

# Rental Assistance Program Policies and Procedures



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## INTRODUCTION

### PURPOSE AND USE

The attached program guidelines have been developed to facilitate the efficient and effective operation of the Tenant Based Rental Assistance (TBRA) Program for the City of Palm Springs.

The TBRA Program targets low-to-moderate income renters who are currently in need of housing or at risk of homelessness. Funding will cover rental assistance, utility assistance, and security deposits. The primary objective of the TBRA Program is to assist eligible applicants to secure decent, safe, and sanitary housing in the private rental market in eligible City of Palm Springs areas.

### FAIR HOUSING

The following information should be included in marketing and agreements with the landlords/owners.

Non-Discrimination: The Agency or landlord shall not, in the provision of services or in any other manner, discriminate against any person on the grounds of age, race, color, religion, sex, national origin, familial status, or disability.

The regulations applying to discrimination, include, without limitation, the following:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the grounds of race, color, or national origin under programs or activities receiving federal financial assistance;
- The Fair Housing Act, Title VIII-IX of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, national origin, sex, familial status, or disability;
- Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicap under any program or activity receiving or benefitting from federal assistance;
- The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- The Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

### DEFINITIONS

**Adults in household:** Anyone age 18 or older living in the housing unit.

**Applicant:** The person or people listed on the rent agreement and who is/are completing the application for rent assistance.

**Area Median Income (AMI):** The Area Median Income (AMI) is the midpoint of a region’s income distribution – half of families in a region earn more than the median and half earn less than the median. For housing policy, income thresholds set relative to the area median income—such as 50% of the area median income—identify households eligible to live in income-restricted housing units and the affordability of housing units to low-income households.

**Base monthly rent:** The set rental rate paid to the landlord each month, which may include a flat monthly fixed fee for utility costs. The base rent is typically defined in the lease agreement. This amount, listed in the lease agreement, does not fluctuate.

**Direct Program Assistance:** the costs eligible to be pay through the 90% of funds. This may be stated as “Rent, Utility, or Other Assistance Payments” (RUOAP).

**Financial hardship:** Defined as when a person with debt needs “substantially all of his/ her / their current and anticipated income and [liquid assets](#) to meet current and anticipated [ordinary and necessary living expenses](#) during the projected period of collection. Financial hardship will not be found to exist when the debtor merely establishes that the repayment causes a financial burden, i.e., when it is inconvenient to repay the debt.”

**Household:** All people who live within the same rental unit.

**Landlord:** A person who or company that rents land, a building, or an apartment to a tenant.

**Lease terms:** For the purpose of this program, the lease should include, at minimum, but is not limited to:

- The amount of rent and when rent is due;
- Grace periods and penalties, if any, for late payment of rent;
- How long the lease is in effect (the “term of possession”);
- Who is responsible for utility payments, garbage collection, internet, lawn care, etc;
- Who is responsible for minor and major repairs to the rental property, especially to appliances, plumbing, heating and cooling;
- Whether the tenant can sublet and/or assign the lease during the lease term;
- Security deposit amount and an explanation of the policies regarding how and when the security deposit will be returned at the end of the lease term.

**Maximum term of assistance:** The total amount of months that can be funded for any one case.

**Program End Date:** The date funds run out

**Prospective rent:** Rent payments made before the rent is due. If the due date for the current month’s rent has passed, then the current month’s rent is considered arrears. Otherwise, the current month’s rent is prospective rent. For the purpose of consistency, the date of the application approval is the day when the rent is determined to be prospective rent or rent in arrears.

**Rental/lease agreement:** A lease is a contract, or legally binding agreement, between the landlord and tenant, granting the tenant exclusive use of the landlord's property for a given period of time in exchange for rent. Typically, this is a formal agreement between a landlord and a tenant. It can also be an informal written letter with the name of the tenant(s) and address of the property, and contact information of the landlord, signed by both the landlord and tenant, that indicates the lease terms. See lease terms definition for what should be included in a lease.

**Rental arrears:** Outstanding rent due for previous months. If the due date for the current month's rent has past, then current month's rent is considered part of rental arrears.

**Tenant:** a person who occupies land or property rented from a landlord.

**Unsafe and unhealthy living environment:** housing that is considered uninhabitable, unsafe, dangerous, or hazardous according to City or County Building Code, State law, or the International Building Code. The tenant may need to hire a private housing inspector to identify if the living environment is uninhabitable, if the tenant is living in the housing. It can also be housing that meets the U.S. Department of Housing and Urban Development definition of overcrowding, in which there is more than one person per one room in the housing unit. In this definition "rooms" include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms.

