

Low to moderate income with good credit denies you HUD Grants based on State Grantee processes.



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We have noticed that many low to moderate income families have been refused HUD CDGB-DR grant funds due to the fact that SBA has approved them for a loan. Even if they didn't take the loan it is being used to deny grants because of their credit.

Many have attempted to appeal their "Denied" ruling by declaring a financial hardship.

I don't have anything 100% from Restore or the OCD-DRU to what they are really focusing on other than what they keep posting for me to read.

If you are 80% AMI >>> They claim you are a hardship and will be approved not denied.

But we have members that are retired and are in the 80% AMI income range that were denied CDBG-DR grant funds.

Here's the issue, people that actually worked hard all their lives, planned retirement, paid off their homes and for all practical purposes did everything right.

Well, they did things so good they found that SBA would offer a loan for repairs and it appears this is what Restore is using for their Path of Denial as far as I can tell.

This is 100% speculation on my part, I have no perfect case to file in court but that doesn't mean my online activism can't find what I need to turn the tables.

So don't be alarmed to find that home of yours qualified you for an SBA Loan based on Collateral lending. And your Social Security income just netted you Credit worthiness and your pensions? Wow, you're rich to the SBA. So by paying your bills, keeping your household budget within livable limits you just gave the state of Louisiana Office of Community Development the experts in identifying the poor that are working for the poorest state in the nation a reason to list you as having too much value even if your dollar amount is below the required 80% LMI. (Yes, that is the only thing I can identify based on retirees income levels compared to their credit levels.)

And now for the rest of the story if you are inclined to read about what I feel your options are. This is my opinion derived by my research. This is not case experience.

Restore (OCD-DRU) seems to be following these rules when determining hardship.

This is based on communications with the email center and online Restore responses to my hardship questions.

I also compared there process to the states Office of Community Development.

1. You are at or below 80% of your parish median income and you were declined an SBA loan.

That's it for now.

What they are not looking at with open eyes.

1. You were declined by SBA but are over 80% of your parish median income.

2. You are Approved for SBA and under 80% of your parish median income which makes you credit worthy. (Mostly retired)

3. Your earnings were higher in 2015 than what they are today and we do not count 2016.

4. You were approved SBA but lost your job and have no income. You will need to reapply with SBA to be declined based on income not credit or collateral.

5. You have no credit but were offered SBA based on Insurance Collateral.
etc.

To make your case: 1. Complete the Living on Percentages workbook I posted.

You need to do 3 years, 2014, 2015, 2017.

(Skip 2016)

You will need your SBA documents and loan approval reason. Credit, Insurance, Collateral, you will need the break down to what they were willing to offer for what expense, vehicle, contents, home repair, etc.

You will need the page of your contract that clearly states that all additional grants, insurance, not for profit funds will be collected by SBA to pay down your loan. Everyone has this in their contract even if you declined the loan.

You will need to create a financial profile that clearly points to a financial hardship caused by the flood and only the flood.

We all will help with the hardship portfolio.

We then as a group would ask to be placed on the Task Force agenda and each of you will be asking for a special hardship be granted in your name.

There is not "Group" hardship unless you are below 80% AMI and denied SBA for Credit, Insurance and Collateral reasons.

There is a "Case by Case" method that would require the Task Force to vote on your case then direct Patrick Forbes to list your case as a hardship to fee up CDBG-DR grant funds.

BUT >>> You can not have an SBA Loan signed, not \$1 of SBA and no approved signed and agreed loan for the future related to our March and August floods.

Is it worth the trouble? That's up to you, my thinking is this. If I have to wait one day for One Dollar that is needed to complete my rebuild then I wait that one day.

Find your Parish, then the number of people in your household, total all household income and see if you are 80% or less.

<http://d2se92fabdh4cm.cloudfront.net/wp-content/uploads/2018/04/23103543/2018-HUD-Median-Income-80-Percent.pdf>

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