Emergency SHC – Frequently Asked Questions for Providers

Q. Can other Counties apply for Emergency SHC funding?

    A. No. Only Counties eligible for the Colonia Self Help center Program may apply.

Q. How do we calculate income?

A. Income for the next 12 months should be *estimated* based on simple documentation of current income.

* All income normally included in HUD Part 5 calculations should be included

* Current income can be documented with a recent pay stub, unemployment benefits verification letter, etc.

* unemployment benefits should be included only for the period of time the applicant is actually eligible to receive those benefits

* Counties may consider eligibility for certain other means tested programs to be evidence of eligibility for Emergency SHC, if desired. These programs include:

        □ Section 8 assistance   □ TANF (not one-time)   □ SNAP (Households up to 5 persons)

        □ Free School Lunch Program   □ Reduced School Lunch Program (Households up to 3 persons)

        □ County Indigent Health services   □ Other local programs if verified by TDA

Q. Why is the program limited to 50% of Area Median Family Income (AMFI)?

A. Emergency SHC relies primarily on self-certification of income, with limited supporting documentation and a priority on providing economic relief as rapidly as possible. TDA established 50% of AMFI as the eligibility threshold so that, if the program is audited and finds that a household estimated their income slightly incorrectly, the error will be unlikely to exceed HUD's LMI eligibility threshold (80% AMFI). In that case, the issue would be resolved programmatically and not require repayment to HUD.

In addition, households anticipating income less than 50% AMFI for the coming year are very likely to need assistance to provide basic household necessities during this emergency period.

Q. Can the County be more restrictive than TDA?

A. Yes, the County may limit the Emergency SHC program by reducing the maximum grant amount, limiting eligibility to designated colonias, requiring additional documentation, or creating other program requirements. The sample E-SHC Summary for Residents and E7 forms use red text to indicate program elements that Counties have asked to modify.

Q. Can the County request a waiver to the eligibility requirements?

A. If the County demonstrates that there are not sufficient applicants to fully expend all Emergency SHC funds, the County may request that TDA include additional participants, including non-colonia residents, households that include staff members of the County or non-profit partner, or households with income levels up to 80% of AMFI.

FAQ as of 6/18/2020 – this guidance is dynamic and will continue to be updated as additional information is gathered and needs are identified. Please continue to review for new information.

Q. Can the funds be used for:
- Cash / general pre-paid cards? – No, emergency funds must be paid to the "service provider" (mortgage lender, utility company, etc.)
- Grocery Store gift cards? – Yes, gift cards limited to use at that store may be eligible – the County may coordinate with the store to limit the purchases available with the card (example, food only, or only SNAP eligible products) but is not required to impose limits beyond use in the same store.
- Gas cards? - Yes, gift cards limited to use at that store may be eligible
- Home repairs? – No, this program is for emergency household needs; housing rehabilitation projects should be funded through other grants

Q. Is photo ID required?

A. Photo ID is not required by TDA for mortgage assistance or utility assistance, as the address of the residence being assisted is confirmed on the supporting documentation.

For the more flexible "Food and other assistance" category, some evidence that the applicant actually resides at the eligible address is needed – photo ID is an appropriate example.

Q. Is proof of citizenship required?

A. TxCDBG and the Emergency SHC program are focused on income and residential location. Proof of citizenship is not required.

Q. Can the County pay the utility in one lump sum?

A. TDA recommend issuing a separate payment to the utility for each eligible household to ensure that the correct account is credited. The County should receive some confirmation that the funds have been credited to that account.

TDA encourages the Emergency SHC Counties to reach out early to utilities that serve colonia areas, both to help identify eligible households in need of assistance and to coordinate the payment process if special arrangements are needed.

Q. The Commissioners Court passed its resolution authorizing this application before the public hearing was held. Is this acceptable?

A. Due to the emergency nature of this program, TDA is accepting the public hearing and local governing body resolution regardless of the order in which they were completed. All other TxCDBG programs will continue to follow the citizen participation steps in the prescribed order.

Q. What is the application due date?

A. As soon as possible!

Please submit the Form 424 (main signed page) as soon as the County holds its public hearing, even if certain other pieces of the application are not yet complete. Once all 7 counties submit the 424, TDA will route and issue the formal award notice. TDA will then confirm the application is complete before issuing the contract for execution to that County.

FAQ as of 6/18/2020 – this guidance is dynamic and will continue to be updated as additional information is gathered and needs are identified. Please continue to review for new information.

Q. When can I receive funds?

A. Once the contract is executed, grant funds may be requested by submitting Form A203:

* Complete the Ledger tab according to the instructions

* On the Draw Form tab,

       *leave the Progress Report Blank,

       *complete the Period Covered fields

       *print and sign (2 persons authorized by the local resolution)

* Support documentation must include Part B of the standard Colonia Self Help Center Quarterly Report, identifying each household that received assistance.

* email to CDBG_Draws@TexasAgriculture.gov with support documentation

If Emergency CSH funds will be distributed during an application event, the County may request grant funds in advance of the event in order to purchase grocery cards and have funds available for immediate disbursement to service providers.

- o Submit Form A203 with the advertisement showing the event date and time as supporting documentation – type "Advance Payment Request" in one of the blank field on the Draw tab budget table
- o Please submit the request at least 10 business days prior to the event. Funds will be disbursed no more than 5 business days prior to the event.
- o Submit the full support documentation (SHC Quarterly Report Part B) no later than 5 business days following the event.

FAQ as of 6/18/2020 – this guidance is dynamic and will continue to be updated as additional information is gathered and needs are identified. Please continue to review for new information.