defined as either the date of notification by electronic means or the certified mail delivery date). Applicants may submit requests for an appeal review via email, the program's website, or U.S. mail. Such requests must include at least one of the following:

- New information or documentation that supports the original appeal
- An explanation of why the applicant believes the decision does not align with existing program policy

Subrecipients will review the request for appeal review, make a decision, and notify the applicant in writing of the decision within 20 business days of receipt of the request. However, some cases may require additional time for review. In such cases, subrecipients will notify the applicant that the decision will be delivered later than the 20-business-day timeline.

## 8.2 Program Complaints

### 8.2.1 Method of Submitting Complaints

In cases where an applicant/program participant would like to make a complaint regarding program policies, program staff conduct, or other issues, they must submit their complaint via telephone, email, or U.S. mail to the subrecipient.

### 8.2.2 Responses to Complaints

When contacted, the subrecipient will respond to the complaints in a timely and professional manner. The subrecipient will keep a record of each complaint received. Upon receipt of the complaint, the subrecipient will log the complaint, notify OHCS, and respond to the complainant within 15 business days where practicable. For expediency, telephone communication will be used as the primary method of contact; email and postmarked letters will be used as necessary.

If a complaint is not resolved by the subrecipient, subrecipients will escalate it to OHCS. Complainants will be informed that they may file an escalated complaint to OHCS if they feel their complaint is not resolved.

#### 8.2.2.1 Complaints of Fair Housing Violations

For complaints alleging the violation of fair housing laws that are not resolved by the above process (at the subrecipient or OHCS level), participants/applicants may contact [HUD's Office of Fair Housing and Equal Opportunity](#) directly.

Subrecipients will notify OHCS of all complaints involving fair housing violations. OHCS will review and respond to such complaints and may direct such complaints to HUD for immediate review.

#### 8.2.2.2 Complaints of Fraud, Waste, or Abuse

OHCS has detailed fraud, waste, and abuse policies and procedures on the website at [oregon.gov/ohcs/disaster-recovery/Pages/ReOregon-FWAA.aspx](http://oregon.gov/ohcs/disaster-recovery/Pages/ReOregon-FWAA.aspx). Any employee, OHCS consultant, or subrecipient who has knowledge of fraud, waste, or abuse — or who has good reason to suspect that such conduct has occurred — is required to report their concerns. Members of the public with similar concerns are also encouraged to report those concerns. Complaints regarding fraud, waste, or abuse of government funds should be forwarded to the HUD Office of the Inspector General Fraud Hotline (call 800-347-3735 or email [hotline@hudoig.gov](mailto:hotline@hudoig.gov)).

In addition, OHCS's fraud, waste, and abuse [online reporting form](#) may be completed anonymously.

## 8.3 Section 504 Coordination Complaints and Grievances

Section 504 prohibits discrimination on the basis of disability in programs conducted by federal agencies, programs receiving federal financial assistance, federal employment, and the employment practices of federal contractors.

### 8.3.1 Filing Grievances

Applicants may file grievances alleging Section 504 violation in writing with OHCS within 180 calendar days of the alleged violation. Grievances must include detailed information to allow an investigation, including:

- Alleged violation date, location, and description of the problem
- Applicant name, address, telephone number, and applicant ID, if applicable

Applicants may file a grievance by contacting the program at:

Disaster Recovery and Resilience Division  
Oregon Housing and Community Services  
725 Summer St., NE, Suite B  
Salem, OR 97301  
**Email:** [mary.heberling-creighton@hcs.oregon.gov](mailto:mary.heberling-creighton@hcs.oregon.gov)  
**Phone:** 971-446-3733

Upon request, OHCS will make available alternative means of filing grievances, such as personal interviews or a tape recording.

### 8.3.2 Processing Grievances

Once a grievance is received, OHCS will contact the applicant within three to five business days, by phone or in writing, to acknowledge receipt of the grievance and to arrange for the Section 504 coordinator to meet with the complainant to discuss the grievance and possible resolution. Within 15 business days after the meeting, the Section 504 coordinator will respond in writing. The response shall be in a format accessible to the complainant (such as large print or audiotape). The response will explain the position of the subrecipient and offer options for resolving the grievance.

