

CITY OF EUREKA
COVID 19 ASSISTANCE FUND
GUIDELINES

The City of Eureka, recognizing the economic impact that the COVID 19 pandemic is having on households and the homeless population is providing a grant program designed to assist (1) homeless shelter service providers experiencing a reduction in income to enable the service providers to continue to provide homeless shelters during the COVID 19 crisis and (2) grants to individuals needing assistance in paying rent or mortgage payments due to a reduction in income resulting from the COVID 19 crisis. The grants are being provided in recognition of the fact that it is important to people to remain housed during this pandemic and keeping people sheltered or in their housing will assist in slowing the spread of COVID 19. The grants are being funding with the City of Eureka Low- and Moderate-Income Housing Asset Fund which is restricted pursuant to Health and Safety Code Section 34176 et. seq. Funds in the Low- and Moderate-Income Housing Asset Fund are to be spent for the following purposes:

(a) Homeless prevention and rapid rehousing services for individuals and families who are homeless or would be homeless but for the assistance. Assistance includes short term and medium-term rental assistance and contributions to housing shelters.

(b) to serve households with income at or below 80% of area median income with at least 30% of the funds used to serve households with incomes at or below 30% of area median income and no more than 20% of the funds used to serve households with income between 60% and 80% of area median income.

1. **BASIC POLICY**

A. **ELIGIBILITY CRITERIA**

- 1) Homeless Assistance Providers – funds will be available to homeless assistance providers to cover rent/mortgage and utility costs for shelters in order to ensure that shelters remain available to the homeless during the COVID 19 Shelter in Place orders.
- 2) Individuals who have suffered a significant loss of income as a result of the COVID 19 pandemic to provide grants to cover rent and mortgage payments.

B. **HOMELESS ASSISTANCE PROVIDERS**

- 1) Homeless Assistance provider must be a nonprofit.
- 2) Shelter assisted must be located within the City of Eureka and must provide shelter for the homeless not just services.
- 3) Funds provided must be used to pay rent, mortgage and or utility costs. Cost that are necessary to keep the shelter operating during the COVID 19 shelter in place orders. Eligible costs include rent or mortgage cost and utility bills.

- 4) Maximum grant amounts \$5,000
- 5) Documentation requirements:

C. GRANTS TO INDIVIDUALS FOR RENTAL/MORTGAGE ASSISTANCE

- 1) Households income may not exceed 80% of the Area Median Income with priority for assistance provided to households with incomes at or below 50% of Area Median Income. Exhibit 1 sets forth the applicable income limits.
- 2) Household must rent or own a home in Eureka.
- 3) Household must provide evidence of a reduction in income related to COVID 19. Reduction in income may be caused by layoffs, reduction in work hours, need to stay home to care of homebound dependent children or a sick household member, quarantine restrictions or increase in out of pocket medical expenses. Documents may include a letter from employer, evidence of reduced wages with a current payroll stub and payroll stubs from pay periods prior to March 2020, or copies of medical bills.
- 4) Household income will be calculated in accordance with state regulations 25 CCR 6914, a copy of which is attached. Evidence of income may include the most recent paycheck stubs or other evidence. Income may also be documented by an income declaration completed by all household members over the age of 18 declaring the household's expected income for the next 12 months. If the household claims no income, all household members over the age of 18 shall provide a zero-income declaration.
- 5) Assistance amounts shall be the lesser of (i) the household monthly rent or mortgage payment for no more than 2 months or (ii) \$2,500. If a household has experienced a reduction in income but is still collecting income from any source, the assistance amount may be prorated to cover the difference between 30% of the household income and the monthly rent or mortgage payment.
- 6) Monthly rent or mortgage payment amounts will be verified by a copy of the mortgage statement or rental or lease agreement.
- 7) Assistance checks will be paid directly to the landlord or mortgage holder.

(EXHIBIT 1)

CITY OF EUREKA
COVID 19 RENTAL/MORTGAGE ASSISTANCE GRANT PROGRAM
MAXIMUM INCOME LIMITS AND CALCULATION OF GROSS INCOME

2019 Income Limits

Household Size	1	2	3	4	5	6	7	8
Low Income Households (approximately 80% of AMI)	\$36,300	\$41,500	\$46,700	\$51,850	\$56,000	\$60,150	\$64,300	\$68,450
Very Low Income Households (approximately 50% of AMI)	\$22,700	\$25,950	\$29,200	\$32,400	\$35,000	\$37,600	\$40,200	\$42,800
Extremely Low Income household (Approximately 30% of AMI)	\$13,650	\$16,910	\$21,330	\$25,750	\$30,170	\$34,590	\$39,010	\$42,800

In order to determine gross income, Applicants will be required, at a minimum, to provide current paystubs or other evidence of current income. If paystubs or other evidence is not available, the applicant will be required to submit an income declaration signed by all household members over the age of 18.

Income Calculation: Income shall be calculated in accordance with 25 Code of California Regulations Section 6914 (25 CCR 6914), as may be amended from time to time. As of 2009, 25 CCR 6914 calculates income as follows:

§ 6914. Gross Income

"Gross income" shall mean the anticipated income of a person or family for the twelve-month period following the date of determination of income. If the circumstances are such that it is not reasonably feasible to anticipate a level of income over a twelve-month period,

a shorter period may be used subject to a redetermination at the end of such a period. "Income" shall consist of the following:

- (a) Except as provided in subdivision (b), all payments from all sources received by the family head (even if temporarily absent) and each additional member of the family household who is not a minor shall be included in the annual income of a family. Income shall include, but not be limited to:
 - (1) The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses;
 - (2) The net income from operation of a business or profession or from rental or real or personal property (for this purpose, expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business);
 - (3) Interest and dividends;
 - (4) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts;
 - (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see subdivision (b)(3)).
 - (6) Public Assistance. If the public assistance payment includes an amount specifically designated for shelter and utilities which is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public assistance income to be included as income shall consist of:
 - (A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter and utilities, plus
 - (B) The maximum amount which the public assistance agency could in fact allow for the family for shelter and utilities,
 - (7) Periodic and determinable allowances such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
 - (8) All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family or spouse (but see subdivision (b)(5)).

Where a family has net family assets in excess of \$5,000, income shall include the actual amount of income, if any, derived from all of the net family assets or 10 percent of the value of all such assets, whichever is greater. For purposes of this section, net family assets means value of equity in real property other than the household's full-time residence, savings, stocks, bonds, and other forms of capital investment. The value of necessary items such as furniture and automobiles shall be excluded.

- (b) The following items shall not be considered as income:
- (1) Casual, sporadic or irregular gifts;
 - (2) Amounts which are specifically for or in reimbursement of the cost of medical expenses;
 - (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
 - (4) Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships, or payments to veterans not used for the above purposes of which are available for subsistence are to be included in income;
 - (5) The special pay to a serviceman head of a family away from home and exposed to hostile fire;
 - (6) Relocation payments made pursuant to federal, state, or local relocation law;
 - (7) Foster child care payments;
 - (8) The value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged the eligible household;
 - (9) Payments received pursuant to participation in the following volunteer programs under the ACTION Agency:
 - (A) National Volunteer Antipoverty Programs which include VISTA, Service Learning Programs and Special Volunteer Programs.
 - (B) National Older American Volunteer Programs for persons aged 60 and over which include Retired Senior Volunteer Programs, Foster

Grandparent Program, Older American Community Services Program, and National Volunteer Program to Assist Small Business Experience, Service Corps of Retired Executive (SCORE) and Active Corps of Executives (ACE).

