



CITY OF CLOVIS

**OWNER-OCCUPIED
HOME REHABILITATION GRANT
PROGRAM GUIDELINES**

July 1, 2016



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The City of Clovis (“City”) supports efforts to improve the City’s affordable housing stock. The Owner-Occupied Home Rehabilitation Grant Program (“Program”) described in these guidelines is designed to provide financial assistance to correct health and safety issues in the home by accessing grants of up to \$3,000 that are available from the Program. Applications for the City’s Owner-Occupied Home Rehabilitation Grant Program can be obtained by calling the City of Clovis at (559) 324-2094, or picked up at the Clovis Planning and Development Services Department, 1033 Fifth Street, Clovis, CA.

The funding source used by the City for this program is the Community Development Block Grant (CDBG), funded by the U.S. Department of Housing and Urban Development (HUD).

APPLICATION PROCESS

I. APPLICANT ELIGIBILITY

Conflict of Interest

To the extent consistent with Federal and State conflict of interest laws as they apply to local government officials, employees and agents, the following rules shall apply regarding eligibility for this program. No member of the governing body of the City nor other official, employee, or agent of the City government who exercises policy or decision-making authority in connection with the planning and implementation of the Program shall directly or indirectly be eligible for this Program. This ineligibility shall continue for one year after an individual’s relationship with the City ends.

Income

To be eligible to participate in the City’s program, gross household income must not exceed eighty percent (80%) of the area median income (AMI) for Fresno County, which is adjusted for household size and reported in the most current income guidelines published by HUD. The applicant’s income combined with the income of all household members, related or non-related, aged 18 and older cannot exceed 80% of AMI. All persons in the residence are considered household members for the purpose of income eligibility.

Fair Housing

This policy will be implemented consistent with the City’s commitment to fair housing practices. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination on the basis of his or her religion or religious affiliation, age, race, color, ancestry, national origin, sex, marital status, familial status (children), physical or mental disability, sexual orientation, or any other arbitrary cause. Individuals who believe they have been discriminated against in a housing-related action may contact the City of Clovis Housing Program Coordinator at (559) 324-2094, or the Fair Housing Council of Central California at (559) 244-2950.

Race and Ethnicity

Applicants will be requested to identify race and ethnicity at the time of submitting an application. All applications will be processed in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach, and access to the Program. No person shall be excluded or denied benefits on the grounds of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation.

Preferences

The City will establish a waiting list for assistance and will provide assistance on a first-come, first-served basis. Preference will be given to households living in imminently unsafe conditions.

Temporary Relocation

Households approved for this program generally are not eligible for temporary relocation benefits in conjunction with the Home Rehabilitation Grant Program.

II. PROPERTY ELIGIBILITY

Location

To be eligible to participate in the City's Program, the property must be an owner-occupied residence located in the incorporated area of the City of Clovis.

Property Condition

The goal of this Program is to correct health and safety issues within the City. Rehabilitation work must eliminate health and safety hazards to occupants and the public.

Property Improvements

- *Eligible Improvements* – The goal of the City's Program is to correct health and safety issues in a home, provide improvements for persons with disabilities, and to preserve Clovis' affordable housing stock. Repairs are limited to items physically attached to the property and permanent in nature. Examples of eligible repair/replacement items include, but are not limited to:
 - Water Heaters
 - HVAC Systems
 - Roofs
 - Unsafe Flooring
 - Unsafe Porches/Steps
 - Architectural Barriers for Disabled and/or Handicapped Persons
 - Broken/Nonfunctioning Windows
 - Plumbing
 - Stoves/Ovens
 - Electrical
- *Non-eligible Improvements* – Unnecessary physical improvements, repairs of a cosmetic nature, and repairs to structures not legally attached to the home (e.g. unattached garages, sheds, etc.)

III. APPLICATION PROCEDURE

Application Forms

Applicants may call the City and request an application packet to be mailed or schedule an appointment with a City representative to discuss in person the program and the application process. An application packet can also be picked up at the Clovis Planning and Development Services Department, 1033 Fifth Street, Clovis, CA. Only complete application packets will be accepted and evaluated for eligibility. A complete application packet consists of the following:

- Application; and
- Documentation to verify income from all sources for all household members aged 18 and older; and
- Proof of ownership of the home.

