



OHIO REGIONAL DEVELOPMENT CORP.

COMMUNITY HOUSING IMPACT & PRESERVATION

JUDY MILLER, HOUSING SPECIALIST
330.410.6581
120 W. WASHINGTON STREET #3B
MEDINA, OH 44256



AM I ELIGIBLE?

What are the Requirements?

1. **LOCATION:** Any household in **Medina County, including the City of Wadsworth, Medina, and Brunswick.**

PROGRAM INCOME GUIDELINES

Household Members	Income Guidelines
1 person	\$ 39,600
2 persons	\$ 45,250
3 persons	\$ 50,900
4 persons	\$ 56,550
5 persons	\$ 61,100
6 persons	\$ 65,600
7 persons	\$ 70,150
8 persons	\$ 74,650

2. **OWN YOUR HOME:** The applicant must own the home for which they are applying for repair/rehabilitation. The Deed for the property **MUST** be your name.
3. **PRIMARY RESIDENCE:** Home **MUST** be the applicant's Primary Residence for the owner-occupied activities of Owner Rehabilitation and Minor Home Repair.
4. **INCOME LIMIT:** Total income of all wage earners (18 years or older) falls at or below the income guidelines for the program are eligible to apply. Determining eligibility for assistance, we must project a household's income in the future. To do so, a "snapshot" of the household's current circumstances is used to project future income. In general, we should assume that today's circumstances will continue for the next 12 months, unless there is verifiable evidence to the contrary. Proof of current income must also be provided to ensure eligibility at the time of application and to determine an income projection for the next twelve months.
5. **ASSET LIMITATION:** Applicants whose total net assets equal an amount greater than \$100,000 are not eligible. Items considered net assets include but are not limited to: savings accounts, checking accounts, equity in rental property, inheritances, personal valuables, cash value of stocks, bonds and treasury bills, retirement and pension funds, collectables, and payments for mineral rights.
6. **TAXES, INSURANCE, AND MORTGAGE:** Applicants **MUST** carry homeowner's insurance and be current on their property taxes for the home for which repair/rehabilitation is being requested. Additionally, if you have a mortgage on your home, you must be current on your mortgage.

Am I guaranteed to Receive Funding?

NO! NO! NO!

When Can I Apply?

Now!

OWNER REHABILITATION: Applicants interested in participating in the Owner Rehabilitation program must complete an application and call the CHIP office to schedule an appointment to submit their completed application. At that time, the completed application and all necessary documents will be verified to determine eligibility for the program. *You must have a completed application and all necessary documents with you at this time or you will be asked to reschedule an appointment.*

Each household must be qualified through an **income verification process** to confirm the household's income level is below the program mandated 80 percent of Area Median Income. Please be mindful, any changes in the household, such as changes in income, in employment or in number of persons in the household, which occur after the verification process but before the program contract are signed, will result in a review of the applicant's eligibility. After completing this verification process, a rehab specialist will visit your home to perform a walk-thru inspection to determine your housing needs.

Eligible applicants will be processed according to the program's **priority rating system**, designed to benefit the neediest of the current eligible applicants. Our Rehab Specialist when visiting your home will note on the Ranking form all items in your home that will need to be replaced or repaired. Each component of the home has points associated with it, and the point value depends on if the component needs replaced or repaired. When all rankings are complete, they will be tallied and the home owners with the most points will proceed to the next step.

MINOR OWNER HOME REPAIR: The purpose of the Owner Home Repair activity is to help preserve the affordable housing stock by providing owner-occupied households with income levels at or below 80 percent of Area Median Income with limited assistance to correct significant problems in the home. Unlike Owner Rehabilitation, which addresses the entire home, the Owner Home Repair activity can address one or more specific problems that adversely affect occupant health and safety and/or structural integrity.

Applicants interested in participating in the Home Repair program must complete an application and **call this office to schedule an appointment to submit their completed application**. At that time, the completed application and all necessary documents will be verified to determine eligibility for the program. *You must have a completed application and all necessary documents with you at this time or your application will be denied.* **Home repair applications are considered on a first-come first-served basis.**

The applicants for Owner Rehabilitations or Home Repairs cannot be delinquent or in default on present mortgage payment, home-owners insurance payments. Homes purchased under land contract do not qualify unless steps have been taken to legally record the land contract agreement.