#### **ELIGIBLE ACTIVITIES & COSTS**

- A. TBRA Program funds may be used to provide financial assistance and housing stability services to eligible households for eligible forms of assistance, dependent on the demonstrated need and funding availability.
  1. **Eligible Households/Applicant** To be eligible, a household must meet the following criteria:
    - i. Must be a City of Palm Springs resident with proof of residency and residing in the property as the primary address. The only exception is if the Household is moving to a new property within Palm Springs, has signed at least a six-month lease agreement or submitted a completed Letter of Intent with future apartment complex, and is requesting prospective rent;
    - ii. Be obligated to pay rent on a residential dwelling or manufactured home lot in the City of Palm Springs;
    - iii. Qualify as a low-income household per HUD's household income definition of being at or below 80% of the area median income (AMI);
    - iv. One or more individuals within the household has qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other Financial Hardship;
    - v. One or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability.
  2. **Eligible Forms of Assistance**
    - i. Rental arrears up to the maximum term of assistance.

- ii. Prospective rent up to a maximum of three (3) months per application or Additional Funds Request (AFR) based on any application by or behalf of the household. This amount is calculated in the maximum term of assistance.
- iii. Outstanding utility and home energy costs (arrears) up to the maximum term of utility assistance.
- iv. Costs associated with turning on utilities due to poor credit.

B. Maximum Term of Assistance

- 1. The total overall amount of TBRA that any applicant to the City of Palm Springs TBRA program can receive is 4 months of assistance from the City, the State, or other Counties combined. This maximum amount includes rent and utilities paid. We count the months and not the type of TBRA assistance. (e.g. If an Applicant's landlord is paid three months of rent and the City water department is paid three months of water payments for the same three months then the total amount of TBRA received is three months. If those rent and utility payments are for separate months, the total amount of TBRA received is six months.)
- 2. The total months of rental assistance is capped at 4 months and may include rental arrears, prospective rent assistance, security deposit and other expenses related to housing.
- 3. The total months of utility assistance that is separately stated from the base rent and/or are paid to public utility provider is 4 months. The calculation for the amount of separate utility assistance is made by counting the number of months City of Palm Springs TBRA program paid for utilities. If the maximum amount of all utility costs (water, sewer, trash, gas, electric, and internet) is 4 months, no more TBRA can be paid for utility costs.

C. Priorities

- 1. Eligible Applicants shall be prioritized per the following conditions and in this order:
  - i. Tenant has received a court summons or demand notice for eviction due to non-payment of rent. The court summons or demand for eviction must be uploaded to the case.
  - ii. One (1) or more individuals within the household are unemployed as of the date of the application for assistance and have not been employed for the 90-day period preceding such date.
  - iii. The income of the household is at or below 50% AMI, with documentation.

**INELIGIBLE COSTS**

A. TBRA Program funds may not be used for the following activities:

- 1. To make commitments to specific owners for specific projects. Tenants must be free to use the assistance in any eligible unit;
- 2. To provide TBRA to homeless persons for overnight or temporary shelter;
- 3. To provide aid for more than 5 months;

4. To duplicate existing rental assistance programs that already reduce the tenant's rent payment to 30 percent of income (not including vouchers); and
  5. To provide assistance outside of the eligible TBRA Program areas
- B. The assisted unit cannot be owned by the subrecipient unless an exception is approved in writing by the City of Palm Springs. In order to be considered for an exception, the request must, at a minimum, include the following information:
1. An explanation why the exception is necessary/appropriate;
  2. A rent reasonableness analysis to demonstrate cost effectiveness;
  3. Documentation of adequate outreach to owners so as not to limit access; and
  4. Assurance that occupancy of the unit is not a 'requirement' placed on the participating household and that they have a free choice of units.
- C. TBRA funds cannot be used for the following costs:
1. Application fees for housing units
  2. Applicant background checks
  3. Cable deposits
  4. Landlord vacancy and/or damage claims
  5. Down payment and/or closing costs in conjunction with a lease-purchase program

### RENTAL ASSISTANCE STANDARD

The TBRA Program is based on the premise that decent, safe, sanitary, and affordable housing can be obtained on the private market for very low to low-income families. The unit chosen by the family should not exceed HUD published Fair Market Rents (FMRs). HUD FMRs can be found on the following HUD website: <https://www.huduser.gov/portal/datasets/fmr.html>.

A unit is determined to fall within the FMR of a specific area by adding the contract rent and the applicable utility allowance for the unit. For the purposes of the TBRA Program subsidy, the sum of both numbers cannot exceed the FMR of a unit. The tenant may select a unit that falls over the FMR if the unit meets rent reasonableness standards in the area and if the tenant is willing to pay the excess rent.

No unit assisted by TBRA can be less than 80 percent of the published FMR for the unit.

