

Homeowner Application Documents for **American Rescue Plan Act (ARPA)**



City of Worcester, MA

Executive Office of Economic Development





INTRODUCTION AND BACKGROUND

The City of Worcester received approximately \$146 million from the federal government, through the U.S Treasury, as a result of the American Rescue Plan Act (ARPA). This direct allocation is part of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program. The goal of the SLFRF program is to ensure that state, local and Tribal governments have the resources needed to fight the pandemic, strengthen and sustain economic recovery, maintain vital public services, and make investments that support long-term growth, opportunity, and equity. The funding is intended to address local needs within these four eligible categories:

- Replacing Lost Public Sector Revenue
- Addressing Public Health and Economic Impacts
- Providing Premium Pay to Essential Workers
- Improving Water, Sewer and Broadband Infrastructure

This application is for homeownership activities and programs which meet the eligible ARPA category of **“Addressing Public Health and Economic Impacts.”**

FLOOD INSURANCE ASSISTANCE

Climate Change has disproportionately affected marginalized homeowners throughout the city’s flood zones. Housing located in flood zones includes the increased burden of flood insurance which averages approximately \$2,500 per property annually. Many of these properties bear the increased burden of climate change in the form of damage caused by frequent flooding. There are approximately 311 total structures identified in the 100-year floodplain and 247 properties (79%) currently have insurance policies. Low-to-moderate income owners will be prioritized.

Maximum Grant Amount:

- Up to 50% reimbursement on annual flood insurance policy premium

Eligibility Requirements:

- **Must be owner occupied**
- Homeowner must meet ARPA eligibility guidelines
- Homeowner must have current flood insurance policy

Underwriting:

- City will ensure homeowner meets ARPA eligibility guidelines
- City will ensure homeowner has existing flood insurance policy
- City makes direct payment to homeowner for reimbursement of 50% of premium



QUALIFYING ELIGIBLE BENEFICIARIES AND POPULATIONS

As part of this application process, **the City of Worcester will prioritize applications that create equitable outcomes by assisting disproportionately impacted communities** through one of the four qualifying categories.

1. QUALIFYING CENSUS TRACTS (QCTs):

A Qualified Census Tract is defined as any census tract in which at least 50 percent of households have an income less than 60 percent of the Area Median Income (AMI), or which has a poverty rate of at least 25 percent.