## 8.4 Rental Lease Grievances

Subrecipients are not mediators to lease disagreements between program participants and landlords. Therefore, the applicant must resolve conflicts with their landlord on their own. Program participants may seek guidance and/or referrals from subrecipient staff, which may include:

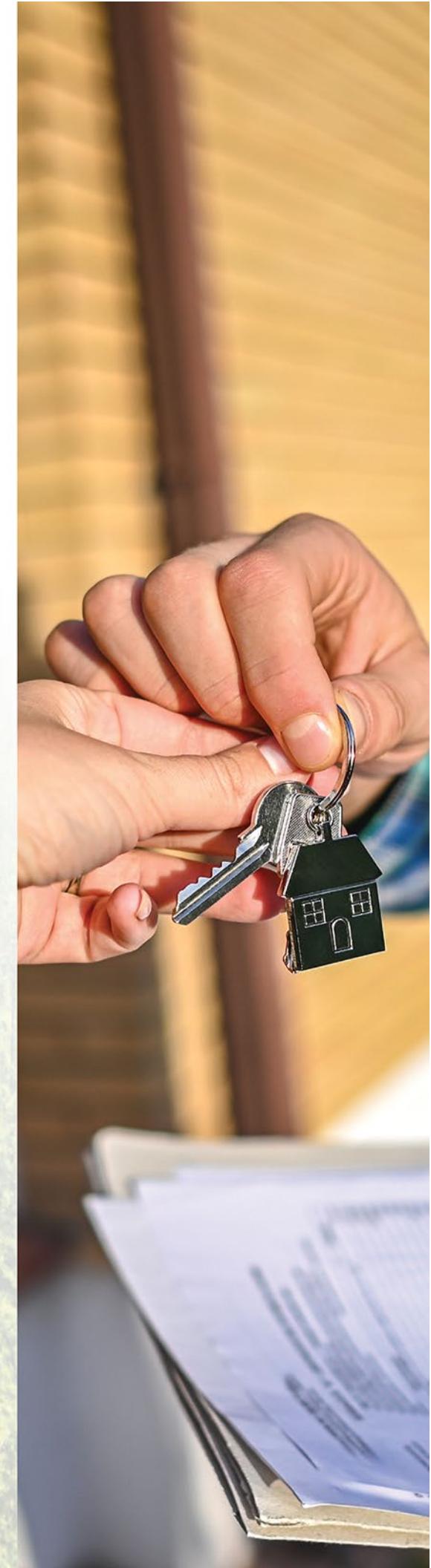
- Assistance with fair housing complaints
- Legal, housing counseling, or other services for eviction prevention or tenant rights

All renters are encouraged to review the [Know Your Rights — Community Alliance of Tenants \(oregoncat.org\)](http://Know Your Rights — Community Alliance of Tenants (oregoncat.org)) website for information and assistance.

OHCS retains the right to require modification of any review or process that it determines does not meet basic principles for notification, instruction, time allowance, impartiality, access, and other necessary components.



# Grant Recapture



## 9 Grant Recapture

### 9.1 Recapture Policy

While implementing and monitoring the program, ReOregon staff or auditors may identify participant files for potential grant recapture during one of several reviews. Files identified as potentially requiring grant recapture shall be placed in a grant recapture status and a hold placed on the file until a full review of the file is conducted in accordance with the program's recapture procedures.

As a result of this review, a participant may be required to repay all or a portion of the assistance received from the program. Reasons for recapture of program assistance include, but may not be limited to, the following:

- A participant is determined to have provided false or misleading information to the program.
- A participant receives a security deposit or rental assistance prior to move-in and does not move into the rental unit.
- A participant does not report the receipt of additional insurance, SBA, FEMA, state funds, local funds, or other duplicative assistance.
- During the 30-year affordability period, homeowners who sell or otherwise transfer the title to the home will be required to repay the outstanding loan balance based upon the remaining loan terms and conditions

Participants identified for recapture of program assistance will not be closed out of the program until all funds have been repaid to the program.

# Financial Management



# 10 Financial Management

## 10.1 Financial Administration

### 10.1.1 Appropriate Funds Tracking System

Subrecipients follow Chapter 4 of the Subrecipient Manual, [Financial Management](#), and are expected to maintain documentation of eligible uses of funds for each program participant within the OHCS SOR (i.e., Homeless Management Information System (HMIS), Neighborly, and/or OPUS). Subrecipients track a participant's assistance, including specifying expenses connected to each payment. Pertinent records such as program and project-related documents, financial records, statistical records, and supporting documents are also contained in the SOR.

Records are maintained to document compliance with program requirements and federal, state, and local regulations and to facilitate an audit review. Records are maintained in accordance with the [Record Retention](#) section.

Proper records management ensures that:

- OHCS complies with all requirements concerning records and records management practices under federal and state regulations.
- OHCS has the records it needs to support and enhance ongoing business and citizen service and to meet accountability requirements and community expectations.
- These records are managed efficiently and can be easily accessed and used for as long as they are required.
- These records are stored as cost-effectively as possible and, when no longer required, they are disposed of in a timely and efficient manner based on HUD Handbook 2225.6, Records Disposition Schedules, and HUD Handbook 2228.2, General Records Schedules.