### SECURITY DEPOSIT

TBRA Program may provide grants to tenants for security deposits, not exceeding two (2) months' rent; income determination is provided at the time of assistance.

## UTILITY DEPOSIT

Eligible utility expenses are defined as water, sewer, gas, electric, internet and trash collection. Utilities do not include cable, and/or cell phone service.

## MARKETING AND OUTREACH

TBRA should be affirmatively marketed to all persons within the target population and/or special needs group. The marketing plan must address:

- A. How the program will be announced (i.e., which media and other sources)
- B. Where applications are available (i.e., at one site or more)
- C. When applications will be accepted (i.e., daily, during normal working hours or extended hours for a specified period)
- D. The method for taking applications (i.e., in person, by mail)

## APPLICATION CRITERIA

All applications must be in written form and must contain, at a minimum, information that enables the subrecipient to determine household composition, income and eligibility.

Each application received must be reviewed for completeness and to determine if the applicant is obviously ineligible. Staff will place all applicants who are apparently eligible on the waiting list pending verification of information provided.

A tenant file must be created for each application. This file will ultimately contain the application, documentation of the household's eligibility, copies of program forms, correspondence, etc.

Staff can sit with the Applicant as he/she/they are completing the application and verbally walk them through the application pages and questions. Staff shall not complete an application for an Applicant. However, staff can scan and upload documents for the Applicant. Staff can make changes to an application with written authorization from the applicant (for example, an email to the reviewer or lead working on the case).

Documentation can be in the form of an electronic document, scanned document, photographed document, or presented in hard copy to the City of Palm Springs, who may scan the documents and upload to the application. The scan or photograph must show the entire document, not just a section or sections from the document. City Staff shall check scans, photographs, and paper documents to make sure they have not been manipulated.

Applicants shall complete information on the tenant and the household members.

1. The application asks for social security numbers for all household members. **Social Security Numbers** and identification information submitted with an application are/is protected and shall not be shared.
2. The Applicant is required to provide a **legal photo ID** that has their name and address. If the ID is missing an address (passport), the address is out-of-date, or the address does not match the address on the lease agreement, staff shall collect an official document other than the lease from a government organization or a company with the tenant's name and address to verify City of Palm Springs residency. Examples include an unemployment benefit letter, utility bill, paystub from a verifiable business, bill from a college/university, bill from credit card company.
  - a. There shall be a "legal form of identification" for each of the household members age 18 and older. This could be the rent agreement with the other person's name on it, photo ID with a household member's current address, a utility bill, paystub, bank account statements, bill from a college/university, bill for credit card, tax form if prepared by a professional firm. This information is used to verify that the household members are people living at the address and not people listed to meet the household AMI criteria for the program. *Note: the application requests a photo ID of all household members age 18 or older.*
3. People who do not have U.S. residency can apply for the program and/or be a part of a Household that is applying for the program.
4. Documentation must be uploaded to the case file that proves the Household lives in the City of Palm Springs TBRA program area and that the Household is/was obligated to pay rent.
  - a. A rent agreement shall be used to verify the Household lives or lived in the City of Palm Springs during the time the Household is requesting assistance, and that the household is or was obligated to pay rent on a residential dwelling.
  - b. For those who are moving within the City of Palm Springs or resigning a lease agreement, a fully executed lease agreement that is at least six (6) months long is required to prove the household will be living in the program area or a fully signed Letter of Intent.
  - c. The rent agreement term and the time in which the Household is requesting assistance must align.
  - d. The rent agreement must show the address and the tenant's name and must be signed by both the Tenant/Applicant and Landlord.
  - e. The rent agreement is a required document page on the application.
  - f. If the lease is electronically signed, a utility bill or other official document can be used to verify the Applicant or co-Applicant lives at the location.
5. Applicants are requested to show documentation to determine the household income level. Households must be low-income as defined by the United States Housing Act of 1937 (household income below 80% AMI) to be eligible for the program. The City of Palm Springs uses the definition of annual income from [24 CFR § 5.609](#). The City of Palm Springs shall request income verifying documentation from all adults age 18 and older living in the



household to verify income level and prevent fraud. There are a few ways that a household can income-qualify for the program:

