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DO YOU NEED **HELP** REHABILITATING YOUR HOME?



LEARN MORE ABOUT THE
CITY OF LEWISTON'S
COMMUNITY HOUSING
REHABILITATION PROGRAM (CHRP)

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FAIR HOUSING

In the administration of all federally assisted housing programs, the City will not discriminate on the basis of race, color, religion, sex, age, handicap, familial status, sexual orientation, and/or gender identity/expression, or national origins. Fair Housing information may be found at: <https://www.hud.gov/library/bookshelf08/>

The City takes fair housing complaints from citizens and forwards those complaints to HUD or the Intermountain Fair Housing Council. To report fair housing complaints, you may either contact the Community Development Specialist for assistance, or file a complaint directly with HUD online at:

https://www.hud.gov/program_offices/fair_housing_equal_opp/online-complaint

Intermountain Fair Housing Council may be contacted at:

1.208.383.0695 or 1.800.717.0695

contact@ifhcidaho.org

4696 W Overland Rd #140

Boise, ID 83705

PROGRAM DISCLOSURE

Programs funded with federal dollars are subject to many more requirements than outlined in this brochure. For additional questions, please contact the Community Development Specialist.

MONITORING OF THE PROJECT

City staff and authorized HUD representatives reserve the right to inspect all rehab projects during construction and throughout the life of the loan

LOAN SERVICING

The City of Lewiston completes all loan servicing functions related to your lien. The following apply for loan servicing:

- 1. Owner/Applicant Responsibilities.** You will be responsible for property maintenance, maintaining homeowner's insurance policy during the life of the loan, and calling the contractor for all warranty deficiencies.
- 2. Sale of Property.** In the event you sell the property, your loan and any accrued interest will become due immediately.
- 3. Discontinuation of Residency.** In the event you no longer reside in your home, due to death or a permanent medical condition, and the heirs/grantee decide to sell the property, payment of the entire remaining loan balance owed at the time of your death, or the date you were no longer able to reside in your home due to medical reasons will be due.
- 4. Loss of Household Income.** After the closing of a project, if you experience a permanent substantial loss of household income, you should contact us immediately to discuss the terms of your note. We will make every reasonable effort to work with you and will examine each situation on a case-by-case basis.

BACKGROUND

The City of Lewiston's Community Housing Rehabilitation Program (CHRP) is funded by the U.S. Department of Housing and Urban Development (HUD) through a Community Development Block Grant (CDBG). The program is administered by the Community Development Specialist located at the Community Development Department.

The goals of CHRP are to: preserve existing affordable housing; ensure that eligible properties are safe, secure and sanitary; provide energy efficiency improvements; and enhance and revitalize neighborhoods within the City's limits.

CHRP is designed to ensure:

- 1.** Funds are targeted to households that are low-, very low- and extremely low-income as defined by HUD;
- 2.** Funds are provided for housing repairs considered essential to income-qualified families' health, safety and welfare and to meet program goals;
- 3.** Procurement actions are in full compliance with applicable Federal, State, and local laws and regulations;
- 4.** With respect to loan approval, consistency and fairness in consideration of loans to include compliance with fair housing laws; and

Both the owner occupancy and the term of the lien run side by side. In the event that the owner-occupants sells the property, the balance of the loan will become due in full.

HOW THE PROGRAM WORKS

The City of Lewiston offers 3 types of loans that can be used to rehabilitate your home.

FORGIVABLE LOAN

If your total family income is in the range of extremely low, as classified by the federal government, you may qualify for a forgivable loan. A forgivable loan is a form of a loan in which its entirety, or a portion of it, can be forgiven for a period of time when certain conditions are met.

NO INTEREST DEFERRED LOAN

If your total family income is in the range of low, as classified by the federal government, you may qualify for a deferred loan. A deferred loan is a 0% interest rate with no monthly payments once the rehabilitation work is completed. There will be a lien, signed by the homeowner(s), placed on your home for the amount used. Payment in full is required if you transfer ownership, sell, refinance, pass away or otherwise cease to occupy the property as your primary residence.

LOW INTEREST DEFERRED LOAN

If your total family income is low moderate, as classified by the federal government, you may qualify for a low interest deferred loan. A low interest deferred loan has a 3% interest rate with no monthly payments once the rehabilitation work is completed. There will be a lien, signed by the homeowner(s) placed on your home for the amount used. Payment in full is required if you transfer ownership, sell, refinance, pass away or otherwise cease to occupy the property as your primary residence.

Step 8. Payment

The City will make payouts on a reimbursement basis to you for work completed. It is your responsibility to pay the contractor.

Change orders must be approved by the homeowner(s), contractor, and the Community Development Specialist **prior** to the modifications being started. Work that does not comply with the original agreement or incorporated by change order is not eligible for payment.

