

Emergency Utility Assistance Program

Funding provided by
the American Rescue Plan Act

City of Chelsea
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PROGRAM OVERVIEW

As the world enters the twenty-first month of the global COVID-19 pandemic, heating fuel prices are predicted to increase this winter while Chelsea residents are still dealing with pandemic related destabilization. Chelsea is considered a “disproportionately impacted community” according to Federal State and Local Fiscal Recovery Funds (SLRF) guidelines on median income. Without immediate help through debt relief and future utility bill assistance, households in Chelsea face utility shutoffs, future debt collections, and financial and housing insecurity. Although Massachusetts has a heating fuel shutoff ban from November 15 to March 15, debt continues to accrue and families will face shutoffs immediately after the ban ends. Further, due to climate change, summer months are becoming hotter, resulting in the need for more cooling and water consumption. Utility shutoffs and inability to properly heat, cool, and hydrate homes presents a public health issue, especially for children, seniors, and people with certain health conditions. This further exacerbates environmental pollutant inequities already burdening Chelsea residents, while adding significantly to financial and psychological stress. Based on the success of previous direct assistance programs run by the City, the City of Chelsea is administering a direct utility assistance program to further community stabilization efforts.

In the first two years of the COVID-19 crisis, the City responded to the stresses placed on its residents by launching two rounds of the Emergency Rental Assistance Program (ERAP) starting in April 2020. These programs utilized \$1.25 million in funding in each round. In total, the Department received over 2,600 applications and assisted approximately 600 Chelsea families. Now, as the official state of emergency is over and almost two years have passed since initial lockdowns, our community members are still affected by the aftermath and we have recognized a continued need provide and adjust our assistance programs. We learned through our rental assistance and emergency housing programs that utility debt and households unserved by available programs constitute an urgent need. We have therefore decided to leverage \$250,000 of our local American Rescue Plan Act (ARPA) through the State and Local Fiscal Recovery Funds (SLRF) to disburse critical utility assistance in the coming year.

The objectives of the City’s Utility Assistance Program include: 1) provide direct financial assistance to low- and moderate-income households allowing them to stabilize their living environments and financial situation; 2) eliminate utility shutoffs that threaten the health and safety of the occupants.

The Utility Assistance Program is administered by the City of Chelsea’s Department of Planning and Development’s Contractor, Housing Families Inc. (Contractor). The

Program consists of direct grants, equivalent to 6 months of payments or a maximum of \$3,000, to eligible households and the provision of wrap around social, housing, and economic services. This is a temporary program, designed to respond to exigent circumstances that threaten the health and wellbeing of low-income residents.

PROGRAM ELIGIBILITY CRITERIA

The City of Chelsea's Utility Assistance Program primarily serves low- or moderate income households. Eligible applicants may qualify for funding if their annual gross household income is at or below 60% of the Area Median Income, as set forth by the U.S. Department of Housing and Urban Development for the Boston-Cambridge-Quincy-NH FMR Metro Area.

Eligibility for funding is determined after the complete application is received and reviewed by the Program staff, and should not be understood as a guarantee for approval. Program staff will inspect all applications for completeness.

Failure to submit a complete application with all required supporting documentation would result in the disqualification of an applicant.

The Department reserves the right to seek additional documentation, if obtaining such documentation is reasonably necessary to determine income limit compliance and program eligibility.

The Program has the following criteria for eligibility:

- Income Qualification and Guidelines: The income limits set forth for this program allow households with gross household income up to 60% of the Area Median Income;
- Residency: The program is available exclusively for Chelsea residents. Under no circumstances shall this section be waived, modified, or altered;
- Evidence of Utility Costs: Applicants shall furnish and supply a copy of previous utility bills. At the discretion of the Department and program staff, for example in cases of sub-letting or having bills addressed to a different person than the applicant, a certified letter, signed by the entity to whom they pay utility costs may substitute for a utility bill in their name. Under the SLFRF program, funds must be used for costs incurred on or after March 3, 2021.
- Referral Process: Clients are eligible for referral if they meet the income and residency requirements and the service provider has made every attempt to disburse funds to them from an existing program such as LIHEAP or ERAP

funds. Funds will be distributed on a rolling basis, for clients referred to the program staff by existing utility assistance providers. The goal of this program is to field referrals for two purpose:

- when small amounts of money are needed on an urgent basis while other funding sources are pending,
- and for clients who have either exhausted other funds or are ineligible for existing programs yet meet the City’s eligibility requirements. Ineligibility for existing programs may include lacking adequate documentation to complete the application such as a birth certificate.

INCOME LIMITS

In order to distribute the extremely limited funding as fairly as possible, we are prioritizing residents most vulnerable to COVID-19 and the corresponding economic decline as determined by income. Therefore we have set income limits to assist households most in need.

