

City of Longmont CDBG-DR

Due Diligence Process

Purpose

The City of Longmont's CDBG-DR Flood Recovery Housing Programs' objective is to assist as many Longmont residents as possible with repairs to their homes, down payment assistance and/or temporary rental assistance in response to the September 2013 flood.

During the course of processing an application, an applicant and/or various agencies, entities or businesses may be non-responsive to the City's attempts to gather additional information and documentation. Due to the nature of disaster recovery, the City does not want to unduly hold up an applicant moving forward in the program due to a third-party verification. Similarly, funding for housing assistance is limited and if an applicant becomes non-responsive, other applicants become held up in the process.

The City will undertake the following Due Diligence Process to contact an applicant and/or various agencies, entities or businesses in order to complete an application and determine final eligibility for the CDBG-DR assistance programs.

In the case of a non-responsive applicant, the City will make efforts to obtain needed documentation to complete an award. If after following the Due Diligence Process there is no response from the applicant, the applicant will be determined ineligible for the CDBG-DR program(s) to which they applied. An ineligible determination by the City may be appealed by the applicant by following the Appeal Process which will be provided with the final correspondence to the applicant from the City.

In the case of third-party verification, the City will follow the Due Diligence Process to make every effort to obtain required documentation. If after following this process, the documentation is not received from a third-party, the City will use the documentation provided by the applicant and/or otherwise verified by the City to complete processing the award.

Applicant Process

- The applicant will begin the CDBG-DR process by completing an application and returning it with the required supporting documentation to the City. The applications for the three CDBG-DR assistance programs include space for the applicant to list the contact information of two people who do not live in the household and may be contacted in order to follow up with the applicant.
- The application will be reviewed and any deficiencies identified, including information not completed on the application and/or missing required documentation. The City will request the missing information or documentation in writing by letter, email, and/or fax. Missing information or documentation must be provided by the applicant within **15 days** of the date of the letter.
 - If there is no response to the incomplete application letter after 15 days, the City will contact the alternate contact(s) listed on the application, if contact information is provided. Contact will be via mail or phone, depending on the information provided. The City will not reveal any private information to the alternate contact(s) but will inform the alternate contact(s) that their name was provided as an alternate contact for the applicant, the City is attempting to reach the applicant regarding assistance related to the flood, and please contact the applicant and ask them to get in touch with the City of Longmont.
- If the applicant does not provide the requested documents within 15 days, the City will mail an incomplete application letter to the applicant requesting the required information or documents. The applicant will have **15 days** from the date of this second letter to provide the missing information or documents.

Last updated: 10/30/2014

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Additionally, the City will mail a third and final due diligence letter by certified mail to the address listed on the application.

- If the applicant does not respond within **10 days** of the date of this third certified letter, the City of Longmont will complete the Due Diligence Form and the applicant will be determined ineligible for the program(s) to which they applied.
- The City of Longmont will mail the Due Diligence Ineligible letter via certified mail, which will include the appeal procedure to the applicant at the mailing address listed on the application.

Third Party Verification Process

- The Housing and Community Investment Division will request the disclosure of all financial assistance provided to applicants from the following agencies, entities, and/or businesses regarding duplication of benefits:
 - Small Business Administration (SBA)
 - Boulder County Long-Term Flood Recovery Group
 - The OUR Center
 - Boulder County Division of Housing and Human Services
 - Catholic Charities
 - Insurance companies that applicants received payment from an insurance claim or that have denied a payout from an insurance claim filed by the applicant
 - Other organizations as identified
- Financial assistance requested to be disclosed includes, but is not limited to, assistance for rent, replacement housing, home repairs, food and gas, clothing, and/or the purchase of other personal property.
- All applicants will sign Consent to Release Information form, permitting the above organizations to release financial information to the City.
- A request for information will be mailed to the appropriate agencies with a copy of the release signed by the applicant. Organizations will be requested to respond in writing regarding any and all financial assistance they have provided to applicants in response to the September 2013 flood. Organizations will be requested to respond within 30 days of the date of the letter.
- If after 30 days no information is provided by the organization, the City of Longmont will document that the organization is non-responsive and will proceed with determining an applicant's eligibility for the Flood Recovery Program using financial assistance documented by the applicant or otherwise verified by the City.