

Tenant Guidelines

PURPOSES OF REHABILITATION LOANS

EXEMPT: NO LOAN OR GRANT WILL BE GIVEN TO ANY CHURCH OWNED PROPERTY

I) The necessity of this Rehabilitation Program is based upon the following:

- A) Townwide Project - homes that need rehabilitation have been identified in all sections of Town.
- B) A significant number of homes are owned and occupied by elderly and/or low income families living on fixed incomes.
- C) The average personal income of many of the residents has not kept pace with the rising cost of home maintenance.
- D) Most of these housing units were built prior to 1950 and lack sufficient insulation, resulting in wasted energy and high fuel bills.

Therefore, it is the purpose of the housing rehabilitation program to assist property owners in the area in their efforts to provide safe, decent and sanitary living units for tenants, and to make their units more energy efficient.

II) Structure of Program

Loans will be given under the following conditions:

- A) Loans will be offered to landlords of single family, renter occupied dwellings and of multi-family structures under the following conditions;
 - 1. The income level of each housing unit/apartment meets the income level stated below under eligibility requirements.
 - 2. That the structure income cover all expenses after figuring in the repayment of the loan.
- B) All loans become payable upon sale, transfer or assignment of property within terms of loan.

III) Administration and Processing of Loan Applications

A) The Chief Administrator of this program shall be the Program Director, whose duties include daily administration of the Program, including financial, personal and other authority that is necessary to insure that the program proceeds smoothly.

B) Application forms and information will be made available to all those interested upon request. Applications will be taken in at the Skowhegan Community Development Office or when necessary at the applicant's home. No application will be reviewed until a complete application from owner is received along with all verifications of income, ownership, insurance and credit history. All property owners will make original application before Tenants can make individual applications.

C) After verification of the Landlord and Tenant application an inspection can be scheduled. An inspection will be made by the Rehab Tech, accompanied by the owner, to determine the extent and nature of the repairs that are needed to bring the home up to minimum property standards and make the house more efficient.

D) Work Specifications shall be drawn up by the Rehab Technician. Then reviewed and signed by the Program Director and Homeowner to insure that all are in agreement and understand the work scope of the project.

E) The application, work specs and other necessary information are presented to the Community Development Advisory Board (CD Advisory Board) for their consideration. The CD Advisory Board will then approve or disapprove the application.

F) Upon approval of an application, the work specs will be submitted to all approved contractors or at least a minimum of three or more approved contractors for that specific trade by the Rehab Tech for bidding purposes.

G) When all bids have been submitted, the CD Advisory Board will make the determination of who gets the job. Contracts will normally go to the low bidder, but the the owner's preferred contractor will be considered. If the homeowner wants to go with a higher bid, he/she must give a detailed written reason why he/she does not want to work

with the low bidder (not why he/she would like to work with his contractor). The homeowner will pick up all cost above the low bid.

H) Once the contract is awarded, the Program Director, contractor, Rehab Tech, and homeowner will meet and review the scope of work, time period agreed to and if no problems, sign the contract. Once the contract is signed, there can be no changes, unless specifically authorized by the Program Director and Homeowner. All changes over five hundred dollars (\$500) have to be approved by the CD Advisory Board.

I) The Rehab Tech will inspect work to insure that all Codes are being followed and that the scope of work is being followed. If the homeowner has any complaints or problems they are to inform the CD office right away. Only the CD office has the authority over the contractor and is responsible for insuring that work is performed as specified.

J) If a Property Owner does not feel their complaints have been acted upon within a reasonable amount of time by the Rehab Tech. They should contact the Program Director at 474-6905, and if after a reasonable time the matter is not taken care of they should contact the CD Advisory Board. If the homeowner still has a problem they can contact the Town Manager about the situation. If they feel that he/she has not done anything about their complaint, they should then go to the Board of Selectmen.

IV) Priorities

Housing units which pose an imminent threat to the general safety and welfare of the occupants, as determined by the Code Enforcement Officer and/or Fire Chief, will receive top priority. Otherwise, selection of applicants for inspection by the Rehab Tech will be made in the following order from the complete application on file at the Community Development Office;

- 1) Elderly disabled
- 2) Elderly, non - disabled
- 3) Family disabled
- 4) 1 person family disabled
- 5) Family non - disabled
- 6) Others

V) Eligibility Requirements

A) Income Requirements

Income levels shall not exceed the levels established by HUD for the Section 8 Existing Housing Payments Program. These levels shall remain in effect until such time as HUD amends them.