- a. Applicants who have one or more household members who are or were unemployed during the time of requested assistance can provide unemployment benefit letter(s) for the adult(s) in the household. *Please note that one unemployment benefit letter for one adult does not cover every adult in the household.*
  - b. Households that are low-income can provide the most recent and appropriate income tax forms (the 2022 tax forms as of April 21, 2023 are required for TBRA to cover months in 2022, and a 2021 tax form can be used to pay TBRA for months in 2021), or two recent, consecutive months of paystubs for all adult members of the household, and/or two months of all pension or retirement distributions. Households that are receiving assistance through federal government programs can submit copies of the benefit letters with the application to qualify, provided the determination of eligibility for these benefits was made recently (in the last six months). *See Current Income under the Income Qualification section for the various benefit letters that will be accepted.*
  - c. Applicants who are self-employed or do freelance work can provide other types of documentation to prove income level. *See the Income Qualification section for benefit letters that will be accepted.*
6. The TBRA Policy requires that at least one person in the Household demonstrate a risk of experiencing homelessness or housing instability. Some examples of documentation that can verify housing instability include:
- a. Eviction notice; or
  - b. 10-day or 30-day notice from landlord; or
  - c. Ledger from the Landlord of two or more months of past due rent (does not need to be consecutive months). This can include a ledger with partial payments made with some outstanding rent accumulating;
  - d. Utility bill with two or more months of past due utilities; or
  - e. Ledger from Landlord of three months or more of late rent (does not need to be consecutive);
  - f. Documentation of recent and unexpected termination of employment; or
  - g. Demonstration of an unsafe or unhealthy living environment;
  - h. Letter from the City or County Building Officials or documentation from a private housing inspector identifying that the housing is uninhabitable, unsafe, dangerous, or hazardous according to City or County Building Code or State law or the International Building Code.
  - i. Documentation from a Fire Department that the housing is unsafe, dangerous, or hazardous.
  - j. Documentation signed by caseworker with knowledge of the Applicant's housing situation that the house is overcrowded or documentation that proves that the

amount of people living in the house create an overcrowding situation as defined by the U.S. Department of Housing and Urban Development.

- k. Applicants applying for assistance with utility or other housing expenses related to housing shall submit bills or evidence of payment.

## RENT ASSISTANCE CRITERIA

### General Guidance on Rent

1. A lease agreement signed by the Applicant (tenant) and landlord or sublessor that identifies the unit where the Applicant resides and the elements listed under lease terms in Definitions section is required to serve a person through this program.
2. The amount of rent eligible for the program must be identified in a lease agreement between the tenant and the landlord. This applies to the monthly amount and what the monthly rent includes as well as the length of time in the rental housing. The lease term justifies the number of months the Applicant can live in the housing and thus the number of months eligible for TBRA rent assistance. If using a letter for the lease agreement (that contains all the elements listed under lease terms in the Definitions section), rent payments must be proved through copies of deposited checks, bank statements, or other documentation that reasonably establishes a pattern of paying rent.
3. A new lease agreement must be for at least a six (6) month term for the City of Palm Springs to fund prospective rent and/or security deposit or application fees. There is no requirement regarding the length of time the Applicant household has lived in the current unit.
4. Rent must either fall into the category of rental arrears or the category of prospective rent.
5. The total rental assistance (the “maximum term of assistance”) is capped at 4 months.
6. There is not a maximum monthly amount per unit for rent eligible under the City of Palm Springs TBRA Program.
7. Funds cannot be paid after the Program End Date, which is determined by available funds.
8. The City of Palm Springs may pay multiple landlords on behalf of one household. For example, a tenant might have been displaced and moved before paying rent in arrears to the former landlord and the tenant is not able to pay rent to the new landlord. The City of Palm Springs can pay the previous landlord for the rent in arrears for the time the tenant was living in the unit and pay the current landlord for prospective rent, if the household qualifies for the program and there are two rental agreements submitted to pay both landlords.
9. Rent expenses can include housing costs bundled into the fixed fee monthly rent amount, as defined in the rent agreement. These may include utilities, home energy costs, general maintenance costs that are covered by the landlord. If the landlord charges utility costs separately from the base monthly rent, then these utility costs fall under the Utility Assistance Criteria.

10. An eligible household that occupies a federally subsidized residential or mixed-use property or receives federal rental assistance may receive TBRA assistance, provide that TBRA funds are not applied to costs that have been or will be reimbursed under any other assistance.
  - a. If an eligible household receives a monthly federal subsidy (e.g., a Housing Choice Voucher, Public Housing, or Project-Based Rental Assistance) and the tenant rent is adjusted according to changes in income, the renter household may receive TBRA assistance for the tenant-owed portion of rent or utilities that is not subsidized.
  - b. The City of Palm Springs must review the household's income and sources of assistance to confirm that the TBRA assistance does not duplicate any other assistance, including federal, state, or local assistance provided for the same costs.
11. The City of Palm Springs will treat subleases like regular leases. The subleases must meet the same TBRA program criteria as the leases. The original lease must allow for subleasing.
12. Households with a rent-to-own lease can receive assistance for the rent and utilities, provided that a member of the household
  - a. Is not a signor or co-signor to the mortgage on the property;
  - b. Does not hold the deed or title to the property; and
  - c. Has not exercised the option to purchase.
13. If an Applicant is able to provide a lease agreement, but is unable to present adequate documentation of the amount of the rental obligation (i.e the ledger), then The City of Palm Springs may accept a written attestation signed by both the Applicant and the landlord to support the payment of assistance up to a monthly maximum of 100% of the greater of the Fair Market Rent or the Small Area Fair Market Rent for the area in which the Applicant resides, as most recently determined by HUD and made available at [www.huduser.gov/portal/datasets/fmr.html](http://www.huduser.gov/portal/datasets/fmr.html). The assistance described in this paragraph may only be provided for three (3) months. This limited payment is intended to provide Households and Landlords the time to gather the essential documentation (ledger) or to negotiate with landlords to avoid eviction.

