



Carver/Halifax Housing Rehabilitation Program

General Information Guidelines

HALIFAX APPLICATION

INTRODUCTION

The Housing Rehabilitation Program (HR Program) is designed to improve housing conditions of low and moderate income resident households by eliminating building and health code violations. The HR Program is administered through the Town of Carver Office of Planning and Community Development, by Mr. Jack Hunter, Planning Director, Housing Rehab Program Manager Melissa Vincent of TRI-The Resource Inc. along with Colleen Parillo Asst. Program Manager

CODE RELATED REPAIRS

Eligible repair activities will include, but not be limited to, electrical, heating and plumbing work: structural repairs; roof and siding repairs; insulation and window replacement; lead paint and asbestos removal; and handicap accessibility improvements.

ELIGIBILITY

Preliminary eligibility is defined as an applicant meeting the initial income eligibility requirements in order to qualify to begin the housing rehabilitation process. Final eligibility is determined after the total Application package is received and reviewed by the Program Manager.

APPLICANTS: This program is targeted to owner occupied and investor owned units in the East Monponsett, West Monponsett and Halifax Mobile Home Park Target Areas, both single and multi-family. If the structure is a single family owner occupied unit, the owner must meet these income guidelines. For multi-family units, at least 51% of the units in the structure must be occupied by low and moderate income households. A low and moderate income household is defined as households who meet the following income levels:

Size of Household	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Income less than	\$46,100	\$52,650	\$59,250	\$65,800	\$71,100	\$76,350	\$81,600	\$86,900

If the structure is a single family owner occupied unit, the owner must meet these income guidelines. If the structure contains rental units, at least 51% of all the households including rental units/renters must meet these income limits.

Eligibility Determination: Upon receiving an application and supportive documentation, the Program Manager will verify property ownership by copy of the deed and local property tax bill. Income will be verified by employer verification form and/or copies of the most recent

Consecutive 8 weeks (minimum) 4 weeks if bi-weekly pay stubs. Self-employed applicants will submit their most recent IRS-Certified tax form. All other sources of income will be verified by the Program Manager according to HUD approved income verification documentation. In the case of non-owner occupied units, a tenant questionnaire will be distributed to participating households and income verified as stated above.

Ownership: The applicants must be the property owner of record for the proposed residential structure.

Structures: The primary purpose of the deferred payment loan program is to bring deteriorated residential units into compliance with all applicable Federal, State and local codes. To be eligible, a structure or portion thereof must be residential and contain one or more code violations. Note: All code violation must be corrected as a condition of participating in the Carver/Halifax Housing Rehabilitation Program. If your property was constructed prior to 1978 than a lead pant assessment must be completed by a licensed lead paint inspector. If your home is found to have lead paint violations than as a part of this Program the lead paint violations must/will be corrected. Lead paint and any other required inspections will only be done after an applicant/application has been qualified for this Program.

FUNDING MECHANISM-DEFERRED PAYMENT LOANS

- The Carver Halifax Housing Rehabilitation Program offers Deferred-Payment Loans (DPL) to finance rehabilitation of eligible projects. The maximum DPL is \$30,000 per unit to address code violations. An additional \$5,000 per unit is available when improvements include removal of lead paint or asbestos or making handicapped access. The DPL is secured by a lien placed on the property for a period of 15 years. The interest rate is 0%. Deferred Payment Loans do not require monthly loan payments. If a property is sold or transferred within the 15 year period after rehabilitation completion, the funds will be recaptured on a prorated basis. After the 15 year Recapture period expires, the loan is forgiven. No payments are made.

- Owner Occupied Housing Assistance is based upon income and property ownership, as follows:

100% financing - Low to Moderate Income (less than 80% of median income); owner occupied; 1-4 family units

- The Carver Halifax Housing Rehabilitation Program also has a program for investor owned property with the following program criteria:

Investor Owned Property

1. If at least 51% of housing units in a building are occupied by households earning less than 80% of median income, the property owner will be considered for a deferred payment loan equal to 50% of project cost up to a maximum of \$30,000 per unit with an additional \$5,000 per unit for removal of lead paint or asbestos or handicapped access. The term is 15 years and the interest rate is 0%.

