

Small Cities Housing Rehabilitation Program

HOMEOWNER ORIENTATION

\$400,000 grant to assist
low and moderate income residents
0% interest deferred loan
for owner occupied homes

***** General Characteristics *****

- For Housing Rehabilitation
- Assist Low and Moderate Income
- Priorities: Health, Safety, Code Compliance
- Required Cap:
 - \$30,000 (single)
 - \$50,000 (multi-unit)

***** General Characteristics *****

- Funders
 - US Housing and Urban Development
 - CT Department of Housing
 - Municipality
- First come first served basis to those eligible



Financing

- **Homeowner Occupant:**

0% Interest deferred loan payable at:

- Sale of Home
- Change of Title to Home

- **Investment Owner:**

- 15 year 3% amortized loan
- 50% required match

Stages of Project Implementation

- Eligibility Review
- Site Inspection & Lead Report
- Cost Estimate & Specification
- Bidding
- Contract & Mortgage Document Signing
- Construction
- Payment and Closeout

Applications

- **Available on Town Website**
 - Housing Rehab Program Tab
- **Required Application Documents**
 - Application form and Asset list (completed, signed & dated)
 - Most recent federal tax return (Form 1040)
 - Pay stubs documenting 6 consecutive weeks of wages
 - 2 months of bank statements from each bank account
 - Documents to support all other sources of income (Social Security, disability, unemployment, alimony, child support, SNAP benefits, etc...)
 - Mortgage statement (with principal balance remaining)

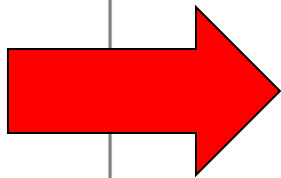
Factors in Eligibility Review

Lisa Low & Associates (LLA)

- HUD income limits
- Tax current on all municipal taxes
- Minimum of 10 % equity
- Must have homeowners insurance

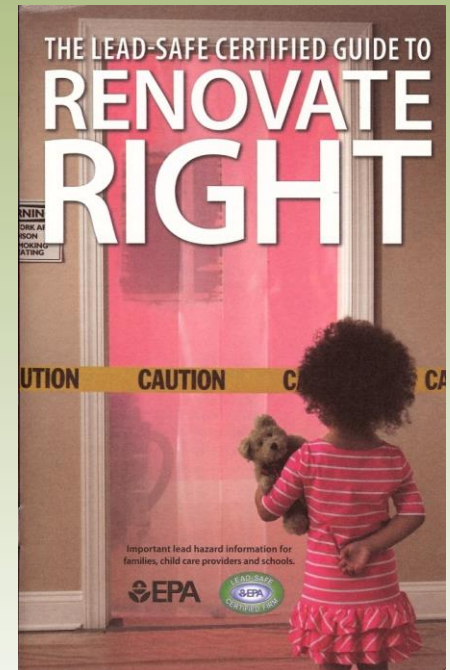
HUD Income Limits

FY 2019 Income Limit Area	Median Family Income <input type="text"/>	FY 2019 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
	\$100,900	Very Low (50%) Income Limits (\$) <input type="text"/>	35,350	40,400	45,450	50,450	54,500	58,550	62,600	66,600
		Extremely Low Income Limits (\$)* <input type="text"/>	21,200	24,200	27,250	30,250	32,700	35,100	39,010	43,430
		Low (80%) Income Limits (\$) <input type="text"/>	52,850	60,400	67,950	75,500	81,550	87,600	93,650	99,700



Site Inspection & Lead Report

- Site inspection
- Lead pamphlet distribution
- Lead inspection scheduled
- Conference with homeowner on results of inspection including lead report
- Scope of Work & Cost Estimate



Common Areas of Home Safety Review

- Lead Based Paint Hazards
- Smoke, Carbon Monoxide & Heat Detectors
- GFCI Ground Fault Circuit Interrupter devices
- Electrical Hazards
- Lighting Fixtures
- Fuse or Circuit Breaker Panel
- Plumbing Leaks; gas, water or waste
- Plumbing Fixtures
- Heating System
- Ventilation; Kitchen & Bath, Attics
- Septic & Sewer Connections
- Exterior Property Overgrowth
- ADA/504
- Stairs cases and railings
- Roofing and Gutters
- Windows and Doors
- Deck and Porch Repair
- Siding and Façade Repair
- Exterior Painting
- Tree pruning or Removal

Ineligible Improvements

- Portable Items; furniture, garden or home improvement tools, wall hangings area carpets, drapery's or shades
- Appliances; stoves, refrigerators or freezers, washing machines and dryers etc.
- Swimming pools; any repair, modification or removal
- Excessive landscaping; extensive shrubbery, sod, trees, garden materials, fixtures, equipment or landscaping of a type or quality which exceeds that customarily used in the locality for properties of the same general type as the property to be rehabilitated.
- Ceramic tile, excluding shower or bathing units
- Counter tops, excluding plastic laminate
- Remodeling, including bathrooms, kitchens and living spaces that currently meet Section 8 HUD HQS

Bidding

- Bid documents prepared
- Pre-qualified contractors notified
- Mandatory site walk for pre-qualified contractors
- Bid receipt and public opening
- Contractor selection
- Contractor award

Project Legal Documentation

- Contract & Mortgage Document Preparation
- Contract Signing Conference with homeowner, contractor, & LLA
- Mortgage document signing & filing
- 3-day Right of Rescission
- Notice to Proceed

Construction Oversight: LLA

- Pre-construction Conference
- Homeowners & contractors select colors/styles
- Contractor obtains required permits
- Contractor orders materials
- Contractor start date
- Construction oversight by LLA staff
- Progress payment if appropriate
- Execution of change orders, if any

Payment and Closeout

- Lead Based Paint Clearance (if applicable)
- Final inspections by building officials and LLA construction manager
- Contractor submits invoices with lien waivers, signed certificate of completion, & certificate of occupancy
- LLA / Town CEO approve payment
- Payment issued
- Documentation prepared for DOH audit

Homeowner Obligations

- Cooperation (understanding that program is operated with limited time and resources with goal of benefit to maximum persons)
- Insurance:
 - Hazard, mandatory & flood, if required
- Maintain Property in post-rehab condition
- Owner Investor Additional Obligations
 - Rental limitation agreement
 - Affirmative Fair Housing Marketing Plan
- Modification Agreement, if required

Questions

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THANK YOU