Eligible Home Repair projects must not exceed the \$12,000 program limit. If the condition of the home cannot be successfully repaired or renovated without exceeding this maximum, the implementing agency will enforce a "walk-away policy" and the home will be considered ineligible.

Owner Rehabilitation Mortgage:

Only projects completed as Owner Rehabs will have a Mortgage placed on your home. Home Repairs are totally a grant to the Home Owner. You will not be required to pay for anything at this time for the work to be completed on your home. With an Owner Rehabilitation Project, you must pay back a percentage of the full grant **if** you move or sell your property before the 5-year promissory note expires. You must **pay back 15%** of the grant you receive when you vacate your property or transfer after the 5-year promissory note expires.

Owner Rehabilitation Mortgage Example:

The terms of the mortgage become due the DAY the applicant no longer resides in the home as their primary residence.

Construction Contract Amount = Mortgage = \$20,000

Part 1: Deferred (15%) = \$3,000

- This portion will ALWAYS be paid back to the community, without interest.
- Will NOT be forgiven, MUST always be paid back!

Part 2: Declining (85%) = \$17,000

- Declines equally over a 5 year period.
- Annually on the Anniversary Date of the Mortgage/Contract signing, the declining portion of the mortgage is forgiven 15% per year.
- In this example, \$3,400 is forgiven each year.

Total amount of Assistance:	\$20,000
Deferred Loan Amount (85%)	\$17,000
Recaptured Loan (15%)	\$ 3,000

Deferred Amt + Recaptured Amt. = Ttl. Payoff

<u>11/1/18 to 11/1/19</u>	=	<u>100%</u>	=	<u>\$ 17,000</u>	+	<u>\$3000</u>	=	<u>\$20,000</u>
<u>11/2/19 to 11/1/20</u>	=	<u>80%</u>	=	<u>\$ 13,600</u>	+	<u>\$3000</u>	=	<u>\$16,600</u>
<u>11/2/20 to 11/1/21</u>	=	<u>60%</u>	=	<u>\$ 10,200</u>	+	<u>\$3000</u>	=	<u>\$13,200</u>
<u>11/2/21 to 11/1/22</u>	=	<u>40%</u>	=	<u>\$ 6,800</u>	+	<u>\$3000</u>	=	<u>\$ 9,800</u>
<u>11/2/22 to 11/1/23</u>	=	<u>20%</u>	=	<u>\$ 3,400</u>	+	<u>\$3000</u>	=	<u>\$ 6,400</u>
<u>11/2/23</u>							=	<u>\$ 3000</u>

Eligible Items

OWNER REHABILITATION: The purpose of the Owner Rehabilitation activity is to improve and protect the supply of sound, serviceable, and affordable owner-occupied housing stock. Through this activity, assistance is provided to homeowners with income levels at or below 80 percent of Area Median Income to correct substandard conditions so that the homes are safe, healthy, durable, energy efficient and affordable. Owner Rehabilitation is intended to address problems throughout the house. In most circumstances, this means that the homes' mechanical systems (electrical, plumbing and heating systems) and exterior and interior structural components (roof, walls, floors and foundation) will be repaired to meet the required standards.

Eligible items for this program include: installation and/or repairs to foundations, roofs, gutters, electrical upgrades, plumbing, furnaces, hot water heaters, insulation, windows, doors, accessibility improvements and lead based paint abatement.

This program provides assistance in an amount up to but not exceeding \$37,000 to low-income homeowners for the purpose of eliminating existing substandard housing conditions. Because rehabilitation must correct all substandard conditions that adversely affect the occupant's health and safety and the dwelling's structural integrity, the scope of work is generally comprehensive and the cost is usually high.

Eligible homes must meet the Residential Rehab Standards at the completion of the project without exceeding the \$37,000 program limit. If the condition of the home cannot be successfully repaired or renovated to meet these standards without exceeding this maximum, the implementing agency will enforce a "walk-away policy" and the home will be considered ineligible.

