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APPLICATION INTAKE PROCESS

This Chapter provides guidance on establishing the application intake process, eligibility and documentation requirements for participants in the Lead-Safe Home Remediation Pilot Grant Program. Dwelling units are to be determined to be eligible for lead-safe home remediation assistance based on the amount of household income (income eligibility) or source of household income (categorical eligibility) and presence of lead-based paint hazards.

1. Application Intake

The homeowner or tenant (referred to as the “Applicant”) submits an Application Package to the Lead-Safe Pilot Program Agency (hereafter referred to as “Agency”). If the Applicant is the tenant, the property’s homeowner is required to be the signatory on all documents.

Prior to the Applicant filling out and submitting the Application Package, The Agency should ensure that the applicant meets all of the eligibility requirements Applicant must meet the following criteria:

- Reside in a one or two family property (for SFY2017 Grantees);
- Reside in a one to four family property (for SFY2018 Grantees);
- Meet the Low to Moderate Income (LMI) limits for the county;
- Property has presence of lead-based paint hazards;
- Property is current on real estate taxes, water and sewer.

1.1. Required Documentation

The following are the forms and documents required in an Application Package:

- “Lead-Safe Pilot Program Application”**
- “Right of Entry Permit and Release of Information Form”**
- “Confirmation of Receipt of Lead Pamphlet”**
- Proof of Income
- Social Security Number or Equivalent Documentation for all household members
- Proof of Residence at property for occupants
- Proof of Ownership (copy of mortgage deed, or rental agreement, or county tax record)
- Copy of Current Property Tax Bill
- Copies of Current Water & Sewer Bill
- For Lead Abatement Grants, an Order for Abatement from a Health Department is required.

1.1.1. Social Security Number or Equivalent Documentation

All applicants that come to the Lead-Safe Pilot will be required to submit social security numbers (SSNs) for the applicant and documentation of social security numbers for all household members. A copy of the documentation must be retained in the client file.

Acceptable documentation of a social security number includes:

- an original SSN card issued by the Social Security Administration (SSA)

- an original SSA issued document which contains the name and SSN of the client, or
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual.
- Medicare card (with SSN on it)

If a member of the household does not have a SSN, the household member or guardian (if household member is a minor) must sign a Certification of No Social Security Number. The original signed certification must be retained in the client file at the Lead-Safe Pilot Agency.

If a member of the applicant household has an Individual Taxpayer Identification Number (ITIN) issued by the IRS. Documentation of the household member's ITIN must be included in the client file as well as a completed and executed Certification of No Social Security Number.

If an applicant does not have a SSN or an ITIN, s/he shall provide one of the following: Green card, birth certificate, driver's license, or I-688 work approval. A copy of such documentation must be included in client file.

The Certification of No Social Security Number can be found in the Appendix.

1.2. Zero Income Documentation

Applicants that apply for Lead-Safe Home Remediation Assistance are required to submit income documentation. If an Applicant applies for Lead-Safe Home Remediation Assistance and states that there is no income, the agency must review all the information submitted with the application to make a reasonable assumption regarding the accuracy of the statement. For example, if the household has paid current rent, utility bills, and property taxes, it is reasonable to assume that the household has income.

Lead-Safe Pilot Program Agencies cannot accept an affidavit of zero income without requiring a household to document that they have no income. A household must provide a notarized "**Affidavit of No Income**" form. A household can certify that they have no income by obtaining an income printout from the unemployment office. If the household is living on savings, interest from those savings is considered income and must be reported to the IRS. The household must submit a copy of the most recent income tax return or a tax return transcript (for more information on this see Section 2.2 "Income Verification") showing the reported interest and signature of filer. If the household is unwilling to cooperate in establishing eligibility for the Lead-Safe Home Remediation Pilot Grant Program they cannot be served. Lead-Safe Pilot Grant Program Agency must submit all zero income for review to the Department.

All zero income clients must be sent to the department income verification. Please email name, address, and full social security number for all zero income clients to income-verification@dca.nj.gov. Income verification email requests that do not contain the full social security number will not be accepted. E-mails should be sent with a "read receipt"

request to verify receipt by the Department. The Department shall respond via e-mail with verification of income for each household member, excluding the social security number. The Department shall delete the original email sent upon income verification confirmed. A copy of this e-mail shall be printed and placed in the applicant household file.