2. The investor owner must execute an Affordable Housing Restriction that runs with land/building for a 15 year period.
3. Rents will be restricted to Fair Market Rents and units must be available to low and moderate income tenants for a 15 year period.
4. If the property is sold or transferred within the 15 year period after rehabilitation is completed or if the terms detailed above are violated the funds will be recaptured on a prorated basis. After the 15 year recapture period expires, the loan is forgiven. No payments are made.

A Housing Rehab Specialist will conduct a site visit and develop a detailed work write-up and cost estimate. The Rehab Specialist will then review these items with the homeowner and the Program Manager.

NOTE: The Carver/Halifax Housing Rehabilitation Program is a moderate rehabilitation program. If upon completion of a site visit, detailed write-up and cost estimate, the HR Specialist determines that the dollars needed far exceed program limits, the project can be deemed infeasible and funding denied. Appeals can be made by providing the Carver Town Planner's office with acceptable documentation that owner has access to additional funds necessary to complete the project.

BIDDING PROCEDURES

Based upon the accepted work write-up, the Carver/Halifax Housing Rehab Program staff will solicit bids from a "qualified" contractor list (i.e. contractors who previously submitted evidence of insurance and contractor licenses and whose reference and past work have been reviewed by rehab staff). Bids will be reviewed by the Housing Rehab Specialist and the Housing Program Manager. A minimum of three bids for each project will be sought. A homeowner may choose a contractor other than the lowest qualified bidder. However, the Deferred Payment Loan is based upon the amount submitted by the lowest qualified bidder and the homeowner must fund the difference.

If the completed bid package exceeds the program dollar limit for your project, the Rehabilitation Specialist will first work with the contractor to see if alternative procedures can be performed to lower the bid amount while at the same time accomplishing the primary goal of correcting all code violations. If this is not successful, the project can be re-bid or the homeowner can seek additional financing from other sources.

CONSTRUCTION PROCEDURES

Upon completion of the application and bidding phase, a contract will be drawn between the homeowner and the contractor will be signed. Contract language will make provisions for payment, warranty, liability, and Carver/Halifax Housing Rehabilitation Program staff oversight.

Inspections will be made by the Housing Rehab Specialist during the rehab process to verify that the work is being done in accordance with the approved work write-up, owner/contractor agreement, and applicable codes. The Building Inspector, Wiring Inspector and Plumbing Inspector will approve and verify building code compliance.

No change will be made to the work write-up unless written approval is obtained from the Housing Rehab Specialist, the homeowner, and the contractor by means of a contract amendment or change order. Final approval by the Housing Rehabilitation Program Manager will also be required for the change orders.

PAYMENT

Progress payments will be made only after inspections by the Housing Rehab Specialist and the homeowner's written acceptance of work performed which signatures will not be unreasonably withheld. All payments under the Carver/Halifax Housing Rehabilitation Program will be issued in the name of the homeowner and the contractor. A 10% retainage will be withheld from each progress payment to ensure project completion in accordance with the work write-up.

The contractor will receive final payment only upon completion of construction and of evidence of compliance with local permitting procedures, a Release of Liens, a Warranty, and a homeowner statement of satisfactory completion.

**This document is a summary of the Carver/Halifax Housing Rehabilitation Program Guidelines. Additional program requirements exist which further govern participation in The Carver/Halifax Housing Rehabilitation Program. For further information, please call 508-866-3400 at extension 1011, Monday through Thursday, between the hours of 9 am and 3 pm.*

This program is funded through a Massachusetts Community Development Fund Grant awarded by the Department of Housing and Community Development to the Towns of Carver and Halifax.