### 10.1.2 Award Disbursements

IHA subrecipients will make assistance payments monthly to the landlords and as needed to utility companies and other vendors, in accordance with this policy manual.

DPA subrecipients will make assistance payments directly to the escrow and/or closing agent, in accordance with this policy manual.

### **10.1.3 Subrecipient Reimbursement**

Subrecipients will seek reimbursement from OHCS according to the process outlined in Chapter 4 of the Subrecipient Manual, [Financial Management](#), and any applicable subrecipient agreements or standard operating procedures, where available.

# Records Requirement and Reporting



# 11 Records Requirement and Reporting

Subrecipients must maintain records in accordance with 24 CFR Part 570.490 and 24 CFR Part 570.506. Records are kept to ensure document compliance with program requirements; with federal, state, and local regulations; and to facilitate audit review by HUD and other designated auditors. CDBG-DR records, including program documents, are subject to the Freedom of Information Act (FOIA) and Oregon's Public Records Law.

All subrecipients are required to maintain their project or program files within the OHCS SOR. All project-related documents, correspondence, and records must be in the SOR file for each applicant, regardless of eligibility determination.

## 11.1 Data Collection and Reporting

Subrecipients must use HMIS to collect and report required data elements that will be used by OHCS to meet HUD's quarterly reporting requirements. HMIS will be used as the SOR to collect and store client-level data required for reporting. At a later date, Neighborly may be used as an alternative or additional SOR.

Subrecipients must submit various reports as required by OHCS in Chapter 15 of the Subrecipient Manual, [Project Reports and Closeout](#). These may include but are not limited to:

- Regular progress reports measuring performance metrics, expenditures, and revenue/program income, if applicable
- Quarterly Performance Report (QPR) submitted to HUD in the Disaster Recovery Grant Reporting (DRGR) system
- Financial and Uniform Administrative Requirements (2 CFR Part 200) reporting
- Other compliance reports as needed, including:
  - [Civil Rights Act and nondiscrimination](#)
  - Lead Safe Housing Rule
  - Section 504
  - [Affirmatively Furthering Fair Housing](#)
  - [Duplication of Benefits](#)

HMIS will be one of the primary data collection/data repositories for the various reports above. Subrecipients must ensure the timely entry of client data into HMIS. All entries must be made within 72 hours (or three business days) of entry/exit of the program or when provided with updated information from the participant. At minimum, subrecipients will track all of the following data points in the applicable SOR (HMIS or Neighborly):

- All Program Categories applicant/participant unique identifier
- Race(s)
- Ethnicity
- Gender identity
- Female head of household
- Disaster-damaged property address
- Disaster-damaged property county
- Current address
- Current address county
- Renter/owner of damaged address
- Eligibility determination
- Income recertification determinations
- Annual AGI
- Source(s) of income
- Household size

**IHA Specific:**

- Date assistance started (date/month first award payment(s) was issued)
- Date assistance ended (date/month the final award payment was issued)
- Monthly rental assistance amount
- Total rental assistance amount
- Other IHA assistance payments
- Rent and other IHA assistance payee name(s) and address(es)
- IHA-assisted property address
- Exit outcome/destination

**DPA Specific:**

- Total purchase price
- Homeownership award amount

- DPA purchased property address
- Exit outcome/destination

**Housing Counseling Services Specific:**

- Services provided

## 11.2 Administrative Records

OHCS and subrecipients maintain, in an electronic format, administrative records, which are files that apply to the overall administration of the program. They include the following:

- General program files that include:
  - Policies
  - Procedures, process workflows, job aids, and/or desk manuals
  - Trainings
  - Reports
  - Agreements and/or contracts, such as data-sharing agreements and technical assistance contracts
  - Information demonstrating fair housing and equal opportunities, such as demographic reports on personnel and program participants with all personally identifying information (PII) removed
- Financial records that include:
  - Documentation that shows what the funds were used for
  - Documentation of the payments made
  - Reconciliation of funds that shows expenditures and balances
- OHCS only:
  - Procurement files that include:
    - Records showing the method of procurement used, such as competitive bid, sole source, and small purchase
    - Documentation that demonstrates compliance with 2 CFR Part 200
    - Independent cost estimates
    - Scoring process and scores

## 11.3 Confidentiality and Personally Identifying Information

Subrecipients must have policies and procedures to maintain all applicant information and records securely and confidentially. Confidential records include applications, records, files, and communications relating to applicants and participants in services funded by ReOregon CDBG-DR.