Program funds shall be limited to current Chelsea residents who rent, own homes or sublet in Chelsea. The income limits will be set at 60% of the Area Median Income, based on the U.S. Department of Housing and Urban Development’s 2021 Income Limits for the Boston-Cambridge-Quincy, MA area, which has an AMI of \$120,800 for a four-person household.

Below are the current 2021 income limits for Boston, Cambridge, Quincy, MA-NH MSA.

| Household Size | 60% AMI Low Income | 30% AMI Low Income |
|-----------------------|---------------------------|---------------------------|
| 1 | \$56,400 | \$28,200 |
| 2 | \$64,440 | \$32,200 |
| 3 | \$72,480 | \$36,250 |
| 4 | \$80,520 | \$40,250 |
| 5 | \$87,000 | \$43,500 |

| | | |
|---|-----------|----------|
| 6 | \$101,500 | \$46,700 |
| 7 | \$116,550 | \$49,950 |
| 8 | \$124,040 | \$53,150 |

HOUSEHOLD: All the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household.

INCOME VERIFICATION

If applicants are already enrolled in other income verified services that are used to automatically qualify for utility discount rates as listed on Eversource's website, they are automatically income qualified and do not have to fill out the income form. These include but are not limited to: SNAP, WIC, MassHealth, School Breakfast/Lunch program, SSI, TAFDC, Children's Health Insurance Program, Childcare Subsidies through the Child Care Development Fund (CCDF) Program, or Medicaid etc.

- *Household Income* is defined as the anticipated total income from all sources received by household members 18 years and older who are not full-time students. This includes all net income derived from assets, for the 12 month period following the effective date of certification of income.
- Household income is reported and self-certified under the pains and penalties of perjury. Applicants shall report on gross household income of all members of the household over the age of 18, including all income derived from assets, public benefits, divorce, alimony, and other sources, as instructed on the self-certification form. The determination of eligibility will be based upon the gross annual income and/or recent paystubs of the applicants' household.
- Projected household income is determined and compared to the published HUD Income Limits to identify low-income persons. All documentation must be dated prior to the release of a commitment letter and grant agreement.

REFERRAL PROCEDURES

Service providers will refer clients to this program when they need immediate dispersal of funds while another application is pending or taking too long, or when an applicant has exhausted the other resources or is not eligible.

The referring provider will supply any documentation they already have for income, residency, and utility bills. If the referring provider does not have these documents, the City's program staff will attempt to obtain them directly from the client. The information provided by the referring provider will count as an application. If there are missing documents, program staff will assemble the rest of the application. At a minimum, a complete application shall consist of:

- (i) relevant personal information such as name, address, and living situation
- (ii) 1-3 previous months of utility bills, and a self-certification of income or other income documentation

It is expected that applications will be received, clocked in, and checked for obvious errors and omissions. The Program staff will consult with the applicant and referring provider regarding issues as well as other errors, discrepancies, or missing information on the application. Subsequently, Program staff will conduct an examination of the application to ensure completeness, conformance with the household income limits, and adherence to all program policies. It is also expected that Program staff will present the grantee with instructions on how to access these guidelines. The grantee will check a box stating that they have received these instructions.

Program guidelines can be accessed by the grantee through the City of Chelsea's website, or in paper format, to be picked up at City Hall, Room 101.

Funds will be distributed on a rolling basis until the money is depleted. If applications slow down or stop for a period, consideration will be given to providing additional assistance beyond the 3-month limit to previous beneficiaries. Further, funds are anticipated to be obligated by December 31, 2024, and expended by December 31, 2026 as required in the SLFRF program.

GRANT TERMS AND CONDITIONS

Project Liaison: The Department will designate a Project Liaison (Departmental Contact) for the Project being funded by this Agreement. The Project Liaison may be a City staff member, or a consultant retained for that purpose. The

Project Liaison shall serve as the agent of the Department for the purpose of monitoring Project compliance with the terms of this Agreement and shall periodically report to the Department at its regularly scheduled meetings. The Department may change the Project Liaison by providing notice of the change to the Grantee.

Total Grant Disbursement: The maximum allowable grant disbursement will be equivalent to six (6) months of a Grantee's utility bill obligation, or \$3,000, whichever is less. This limit may be exceeded for extreme financial hardship.

Disbursement of Funding: The Contractor shall disburse grant funds directly to the utility company, except in certain cases involving complex subleasing arrangements. The disbursement of grant funds to the Grantee under this Agreement shall only be made after (i) the Contractor has approved the application associated with the Project; and (ii) the Grantee has furnished to the Contractor evidence of compliance with all program policies and applicable local, state, and federal laws. At the discretion of the Contractor, funds can also be distributed in installments. Funds are generally available until they are exhausted. In the event funds are exhausted, Program staff may create a waiting list for additional funds if they become available at a later date.

