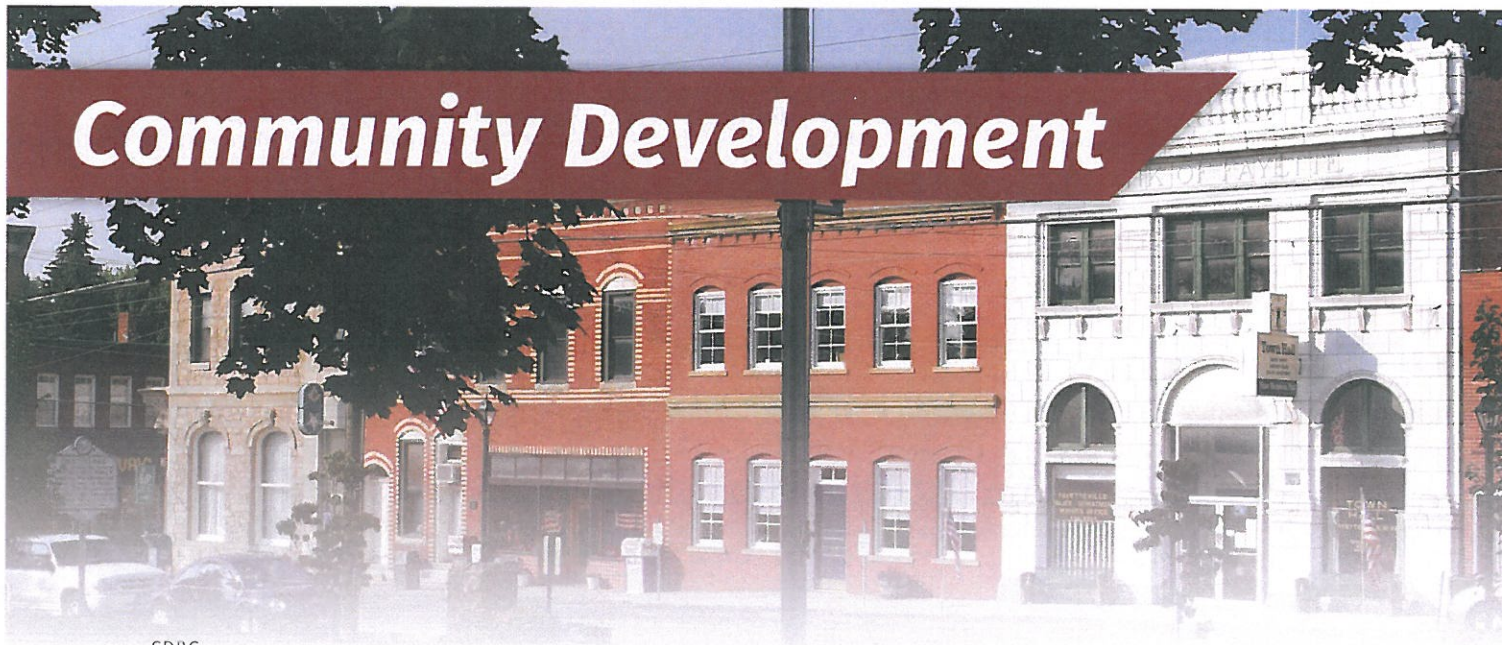


Community Development



CDBG

CDBG Tap Fee Assistance Guide

2015



West Virginia Development Office

**West Virginia Development Office
Community Development Block Grant (CDBG-Small Cities)**

TAP FEE ASSISTANCE GUIDE

I. INTRODUCTION

Community Development Block Grant (CDBG-Small Cities) funds may be used to connect Low to Moderate Income (LMI) residents to water and sanitary sewer systems for projects funded by the U.S. Department of Housing and Urban Development (HUD). The intent of this funding is to increase the availability of water and sewer service to potential property owners who are eligible under applicable HUD income limits. This assistance will provide funds for applicable water and/or sewer tap fees. A request for Tap Fee Assistance must be stated in the application for CDBG funding upon submission to the West Virginia Development Office (WVDO). This request must be detailed in a separate line item of the CDBG budget and provide estimates for the potential number of beneficiaries, cost per connection, and total cost.