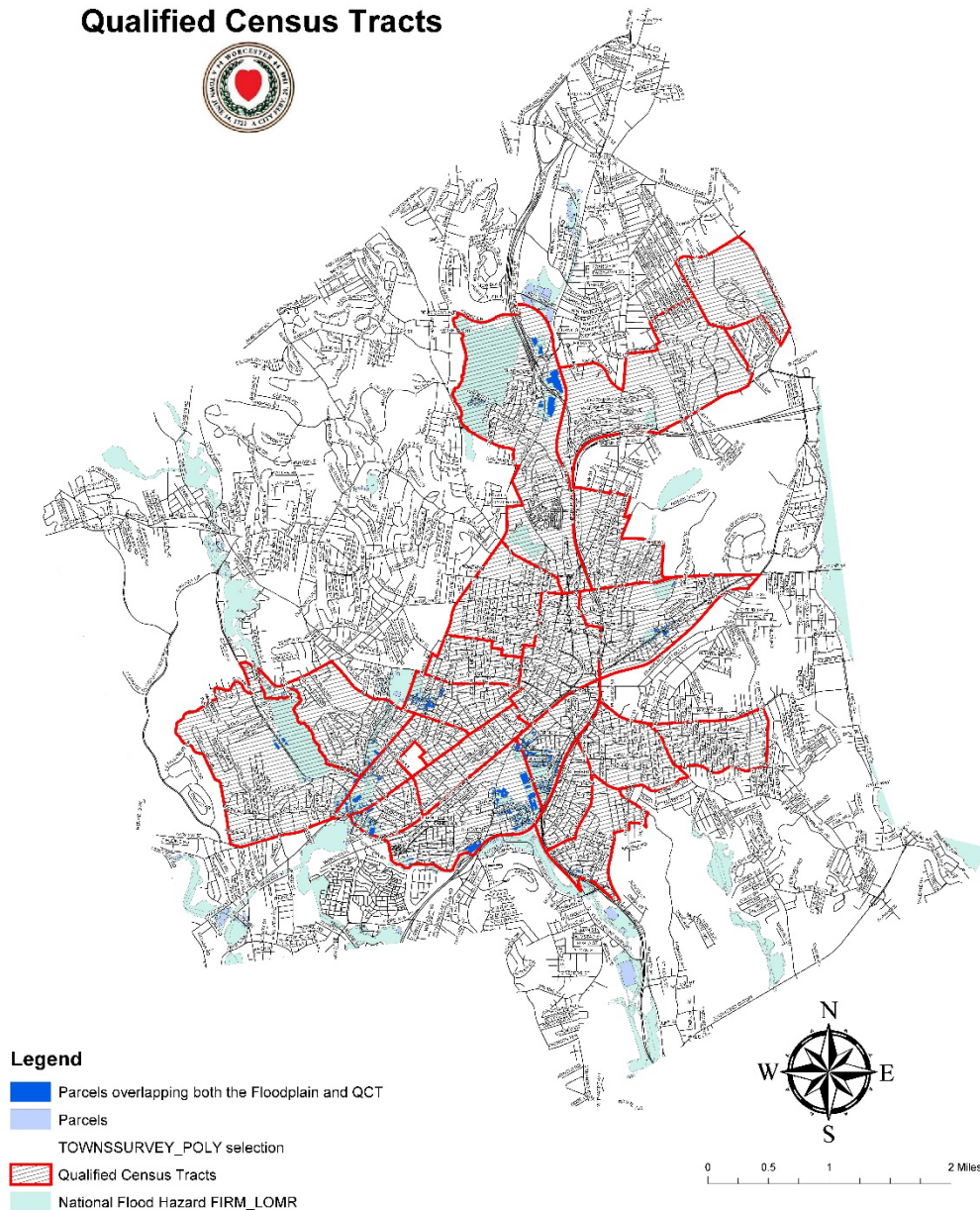
The below map is a depiction of the QCTs and flood map in the City of Worcester and populations residing in these census tracts are presumed eligible beneficiaries of ARPA funded Flood Insurance Assistance:

View Map on Next Page



City of Worcester, MA

FEMA Flood Hazard Area's and Qualified Census Tracts



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An interactive map can be accessed here: https://www.huduser.gov/portal/sadda/sadda_qct.html

- To determine your census tract, once the map is opened:
 - In the search bar at the top of the page, enter “Worcester, MA”.
 - Below “Map Options” on the left side of the screen, select:
 - Color QCT Qualified Tracts (Zoom 7+)
 - Show Tracts Outline (Zoom 11+)
 - Zoom in to determine your appropriate Census Tract number (ex. 7325.00, 7317.00, etc.)

2. DISPROPORTIONATELY IMPACTED POPULATION

The Department of Treasury’s Final Rule provides additional local flexibility granted to the local recipients, such as the City of Worcester, to determine which general households or populations have been impacted and/or disproportionately impacted by the pandemic based on documented data or research. The local recipient may demonstrate that an individual household or business is within the class that experienced a negative economic impact, rather than requiring a recipient to demonstrate that each individual household or small business experienced a negative economic impact, because the impact was already identified for the class. ***The City of Worcester has therefore determined the following populations*** (cohorts of the overall city-wide population) were disproportionately impacted in the City of Worcester based on the current and pre-existing socioeconomic conditions, as well as COVID pandemic specific public health impacts, and are therefore are presumed eligible beneficiaries * :

- Hispanic/Latino Population
- Black/African-American Population
- American Indian/Alaska Native Population

The above referenced populations were more disproportionately impacted, in general, than the overall population and the White population, in particular. This conclusion is based on an analysis of statistics and data from the following sources: U.S. Decennial Census, 2020 U.S. Census American Community Survey (ACS), 2018 U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy, 2019, 2020, and 2021 U.S. Bureau of Labor Statistics, and UMass Memorial Healthcare statistics collected for all of the City of Worcester’s COVID positivity and hospitalizations. The narrative below explains further and is a narrative with highlights from said analysis.

Hispanic/Latino Population

The City’s Hispanic/Latino population was disproportionately impacted by the COVID-19 pandemic, and had exhibited a host of socioeconomic challenges and conditions prior to the pandemic that appear to have been further exacerbated following the pandemic onset.