#### Rent in Arrears (Overdue Rent Payments)

1. Rent in arrears can be paid for back rent but may not exceed the maximum term of rental assistance.
2. Rent in arrears can only be paid for the time the Household was living in the unit.
3. If an Applicant has rent in arrears, it should be paid in full up to a maximum term of rental assistance, subject to funding availability.
4. City of Palm Springs must pay the rental arrears first and before the household may receive assistance for prospective rent payments.
5. TBRA can pay for rental or utility arrears for families who were in a rental agreement previously even if the Household is not currently in a rental obligation.
  1. TBRA can pay for rental and utility arrears and prospective rent for tenants who have been in a month-to-month lease that started at least six months prior to requesting assistance.

## Prospective Rent

1. The City of Palm Springs may pay prospective rent up to and not exceeding three (3) months forward. Prospective rent can only be paid if the prospective rent is necessary for the Applicant's housing stability.
2. To provide prospective rent, the Landlord must agree not to evict the tenant for the months with prospective rent paid.
3. A fully executed agreement for the time period requesting/receiving TBRA funds is required. Therefore, if the lease ends before or during the time period that the prospective rent would cover, the City of Palm Springs has some options:
  - Provide prospective rent up until the end date of the lease agreement; or
  - Upload the new lease signed by both the tenant and landlord; or
  - Use the Letter of Intent signed by the Applicant (tenant) and landlord or sublessor that identifies the property and the unit where the Applicant will reside to allow the City of Palm Springs to obligate the prospective rent and pay it when the signed lease is provided.
4. Prospective rent shall only be paid after all eligible outstanding rent and utility costs have been paid.
5. The monthly amount eligible to be paid as prospective rent is the fixed fee amounts listed in the lease agreement. These fixed fee amounts are set amounts paid monthly, as stated in the lease. Fluctuating amounts, irregular amounts, and quarterly or annual amounts are not eligible to be paid as prospective rent.
6. The Applicant does not have to have outstanding rent to be served.
7. Households can receive prospective benefits if the City of Palm Springs can prove:
  - the Household is currently struggling with housing instability; and
  - the Applicant was previously in a lease agreement. The previous lease does not have to be for housing in the City of Palm Springs, if the Applicant is requesting prospective rent only; and
  - the Household has entered into a current lease agreement that has a six (6) month term or longer or has a signed Letter of Intent for leasing an apartment in the City of Palm Springs TBRA eligible area.
8. Applicants who have been unhoused may receive prospective rent paid through the TBRA program if the person/family is in a new lease or starting a new lease and meets all the eligibility requirements of the program.
9. For families who do not have a current rental obligation, which is a requirement for TBRA eligibility, the City of Palm Springs can provide households with the Letter of Intent stating that the Applicant is pre-approved for TBRA funds and specifying the amount and type of funding the landlord will receive if the landlord and the Applicant enter into a lease with at least a six (6) month term. However, funds for security deposits, application fees, and prospective rent cannot be paid until the official rent agreement is signed by both parties, submitted, and attached to the case file. The letter of intent shall have an expiration date of 25 days.

## UTILITY ASSISTANCE CRITERIA

Utility expenses that are paid through a utility service provider or a landlord are eligible to be paid through the TBRA program. Utilities and home energy costs eligible for TBRA funding include electricity, gas, water and sewer, trash removal, and energy costs, such as fuel oil and internet.