The applicant cannot be delinquent or in default on present mortgage payment, homeowners insurance payments or property taxes. Eligible applicants must agree to (1) occupy the home for at least five years after the rehabilitation, (2) reimburse the program 15% of the total grant when the home is sold or vacated after 5 years, (3) reimburse the program on a sliding scale up to the total amount of the grant if the home is sold or vacated before the 5 year anniversary, (4) be willing and able to allow the administrating agency to retain a mortgage on the property and (5) be willing and able to reimburse the program as agreed if the home is sold or transferred as part of the current owner's estate.

HOME REPAIR:

The types of work that are generally considered eligible for the activity include:

- **Structural System Repair:** repairs to eliminate serious threats to a structural system's integrity. Examples of common structural system repairs include, patching or replacing leaking roofs, rebuilding small sections of collapsed foundations and replacing weakened or deteriorated framing components.
- **Mechanical System Repair:** eliminate hazardous conditions with the plumbing or heating systems. Examples of common mechanical system repairs include repairing or replacing leaking water supply and/or sanitary drain plumbing lines, and repairing or replacing unsafe or inoperable heating equipment
- **Plumbing System Tap-ins:** This type of work involves connecting a home's plumbing system to a public water supply and/or public sewage system and paying associated tap-in fees.
- **Wells and Septic Systems:** repairing a home's private well and/or septic system that is malfunctioning or has been cited by local or state health departments or the Environmental Protection Agency as outdated and in need of repair.
- **Weatherization:** utilizing cost-effective measures to improve energy efficiency such as insulating un-insulated attics and sidewalls, and related measures to control air movement, such as sealing holes and bypasses and installing exhaust and ventilation fans.
- **Accessibility:** utilizing measures designed to improve access and mobility for occupants who are physically disabled or infirm. Generally, these measures include exterior ramps, grab bars and specialized bathroom fixtures. The work completed to improve accessibility must meet or exceed the design and installation standards outlined in the Uniform Federal Accessibility Standards (UFAS).

What else do I need to know?

How much money can I get?

The **program does not guarantee funding to everyone** who applies...*you may or may not qualify*. However, if you qualify, the program may provide funds up to \$37,000 per home for the Owner Rehabilitation program, and up to \$12,000 per home for the Home Repairs program. Funding priority is determined by program guidelines, which include household income, the priority rating of your home, your housing needs and the availability of funds.

When will I know if I get funded?

Completed applications for **Home Repair are processed on a first-come, first-service** basis. However, applications for Owner Rehabilitation Projects must be received before the application round deadline. Applications are ranked by priority according to the program guidelines shortly after the verification process. Selected clients will be contacted as soon as possible to schedule an evaluation of the condition of your home. The work will be performed by local contractors according to their schedule, usually within 30-60 days after signing the program contract.

CHIP APPLICATION REQUIRED DOCUMENTS

CHECK SHEET

HOW DO YOU APPLY?

1. Complete the application form.
2. **Gather all required documents** (see list below).
3. **Schedule an appointment** at the above phone number, to review and verify the application.
4. Obtain and submit any other documentation required, based upon guidance from the staff.

***NOTE:** No application will be accepted at time of appointment if any documents requested are missing. You will be asked to schedule another appointment.*

REQUIRED DOCUMENTATION

(The following list reflects what is typically required to process your application. Other documentation may be required, as determined by the Staff.)

- Evidence of **ALL Sources of Income** (gross income for all residents, 18 and older)(e.g. pay stubs or wage statements for most recent 2-month work period; the award letter for Social Security, ADC, or other Government programs (you should have received this in December or January); pension benefit statements; bank savings & checking statements; IRA Statements: 401K Statements: etc.)
- Evidence of **ALL Sources of Assets** (IRA accounts, CD's, inheritance benefits, Property(ies) other than your primary resident you are living in, Checking and Savings Accounts, etc.)
- Deed** (must be in applicant's name)
- Insurance Declaration** (must be current; and reflect the amount of coverage, dates of coverage and amount of premium)
- Mortgage(s)**, and either payment books or bank statements reflecting the original amount, payments, and current balance.
- Most recent **Property Tax statement**