Process

The following is a list of procedures followed when applying for a rehabilitation grant:

- *Application* – An application must be completed by the owners of the home. This includes listing all household members, and their income and asset information.
- *Preliminary Approval* – A City representative will evaluate the application and all supporting documentation to determine if the applicant meets preliminary requirements for the program. Preliminary eligibility will be based on income and ownership.
- *Preliminary Inspection* – A preliminary inspection will be scheduled with the homeowner, and will be conducted by City staff. Further program eligibility will be determined by demonstrated need at the time of inspection (existence of health and safety issues).
- *Project Review Committee* – The Project Review Committee is made up of City staff, and makes the final determination of the applicant’s general eligibility and eligibility of the needed repairs and improvements. The applicant will be notified in writing of the committee’s decision.
- *Work Write-Up* – When an applicant is notified of the Project Review Committee’s approval, a work write-up of the approved repairs will be provided to the homeowner. This write-up of approved repairs shall be used by the homeowner to solicit estimates from contractors. Only approved repairs shall be estimated by the contractor.
- *Rehabilitation Construction Estimates* – Based on approved repair items, the homeowner shall obtain a minimum of three estimates from licensed contractors.
- *Estimate Review* – Once the estimates have been obtained by the homeowner, the homeowner shall provide them to the City. City staff will review them for reasonableness, competitiveness, and completeness. Once the lowest and best estimate has been determined, a Notice to Proceed will be mailed to the awarded contractor. A copy of the notice will be mailed to the homeowner.
- *Change Orders* – The City expects contractors submitting project estimates to do a thorough inspection of the item(s) to be repaired prior to preparing the estimate. Change orders will only be approved if they are necessary to completing the repairs, and could not be anticipated prior to construction. Payment will not be issued for change orders unless they have been approved in writing by the homeowner and a City representative prior to the additional work beginning.

Pre-Construction Requirements

Debris removal is a pre-construction requirement for a homeowner’s participation in the program. City staff must be able to access and inspect the parts of the home wherein repairs are needed, and contractors must be able to access those same areas in order to provide estimates and complete the repairs. The work area of the home must be in a clean and sanitary condition, free of debris, prior to project approval.

IV. FINANCING

Grant Limits

Grants of up to \$3,000 are available for eligible program repairs. Grant amounts will be determined by actual need/cost of the repairs. The maximum grant to homeowners for repairs shall not exceed the amount required to fund costs associated with eligible improvements.

Term of Financing

Grant – The City’s assistance is provided as a grant.

Loan Conditions

Ownership and Occupancy – If the homeowner does not continue to occupy and own the subject property for a period of one year immediately following project completion, the grant funds provided must be repaid in full to the City of Clovis.

V. REHABILITATION CONTRACTORS

Requirements

The City can provide, upon request of the homeowner, a list of contractors who have completed repair projects through the program in the previous year. However, homeowners can contact any contractor of their choosing as long as they meet the following criteria:

- The contractor must hold a current and valid State of California General Contractor's license.
- The contractor cannot be on the State or Federal Debarred Contractors list.
- The contractor must have a City of Clovis business license.
- The contractor must have current and valid General Liability and Workmen's Compensation Insurance.
- The contractor must provide a one-year warranty for their work.

Estimates submitted by contractors who do not meet the criteria will not be considered.

Construction Process

After the contractor has been selected, and a Notice to Proceed issued, the Contractor shall make arrangements with the homeowner to begin the repairs. The contractor will be responsible for making sure all required permits have been secured, depending on the type of work to be performed. The contractor will also be responsible for requesting required inspections work being performed, and for submitting proof of the permits/inspections prior to receiving payment. Contractor will have 30 calendar days from the date of the Notice to Proceed to complete the project.

Contractor Payment

The City will pay the contractor directly. No funds will be distributed to the homeowner. Once the work has been completed, the contractor shall provide the City with all required Permits, Proof of Permit Inspection and Close-Out, and a Homeowner Satisfaction Statement signed by the homeowner. Once all required and completed documentation has been provided to the City, payment may be approved and processed. No partial payments will be permitted.

Contractor/Homeowner Disputes

The agreement to complete work rests solely between the homeowner and the contractor, and therefore the City is not a party to the agreement. However, should a dispute arise, the City is willing to act as an intermediary to assist in an agreeable resolution. If it is deemed a contractor has not made a good faith effort to resolve the matter, or has been negligent, the contractor may be barred from participation in future City-funded projects. The homeowner may pursue legal action against the contractor through Small Claims Court and/or the State Contractors License Board.

VI. PROGRAM COMPLAINT AND APPEAL PROCEDURE

Complaints by applicants, residents or property owners regarding the City's Program should be made to the City's Director of Community and Economic Development. The Director or a designee will investigate the complaint, prepare an analysis and recommendation and will schedule a discussion of the complaint with the Loan Review Committee. If the matter is not resolved to the satisfaction of the person filing the complaint, this person may submit a written appeal addressed to the City's Loan Review Committee. The Loan Review Committee will be convened within fifteen (15) days from the date the appeal is received unless a longer period of time is requested by the appellant. Within five (5) working days from the date the appeal is heard by Loan Review Committee, the City will mail a written response of the Committee's decision to the appellant. If the appellant is still not satisfied with the decision, they may appeal in writing to the Clovis City Manager following the same time line and procedures above. The decision of the City Manager will be final.

VII. AMENDMENTS

Amendments to these guidelines may be made by the City whenever appropriate to improve Program effectiveness and to resolve problems. As part of the amendment adoption process, the City will review the policies of the funding source

to ensure continuing compliance with published policies. Copies of amendments will be submitted to the U.S. Department of Housing and Urban Development CPD Representative for Clovis.