- A. Outstanding utility costs to a utility provider can be paid for, but may not exceed the maximum term of utility assistance of 4 months.
- B. The City of Palm Springs TBRA program will pay for utility in arrears but does not provide prospective utility payments (utility bills yet to be calculated).
- C. Only those utility costs accrued during the same period the tenant was living in the housing can be paid, and this time period must be as verified through a rent agreement or agreements.
- D. Utility expenses that are a part of the monthly fixed fee rent amount (i.e. base rent) and covered by the landlord are considered rent for the purpose of this program.
- E. All utility service costs reimbursed with TBRA funds shall have a written “bill, invoice or evidence of payment to the provider of the utility or home energy service,” if the utility cost is not a part of the base rent cost (i.e. monthly fixed fee rent amount) listed in the lease agreement. This separate utility expense is common with mobile home parks, in which water bills are broken out for lots based on the monthly water cost. Therefore, the City of Palm Springs shall not estimate or pay these prospective utility payments.
- F. The address listed on the utility bills/statement must match the address on the rental agreement.
- G. The payment of rental assistance is not required to provide financial assistance with utility and energy costs. However, if the Applicant has rental arrears, this outstanding amount shall be paid first before utility assistance can be offered.
- H. If the Applicant has separate utility bills and has not requested that these be paid, then it is not necessary to “find” outstanding utility costs to pay.
- I. Internet Service can be paid with direct program assistance and is considered a utility cost.
  1. Current and past due internet service expenses can be paid if the Applicant meets all other program qualifications and there is remaining TBRA funds after the outstanding rent and outstanding utility are paid in full by TBRA or some other source.
  2. Internet costs will follow the maximum terms of assistance for utilities.
  3. Internet statements of outstanding costs or bills can be sent as a part of the application. All payments for internet in arrears shall be supported by a current and/or past due bill or invoice.
  4. In cases where it is impossible to substantiate the actual cost of the internet because the service is provided in a bundle package, Partner Organizations may pay \$65/month for internet and may not exceed 4 months of assistance. The City of Palm Springs TBRA Program does not provide internet payments forward.

## OTHER EXPENSES RELATED TO HOUSING

### A. Fees paid as direct program assistance

#### 1. Late Fees

- a. The City of Palm Springs will pay the greater of \$50 in late fees or 5% of the past due rent payment with TBRA funds for rent in arrears.
- b. Late fees must be justified through the rent agreement and the landlord's ledger.

#### 2. Court Fees

- a. Court filing fees for the Applicant's/tenant's portion of the Household's Eviction case.
- b. Costs or fees imposed by a judge regarding the Applicant's eviction case can be paid as long as the tenant is able to remain and remains in the rental housing.

#### 3. Housing Fees

- a. Housing fees allowed to be paid must be "reasonable and necessary". If associated with rent, the fees must be identified in the lease, documented on a rental ledger, and legally required to be paid to prevent eviction. If associated with utilities, the fees must be documented on the utility bill.
- b. These fees are the miscellaneous fees not addressed in other sections of this manual or other categories of this section and are associated with leasing the unit or the lot. Examples of these fees are pest control, monthly renters' insurance fees, garage/covered parking fee, Conservice fee for utility bills, etc.
- c. The maximum monthly amount of these miscellaneous fees that can be reimbursed is \$100.
- d. Fees rolled into the base rent are considered rent. See Rent Assistance Criteria.
- e. An application fee for the future rental property. See application fees under Relocation Expenses.

### B. Relocation Expenses – can be paid with direct program assistance

#### 1. Relocation and rental fees may be awarded to households who are moving to a housing situation with a six month or longer lease, a less expensive housing situation, or a healthier environment. Relocation fees may cover the following:

- a. Security deposits up to one month's rent on new housing with a six (6) month or longer lease term.
  - i. The security deposit is calculated as one month of the maximum term of rent assistance.
  - ii. The security deposit may be returned to the tenant if the tenant resides in the unit for a of minimum four (4) months. If the tenant vacates the unit before the

four (4) month period, the security deposit is must be returned to the City of Palm Springs' TBRA bank account to be used for another Household.

- b. An application or screening fee for the new housing location that is a "reasonable" cost. An application fee of approximately \$40 is reasonable for California. The Applicant must have a fully executed lease agreement before this application fee can be reimbursed. This amount can be provided in addition to the maximum term of rental assistance.
  - c. Moving expenses are limited to \$500 maximum. This expense can be provided in addition to the maximum term of rental assistance if a valid bill/invoice is supplied.
    - i. Applicants who qualify for relocation expenses must be staying in the City of Palm Springs program area. Those moving out of the City of Palm Springs to housing in another city are not eligible to receive this assistance.
- C. Fees that are not eligible for direct program assistance, in general:
- Landlord attorney fees
  - Damage fees
  - Unauthorized pet fees (different than a monthly pet fee)
  - Fees intended to reprimand the tenant, (especially if the Landlord is evicting or if the tenant is leaving to prevent future eviction) such as an early termination fee assessed if the tenant does not give enough notice required in the lease agreement or an unreasonable fee charged to the tenant in the event the resident defaults on the lease agreement by vacating before the end of the lease, either voluntarily or through an eviction