II. TAP FEE ASSISTANCE PROCESS

- A. **Determine eligible costs.** Generally, hookup costs eligible for CDBG funding include tap/connection fees, hookup charges, meter installation costs, inspection fees, and other costs as approved by WVDO for income-eligible beneficiaries. All questions regarding eligibility should be referred to the WVDO project manager. Meter deposits or other non-refundable deposits are not grant-eligible.
- B. **Notify all potential Low and Moderate Income (LMI) residents** that applications for tap fee assistance are being accepted. Establish a deadline for application submission as part of the notification. As discussed below, it is advisable that a variety of notification methods be utilized. Suggested methods include:
- **Direct door-to-door solicitation of all project beneficiaries.** This process is the most comprehensive and effective method, especially in solicitation of elderly residents, and will suffice without further notification efforts. Mail-outs indicating acceptance of hookup applications to non-responsive residents will need to be made.
 - **Direct mailings/flyers to potential beneficiaries.** Although this method is effective, strict reliance on initial income survey data to identify proposed beneficiaries may be misleading because survey information may change due to death, migration, vacancy, changes or corrections in income information, and/or potential responses from residents who did not respond to the initial survey. For these reasons, it is advisable to issue at least one public notification so that all potential beneficiaries are notified.
 - **Public notification through newspaper and radio advertisements or notifications posted in at least five public places, if no newspaper or radio access is generally available to beneficiaries.** Minimally, these notices must identify:

1. Who is eligible based on specific HUD income guidelines
2. Where/how an application may be obtained
3. Actions to make applications accessible to disabled/elderly persons
4. A deadline for application submission
5. A list of documentation that must accompany the application
6. Who may be contacted for further information.

- C. **Accept applications.** Applications may be accepted on-site, through the mail, or in person at public hearings or at locations such as city halls, water associations, or commission offices. Only applications submitted on the approved, Application for Tap Fee Assistance, will be accepted.
- D. **Verify income** based upon the previous calendar year's total annual income, not including disability benefits, of all persons inhabiting the residence. Boarders who are paying rent shall not be counted in this determination. Wage earnings can be verified by contacting employers or by reviewing tax returns only if employees are not accessible. Income obtained through public assistance can be verified by contacting the Social Security Administration or DHHR offices respectively. It is likely that special circumstances will arise, (e.g., temporary residency, loss of income sources, etc.) during the application process. Contact the WVDO project manager to determine if these circumstances warrant deviations from procedure. It is important that all income documentation remain confidential.
- E. **Verify home ownership** through examination of tax records.
- F. **Collect Ethnicity and Race information** for all beneficiaries of this Direct Benefit Activity (see Chapter 8 of SCBG Manual). In the application for assistance, offer respondents the opportunity to self-report or self-identify their ethnicity and race. The ethnicity question should precede the race question. Respondents will select from two ethnic categories and ten race categories as listed below.

Ethnicity: (select one)

1. Hispanic or Latino (HL)
2. Not Hispanic or Latino (NHL)

Race: (select one or more)

1. White
2. Black or African American
3. Asian
4. American Indian or Alaskan Native
5. Native Hawaiian or Other Pacific Islander
6. American Indian or Alaskan Native and White
7. Asian and White
8. Black or African American and White
9. American Indian or Alaskan Native and Black or African American
10. Other Multi-racial (balance of individuals reporting more than one race.

- G. **Notify applicants regarding eligibility** as soon as income and ownership information is reviewed. Otherwise, income-eligible applicants pending one or more documents should be informed that omitted documents must be received within a specified time or else the application will be rejected. Eligibility notices

should inform eligible applicants of approximate date(s) that work/construction will commence. A Notice of Eligibility Determination (Approval/Disapproval) for eligibility determination notices may be provided.

