

# **The City of Pittston Mortgage Assistance Program**

## **Aimed at Foreclosure Prevention**

Funded by CDBG-CV funds from the U.S. Department of Housing and Urban Development and the Commonwealth of Pennsylvania Department of Community and Economic Development

Administered by the City of Pittston Redevelopment Authority:

35 Broad St.  
Suite 202  
Pittston, PA 18640

## **Program Guidelines**

The purpose of the City of Pittston Mortgage Assistance Program is to assist low to moderate income households experiencing difficulty making mortgage payments due to impacts from the global COVID-19 pandemic.

The City of Pittston received Community Development Block Grants (CDBG-CV) funds through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. Assistance provided will be granted based on the program guidelines, eligibility, and on a first-come, first qualified, first-served basis. After all eligibility criteria is met, financial assistance will be provided to the financial institution where the mortgage is filed. Due to federal funding from the (CDBG-CV) funds, assistance will only be provided to applicant's for principal/interest payments of mortgages (financial assistance will not be provided for tax, insurance, late fees, legal fees). Applicants are required to fill out a pre-screen and once eligibility is determined, they will complete a full-form application with additional supporting documents to verify 1.) income eligibility based on HUD standards, 2.) income disruption due to COVID-19 3.) mortgage arrear(s) payments and 4.) that no duplication of benefits is present and no other source of federal funds have been granted or used for the same purpose as mortgage assistance.

## **Information on CDBG-CV Funding**

This activity is a public service activity under the CDBG program regulations at 24 CFR 570.201(e) as allowed pursuant to 24 CFR 570.207(b)(4) that provides emergency grant payments made over a period of up to three (3) consecutive months directly to the provider of the housing. The activity is further regulated pursuant to 24 CFR 570.208(a)(2)(i)(B) whereby applicants shall supply information on family size and income to qualify.

## **Maximum Assistance Amounts**

Funds will assist with up to 3 months of mortgage payment to financial institutions. Funds may be used to cover mortgage payments (principal and interest only) after March 31, 2020. Maximum assistance amounts will not exceed \$800 per month, this criterion was developed using the average monthly mortgage payment in Luzerne County from data from the National Association of Realtors.

## **Eligibility & National Objective**

The CDBG primary national objective is to benefit low-and moderate-income (LMI) persons. LMI is defined as 80 percent of the city median income, adjusted by household size. In limited cases, CDBG funds may be used to alleviate qualifying urgent needs. Based on the CARES Act, the purpose of CDBG COVID-19 (CDBG-CV) funding is to **prevent, prepare for, and respond to the coronavirus pandemic.**

## **Reporting Requirements**

The City of Pittston Redevelopment Authority is required to report and file data related to participation in the Mortgage Assistance Program as it relates to income, race, and other demographic information for the populations served.

## **Program Marketing & Communication**

- City website
- Flyers in community organizations
- Newspaper ad

## Applicant Eligibility Criteria

- Applicants must own a property located in Pittston, PA and reside in it as their primary residence.
- Applicants must have a current annual household income that does not exceed the U.S. Department of Housing and Urban Development (HUD) established “moderate-income” limits for Luzerne County (see HUD income chart below).

MODERN INCOME LIMITS	
Household Size	Income Limit
1	\$39,550
2	\$45,200
3	\$50,850
4	\$56,500
5	\$61,050
6	\$65,550
7	\$70,100
8	\$74,600

- Note that household income eligibility is based on the following (2) factors:
  - 1. Total number of people residing in the household:** All household members are considered members of the household for the purpose of determining income eligibility. For the purpose of this EMAG, the guidance in the HOME regulations at 24 CFR 92.203(d)(1) states that “Annual Income shall include income from all persons in the household”. The following are considered household members:
    - All adults, whether they are related or not
    - All children (including those living in the household and those that have been adopted) who live in the household full time, and those that will live in the household fifty percent of the time or more due to shared/joint custody, and
    - Any temporarily absent household member (those living away from the household) such as active-duty military, seasonal workers, students living away at school, etc.
  - 2. Total amount of current annual household income from all household members as stated in the Program Application and confirmed by supporting documentation.**
    - Applicants must submit evidence of current mortgage balance indicating arrear(s) payments
    - Applicants must have a complete and accurate application in order to be eligible. Incomplete applications will not be reviewed.
    - Applicants must certify that no duplication of benefits exists, i.e., applicant has not been granted federal or state funds for the same purpose as mortgage assistance.

## Property Eligibility Criteria:

- Property type must be owner-occupied
- The property must not be listed for sale

## Covid-19 disruption Eligibility Criteria:

- Applicants must document a clear, negative economic impact as a result of the COVID-19 pandemic resulting in the inability to pay monthly mortgage payments

- Applicants must include supporting and verifiable documentation showing income prior to the COVID-19 disruption and post the COVID-19 disruption
- Documentation will include:
  - Proof of sources of income for all residents in the household over the age of 18 including:
    - Paystubs
    - Bank account statements by month starting from pre-covid disruption to post-covid disruption
  - Proof of unemployment compensation (if applicable)
  - Proof of disability compensation (if applicable)
  - A copy of the applicant’s notification of job loss/termination, furlough, or reduction in hours/pay from the employer during the eligible pandemic period (March 1, 2020 to present).
  - A notarized affidavit signed that includes the name of the family member who is self-employed, the name and nature of the business, and narrative confirming economic impact on self-employment during the eligible pandemic period
  - Self-certification of income loss due to COVID-19 and any other documents deemed acceptable by the Redevelopment Authority.