### APPLICATION REVIEW PROCESS

- A. Once an application is submitted and shows up on the wait list, a City of Palm Springs staff member will review the application to check if the Applicant resides in the City of Palm Springs TBRA area.
  1. If the Applicant resides in the City of Palm Springs, the reviewer will:
    - a. Check the case file to see if there is a court summons or 30-day/10-day demand letter.
    - b. Check the case file for completeness. All awards for assistance must meet the minimum program requirements listed under Eligibility Criteria. If something is missing from the file, the staff member will send an Incomplete Application email.
  2. If the Applicant does not reside in the City of Palm Springs, the reviewer will:
    - a. Send a Denial Email to the Applicant. This email could include links to assistance elsewhere in the Coachella valley/Riverside County.
- B. City of Palm Springs staff shall confirm the property ownership through Riverside County property records to verify the landlord (for single family homes) on the lease is the property owner. Also, this check can determine if the landlord is in a relationship with the tenant that presents a conflict of

interest to the tenant receiving funding. For example, a landlord renting to his/her sibling or significant other to pay a mortgage.

1. If the property owner is a trust, please ask the trust to provide ownership records.
- C. City of Palm Springs staff can check to make sure the housing is not in the foreclosure process through the Foreclosure listings on the County of Riverside Assessor Website. Applications can be denied when the rental housing is in the foreclosure process.
- D. City of Palm Springs staff shall process applications with high priority conditions first.
1. Staff will work expediently with cases that required an expedited payment process to prevent eviction. Applicant will need to state and produce evidence of threat of eviction.

**INCOME VERIFICATION**

Eligible Households must have an income below 80% AMI based on annually published income limits by the U.S. Department of Housing and Urban Development (HUD) for the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (MSA). The City of Palm Springs is using the 2023 income limits for the TBRA program and will update annually:

<b># of People in Household</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>Maximum Income (80% AMI)</b>	\$52,200	\$59,650	\$67,100	\$74,550	\$80,550	\$86,500	\$92,450	\$98,450

- A. City of Palm Springs Staff must determine income eligibility based on sufficient confirmation of the household’s yearly or monthly income through one of the four methods, as outlined below:
1. Tax Returns
    - a. City of Palm Springs staff can rely on the Applicant’s Adjusted Gross Income from the Applicant’s filed federal tax return (Form 1040). Federal tax returns should be collected for all adults who filed taxes and live in the home.
  2. Current Income
    - a. City of Palm Springs staff shall review the two (2) months of gross income information for the household (anyone over 18 years old) submitted at the time of application. The two (2) months of income is then extrapolated over a 12-month period to determine whether household income exceeds 80% of AMI. Applicants must submit income documentation for



the two (2) most recent months of the income documentation for all adults (18 and over) living in the home, as applicable, for the household. Income documentation includes:

- Paystubs or other wage statements;
- Unemployment benefits;
- Social Security;
- Retirement, survivor, or disability pensions;
- Supplemental Security Income (SSI);
- Public assistance payments;
- Interest, dividends, net rental income, royalty income, or income from estates and trusts. (Report even small amounts credited to an account.);
- Any other sources of income regularly received such as Veterans' (VA) payments, child support, or alimony;
- Bank statements (two months' worth), especially for those whose pay is directly deposited such as Uber or Lyft drivers or employees who receive tips as a source of income;
- Small business owners and freelance workers can provide IRS Form 1099 for business or consultant work;
- Self-employment income - net income after business expenses;
  - Those who are paid directly to their bank account or those whose primary income comes from tips can submit two months of bank account records that show payments and tips. Both the checking and savings account records shall be submitted;
  - Signed attestation from the Applicant's employer: Those who may be paid a stipend or one-time fee for work, such as with an internship, or as needed-work, or project-based work, can provide a letter on company letterhead from the business owner or manager that states the person works for the company, the dates the person worked, will work, or does work for the company and the pay that the person received or receives.

### 3. Categorical Eligibility

a. Categorical eligibility is applicable when the applicant is receiving assistance or is qualified for assistance from other programs that align with the TBRA program's income eligibility requirements. The following determination/benefit letters for assistance from a government agency, provided the benefit letter is dated in the last six months, are allowable to determine income:

- Supplemental Nutrition Assistance Program (SNAP)
- Low Income Energy Assistance Program (LEAP)
- Temporary Aid to Needy Families (TANF)
- Medicaid for Parents & Caretaker Relatives, Adults (ages 19-65), or Pregnant Women

