

CITY OF BRADFORD

**HOUSING REHABILITATION
GRANT PROGRAM GUIDELINES**

Purpose of the Housing Rehabilitation Grant Program

The purposes of the City of Bradford's Housing Rehabilitation Grant Program is to assist low and low/moderate income homeowners in the City of Bradford in the repair and rehabilitation of their homes to an affordable, safe and livable condition. The City's Office of Economic and Community Development (OECD) is the administrator of the City's Housing Rehabilitation Program.

Eligibility and Participation Criteria

1. Properties to be rehabilitated must be located within the City limits.
2. Applications will be accepted on a first come, first serve on a citywide basis. Preference will be given homeowners residing in the City's Second Ward, Third Ward and Fifth Ward will be given preference. A waiting list of applicants is kept according to the date of first contact with the City. Based upon availability of funding, the City will contact each applicant as their name comes to the top of the list.
3. The applicant must have ownership interest, which includes title to the property, hold life estate status, have a living trust or a beneficiary deed and occupies the home as his/her principal residence. Ownership interest will be verified by the City.
4. Real estate taxes and city utilities (garbage, sewer and water) must be current. Payment of taxes and utilities will be verified by the City.
5. Applicant must have household income that falls below the most current Section 8 Low Income Limits (80% of median income for McKean County). Section 8 Income Limits are attached. Income will be calculated on the gross income received by **all** household members, 18 years and older. Income inclusions and exclusions are attached. Applicants must provide sufficient documentation as requested by the City to determine household income eligibility. Household income is calculated in accordance with 24 CFR Part 5.
6. The applicant is required to have homeowner's insurance coverage on the home to be rehabilitated
7. The City will not provide federal assistance to a home that is located in the 100 year floodplain or floodway as determined by state or federal flood maps.

Pre-Rehabilitation Process

1. The OECD's Housing Rehabilitation Director will perform an inspection of the house with the homeowner and identify non-compliance areas in accordance with the International Property Maintenance Code and the City of Bradford's Housing Standards and Property Maintenance Ordinances. A radon test will be performed on the home by a qualified radon inspector.
2. A Scope of Work called a Work Write-Up will be prepared and will be provided to the City's Lead Based Paint Consultant for a lead paint assessment on the home to comply with the Residential Lead-Based Paint Hazard Reduction Act of 1992. If radon is found to be elevated, radon mitigation work will also be incorporated into the Scope of Work.
3. Upon receipt of the lead paint assessment report, the OECD will incorporate any areas of the home with lead paint to be addressed as a part of the Scope of Work.
4. The OECD will meet with the homeowner to review the Scope of Work, and approved Rehabilitation Contractor's list. Homeowner will sign a Contractor Selection Form and a Scope of Work/Request for Grant Assistance Form.
5. OECD will send out the Scope of Work for contractor bids and upon receipt of the bids, review for cost reasonableness and recommend approval of the grant award to City Council.
6. Upon approval of City Council of the grant award, a closing will be held with the homeowner to execute a Grant Agreement, Note and Mortgage, and other closing documents which identifies the responsibilities of the City and homeowner with respect to the grant award.
7. A rehabilitation contract will be signed by the homeowner and contractor for the work to be performed under the Scope of Work. The contractor will be required to sign a Release of Liens form.
8. A pre-construction conference will be conducted with the homeowner and contractor to review the expectations for the rehabilitation work and the requirements of the City's housing rehabilitation program. A Notice to Proceed will be issued to the contractor.