III. WEST VIRGINIA DEVELOPMENT OFFICE TAP FEE/HOOKUP POLICIES

- **Costs for service line connections to the lateral line will be borne by the owner.**
- Under no circumstances will tap fee costs incurred on private property of non-LMI residents be paid for with grant funds.
- Homeowners are eligible for assistance if they meet HUD income criteria and provide proof of home ownership. Rental property is eligible for assistance if the tenant meets income criteria and a rent control agreement for at least 12 months has been executed with the homeowner.
- Tap fee costs are generally limited to \$500 per structure; however, additional expenses can exceed \$500 with prior WVDO approval.
- Tap fees for multi-family structures (e.g., apartment complexes, mobile home parks) which contain some income-ineligible families will require a cost eligibility determination by the WVDO prior to construction to determine what scope of work may be grant eligible. As a general rule, direct access connection to individual units must be evaluated on a family-by-family basis. For example, if one unit of a duplex apartment is occupied by income-eligible renters, then a connection to that unit can be made. Costs to connect the other residence from a tap off of this line will not be paid by the grant. A connection to a multi-unit structure can be made at a common meter; however, any branch lines and/or meters must be verified for income eligibility on a unit-by-unit basis. Improvements to existing multi-unit complexes may be eligible depending on the potential of connecting low and moderate income residents.
- Occasionally, connection of a low or moderate income residence will require the placement of service line(s) across the property of another residence, which may or may not be part of the project. Easements must be obtained from all landowners whose property is disturbed by the project.
- Tap fee assistance will not be provided to seasonal structures or residences.
- WVDO grantees and project administrators will provide beneficiary and cost information using the Direct Benefit Activities form included in the projects Final Performance Report (FPR) to the WVDO.

This Tap Fee Assistance Guide is intended as a guide, not as a substitute for a thorough knowledge of state and federal laws and regulations. In the event of any discrepancy, federal regulations will prevail. The Grantee is responsible for compliance with the most current and stringent of any applicable local, state or federal law or regulation(s).

The West Virginia Development Office does not discriminate on the basis of age, race, color, religion, sex, national origin, familial status or disability in the admission, access to, treatment of, or employment in, its federally assisted programs or activities.



For questions regarding the WVDO Tap Fee Assistance Guidance or Policies, please contact:

West Virginia Development Office
Community Development
Capitol Complex, Building 6, Room 553
Charleston, West Virginia 25305
(304) 558-2234 or (800) 982-3386
www.WVDO.org

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SMALL CITIES BLOCK GRANT PROGRAM
TAP FEE ASSISTANCE
APPLICATION

Right County Commission – Watery Hill PSD
Plenty Water Extension Project

The Watery Hill PSD may not attempt to recover capital costs involved in this project nor assess low- and moderate-income residents for a tap fee charge. This form is designed to determine which residents, on the basis of income, qualify to have the tap fee charge paid by the Right County Commission through the SCBG Program.

RESIDENT NAME _____ ADDRESS _____

PHONE _____

SPOUSE _____

TOTAL NUMBER OF OTHER DEPENDENTS RESIDING IN HOME _____

NAMES OF DEPENDENTS _____

HEAD OF HOUSEHOLD _____ SPOUSE _____
PRESENT EMPLOYER _____

ADDRESS _____

POSITION _____

LENGTH OF EMPLOYMENT _____

FINANCIAL INFORMATION

HEAD OF HOUSEHOLD: PRESENT MONTHLY INCOME: GROSS PAY _____
SPOUSE: PRESENT MONTHLY INCOME: GROSS PAY _____
DEPENDENTS: PRESENT MONTHLY INCOME: GROSS PAY _____

SUB-TOTAL _____

OTHER MONTHLY INCOME:
SOCIAL SECURITY _____
WELFARE BENEFITS _____
VETERANS BENEFITS _____
PENSIONS _____
RENTAL INCOME _____
OTHER _____

SUB-TOTAL _____

TOTAL MONTHLY INCOME _____

APPLICANT DEMOGRAPHICS (as self-reported by applicant)

Please answer the following two questions by circling the numbers that correspond to the Ethnicity and Race of the applicant and applicant household. This information is not used to determine eligibility for assistance.

I. Ethnicity: (select only one)

1. Hispanic or Latino (HL)
2. Not Hispanic or Latino (NHL)

II. Race: (select one or more)

1. White
2. Black or African American
3. Asian
4. American Indian or Alaskan Native
5. Native Hawaiian or Other Pacific Islander
6. American Indian or Alaskan Native and White
7. Asian and White
8. Black or African American and White
9. American Indian or Alaskan Native and Black or African American
10. Other Multi-racial (balance of individuals reporting more than one race)

This application certifies that all the information provided in this application and all the information furnished in support of this application is given for the purpose of determining eligibility for the payment of tap fee charges under the Small Cities Block Grant Program and this information is true and complete to the best of the applicant's knowledge. By signing this form the applicant understands that this information may be verified by contacting any source named above.

Resident's Signature

Date Signed

Return completed application to:

Region XII Regional Planning & Development Council
Attention: Tim Thorn, Project Administrator
P. O. Box 500
Leftover, WV 27101