### **Eligibility Determination & Intake Process**

- **Step 1 - Prescreen**

To apply for assistance from this program, each applicant must be pre-screened to establish eligibility to receive assistance. To pre-screen, submit the pre-screen questionnaire which is attached to this document, starting on page 5. Should the applicant meet the basic eligibility threshold, the applicant will be sent a full-form application. Receiving the application does not guarantee the applicant will receive benefits under this program.

- **Step 2 – Selection Process**

COVID-19 has created great needs for the Pittston community, many of these needs are greater than the resources available. The City has limited funding for the mortgage assistance program and to create the most equitable chance of resident participation, applicants who are determined eligible after the prescreening process will be sent a secondary full-form application and request for additional supporting documentation. Once all documents have been verified, applicants will move forward on a first-come, first-served, first-qualified, first-served basis. Application submission does not guarantee that the applicant will be selected and receive benefits under this program. Applicants shall sign and return a Program Participation Agreement with their application. If selected to receive program assistance, the Authority will execute the Program Participation Agreement.

### **Applicant Understanding of Program Guidelines**

#### **Duplication of Benefits**

Applicants must certify under penalty of perjury, under the laws of Pennsylvania, that they are not able to receive, and have not received, other federal or non-federal benefits or assistance for mortgage assistance for the period of time between March 1, 2020 and the date of last signature on this application form. Applicants shall further certify that they will not pursue other federal or non-federal benefits for the same uses of this mortgage assistance program for mortgage costs for the period of March 1, 2020 until the final assistance payment is made by the Authority under the Emergency Mortgage Assistance Grant Program.

## **False Claims**

Applicants shall certify on the Program Application under penalty of perjury that “The information provided on this form is subject to verification by HUD at any time, and Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony and assistance can be terminated for knowingly and willingly making false or fraudulent statement to a Department of the United States Government.”

## **Non-discrimination & Language Assistance**

The City of Pittston will provide reasonable accommodations and/or modifications or provide language assistance to individuals requesting such assistance to benefit from the services provided by the Mortgage Assistance Program. The Mortgage Assistance Program shall be implemented consistent with the City of Pittston’s commitment to State and Federal equal opportunity laws. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG-CV program funds on the basis of their disability, family status, national origin, race, color, religion, sex, ancestry, age, or other arbitrary discrimination.

## **Confidentiality for Applicants**

The City of Pittston Redevelopment Authority will abide by all regulations stated within the Privacy Act of 1974. Employees of the Redevelopment Authority will not disclose personal or confidential information that is shared as part of the application or intake process.

## **Conflict of Interest**

In accordance with 24 CFR 570.611, no member of the governing body and no official, employee or agent of the City of Pittston Redevelopment Authority, nor any other person, either for themselves or those with whom they have business or immediate family ties, who exercises policy or decision-making responsibilities will financially benefit from this program.

## **Application Completion**

Funding is limited, and time is of the essence in supporting local families during this difficult time. For these reasons, it is important that applications are complete and accurate. Incomplete applications will not be reviewed.

By signing below, applicants agree that they have read and understand the terms and conditions outlined in the program guidelines.

Applications will be made available online as fillable forms that can be e-mailed to [sbonacci@pittstonrda.com](mailto:sbonacci@pittstonrda.com) or printed and mailed back to the Redevelopment Authority at the following address:

35 Broad St. Suite 202 Pittston, PA 18649

**CITY OF PITTSTON MORTGAGE ASSISTANCE PRE-APPLICATION**

MARK ALL FIELDS, FILL IN N/A IF NOT APPLICABLE. SUBMIT APPLICATION BY CLICKING THE SUBMIT BUTTON BELOW. E-MAIL COMPLETED APPLICATION TO [SBONACCI@PITTSTONRDA.COM](mailto:SBONACCI@PITTSTONRDA.COM) OR PRINT AND RETURN TO CITY OF PITTSTON REDEVELOPMENT AUTHORITY 35 BROAD ST. SUITE 202 PITTSTON, PA 18640.

<b>APPLICANT HOUSEHOLD INFORMATION</b>				
Applicant Full Name:				
Date of Birth:				
Number of Adults in Household:				
Number of Children in Household:				
Applicant Address:				
City, State, Zip:				
Phone Number:				
Email:				
Co-Applicant Full Name:				
Co-Applicant Address:				
Co-Applicant City, State, Zip:				
Co-Applicant Phone Number:				
Co-Applicant Email:				
Relationship to Applicant:				
<b>HOUSEHOLD MEMBERS</b> Include All Members of HH (including applicant)				
Household Member Name	Relationship to Applicant	Age	DOB	Employed Y/N

<b>TOTAL HOUSEHOLD GROSS YEARLY INCOME</b> (Including All Members of HH. Include wages, interest income, social security income, disability income, pensions, or any other household income for ALL family members.)	\$
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Can you prove through bank statements and supporting documentation that your income been negatively impacted from COVID-19?	
Do you have a current mortgage, of which, you have past-due payments on?	
Is your residence owner-occupied?	
Have you received any other federal funding for the same purpose (mortgage assistance) in the last calendar year?	

<b>Explain your COVID-19 income disruption:</b>	
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By signing below, I acknowledge I have read, understand, and am in agreement with all aspects of the Program Guidelines for the Mortgage Assistance Program administered by the City of Pittston Redevelopment Authority.

Applicant Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

Co-Applicant Signature: \_\_\_\_\_  
Date: \_\_\_\_\_