Subrecipients must have procedures for ensuring confidentiality in the electronic collection of applicant information, including but not limited to:

- Computer terminals must be in a secure location, limiting access only to those persons who have a legitimate interest in and responsibility for applicant records.
- Computer terminals must be in a “locked” mode or turned off if the terminal is unattended.
- Access to personally identifiable applicant and participant data shall be given only to authorized personnel as necessary for performing the work required for programs funded by CDBG-DR.

Subrecipients shall share PII with OHCS, as necessary, to carry out any assistance or service for the benefit of the applicant. Subrecipients may disclose this PII to OHCS without written authorization from the applicant.

Applicants may also be asked to sign a Release of Information; however, refusal of an applicant to sign such authorization cannot be the basis for denying program services to otherwise eligible applicants except if referring an applicant to Housing Counseling Services and DPA subrecipients, if these subrecipients differ from the IHA subrecipient. Applicant refusal to sign a Release of Information does not negate the inclusion of PII in secure reporting to OHCS. OHCS will de-identify applicant demographic data for the purposes of reporting. Subrecipients must document in the applicant file that this privacy notification was provided to the applicant either verbally or in writing. At all times, subrecipients must follow state and federal laws for the collection, use, and sharing of applicant information.

### 11.3.1 Personally Identifying Information (PII)

PII is information that can be used to distinguish or trace individuals' identities. Examples of PII include names, addresses, income verification documents, disability status, and employment status — information that can be linked or is linkable to a specific participant and/or beneficiary of the program. The program keeps all PII in the SOR. If records containing PII are subject to FOIA or Oregon Public Records Law requests, such records shall only be released in accordance with state and federal law. PII records are only stored

as long as necessary, in accordance with record retention requirements at 2 CFR Part 200.333 and 24 CFR Part 570.502(a)(7).

All PII must be handled in a secure manner. To protect PII, applicants should be given a unique identification number. All records will be maintained in an electronic format. Files are secured to ensure the privacy of all participant PII located within the files. Electronic files containing PII will be secured in password-protected electronic folders. The program will back up files on a routine basis. Required reports to stakeholders may include participant program identification numbers but will not include unique identifiers such as Social Security number.

## 11.4 Participant Files

The program must maintain electronic files for each participant funded through the Housing Support Services Program. Each file must contain, at a minimum, the following information:

- Participant application that includes their residential address and demographic information of household members (as described in the [Reporting](#) section)
- Documentation that verifies the homeowner's eligibility
- Written notices sent to the participant by the subrecipient regarding eligibility
- National objective determination
- Award calculation for all program benefits and award letter
- DOB showing unmet need
- Monitoring quality assurance/quality control
- Correspondence
- Financial tracking of assistance showing requests and disbursements
- Other documentation as applicable
  - Changes to assistance such as increases, decreases, or activity
  - Recapture of funds
  - Appeals

Each IHA file must also contain at a minimum the following information:

- IHA Participant Agreement
- IHA Rental Agreement
- Subrogation Agreement
- Housing inspection reports

Each DPA file must also contain at a minimum the following information:

- Address of the purchased property and park name if purchased MHU
- Community park pad site/lot lease if purchased MHU
- Loan Agreement
- Subrogation Agreement
- Evidence of recording of lien against title
- Environmental review clearance
- Required unit inspection results

Each Housing Counseling Services file may also contain any of the following information:

- Needs assessment
- Counseling/action plan
- Budget worksheets and supporting documentation
- Counseling session records
- Homebuyer education certificate
- Participant achievement documentation (evidence of goals met)
- Other documentation as applicable to each household's unique circumstances

## 11.5 Applicant Power of Attorney and Designated Communications

A POA gives one or more persons the power to act on an applicant's behalf as their agent. Applicants may have a general or limited POA.

- A general POA is a legal document allowing an agent to act on the principal's behalf in any matter.
- A limited POA is a legal document allowing an agent to act on the principal's behalf under limited circumstances.

The program will accept a POA for an applicant under the following conditions:

- The POA has met the requirements to be legally binding and recognized by Oregon Revised Statute, Chapter 127.
- The applicant has the right to revoke the POA when they are no longer incapacitated and can participate fully in the program.

The program reserves the right to contact the applicant directly without going through the agent to discuss the applicant's case and/or project.

## 11.6 Record Access

Subrecipients are required to permit OHCS, other state officials, the federal government, and the duly authorized representatives of such entities access to, and the right to copy, all program, applicant, and fiscal records for such purposes as research, data collection, evaluation, monitoring, and auditing. At the sole discretion of OHCS, access to records shall include the removal of records from the subrecipient's office.