All work performed on a CHRP project must pass inspection prior to submission for payment. Upon submission of invoices/receipts and notice that a portion of the project is complete, an inspection will be scheduled to determine satisfactory completion.

Step 9. Final Walk-Through

Project closeout consists of a final walk-through with the Community Development Specialist, Contractor, and City Inspector to ensure the completed work meets the scope of work and industry standards. Pictures will also be taken for the project file.

Step 10. Closing Appointment

The closing appointment is scheduled with the Community Development Specialist after the completion of the final walk-through. At closing, an amended funding agreement and lien will be executed to reflect the actual project cost (if applicable) and replace the security instruments executed at appointment.

Step 5. Contractor Selection (continued)

Once you receive your three bids, you must submit the bids to the Community Development Specialist within 30 calendar days after acceptance of the scope of work. City staff will review the bids to affirm that the costs are reasonable under HUD and program guidelines.

Step 6. Commitment Appointment

After City staff reviews the bids and determines costs are eligible, a commitment appointment will be scheduled. The purpose of the commitment appointment is to sign the Residential Rehabilitation Agreement and the Lien. The Residential Rehabilitation Agreement outlines your responsibility for receiving assistance, as well as other program requirements. The Lien will secure our interest in extending financial assistance to you for completing the eligible and approved repairs.

The Community Development Specialist will determine the terms of your loan and explain them to you at the commitment appointment.

Step 7. Notice to Proceed

After the funding agreement and lien are signed, you will be issued a notice to proceed. Once the notice to proceed is issued, the contractor, hired by you, may begin work. **All required permits must be obtained by either the homeowner or the homeowner's contractor prior to work being performed.**

REQUIRED DOCUMENTATION

The applicant(s) must provide the following (additional information may be required):

- Completed homeowner information;
- Completed worksheet listing all household income, mortgage/tax, and age of home information;
- Current year's Income Tax Return with W-2's and/or 1099s for each household member who filed a tax return;
- Social Security number(s), with most current income statements for household members who receive social security;
- Paycheck stubs and bank statements for the last two months for each employed household member;
- Copy of property deed, contract of sale, and/or mortgage terms;
- Mortgage Balance Statement;
- Certificate of fire insurance coverage;
- Divorce decree, if you were awarded the property through a divorce and your sole ownership is not reflected on the title;
- Signed description of problem and potential repair, or copy of written report of city code violation (if applicable);
- Certification of Non-Income Earning Assets;
- Signed Applicant Authorization;
- Monitoring Information;
- Confirmation of Lead Pamphlet Receipt;
- Completed Application.

Note: If any of the items do not apply to your individual situation, you may write "NA" next to the item on the application.

ELIGIBILITY REQUIREMENTS

INCOME LIMITS

The U.S. Department of Housing and Urban Development (HUD) sets income limits that determine eligibility for assisted housing programs.

2018 INCOME LIMITS SUMMARY BY HOUSEHOLD SIZE

# of Persons	Income Limit	# of Persons	Income Limit
1	\$35,250	5	\$54,350
2	\$40,250	6	\$58,350
3	\$45,300	7	\$62,400
4	\$50,300	8	\$66,400

For household sizes of 9 or more, contact the Community Development Specialist. ***Income Limits are subject to change as determined by HUD.**

MAXIMUM LOAN AMOUNT

An individual CHRP loan to an eligible household may not exceed \$25,000 in CDBG funds. CHRP loan amounts are to be determined based on the bids received according to the project work write-up, which is developed following discussion with the applicant and initial inspection. **Loans are subject to total allocation of funding received from HUD and further allocations made by the Mayor and City Council each year. The CHRP program is subject to discontinuation at any time without notice. This booklet is provided for information only and not as an inducement of any kind. This booklet does not establish rights to the reader or any other third party.**

Step 2. Eligibility Determination

The Community Development Specialist will determine if you are income eligible. If you are not eligible, a denial letter stating the reason why you are not eligible will be sent. If you are denied funding for any reason, you must wait until the following program year to reapply.

Step 3. Home Inventory

If verified as income eligible, an Inspector will conduct an inspection of your home. The purpose of this home inventory is to determine if the deficiencies found in your home are eligible for repair and to isolate the eligible repairs to generate a work write-up.

Step 4. Review Work Write-Up

After the completion of the inspection(s), an appointment will be scheduled to review the work write-up. The purpose of this appointment is to develop a work plan detailing eligible work items for the rehabilitation project.

If you do not accept the work write-up, you may opt out of receiving assistance and participation. The City also reserves the right to deny assistance for failure to accept the City's final determination as to repair eligibility and/or meeting affordability thresholds.

Step 5. Contractor Selection

With the work write-up in hand, you should next contact a licensed and insured contractor to bid on your rehabilitation project. Gather at least three (3) comparable bids based on the work plan. If you cannot get three bids, you must provide documentation showing your outreach (i.e. letter, email from contractor contacted).