The Affidavit of No Income can be found in the Appendix. This affidavit must be notarized.

1.3. Notice according to NJ State Relocation Act

Agency sends out a Notification to tenants according to the NJ State Relocation Act (NJAC 5:11) once Application Package has been received. The first notification is called the **“General Information Notice”**. The notice informs the tenants of the property that due to the nature of the work, tenants may be temporarily displaced by the work to be done. The notice also ensures tenants that the displacement is temporary and they will be able to return to the property.

The Agency, after receiving the application package, can proceed with determination of application. These include, but are not limited to, verification of income, and application checklist review and verification.

2. **Determination of Application**

2.1. Income Eligibility

The following is a chart of the income guidelines by county:

| 80% Area Median Income | | | | | | | | |
|------------------------|----------|----------|----------|----------|----------|----------|----------|-----------|
| County | One | Two | Three | Four | Five | Six | Seven | Eight |
| Atlantic | \$40,250 | \$46,000 | \$51,750 | \$57,450 | \$62,050 | \$66,650 | \$71,250 | \$75,850 |
| Bergen | \$47,600 | \$54,400 | \$61,200 | \$68,000 | \$73,450 | \$78,900 | \$84,350 | \$89,800 |
| Camden | \$46,600 | \$53,250 | \$59,900 | \$66,550 | \$71,900 | \$77,200 | \$82,550 | \$87,850 |
| Essex | \$47,600 | \$54,400 | \$61,200 | \$68,000 | \$73,450 | \$78,900 | \$84,350 | \$89,800 |
| Hudson | \$48,200 | \$55,050 | \$61,950 | \$68,800 | \$74,350 | \$79,850 | \$85,350 | \$90,850 |
| Mercer | \$47,600 | \$54,400 | \$61,200 | \$68,000 | \$73,450 | \$78,900 | \$84,350 | \$89,800 |
| Middlesex | \$54,000 | \$61,700 | \$69,400 | \$77,100 | \$83,300 | \$89,450 | \$95,650 | \$101,800 |
| Monmouth | \$48,450 | \$55,400 | \$62,300 | \$69,200 | \$74,750 | \$80,300 | \$85,850 | \$91,350 |
| Ocean | \$48,450 | \$55,400 | \$62,300 | \$69,200 | \$74,750 | \$80,300 | \$85,850 | \$91,350 |
| Passaic | \$47,600 | \$54,400 | \$61,200 | \$68,000 | \$73,450 | \$78,900 | \$84,350 | \$89,800 |
| Union | \$47,600 | \$54,400 | \$61,200 | \$68,000 | \$73,450 | \$78,900 | \$84,350 | \$89,800 |

2.2. Income Verification

The Agency shall obtain proof of income eligibility from all applicants. Agency is required to maintain such proof in the client files. The original documentation verifying income may include:

- Paystubs
- W-2 forms
- Tax returns (for applicants whom are self-employed)
- Financial statements
- Compensation award letters
- Other documentation verifying income

The Agency must also verify information related to the applicant's self-employment. The original documentation verifying income for self-employed applicants may include:

- Tax returns
- Financial statements

The Department shall maintain the right to request or obtain third-party verification of income for any applicant. Moreover, the Agency may, at its discretion, request a copy of an applicant's most recent Federal Income Tax Return, including all schedules if there is any question as to the eligibility of the applicant based on other forms of documentation concerning income eligibility. If an applicant does not have a copy of their Federal Income Tax Return, or if there are irregularities on the Federal Income Tax Return submitted, the Agency shall require the submission of a Tax Return Transcript for the current year. (Irregularities include but are not limited to missing pages, evidence of alterations, and other evidence that the Federal Income Tax Return submitted is not an exact duplicate of what was filed with the Internal Revenue Service.) Tax return transcripts do not reflect changes made after the return was filed. To order a tax return transcript free of charge, applicant may use IRS Form 4506T or call 1-800-829-1040. If the applicant does not file Federal Income Tax Returns, s/he must sign the Certification of No Federal Income Tax Return Filed. The Affidavit of No Income Tax Filing can be found at the appendix of Chapter 1. In lieu of IRS 4506, any government income verification form is acceptable.