University of Massachusetts Memorial Healthcare data shows City of Worcester COVID positivity rates for the Hispanic/Latino population, between March 11, 2020 through January 30, 2022, was two-thirds, or **66% higher**, than the proportional impact within the City's White population. Similarly, the COVID positive hospital admission rate was well in excess of twice the rate, or **138% higher**, the proportional rate of hospitalizations for the City's White population.

In 2020, the Median Household Income (for 2 or more related persons) was noticeably lower than the comparable city-wide Median Household Income (MHI) and less than half the level (**-54.4%**) of the MHI for the City's White population. Prior to the pandemic, in 2019, the Hispanic/Latino population had **48.3% higher** rate of unemployment than the similar unemployment rate for the City's White population. Following the onset of the pandemic, in 2021, the unemployment rate became almost twice that of the proportional rate for the City's White population, or **98% higher**, while also experiencing a more than doubling increase in proportional unemployment relative to the City as whole: moving from 19.4% to **42.3% higher** unemployment rate than the City as whole.

Comprehensive Housing Affordability Strategy (CHAS) data used by the U.S. Department of Housing and Urban Development (HUD) for 2018 indicates that the Housing Cost Burden (% of households spending over 30% of income on housing) for the Hispanic/Latino population was **42.3% higher** than the comparable burden for the City of Worcester's White population. Similarly, the City's Hispanic/Latino population had lower proportional rates of housing unit ownership than the City population as a whole, as well as when compared to solely the White population. In 2020, the Hispanic/Latino population had a **64.0% higher** proportional rental unit occupancy rate than the City's White population, implying a lower homeownership rate amongst the Hispanic/Latino population.

Black/African-American Population

The City of Worcester's Black/African American population was disproportionately impacted by the COVID-19 pandemic, and had a host of socioeconomic challenges and conditions prior to the pandemic that appear to have been further exacerbated following the pandemic onset.

University of Massachusetts Memorial Healthcare data shows City of Worcester COVID positivity rates for the Black/African American population, between March 11, 2020 (effectively near the onset of the pandemic) through January 30, 2022, was over a third, or **38% higher**, than the proportional impact within the City's White population. Similarly, the COVID positive hospital admission rate was almost **40% higher** (39.3%) than the proportional rate of hospitalizations for the City's White population.

In 2020, the Median Household Income (for 2 or more related persons) was noticeably lower than the comparable city-wide Median Household Income (MHI) and almost a third lower (**-38.6%**) than the MHI for the City's White population. Prior to the pandemic, in 2019, the Black/African American population had a **27.6% higher** rate of unemployment than the similar unemployment rate for the City's White population, and following the onset of the pandemic, in 2021, the unemployment rate became **78.4% higher** than that of the City's White population, while also



experiencing a ten-fold increase in proportional unemployment relative to the City as whole: moving from 2.8% higher to **28.2%** higher unemployment rate than the City as whole.

Comprehensive Housing Affordability Strategy (CHAS) data used by the U.S. Department of Housing and Urban Development (HUD) for 2018 indicates that the Housing Cost Burden (% of households spending over 30% of income on housing) for the Black/African American population was **47.1% higher** than the comparable burden for the City of Worcester's White population. Similarly, the City's Black/African American population had lower proportional rates of housing unit ownership than the City population as a whole, as well as when compared to solely the White population. In 2020, the Black/African American population had a **48.8% higher** proportional rental unit occupancy rate than the City's White population, implying a lower homeownership rate amongst the Black/African American population.

American Indian/Alaska Native Population

The City of Worcester's American Indian/Alaska Native population was also disproportionately impacted by the COVID-19 pandemic, and also was beset by socioeconomic challenges and conditions prior to the pandemic that appear to have been further exacerbated following the pandemic onset.

University of Massachusetts Memorial Healthcare data shows City of Worcester COVID positivity rates for the American Indian/Alaska Native population, between March 11, 2020 through January 30, 2022, was over a third, or **38% higher**, than the proportional impact within the City's White population. Similarly, the COVID positive hospital admission rate was almost twice the rate, or **193.4% higher**, than the proportional rate of hospitalizations for the City's White population.