## 11.7 Record Retention

Pertinent records such as program and project-related documents, financial records, statistical records, and supporting documents will be maintained. Any potential subrecipients and contractors for IHA are also subject to this policy, and all financial and program files are maintained accordingly. Records are maintained to document compliance with program requirements and federal, state, and local regulations and to facilitate an audit review. Records are to be maintained in accordance with [Oregon Administration Rule \(OAR\) 166-300-0015](#) on administrative records, which states that grant records must be maintained for a period of six years after the final expenditure report is accepted or the contract or agreement in question expires, whichever is later. Proper records management ensures that:

- The state complies with all requirements concerning records and records management practices under federal and state regulations.
- The state has the records it needs to support and enhance ongoing business and citizen service and meet accountability requirements and community expectations.
- These records are managed efficiently and can be easily accessed and used for as long as they are required.
- These records are stored as cost-effectively as possible and, when no longer required, they are disposed of in a timely, secure, and efficient manner based on HUD Handbook 2225.6, Records Disposition Schedules, and HUD Handbook 2228.2, General Records Schedules.

## 11.8 Fair Housing and Civil Rights

The Fair Housing Act requires all grantees, subrecipients, and/or developers funded in whole or in part with HUD financial assistance to certify that no person was excluded from participation in, denied the benefit of, or subjected to discrimination in any housing program or activity because of their age, race, color, creed, religion, familial status, national origin, sexual orientation, military status, sex, disability, or marital status. OHCS complies

with and enforces the civil rights requirements of Title I of the Housing and Community Development Act and the Fair Housing Law.

Subrecipients and OHCS will track outreach and removal of barriers through QPRs.

### 11.8.1 Nondiscrimination

Subrecipients are required to comply with all state and federal statutes relating to nondiscrimination. Subrecipients may not take any of the following actions based on race, color, national origin, religion, gender, familial status, disability (federal), marital status, sexual orientation, gender identity, or source of income (state):

- Refuse to accept an application for housing assistance or services
- Deny an application for housing assistance or services
- Set different terms, conditions, or privileges for housing assistance or services
- Provide different or specific housing, facilities, or services
- Falsely deny that housing is available for inspection or rental or that services are available
- Deny anyone access to a facility or service

The Fair Housing Act prohibits discrimination based on protected classes in the housing activities of advertising, screening, and unit rentals. Using a target population in screening is allowed; however, refusal to accept the application or provide information on services or available housing to any protected class, even if these groups do not fit into your targeting strategy, is prohibited.

Subrecipient screening criteria cannot be discriminatory and must be consistently applied. For example, a provider might decide to give priority to applicants who graduate from a tenant readiness education program that is inclusive of all protected classes. If two applications come in at the same time and both meet the screening criteria, the participant who also has the tenant readiness education experience could receive priority over the participant who does not; however, providers should always accept the first participant meeting their criteria or prioritization policy.

For more information, see the Guide to Fair Housing for Nonprofit Housing and Shelter Providers produced by the Fair Housing Council of Oregon, or contact them directly at [fhco.org](http://fhco.org).

## 11.8.2 Limited English Proficiency

The federal government has issued a series of policy documents, guides, and regulations describing how subrecipients should address the needs of citizens who have LEP. The abbreviated definition of persons with LEP is those who have difficulty reading, writing, speaking, or understanding English and do not use English as their primary language.

Subrecipients must have an LEP policy document that describes the actions the subrecipient took to identify LEP populations in their service area and define actions they will take to provide language assistance and address language barriers. The policy must also state how and how often staff receive training about assisting LEP persons, how the subrecipient will evaluate the success of the policy, and how changes will be made if needed.

Subrecipients should create a written LAP to provide a framework to document how the agency's programs are accessible to all populations in their service area. Subrecipients who serve few persons needing LEP assistance may choose not to establish a LAP; however, the absence of a written LAP does not release subrecipients' obligation to ensure LEP persons have access to programs or activities.

## 11.9 Conflict of Interest

Subrecipients must keep records to show compliance with program conflict of interest (COI) requirements.

### 11.9.1 Organizational

Subrecipients may not prioritize or determine the type or amount of assistance provided to an individual or household based upon their acceptance in or occupancy of emergency shelter or housing owned by subrecipients or an affiliated organization. Only OHCS can approve COI waivers regarding program requirements. If a subrecipient wishes to apply for a waiver, they should contact OHCS for guidance and approval.

To expedite housing placement, subrecipients may conduct an applicant's intake assessment if the applicant already resides in a housing unit that the subrecipient has an ownership interest in. However, IHA subrecipients cannot steer, force, or coerce potential tenants into renting or accepting units owned or operated by the subrecipient if the tenants will be using a rent subsidy paid with any OHCS funds.