Homeowner Requirements

1. The homeowner will be required to sign a Mortgage that will be filed on the home in the amount of the grant award. The grant will be forgiven on a “pro-rata” basis over the term of the forgiveness period. Grants under \$40,000 will require a five-year forgiveness period. Grants over \$40,000 will require a ten-year forgiveness period. Should the home be sold or the homeowner found not be residing in the home during the open forgiveness period, a portion of the grant based upon the remaining grant balance will be required to be repaid to the City.
2. In the event the Grant Recipient (single name) dies within the forgiveness period, the entire remaining balance of the Grant will be forgiven providing that the property is not sold by the heirs (unless a hardship can be determined by the City) during the forgiveness period. Should the property be sold within the forgiveness term, a pro-rated portion of the grant will be repaid to the City.
3. The property rehabilitated with a Grant will be insured against fire and casualty losses in at least the amount of the Grant and contain a loss payment clause in favor of the City of Bradford.

Rehabilitation Process

1. Contractors may submit an invoice for payment for work completed in place. The OECD will perform an inspection with the homeowner and if the work is satisfactory, payment of 80% of the invoice will be made to the homeowner and contractor.
2. Any extra work shall be covered by a Change Order to be approved and prepared by the OECD and signed by the OECD, Contractor and homeowner. Any additional work over \$500 must be approved by City Council.
3. Complaints and appeals that cannot be resolved between the contractor and the homeowner will be placed in arbitration.
4. Upon completion of the work, the lead paint consultant will perform a lead clearance test to determine if all areas with lead paint have been properly addressed during rehabilitation. If elevated radon levels were detected, a radon test will be performed to insure that levels are satisfactory.
5. Upon final inspection, the Contractor will be required to sign a one-year warranty for the work performed, the OECD will certify to the completion of the project and final payment will be made to the Contractor.

Complaint Resolution Process

1. Should any dispute between the Contractor and homeowner arise during the rehabilitation process that cannot be resolved, each party will select an arbitrator with the two arbitrators selecting a third arbitrator who will review the disputed items and make a final binding decision concerning the conflict. Should there be no agreement upon a third arbitrator, the dispute will be heard in the McKean County court system.

Conflict of Interest

1. In cases where a conflict of interest is present, the situation will be disclosed at a public meeting. A conflict of interest will apply to any person who is an employee, agent, consultant, officer, elected official or appointed official of the City of Bradford. Exceptions to the Conflict of Interest provisions may be granted by the Department of Community and Economic Development upon the City providing the following:
 - a. Evidence that a public disclosure of the conflict was made.
 - b. An opinion of the City solicitor stating that by granting an exception would not be in violation of any state or local law.

Lead Based Paint Requirements

1. For all properties constructed prior to 1978, the City of Bradford will comply with regulations controlling lead paint hazards in housing receiving federal grant assistance. All areas of the home will be assessed for lead based paint. Should the areas test positive for lead based paint, lead paint interim controls will be performed by a contractor who has been trained in lead based paint safe work practices. Once the paint has been removed, the area will be re-tested and cleared by the Lead Paint Consultant.
2. In some cases, the homeowner and their family may have to be relocated during the time when lead based paint interim controls are performed. This will be evaluated by the City on a case by case basis. Should the City determine that the homeowner and his/her family must be relocated during this time, the homeowner must agree to the temporary location prior to being approved for housing rehabilitation assistance. If, it should be determined that the homeowner can remain and wants to remain in the home, he/she will have to sign a waiver.
3. The City will pay of the cost of the lead paint interim controls and relocation costs should relocation be necessary. The cost of lead based interim control is not considered to be a "hard cost" of rehabilitation.

Publicize the City's Housing Rehabilitation Program

1. The City of Bradford's Housing Rehabilitation Program Guidelines and Application are posted on the City of Bradford OECD's website – bradfordpa.org.
2. The City of Bradford will publicize the availability of housing rehabilitation program funds from time to time. Efforts will be made to encourage minority applications. Publication will depend upon the size of the waiting list.
3. The City of Bradford shall provide citizens with reasonable access to records regarding the past use of federal funds, consistent with applicable State and local laws regarding Privacy and obligations of confidentiality.
4. A copy of these guidelines will be provided to each participant at the time of application processing or at any time to the public upon request.