County: Somerset

FY 1996 Median Family Income \$31,200 for family of 4

	1 Person	2 Person	3 Person	4 Person	5 person
V.L. Income	11,950	13,650	15,350	17,050	18,400
Low Income	19,100	21,800	24,550	27,300	29,450

VI) Income Verification

Tenant applicant income shall include all earned income from any household member at least nineteen (19) years old and all unearned income regardless of age. This includes all assistance checks received by any members of the household, as well as pensions, interest earned on assets and any other source of income received. Applicants must provide copies of all **assistance checks, a statement showing the total taxable income for previous year and any other statements indicating income earned or received.** This information will be further verified by the CD Office, through the agency issuing the checks, or through the applicant's employer.

VIII) Terms and Conditions

LET IT BE KNOWN TO ALL PERSONS OF THE Town of Skowhegan that discrimination in the sale, rental, leasing, financing of housing or land to be used for construction of housing, or in the provision of brokerage services because of race, color, religion, sex or national origin is prohibited by Title VIII of the 1968 Civil Rights Act (Federal Fair Housing Law).

CIVIL RIGHTS: The applicant will be required to comply with Title VI of the Civil Rights Act of 1968, 1974, and 1988 and shall not be discriminated upon the basis of race, color, national origin, sex, age, handicap or familial status in sale, lease rental, or use of occupancy of the subject property.

A) Loans funds are to be used only to pay for those repairs that are necessary to bring the home up to Section 8 standards as determined by the Rehab Tech. To meet these standards: a bathroom must have a sink, a toilet and either a shower or tub, and a source of ventilation (either a fan or a window). There must be hot and cold running water and drains that work properly. The sanitary system must be operable and sanitary, heating systems and electrical systems must meet state codes. The structure itself must have a weathertight roof, with no leaks, ceiling and floors must be sturdy without any cracks or other defects. Lead base paint must be eliminated where children under six years of age live. General repairs will be undertaken to correct deteriorating steps, walls, ceilings, roofs, chimneys and foundations. Grantor loan funds will also be used to make homes more energy efficient. This will entail caulking or weatherstripping around windows and doors where necessary to eliminate drafts, repair or replace windows and doors. In cases where insulation and siding are needed alternative funding sources will be reviewed. Limited demolition of sheds, porches, garages will be undertaken only when necessary for the removal of hazards.

Loan funds may be used for constructing housing related improvements to meet special needs of handicapped persons. All homes will be equipped with hardwired battery back-up smoke alarms.

B) The Rehabilitation Technician shall be responsible for work specifications, daily and final inspections of the rehab work being performed, advising the Program Director on technical construction details as necessary.

C) If it is found that the applicant has misrepresented any statements on the application form, the Program Director shall reserve the right to cancel any project approval, and if work has already started, to issue a stop work order to the contractor. If work has been completed, the applicant will be required to make arrangements to repay any funds used to rehab their property.

D) No Municipal Officer of the Town of Skowhegan who exercises any function or responsibility in connection with the administration of this program shall have any interests, direct or indirect, in the proceeds of any grant, or in any contract for labor or materials entered into by the applicant or any contractor during any grant project. Municipal Officers shall be defined as members of the Community Development Staff, the Board of Selectmen, Town Manager, and members of the Skowhegan CD Advisory Board.

IX) Contractors

- A) Electrical, Heating and Plumbing contractors shall possess current licenses issued by the appropriate State agency.
- B) Contractors wishing to participate in the Housing Rehabilitation Program are required to carry sufficient full and complete Worker's Compensation Insurance, and must supply the CD office with proof of this. The Contractor shall furnish evidence of a Comprehensive Liability Insurance coverage protecting the owner for not less than \$100,000 - \$300,000 Bodily Injury or Property damage arising out of the work performed by the Contractor. Contractor must also provide the office with three references, one supplier and two homeowners familiar with Contractors work. Any contractor who is on HUD's list of disbarred or ineligible contractors will be prohibited from participating in this program.
- C) All contractors must agree to guarantee their work for one year from date of completion.
- D) All contractors working on Heating systems will be licensed by the Maine Solid Fuel Board.

X) Definitions

- A) Family - this refers to all persons living within the housing unit if their primary residence is within the housing unit.
- B) Total Household Income - for the purpose of this program, total household income shall include earned income from any household member at least nineteen (19) years old and all unearned income regardless of household members age.
- C) Tenant - person or family unit who is paying rent or lease payments to a property owner.
- D) Rental property - defined as any dwelling from which a monetary rent is collected at a regular interval by the owner of the structure, or his/her agent.

E) The term disabled - shall be construed to mean a physical condition or impairment which requires special structure modifications, such as, but not limited to, ramps, widened doorways, toilet and light fixtures or other similar improvements to facilitate ready access to and use by disabled occupants, ie., persons confined to a wheelchair or requiring the use of crutches or other similar devices to assist those incapable of negotiating steps into the structure because of old age or physical infirmity.