Rent-subsidized tenants are free to enter a rental contract with another landlord within the subrecipient's jurisdiction, or they may choose to rent a unit owned or operated by the

subrecipient. A waiver request is not required for this situation; however, subrecipients must comply with this provision of the COI policy.

### **11.9.2 Individual**

For the procurement of goods and services, subrecipients must comply with the codes of conduct and COI requirements under 2 CFR Part 200.317 (for governments) or 2 CFR Part 200.327 (for private nonprofit organizations).

COI requirements apply to any person who is an employee, agent, consultant, officer, or elected or appointed official of the subrecipient. No person who exercises or has exercised any functions or responsibilities with respect to activities assisted under the program, or who is in a position to participate in decision-making processes or gain inside information with regard to activities assisted under the program, may obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for themselves or for those with whom they have a family or business tie, during their tenure, or during the one-year period following their tenure.

## **11.10 Compliance and Monitoring**

Subrecipients must comply with notices, regulations, and rules set by HUD, including procurement rules under 2 CFR Part 200, CDBG regulations at 24 CFR Part 570, and any waiver or alternative requirements.

OHCS will conduct program monitoring of subrecipients at a frequency to be determined by OHCS in accordance with the Compliance and Monitoring Manual posted on the ReOregon website. Fiscal monitoring will be conducted monthly unless circumstances require sooner. OHCS will notify subrecipients 30 days in advance of the monitoring visit and will inform them of what documents and records will be reviewed, along with any required staff or board interviews. OHCS will provide subrecipients with a written monitoring report inclusive of any findings, concerns, or comments. Subrecipients are required to submit timely corrective action to findings. Failure to do so may result in OHCS withholding CDBG-DR funds and/or requesting their return.

## **11.11 Program Closeout**

Subrecipients must maintain electronic or hard copies of all documents related to the program according to the [Participant Files](#) section of these guidelines. All records must be made available to OHCS, HUD, and the Office of Inspector General as requested.

Subrecipients must submit a reconciliation of funds and a final performance report to OHCS. OHCS may request additional information from subrecipients and partners before closing out the program.

# Definitions



## 12 Definitions

**Activity Delivery Cost (ADC):** Costs incurred for implementing and carrying out eligible IHA activities. ADC covers the costs of staff directly carrying out the activity in addition to materials and supplies that are necessary for successful completion of the activity.

**Area Median Income (AMI):** The median (middle point) household income for an area, adjusted for household size, as published annually by HUD.

**Applicant:** An individual or household who submits an intent to apply for IHA, DPA and/or Housing Counseling Services.

**Appeal:** A written request from an applicant/participant for a review and change to an unfavorable determination made for Housing Support Services, IHA or DPA.

**Borrower:** A person who is responsible for the loan debt and for making payments on the loan.

**Case Management:** A function of subrecipients, who provide collaborative, coordinated, and supportive guidance to applicants/participants as they navigate the program requirements.

**Community Development Block Grant Disaster Recovery (CDBG-DR):** Funding for housing and community recovery and disaster mitigation, appropriated by the U.S. Congress and awarded to the state by HUD. The source of funding for the ReOregon housing recovery programs, including IHA.

**Damage Assessment (DA):** The process used to verify that damage at a property can reasonably be attributed to the 2020 Labor Day wildfires and straight-line winds (DR-4562).

**Damaged Property:** The housing unit that was directly damaged or destroyed by the 2020 Labor Day wildfires and straight-line winds (DR-4562) for which the participant has applied for assistance.

**Decent, Safe, and Sanitary (DSS) Standard:** A dwelling that meets local housing and occupancy codes. However, any of the following standards that are not met by the local code shall apply unless waived for good cause by the federal agency funding the project. The dwelling shall:

- Be structurally sound, weathertight, and in good repair.
- Contain a safe electrical wiring system adequate for lighting and other divides.
- Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person.

- Be adequate in size with respect to the numbers and area of living space needed to accommodate the displaced person. The number of persons occupying each habitable room used for sleeping purposes shall not exceed local housing codes or in the absence of local codes the policies or such agencies.
- Have a separate, well-lit, and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet all in good working order and properly connected to appropriate sources of water and to a sewage drainage system.
- Contain unobstructed egress to safe, open space at ground level.
- Be free of any barriers that would preclude reasonable ingress, egress, or use of the dwelling by a person with a disability.

**Disability:** For the purpose of the program, persons who meet the Fair Housing Act's definition of "person with a disability" may be entitled to a reasonable modification under the Act. Federal nondiscrimination laws define a person with a disability to include any (1) individual with a physical or mental impairment that substantially limits one or more major life activities, (2) individual with a record of such impairment, or (3) individual who is regarded as having such an impairment.