In 2020, the Median Household Income (for 2 or more related persons) was noticeably lower than the comparable city-wide Median Household Income (MHI) and more than **-43.8%** lower than the MHI for the City's White population. Prior to the pandemic, in 2019, the American Indian/Alaska Native population had an almost **37.9% higher** rate of unemployment than the similar unemployment rate for the City's White population, and following the onset of the pandemic, in 2021, the unemployment rate became **58.8% higher** than that of the City's White population.

Comprehensive Housing Affordability Strategy (CHAS) data used by the U.S. Department of Housing and Urban Development (HUD) for 2018 indicates that the Housing Cost Burden (% of households spending over 30% of income on housing) for the American Indian/Alaska Native population was **67.8% higher** than the comparable burden for the City of Worcester's White population. Similarly, the City's American Indian/Alaska Native population had lower proportional rates of housing unit ownership than the City population as a whole, as well as when compared to solely the White population. In 2020, the American Indian/Alaska Native population had a **72.6% higher** proportional rental unit occupancy rate than the City's White population, implying a lower homeownership rate amongst the American Indian/Alaska Native population.



3. ASSISTANCE BENEFICIARY

Treasury guidance allows further administrative flexibility by considering recipients of the following income restricted public programs and services as either impacted or disproportionately impacted by the pandemic, and therefore populations and households receiving them are deemed eligible beneficiaries of ARPA assistance:

- Children's Health Insurance Program (CHIP)
- Childcare Subsidies through the Child Care and Development Fund (CCDF) Program
- Medicaid
- National Housing Trust Fund (HTF), for affordable housing programs only
- Home Investment Partnerships Program (HOME), for affordable housing programs only
- Temporary Assistance for Needy Families (TANF)
- Supplemental Nutrition Assistance Program (SNAP)
- Free and Reduced-Price Lunch (NSLP) and/or School Breakfast (SBP) programs
- Medicare Part D Low-income Subsidies
- Supplemental Security Income (SSI)
- Head Start and/or Early Head Start
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
- Section 8 Vouchers
- Low-Income Home Energy Assistance Program (LIHEAP)
- Pell Grants

4. LOW-INCOME QUALIFICATION

For this purpose, the U.S. Treasury defines low-income as:

- income at or below 300 percent of the Federal Poverty Guidelines for the size of its household based on the most recently published poverty guidelines; or
- income at or below 65 percent of area median income for its county and size of household based on the most recently published data.

Applying the above criteria to current income data points for the City of Worcester, the table below highlights the household size and income that would qualify as eligible to receive ARPA funding assistance:



ARPA 2023 INCOME LIMITS								
2023 Income Limit Category	Persons In Household							
	1	2	3	4	5	6	7	8
Annual Income - Moderate	\$50,310	\$59,160	\$74,580	\$90,000	\$105,420	\$120,840	\$136,260	\$151,680

* *Note: Determinations for all disproportionately impacted classes, listed above, are based on data from the following sources: U.S. Decennial Census, 2020 U.S. Census American Community Survey (ACS), 2018 U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy, 2019, 2020, and 2021 U.S. Bureau of Labor Statistics, and UMass Memorial Healthcare statistics collected for all of the City of Worcester's COVID positivity and hospitalizations.*

ADDITIONAL ARPA PROGRAM INFORMATION AND GUIDANCE

For additional information regarding definitions, eligibility considerations, and more, applicants are encouraged to consult the U.S. Treasury's Final Rule or Overview, which are available at the City of Worcester's website at the below link under "Resources": <http://www.worcesterma.gov/arpa>.

KEY DISCLOSURES AND NOTICES

- Full Application documents (**including any required income documentation**) must be submitted to be considered for eligibility.
- The application documents contained herein do not commit City of Worcester make an award, execute a contract, or pay for costs incurred in the preparation of said application, or to procure or contract for a program or service in connection therewith. The City of Worcester reserves the right to accept or reject any or all applications received, or cancel in part or in its entirety this application.
- Contracted awards are subject to receipt and availability by the City of Worcester of sufficient and unencumbered SLFRF funds from the U.S. Department of Treasury. If the City of Worcester's overall allocation from the Treasury Department is reduced, or prior committed to eligible, prioritized local uses as determined by the City's administration, the City may reduce or amend any sub-recipient awards made as needed.
- The City may seek to obtain further information from any and all respondents and potentially waive any defects to form or content of application or any responses by the applicant.
- The City of Worcester, and thus any sub-recipients awarded ARPA funding through an executed contract as a result of a program, project or service stemming from this application process, are generally subject to the



requirements of the Code of Federal Regulations, Chapter 2 Part 200 (2 CFR Part 200), except when certain exemptions are enumerated in the U.S. Treasury's Final Rule.