INELIGIBLE COSTS

Except as otherwise provided in this section, a CHRP loan shall not provide funding for adding rooms, creating finished living space from unfinished areas (i.e., garages and basements), exterior improvements such as fencing and landscaping, replacement of items determined to be in good condition by City Inspectors, and purchase/installation of appliances (such as refrigerators, stoves, and window air conditioning units).

CHRP funding does not cover owner labor cost, remodeling or cosmetic improvements.

- Cosmetic improvements are defined as higher-than-standard-grade fixtures; items required only for decoration; replacement of flooring etc.
- Remodeling is defined as improvements, renovations and redesigning or altering living or workspace that is made for aesthetic reasons and/or do not improve the safety and security of the occupants, structural integrity of the unit, and/or meet CHRP goals and objectives.

GENERAL APPROVAL GUIDELINES

APPLICATION PROCESS

Step 1. Submit Application

Your application must be returned in person to be evaluated for completeness. Incomplete applications will not be accepted. All owners to the home – and persons 18 years and older – must complete the application form and attach the supporting documentation to the application. **Disclosure: Willful misrepresentation and/or fraud are reasons for automatic denial of assistance.**

APPLICANT ELIGIBILITY REQUIREMENTS

You and all members of your household must meet the following minimum eligibility requirements for consideration:

1. Applicant must be owner of record of the property that the repairs will be made to (properties held by a life estate are ineligible);
2. Have a household income at or below 80% of area median income, adjusted for family size (see 2018 Income Limits Summary table above);
3. Provide proof of financial responsibility for your home (i.e. current property tax payments; mortgage and/or utility payments);
4. Are up-to-date on utilities, property taxes, sewer payments, and special assessments;
5. Non-income earning assets may not exceed;
6. Have no ownership interest in other real estate (including mobile homes), except for vacant adjoining lots;
7. Maintain adequate homeowners insurance to protect the value of the rehabilitated property throughout the duration of the lien;
8. Do not currently have a CHRP loan with the City of Lewiston.

Keep in mind that if the information you provide is unclear, staff may request additional information to determine eligibility and approval.

PROPERTY ELIGIBILITY REQUIREMENTS

Your property must also meet minimum eligibility criteria to qualify for assistance. The property:

1. Must be located in the City of Lewiston and meet zoning requirements;
2. Be a single family, owner occupied residential dwelling unit;
3. Must be occupied as your primary residence;
4. Must exhibit building code deficiencies that make the dwelling unsafe or unsanitary;
5. Must be serviced by or be accessible to City-approved water supply, sanitary sewer and electrical system;
6. Must comply with and meet all of HUD environmental requirements (i.e. historical, floodplain, noise, etc.).

This list is not exhaustive. Other criteria may apply to your specific situation, property structure and design.

Class A manufactured homes as defined in City of Lewiston code will be considered for rehabilitation funding. Mobile homes and manufactured homes other than Class A do not qualify unless an exception is made by the Community Development Director.

Class A manufactured home: A manufactured home meeting the following standards:

1. Constructed after June 15, 1976 and certified as meeting the manufactured home construction and safety standards of the Department of housing and Urban Development;
2. Shall be multi-sectional and enclose a space of not less than one thousand (1,000) square feet;
3. Roof pitch shall be not less than a three-foot rise for each twelve (12) feet of horizontal run (3:12) and roof shall have minimum six-inch eave or eave and gutter;
4. Has roofing materials, which are generally acceptable for site-built housing. Any roofing material may be used provided it has the appearance of a nonmetallic shingle, shake or tile roof;

5. Has siding material, which has the appearance of wood, masonry or horizontal metal siding. Reflection from horizontal metal siding shall be no greater than that from siding coated with white gloss enamel

ELIGIBLE REPAIRS

Eligible repairs will be determined by the Community Development Department upon inspection of the property. They include, but are not limited to, the following:

- Repairs to the heating system when there is no heat or inadequate heat;
- Repairs to the plumbing system, hot water heaters, and access to the water supply;
- Repair or replacement of windows, when glass is missing, broken, cracked, or when the window framing is rotten;
- Faulty roofs, including leaks, structurally unsound, unsafe or open to the elements, or for energy efficiency;
- Repair to doors that do not open and shut properly;
- Bathroom – replacement of sinks and toilets when fixtures are leaking, cracked, or inoperable;
- Repair or replacement of the tub or shower when current surface is damaged or poses an unsafe condition;
- Kitchen – repair sinks and faucets when leaking or damaged;
- Faulty porches and steps that present a safety risk;
- Repair or replacement of flooring and subflooring when conditions present a possible hazard;
- Lead-based paint testing;
- Cost effective energy efficiency measures;
- Building permits and related fees;
- Repairs needed to eliminate barriers to accessibility;
- Replacement of electrical panels and wiring;