**Duplication of Benefits (DOB):** The provision under the Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) that prohibits any person, business concern, or other entity from receiving financial assistance from federal disaster funds with respect to any part of a loss resulting from a major disaster as to which that person or entity has already received financial assistance under any other program, insurance, or another source.

**Elderly:** A person who is at least 62 years of age (24 CFR Part 5.100).

**Electronic Execution:** The process by which required signatories execute documents via electronic means. Electronic means may include the transmittal of verifiable document signatures to the program via email, DocuSign, or other method approved by OHCS.

**Exceptions Panel:** Panel that reviews requests for exceptions to program policy.

**Federal Register (FR):** A daily publication of the U.S. federal government that issues proposed and final administrative regulations of federal agencies.

**Habitability Standards:** Minimum standards for safety, sanitation, and privacy in emergency shelters and minimum habitability standards for permanent housing funded for rapid rehousing and homelessness prevention are established in 24 CFR 576.403.

**Household:** All persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated persons who share living arrangements. For housing activities, the test of meeting the low-to-moderate-income objective is based on the income of the household. See the [Determining Household Size](#) section for information about how to define household members for the purpose of income verification.

**Housing Quality Standards (HQS):** Basic HQS, set forth in 24 CFR Part 982, that establish standards that all units must meet before assistance can be paid on behalf of a family and at least annually throughout the term of the assisted tenancy. HQS defines “standard housing” and establishes the minimum criteria for the health and safety of program participants.

**Housing Stabilization Plan:** Subrecipients work with each participant to create a housing stabilization plan that outlines the participant's:

- Permanent housing needs
- Maximum affordable housing costs
- Plan to secure permanent housing, including a timeline and a list of participant and subrecipient actions needed
- Other resources or services available that may support the participant's recovery

Given that the IHA program provides only intermediate, temporary support, the goal of the housing stabilization plan is to assist the participant in identifying a long-term, sustainable housing solution.

**U.S. Department of Housing and Urban Development (HUD):** Federal agency that administers the CDBG-DR program.

**Adjusted Gross Income (AGI) Calculation Method:** Citizens of the United States and resident aliens, except those with gross incomes that fall below a certain level, are required to file an income tax return with the U.S. Department of the Treasury's Internal Revenue Service (IRS) each year. The tax return is officially referred to as IRS Form 1040. The AGI is listed on the 1040 tax form and is the dollar figure used to determine an applicant's income eligibility for participation in the CDBG-DR programs.

**Limited English Proficiency (LEP):** A designation for persons who are unable to communicate effectively in English because their primary language is not English and they have not developed fluency in the English language. A person with LEP may have difficulty speaking or reading English. An LEP person benefits from an interpreter who translates to and from the person's primary language. An LEP person may also need documents written

in English to be translated into their primary language so that person can understand important documents.

**Low- and Moderate-Income (LMI) National Objective:** One of three national objectives that any CDBG activity must meet. Activities that meet the LMI objective must benefit households whose total annual gross income does not exceed 80% of county AMI, adjusted for household size. Income eligibility will be determined and verified in accordance with HUD guidance. The most current income limits, published annually by HUD, shall be used to verify the income eligibility of each household applying for assistance at the time assistance is provided.

- Extremely low: Household's annual AGI is up to 30% of the county AMI, as determined by HUD, adjusted for household size.
- Very Low: Household's annual AGI is between 31% and 50% of the county AMI, as determined by HUD, adjusted for household size.
- Low: Household's annual AGI is between 51% and 80% of the county AMI, as determined by HUD, adjusted for household size.

**Manufactured Housing Unit (MHU):** A dwelling unit composed of one or more components substantially assembled in a manufacturing plant and transported to a building site. An MHU is constructed in accordance with the standards established by HUD's Office of Manufactured Housing Programs. MHUs are not constructed in accordance with the standards established in the state and local building codes that are applicable to stick-built homes.

**Manufactured Housing Park:** A manufactured housing park means anyplace where four or more manufactured housing units are located within 500 feet of one another on a lot, tract, or parcel of land under the same ownership, the primary purpose of which is to rent or lease space for a resident's MH, as defined in Oregon Revised Statute 90.512(4).

**Maximum Award Cap:** The maximum amount of assistance a participant is eligible to receive for certain activities. This is not the final award amount a participant will receive, as the final award amount is subject to the monthly rental payment standard or actual cost, less any duplication of benefits.

**Most Impacted and Distressed (MID) Areas:** Areas of greatest impact from a disaster as determined by HUD or the state in making disaster assistance allocations, using the best available data sources to calculate the amount of disaster damage. The MID-designated areas for the 2020 Labor Day wildfires and straight-line winds (DR-4562) assistance allocation include the counties of Clackamas, Douglas, Jackson, Lane, Lincoln, Linn, and Marion. Oregon has also designated Klamath County as a MID.

