

# **DISASTER RELIEF HOMEOWNER REPAIR PROGRAM**

## **GENERAL QUALIFICATIONS**

### **I.A. General Purpose:**

The purpose of the City's Disaster Relief Homeowner Repair Program is to provide housing repair services to residents in need and to protect the quality of the housing stock in Greensboro neighborhoods. Only identified housing residential structures damaged during the April 15, 2018 tornado are eligible for assistance. The City's program is considered a supplement to any available insurance proceeds, State or FEMA programs, or other financial assistance available and for which the homeowner is eligible at the time of program participation.

### **I.B. Funding Sources**

The Disaster Relief Homeowner Repair Program is funded from several sources. These sources may include, but are not limited to:

1. 2016 Housing Bonds
2. Department of Housing and Urban Development (HUD) Community Development Block Grant funds (CDBG)
3. Nussbaum Housing Partnership Fund
4. HUD Lead-Based Paint Grant Funds
5. Other sources as applied for and awarded

Each funding source is administered and regulated by a set of guidelines that is particular to that source.

### **I.C. General Criteria**

The following modified general criteria apply only to the Disaster Relief Homeowner Repair Program:

1. Applications are accepted and screened on a continual basis.
2. Procedures for securing contractors and vendors shall conform to all local, State and Federal requirements.
3. Residents of the City of Greensboro shall not be excluded from participation in, or be denied the benefits of program services under the agreements of the program on the grounds of sex, race, religion, color, national origin, age, biological sex, or handicap.
4. The City will use the Guilford County Emergency Operations Center list of April 2018 tornado damage assessments as a resource for identification. Other properties in the tornado path may be assessed for eligibility due to storm damages.

5. The City may opt to carry out the program through geographic target areas, in which case the area boundaries and sequence of progression through the April 2018 tornado damage zone will be identified on the City's website.

### **I.D. General Qualifications**

The following general qualifications apply only to the Disaster Relief Homeowner Repair Program:

1. The property shall be an owner occupied residential structure located within the corporate limits of the City of Greensboro and be in an area of predominately residential use.
2. The property shall not be located within the right-of-way of any future street or highway or other public improvements contemplated within a reasonably foreseeable time.
3. The property owner must be uninsured, underinsured, or have a deductible that exceeds \$2,500 to be eligible. Owner must have exhausted private insurance, and Federal Emergency Management Agency (FEMA) or Small Business Administration (SBA) assistance options. Duplication of benefits or dual payment of costs is prohibited.
4. The maximum income ceilings for qualification under the Disaster Relief Homeowner Repair Program shall not exceed 120% of the area median income for one to two person households and 140% of the area median income for three or more person households, as established for the 2016 Housing Bond programs. Income will be defined by the American Community Survey Income Determination.
5. Property must have fire and hazard insurance policy or must be obtained upon the completion of work. Property located in a flood hazard area as identified by the City shall be subject to the mandatory purchase of flood insurance for the duration of the loan term period as a condition of Housing Rehabilitation Program assistance.
6. Prior to execution of loan documents or rehabilitation agreements, the City will ensure that the applicant has an ownership interest in the property through a Property Owner Verification. Legal ownership may be established by the applicant being the principal owner with their name on the deed or with a legally recorded "Life Estate."
7. A property may not be in foreclosure or have pending foreclosure action. Any personal bankruptcy must have been discharged.
8. Properties under a Code Compliance Order to Repair or Demolish prior to April 15, 2018 are not eligible.
9. Homes constructed prior to 1978 will follow the North Carolina Department of Health and Human Services, Division of Public Health, Health Hazards Control Unit's Renovation Repair and Painting Program rules for lead based paint.
10. The Disaster Relief Homeowner Repair Program may provide for temporary relocation of owner household occupants, including site protection of personal property and/or on-site storage of furniture and personal items if the scope of work contains Lead Based Paint or

asbestos remediation work. Situations in which relocations may be made are based on health and/ or age of the occupants. If bathroom facilities are not in working order at the end of a work day, the Rehab Administrator may authorize temporary relocation until such time as necessary facilities are available. All temporary housing arrangements are subject to approval in advance of any move.

11. Only approved and certified contractors on Neighborhood Development's Contractor Lists may bid on program work. In order to avoid conflicts of interest regarding procurement procedures, a contractor may not bid on work for their own property nor the property owned by a member of his/her immediate family or his/her business.
12. All property improvements shall be carried out in a professional, workmanlike manner, and shall be of such quality as to be durable and long lasting. Repairs will be made in conformance with the NC Department of Health and Human Services, Health Hazards Control Unit, Renovation, Repair and Painting Program requirements and applicable building codes.
13. Out building, detached garages or fences will not be eligible for rehabilitation repair funds with the following exception: Removal of an "unsafe, dilapidated and deteriorated" detached structure from the property is considered an eligible expense.
14. The City will place a temporary sign in the property owner's yard identifying the property as assisted by the Neighborhood Development Department programs.
15. The City's Loan Committee may examine applications for relief from the Disaster Relief Homeowner Repair Program or other City Housing Rehabilitation Program qualifications and make reasonable recommendations for accommodations to assist tornado disaster affected property owners.

### **I.E. Eligible Costs**

Eligible costs are those repair costs directly related to damage caused by the April 15, 2018 storm or related compliance required repairs.

Program soft costs such as administrative expenses, environmental testing, relocation and legal fees are considered administrative costs and not a homeowner cost.

### **I.F. Loan and Grant Terms**

1. Disaster Relief Homeowner Repair Unsecured, Forgivable Loan Terms and limitations:
  - (a). The property owner will be eligible for only one Disaster Relief Homeowner Repair unsecured, forgivable loan from the City.
  - (b). The Disaster Relief Homeowner Repair unsecured loan is limited to the actual cost of repairs not to exceed \$40,000.
  - (c). The Disaster Relief Homeowner Repair unsecured loan will be forgivable over a 5 year term at zero percent interest with 20% forgiven on an annual basis. Any principal balance

remaining at the death of borrower will be forgiven. However, if the property is transferred, sold or rented, the remaining balance will be pursued through available means under North Carolina law including, but not limited to, a civil suit for judgement.

## 2. Disaster Relief Homeowner Reconstruction Grant Terms and limitations:

- (a). The property owner will be eligible for Disaster Relief Homeowner Reconstruction grant funds from the City only on their principal residence.
- (b). The Disaster Relief Homeowner Reconstruction grant is limited to the portion of the reconstruction which does not add value to the property, including but not limited to, demolition and site clearance, and the difference between the cost to re-build and the value of the property. As these are front end and back end costs, there may be more than one grant per property.
- (c). The Disaster Relief Homeowner Reconstruction grant may be used in conjunction with a Housing Rehabilitation Program loan in accordance with the program terms and any modification approved by the City Loan Committee to facilitate tornado disaster relief.

### **I.G. Non-eligible Types of Repairs**

Damages that were not caused by the April 15, 2018 storm or required related repairs.

### **I.H. Subsequent Housing Rehabilitation Program Application**

If a Disaster Relief Homeowner Emergency Repair Program participant wishes to have additional work done to their residential structure after Disaster Relief Homeowner Repair work is completed, they may request to be put on the appropriate Housing Rehabilitation Program list with eligibility as determined through the Housing Rehabilitation Program application process.