- Child Care Assistance program (CCAP)
  - Aid to the Needy Disabled / Aid to the Blind
  - Old Age Pension
  - Qualified Medicare Beneficiary who receives coverage of Part A and Part B premiums
  - Housing Choice Voucher that has been income verified in 2022 or 2023
  - Supplemental Security Income (SSI) (not Social Security Disability Insurance)
  - In appropriate cases, the City of Palm Springs staff may rely on an attestation from a caseworker or other professional with knowledge of a household's circumstances to certify that an Applicant's household income qualifies for assistance
- b. The benefit letter must cover the entire household or multiple income documents for the household may be necessary.
4. Self-Attestation with Fact-Specific Proxy
- a. City of Palm Springs staff must have "a reasonable basis" for determining household income and "support its determination with both a written attestation from the applicant as to household income and also documents available to the applicant, such as paystubs, W-2s or other wage statements, tax filings," etc. Therefore City of Palm Springs staff must request applicants provide income documentation. If the Applicant can provide any of the other forms of income documentation listed in these Policies and Procedures, then reviewers shall use those documents to verify income.
5. Self-Attestation with No Confirming Documentation
- a. As a last resort and under very limited circumstances, City of Palm Springs Staff may make a request to Adams County to evaluate a written attestation from an Applicant on household income without further documentation. This method is limited to Applicants who are faced with extenuating circumstances that hinder the Applicant from obtaining income documentation and the Applicant does not live within a QCT.
- b. Extenuating circumstances may exist when the household's documents were lost in a fire or flood, when the company the person worked for went out of business, if a person requests an accommodation for a federally recognized disability and the County Human Services Department or the person's case worker verifies the person does not have documents, when the person is paid by cash only, or if the household has zero income.
- c. If an application has suspicious elements in application or documentation, a certification of zero income cannot be used.
- d. Under all written attestation requirements, City of Palm Springs staff are responsible for making the determination regarding the applicant's household income according to these policies and procedures and documenting that the determination follows these policies and procedures.

### WAITING LIST

The City of Palm Springs will process applications in the order they are received. Families with a complete application will be selected in that order, until funds are depleted.

### WRITTEN NOTICE OF DENIAL

If an applicant is denied for the TBRA Program, City of Palm Springs staff must provide in writing the reason(s) for denial

### DETERMINATION OF UNIT SIZE

The unit size designated shall be assigned in accordance with the following criteria:

- A. No more than two persons are required to occupy a bedroom;

### DISTRIBUTION OF FINANCIAL ASSISTANCE

- A. Assistance payments are to be made directly to the landlord or utility provider on behalf of the eligible household.
  - 1. Landlords and utility providers must provide their name, address, and Social Security number, tax identification number or DUNS number. This information will be on the Landlord application and the W-9.
  - 1. The City of Palm Springs must provide a record to the Applicant of any payments made by the organization to a landlord or utility provider on behalf of an eligible household.
- B. Post Payment Follow-up
  - 1. City of Palm Springs requires landlords to show documentation from the landlord to show the payment has been credited to the tenant. This measure further prevents fraud, waste, and abuse.
- C. Landlord or Utility Provider Refuses Payment
  - 1. The City of Palm Springs must make reasonable efforts to obtain the cooperation of landlords and utility providers to accept the TBRA payments from the City of Palm Springs TBRA Program. Outreach must be completed by the City of Palm Springs before determining that the landlord or utility provider will not accept direct payment from the City. Outreach will be considered complete if:
    - a. At least three (3) attempts by phone, text, or e-mail are made over a five (5) calendar-day period to request the landlord or utility provider's participation; or
    - b. A landlord confirms in writing that the landlord does not wish to participate.

2. If the landlord or utility provider does not agree to accept such payment from the City of Palm Springs after outreach, the City shall work to get the landlord to reconsider.
  - a. If the landlord still does not accept the payment, the case may proceed to court and the City of Palm Springs may pay rent assistance through a Court bond. The City of Palm Springs can consider paying the rent assistance directly to the eligible household for the purpose of making payments to the landlord or utility provider. However, this decision would require all other payment options to fail, the City staff to speak with the landlord to confirm the Landlord's stance, and other confirmation that the funds would be used only for rent assistance. That confirmation will be determined by the City of Palm Springs on a case-by-case basis. Only the outstanding rent and utilities included in the rent can be paid directly to the household. Payments made directly to tenants do not require the tenant to submit a W-9 and receive a 1099 at the end of the year.
- D. Landlords paid directly must complete a W-9 and will receive a 1099 at the end of the year. Partner Organizations shall provide 1099s to landlords participating in the program. Businesses must send Form 1099-MISC to recipients by February 1 and file it with the IRS by March 1. Households and utility companies do not need a 1099. For information visit the IRS website <https://www.irs.gov/newsroom/emergency-rental-assistance-frequently-asked-questions#:~:text=No.,to%20members%20of%20the%20household.>