- Pursuant to 2 CFR 200.205, all RFP applicants may be subject to **pre-award risk assessment** as part of the City of Worcester's overall decision making process related to making sub-awards stemming from this application process. The risk assessment may involve, at a minimum, evaluating risks posed by applicants related to the following parameters: financial stability, quality of management systems, ability to meet the management standards, and history of past grant performance, to include the applicant's record in managing prior Federal awards.
 - Pursuant to 2 CFR 180, prior to making any awards and contracts for ARPA funded programs or services, the City of Worcester will conduct **suspension and debarment check** to ensure any sub-awards and contracts are not executed parties that have been debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities.
- Applicants must abide by the City of Worcester's Conflict of Interest policy.
 - False statement or misrepresentations in application documents, or subsequent award contract documents, may automatically disqualify applicants and/or result in immediate repayment of federal funds to the City of Worcester.
 - Upon submittal to the City of Worcester, all application documents become Public Record and property of the City of Worcester.



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AMERICAN RESCUE PLAN ACT (ARPA) GENERAL APPLICATION INFORMATION – PAGE 1

A. APPLICANT INFORMATION

Applicant Legal Name:	
Applicant Primary Address:	
Co-Applicant Name:	
Applicant Email Address:	
Applicant Phone Number:	

B. QUALIFYING ELIGIBLE BENEFICIARIES AND POPULATIONS CATEGORY

Applicants must meet one of the four Qualifying Eligible Beneficiaries and Populations categories as described in this application.

Which ARPA Qualifying Eligible Beneficiaries and Populations category does the applicant meet? (Choose One)

☐ Qualifying Census Tracts
Census Tract #: _____

☐ Disproportionately Impacted Classes
☐ Member of Hispanic and Latino Population
☐ Member of Black and African-American Population
☐ Member of American Indian and Native American Population

☐ Assistance Beneficiary (Applicant must provide proof of assistance)

Program/Service Received: _____

☐ Low-Income Qualification (*Applicant must provide income documentation*)



AMERICAN RESCUE PLAN ACT (ARPA) GENERAL APPLICATION INFORMATION – PAGE 2

C. SUBJECT PROPERTY INFORMATION

Subject property address (Street, City, State & ZIP):	
In Flood Plain? YES <input type="checkbox"/> NO <input type="checkbox"/>	
Flood Insurance Provider (<i>Attach Policy Documentation</i>):	
Flood Insurance Policy Effective Date:	Flood Insurance Policy Expiration Date:
Have you experienced a loss due to flooding? YES <input type="checkbox"/> NO <input type="checkbox"/>	If Yes, did you file a claim? YES <input type="checkbox"/> NO <input type="checkbox"/>
Please describe prior loss and/or claim:	



AMERICAN RESCUE PLAN ACT (ARPA) GENERAL APPLICATION INFORMATION – PAGE 3

The following information is used to assist this office in reporting to our funding sources. Information will be kept completely confidential.

How many Apartment Units are in the property? _____

Fill in the appropriate number for each category:

	OWNERS' UNIT Unit # _____	Unit # _____	Unit # _____	Unit # _____
Household Size:				
# of Children Under Six Years Old:				
# of Elderly (over 62):				
# Handicapped (Non Elderly):				
# Elderly Handicapped:				

FOR OWNERS' UNIT:

Ethnicity: (select **only one**) Hispanic or Latino ☐ NOT Hispanic or Latino ☐

Head of Household Gender Male ☐ Female ☐ Non-binary ☐ Transgender ☐ _____ ☐

Race: (select **all that apply**) American Indian / Alaska Native ☐ Asian ☐ Black / African American ☐

Native Hawaiian / Other Pacific Islander ☐ White ☐

If children under six live in your unit, have those children's lead levels been tested? YES ☐ NO ☐

If yes, the results were: NORMAL ☐ ELEVATED ☐ POISONED ☐