Any applicant household member over the age of 18 with zero income, or rental income, shall be reviewed by the Department prior to the applicant being determined to be income eligible for assistance. Members of the household over the age of 18 with zero income, with proof that they are enrolled as full time students do not require prior approval of the Department. Files for applicant households with zero income or rental income shall contain a copy of the e-mail from the Department which verifies that the household is eligible.

Any applicant household member over the age of 18 who does not file a Federal Income Tax Return shall seek verification from the IRS that no tax return was filed by filing IRS Form 4506T or call 1-800-829-1040 with the IRS. Files for applicants that do not file Federal Income Tax Returns shall contain verification from the IRS that no Federal Income Tax Return was filed.

Prior to June 30 of any given year, the prior year's Federal Income Tax Return may be considered the more reliable verification of income, and subsequent to June 30 of any year, other income verification that contains year to date payment information may be considered more reliable. Where the various sources of income verification are not consistent, (i.e. paystubs versus Federal Income Tax Returns) the Agency shall document any changed circumstances and include this documentation in the client file.

Any file for which the Agency believes to demonstrate a risk of fraud or abuse shall be provided to the State Monitor assigned for review. The assigned State Monitor will review client file and determine referral to Program Integrity and Compliance Unit (PIC) for further review. Upon that referral, Office of Low Income Energy Conservation (OLIEC) Supervisor will request review by PIC. Upon receipt, the Department will review the file documentation for compliance with all applicable Federal and State authority. Written correspondence on PIC review will be sent to the Agency for further action if needed. Copy of written correspondence must be retained in client file. No payment for units completed will be approved until such time that the proper income verification documentation is in the client file.

2.2.1. Earned Income Documentation:

For applicants who report earned income, the Agency shall collect 4 of the most recent 5 weeks' worth of pay stubs to establish annual income provided the paystubs show year to date (YTD) earnings representing at least 3 months of earnings.

In cases where the paystub does not show year to date earnings or the YTD earnings shown represent less than three months' pay, the agency must collect additional pay stubs to verify a total of 3 months income; or if paystubs are not available, an original signed letter from the applicant's employer on employer letterhead must be obtained by the Agency directly from the employer. This letter is not to be hand delivered to the Agency by the applicant, but must be mailed or faxed to the Agency by the employer.

2.2.2. Net Rental Income

Net rental income is the difference between gross rental receipts and building operating expenses.

Building operating expenses include: mortgage interest, property taxes, utilities (paid by the landlord/applicant), insurance premiums, and maintenance expenses. For those landlord/applicants who reside in a unit within the building which provides the rental income, the building operating expenses must be prorated before being deducted from the gross rental receipts. For example, if the landlord/applicant resides in one unit of a two-unit building, then only ½ of the building's operating expenses can be deducted from the gross rental receipts when calculating net rental income.

2.2.3. Other Income Documentation:

For all applicants who report any source of income other than earned income, the following documentation shall be considered acceptable verification documentation for non-earned income.

| TYPE | ACCEPTABLE DOCUMENTATION |
|--|--|
| Alimony | Court Order, pertinent pages of separation agreement or divorce decree that identify client and amount of alimony. (If court ordered payments are not being received by the client, a notarized statement to this effect will be accepted) |
| Annuities | Statement dated within 60 days of certification from issuing organization |
| Dividends and Interest, as regular source of income | Statement dated within 60 days of certification from bank or brokerage firm |
| Estates and trusts, as regular source of income | Fiduciary statement or current statement from bank or brokerage firm |
| Insurance proceeds or dividends, as regular source of income | Statement from insurance company |
| Pensions, government or private | Award letter; a letter from administrative agency |
| Rents | Income tax form rent receipts; notarized statement from applicant listing each apartment and the rent received per month, as well as the description and amount of deductible expenses. When the tenant is a family member and is paying no rent to the owner, a notarized statement should be received from the tenant and signed by the owner stating that no rents are being collected. |
| Royalties | Income tax return; current statement from company issuing checks |
| Self-employment Income | Most recent Federal Tax return for the Business including all Schedules, whether, sole proprietorship, Limited Liability, S or C Corporation. Business records for three months prior to the date of application; notarized statement of gross adjusted income, including list of deductions and amounts, for previous three months |
| Social Security Benefits | SSA Benefit Verification letter; SSA-1099 Social Security Benefit Statement; or SSA form 2458 (Report of Confidential Social Security Benefit Information) |
| Strike Benefits | Award letter; copy of checks; letter from appropriate administrative agency |
| TANF Award Printout | Work First NJ (NJ's Temporary Assistance for Needy Families) award printout issued by the County's Welfare Agency. |
| Unemployment | Unemployment Income Statement issued by the New Jersey Department of Labor and Workforce Development, or a comparable statement issued by an agency or department of another State or Territory responsible for administration of unemployment benefits. |
| Veteran's Benefits | Award letter from Veterans Administration or DOD. |