Utility Arrearage: Funding from this program will address forthcoming utility payments or to cover past utility debt at the resident's current address to avoid a shutoff or maintain a healthy living environment. If the Contractor determines that the application of funding to utility debt in collections from previous living addresses is necessary to stabilize the household's living situation and forestall displacement or health issues, program staff will notify the grantee about the ability to apply program funds to debt collections from previous addresses. However, usage of these funds for previous living addresses must be accompanied by an attempted negotiation with the collections agency to the amount for which the collections agency bought the debt. This negotiation will be assisted by Program staff and if needed, the Department Liaison and must be confirmed before funds will be disbursed.

PROGRAM GRIEVANCE PROCEDURES

Persons dissatisfied with or aggrieved by administrative or operations decisions made during the grant cycle will have access to the following complaint resolution hierarchy:

1. Persons aggrieved should prepare an appeal in writing specifying the nature of the complaint and suggested remedies, if applicable, and submit it to the Contractor. If the complaint involves a decision to deny, modify, or set

conditions on assistance or benefits, the person(s) making the complaint will establish his or her standing to appeal the decision. "Standing" is limited to individuals who applied for and were denied assistance or were otherwise required to meet certain requirements that had the effect of denying assistance. The City's Project Manager and Contractor will respond to a written complaint within 15 days of receiving it, and may hold a meeting with any persons involved to attempt to resolve the complaint.

2. If the Project Manager cannot resolve the complaint, the aggrieved persons may request in writing a meeting with the Chelsea Housing and Community Development (H+CD). The Director of H+CD will respond to a written complaints within 15 days of receiving it, and may hold a meeting with the persons and Program staff or other parties together or separately, depending on the nature of the complaint and the potential to resolve the complaint by mediation. Preference will be given to mediation wherever possible and appropriate.
3. If the persons aggrieved are not satisfied with the Director of the H+CD's decision, a written appeal may be submitted to the City Manager. The City Manager and/or his designee will respond to a written complaint within 30 days of receiving it. The City Manager and/or his designee may meet with the aggrieved persons, Program staff, the Assistant Director of DPD and staff separately, or together, depending on the nature of the grievance and its potential for being resolved by mediation. Preference will be given to mediation wherever possible and appropriate. The decision of the City Manager is final, and will be issued within 45 days of receiving the appeal.
4. Administrative actions that are not eligible for appeal include a denial of assistance based on an applicant's household income exceeding the permissible limits, fraudulent or misleading income representations, and requests for types of assistance not funded by the Program.

FAIR HOUSING POLICY

The City's objective is to reduce barriers to all programs and public services. This policy is exemplified by the City's commitment to complying with and surpassing the minimum requirements of all federal, state, and local fair housing laws. The City will not discriminate against any person because of race, color, immigration status, religion, national origin, sex, sexual preference, familial status, disability, or any other specific classes protected by applicable laws.

Accommodations are available for persons with disabilities and non-English speaking residents by contacting the City's ADA Coordinator, Louis

Mammolette at 617-466-4205 or lmammolette@chelseama.gov.

In accordance with Title II of the Americans with Disabilities Act of 1990 and Section 504 of the Rehabilitation Act of 1974, the City will reasonably accommodate qualified persons with disabilities in all programs and services. All programs will be offered in accessible locations (e.g., those meeting the requirements of the Americans with Disabilities Act Accessibility Guidelines), or redesigned and modified to be accessible when barrier-free facilities are unavailable for program delivery. The City of Chelsea will provide auxiliary services, written materials in alternative formats, and reasonable modifications in policies and procedures to persons with disabilities upon request and at no cost to the applicant.

Reasonable accommodation for other types of disabilities will be made at the request of the affected person.

If the City needs to accommodate non-English speaking persons, it will take all administratively feasible steps to provide translation assistance upon request at no cost to the applicant.

EQUAL OPPORTUNITY POLICY

It is the policy of the City of Chelsea to carry out the Program as effectively as possible and without regard for race, color, creed, religion, national origin, ancestry, sex, age, children, marital status, immigration and citizenship status, sexual orientation, gender identity, disability, public assistance, or rent-subsidy status. This Program shall be carried out in conformance with all local, state, and federal equal opportunity laws and affirmatively further fair housing by proactively addressing racial, ethnic, economic, social, and cultural disparities and inequities.

CONFLICT OF INTEREST

The City of Chelsea shall adhere to the provisions of Massachusetts General Laws, Chapter 268A, with respect to the Conduct of Public Employees. In addition, no member, officer, elected official, and/or employee of the City, or its designees, or agents, and no member of the governing body of the locality who exercises any function or responsibility with respect to the Program during his tenure or for (1) year thereafter shall have an interest in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with this program.

OTHER CERTIFICATIONS

Because the grant pool funds are limited, not all applicants can be serviced. If funds are not available, the application may be put on a waiting list and entered into any future lotteries.

The City of Chelsea is an equal opportunity agency providing services to eligible persons without regard to race, national origin, sex, sexual orientation, immigration status, age, or handicap.

TERMINATION

The City of Chelsea has the right to reject the Utility Assistance Program application or terminate any agreement if a participant is found to be in violation of any conditions set forth in these guidelines.