**Optional Relocation Assistance (ORA):** ORA is available to HARP participants for the purpose of providing assistance for alternative housing while rehabilitation, reconstruction, or MHU replacement work is being carried out on the HARP participant's primary residence.

**Participant:** An eligible IHA applicant who has executed their Participant Agreement with OHCS.

**Participant Agreement:** Agreement(s) executed by eligible IHA applicants, describing program assistance that will be provided and the participant responsibilities. Applicants are considered participants once they have signed a Participant Agreement. This will include (but is not limited to) a Subrogation Agreement and any other document required to disburse program assistance for the benefit of a participant.

**Power of Attorney (POA):** An authorization to act on someone else's behalf in a legal or business matter.

**ReOregon:** The name used in communication and branding for Oregon's recovery programs, including all CDBG-DR funded programs as well as IHA.

**Second Home:** A home owned by the applicant/participant that is not the primary residence of the owner at the time of the disaster or at the time of application for assistance.

**Subrecipient:** A non-federal entity, unit of general local government, or nonprofit organization in Oregon that administers all or a portion of a program funded by CDBG-DR, as memorialized in a Grant Agreement between the subrecipient and OHCS.

**Subrogation:** The process by which duplicative assistance paid to a participant after receiving an award is remitted to the program to rectify a duplication of benefit.

**Subrogation Agreement:** An agreement executed by the participant acknowledging their responsibility to repay any duplicative assistance if the participant later receives other disaster assistance for the same purpose as disaster recovery funds already received.

**Tenant:** An individual or household renting or occupying an assisted dwelling unit (24 CFR part 5.504).

**Total Adjusted Gross Household Income:** The total income of all individuals ages 18 and older who reside in a damaged property, as calculated using the standard outlined in the [Program Elements](#) section.

**Uniform Relocation Act (URA):** The Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (Title 49 CFR Part 24) (42 U.S.C. 4601 et. seq.), applies to all acquisitions of real property or displacements of persons resulting from federal or

federally assisted programs or projects. URA's objective is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects. For the purposes of these guidelines, URA mostly applies to residential displacements in involuntary (49 CFR Subpart B) acquisition or multifamily damaged and occupied activities that require the relocation of the tenants.

**Urgent Need (UN) National Objective:** An urgent need exists where conditions pose serious and immediate threat to the health/welfare of the community, the existing conditions are recent or recently became urgent, and the recipient of funds cannot finance the activities on their own because other assistance sources are not available. OHCS must document how each program and/or activity funded under the UN National Objective responds to a disaster-related impact.

**Wildfire Impacted:** A renter or homeowner who experienced a verified residential loss due to the 2020 Labor Day wildfires and straight-line winds.

# Abbreviations and Acronyms



## 13 Abbreviations and Acronyms

Acronym or Abbreviation	Meaning
ADC	activity delivery costs
AHD	Affordable Housing Development
AMI	area median income
CBO	community-based organization
CDBG-DR	Community Development Block Grant Disaster Recovery
CFR	Code of Federal Regulations
COI	conflict of interest
CPD	Community Planning and Development
DCM	disaster case manager
DOB	duplication of benefits
DPA	Down Payment Assistance
DRGR	Disaster Recovery Grant Reporting
DTI	debt to income
EPA	Environmental Protection Agency
ERA2	Emergency Rental Assistance 2 Program
ERR	environmental review record
FEMA	Federal Emergency Management Agency
FMR	Fair Market Rent
FOIA	Freedom of Information Act
FR	Federal Register
HARP	Homeowner Assistance and Reconstruction Program
HCS	Housing Counseling Services
HCDA	Housing and Community Development Act of 1974
HMIS	Homeless Management Information System
HOA	homeowners association
HQS	Housing Quality Standards
HUD	U.S. Department of Housing and Urban Development
IA	FEMA individual assistance
IHA	Intermediate Housing Assistance
LAP	language access plan
LBP	lead-based paint

Acronym or Abbreviation	Meaning
LEP	limited English proficiency
LMI	low and moderate income
LTRG	long-term recovery group
MH	manufactured home
NEPA	National Environmental Policy Act of 1969
OHCS	Oregon Housing and Community Services
ORA	optional relocation assistance
PII	personally identifying information
POA	power of attorney
SAFMR	Small Area Fair Market Rents
SBA	U.S. Small Business Administration
SOR	System of Record
TANF	Temporary Assistance for Needy Families
U.S.	United States
U.S.C.	United States Code
UN	urgent need
URA	Uniform Relocation and Real Property Acquisition Policies Act of 1970
WIC	Women, Infants, Children