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| Worker's Compensation | Award letter from Workers Compensation Board; current check |
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3. Categorical Eligibility

Categorical eligibility means that households are determined to be eligible despite a total household income which may exceed the income guidelines. Categorical eligibility exists when any member of the household receives cash assistance payments from any of the following programs:

1. TANF
2. Food Stamps
3. Adoption Subsidy

A complete application is required for all categorically eligible households. Income verification documentation required in Section 2.2 of this chapter is not required for households that are determined to be categorically eligible. However, income documentation must be collected by the agency for the purpose of collecting required demographic information, such as total household income.

3.1. Supplemental Security Income (SSI)

“SSI” refers to payments issued by authority of Title XVI of the Social Security Act for retirement or disability purposes. The Social Security system provides disability and retirement benefits based on two criteria: economic contribution and economic need. When individuals apply for Social Security benefits, an analysis of their contributions into the system determines their benefit level. If this benefit level is sufficiently low, a second analysis of their entire economic situation is conducted (including consideration of all income sources, personal assets, net worth, etc.) and a second benefit, SSI, is also issued. SSI benefits may also be issued to an individual who never worked for wages and therefore receives no regular Social Security benefits. Recipients of SSI payments are categorically eligible, though recipients of regular social security payments are not automatically categorically eligible.

4. Determination of Property Eligibility

After an applicant is deemed eligible from a documentation standpoint, Agency shall physically go out to the field and conduct preliminary testing for lead hazards. The Agency should use Lead Testing Kits/Swabs to detect for the presence of lead-based paint hazards in the unit or units. While the Agency is at the property for lead testing, they should take pictures of the exterior front for identification purposes.

4.1. Non-Eligible Properties

The following would result in the Applicant's property to be deemed non-eligible for services:

- Property contains 3 or more units (For SFY2017 Grantees Only);
- Property contains 5 or more units (For SFY2018 Grantees Only);
- Property contains 3 or 4 units but is not registered with NJ DCA Codes and Standards as a Multi-Dwelling Property (For SFR2018 Grantees Only). Please see section 4.3 below on how to confirm property registration

- Property that is being occupied by more families than its legal occupant capacity (i.e. a property classified as a two unit property via local municipality's building codes division, but is being utilized as a three family home);
- Property has vacant unit(s);
- Property in Foreclosure;
- Property Listed for Sale;
- Building structure is not safe or structurally sound;
- Building Scheduled for Demolition;
- Sewage system has failed and requires correction prior to lead-safe remediation measures;
- Building with other sanitary factors that are present that may prohibit the timely and efficient reduction of lead-safe remediation measures.

4.2. Property Classification with Local Municipality Division of Building Codes

The number of legal dwelling units on a property is to be determined only by the local municipality's Division of Building Codes. The number of units potentially identified on the Property Tax Record is not sufficiently able to determine the number of legal dwelling units.

4.3. Registered with NJ DCA Codes and Standards as Multi-Family Dwelling

For SFY2018 Grantees Only:

For properties that contain 3 or 4 residential units must be registered with the NJ DCA, Division of Codes and Standards, as a Multi-Family Dwelling. Lead-Safe Pilot Agencies are required to verify that the Multi-Family property is registered with NJDCA as a Multi-Family Dwelling. To verify that a 3 or 4 unit property is registered with NJDCA, email Xin.Li@dca.nj.gov with the full property address, municipality, and zip code along with the indicated number of units. Once a response has been obtained verifying registration, a copy of the email is to be placed in the client file as proof of verification.

5. Lead Risk Assessment

5.1. Lead Evaluation

Agency sends its' contracted Lead Evaluator to the property to conduct a Lead Inspection/Risk Assessment.

5.1.1. *No Show/No Entry Fee Policy*

In the "Right of Entry (ROE) Permit and Release of Information" document that the applicant signs, there is a section on No Show/No Entry Fees on page 2. The Lead-Safe Pilot Program Agency should decide on the appropriate fee amount in instances where there is a No Show/No Entry. Please note that this No Show/No Entry Fee ***only*** applies to when the procured DCA certified Lead Evaluator is scheduled to conduct the Lead Evaluation and Environmental Review of the property. This fee ***would not*** apply to scheduled technicians for initial dust wipe sampling.

5.2. Cost Estimation and Scope of Work

Once the Lead Evaluator completes the Lead Inspection/Risk Assessment, a scope of work and cost estimation of scope of work will be produced.

6. Relocation Planning

The Agency will then have to review the scope of work produced by the contracted Lead Evaluator. The Agency must determine whether or not the work scope will require the occupants to be temporarily relocated.

If the occupants must be temporarily relocated, the Agency must produce a temporary relocation plan for the occupants (where will the occupants be temporarily housed, for how long, etc.) and estimate costs of temporary relocation.

7. Cost Consideration

Before approving an applicant for the program, the Agency shall calculate any foreseeable costs related to the project. The average cost per unit is expected to be \$12,000.

Projects with costs of up to \$20,000 per unit may be undertaken with Prior Approval from NJDCA. The Agency must submit a Request to Exceed for those units that they expect to be over \$12,000 but under \$20,000. The Request to Exceed can be found in the appendix of Chapter 1.

If the costs related to that project are expected to be above \$20,000, the Agency may have to identify additional funding sources or to defer the client due to insufficient funds.

7.1. Landlord Contribution and Other Sources

Landlord Contributions are not required for the Lead-Safe Pilot Program. If the lead project exceeds \$20,000 then the Lead-Safe Pilot Agency may have to identify additional funding sources, which may include Landlord Contribution.

Logistically, the Landlord Contribution should be provided from the Landlord/Homeowner to the Lead-Safe Pilot Agency directly. No contributions are to be made to the contractor directly from the Landlord/Homeowner. There is no contract between the contractor and the Landlord/Homeowner, but there is a contract between the Lead-Safe Pilot Agency and the Contractor.

8. Applicant is Eligible

If applicant's project cost falls within the allowable cost per unit, and Agency approves to proceed, the Agency shall send the Applicant a letter stating that Applicant is eligible for lead-safe remediation services.

9. "Owner's Permission for Lead-Safe Remediation" Form

After the Agency has determined the Applicant to be eligible, the Agency must transfer the general measures of the scope of work to the "Owner's Permission for Lead-Safe Remediation" form. The Agency must go over the lead-safe remediation measures with the Owner and obtain

the Owner's signature as authorization for the Agency to install or sub-contract the lead-safe remediation measures to the property. The Owner's signature also certifies that the property is not in foreclosure or scheduled for demolition within the 12 months from the date of work.

10. "Landlord/Tenant Lead-Safe Remediation Agreement" Form

For properties that are occupied by a tenant(s), the Agency is required to obtain and execute the "Landlord/Tenant Lead-Safe Remediation Agreement". This form is required to be filled out and signed individually for each tenant. This Landlord/Tenant Agreement ensures that the rights of tenants, as well as the Lead-Safe Remediation Pilot Program's investment are protected, and that the benefits of lead-safe remediation accrue to the low and moderate income persons that the program intends to serve. Signed copies of this document are provided to both the Tenant and the Landlord. The document is enforceable by the tenant(s). Copy of document must be maintained in the file.

If the property is owner-occupied and does not have any tenants residing in the unit(s), the Landlord/Tenant Form would be non-applicable (NA).

11. Expired Client Record

If a client has not been served within one (1) calendar year, the application will expire and the client would have to complete a new application and to recertify income and other requirements. The client record in HESWAP will also automatically lock and require recertification of the client record. The Agency must update the certification field on the Client Information Screen to reflect the new recertification date.

