

Program Guidelines

For
Rehabilitation Assistance Program (RAP) & Senior Rehabilitation Program (SRP)

(Revised July 1, 2020)

I. PROGRAM AND OBJECTIVES

A) The Rehabilitation Assistance Program (RAP) was designed by the Albany Community Development Agency (ACDA) to provide substantial emergency repair to housing units in order to eliminate conditions that pose a threat to the health, safety and welfare of their occupants.

RAP provides financial assistance in the form of a grant. This program may not be used in conjunction with the existing Homeowner Assistance Program (HOAP)

B) The Senior Rehabilitation Program (SRP) was designed by the Albany Community Development Agency (ACDA) to provide substantial repair to housing units, owned by persons 62 years of age or older to eliminate conditions that pose a threat to the health, safety and welfare of their occupants.

SRP provides financial assistance in the form of a grant. This program may not be used in conjunction with the existing Homeowner Assistance Program (HOAP).

II. ELIGIBLE PARTICIPANTS

Grant recipients must be low income owner occupants living in the City of Albany.

Senior is defined as 62 years of age or older. Low income is defined in accordance with the current income guidelines of the ACDA's Homeowner Assistance Program as under 80% of the median income. The guidelines as of **July 1, 2020** are as follows:

| <u>Household Size</u> | <u>Maximum Income</u> |
|-----------------------|-----------------------|
| 1 | \$54,350 |
| 2 | \$62,100 |
| 3 | \$69,850 |
| 4 | \$77,600 |
| 5 | \$83,850 |
| 6 | \$90,050 |

Applicants with assets (not including a primary residence) totaling more than **\$40,000** shall not be eligible to participate in this program. Assets include: savings, checking accounts, certificate of deposits, IRA, 401(k), stocks, bonds, and the value of any other real estate, etc.

(RAP) If there are multiple owners of the residence, as long as one owner is an occupant, and the household qualifies as low income, then the owner occupant(s) will be eligible for the grant.

(SRP) If there are multiple owners of the residence, as long as one owner is an occupant and senior, and the household qualifies as low income, then the senior owner occupant(s) will be eligible for the grant.

III. ELIGIBLE HOUSING

- A. **RAP/SRP** grants may only be used to repair residential structures that are owner occupied.
- B. Grants may be applied to 1 to 4 unit buildings within the City of Albany.
- C. All real estate taxes must be current on the subject property.
- D. Adequate property insurance must be held on the subject property.

IV. ELIGIBLE IMPROVEMENTS

The following list includes, but is not limited to, those deficiencies which will be considered by the ACDA for **RAP** or **SRP** assistance. Priority order will be determined by site conditions.

- A. Electrical System Repair
 - 1. Bare wire, shorting receptacles or switches
 - 2. Overloaded service panels, circuits and/or fuses
 - 3. Hazardous temporary wiring
 - 4. Lack of and/or defective service ground
 - 5. Missing covers to junction boxes, switches or receptacles
 - 6. Absence of smoke detector(s)
 - 7. Absence of heat detector(s)
 - 8. Absence of interior ground fault interrupter receptacle

- B. Heating System
 - 1. Heating system repair
 - 2. Replacement and installation of a new heating system
- C. Structural Deficiencies
 - 1. Broken or missing stairs and/or handrails
- D. Plumbing System
 - 1. Broken sewer line
 - 2. Broken or inoperable fixtures
 - 3. Leaking pipes
 - 4. Lead pipe (supply line only)
- E. Other
 - 1. Absence of a secondary exit
 - 2. Modification or new construction for exterior ramps to accommodate the handicapped
 - 3. Window repair or replacement of broken window

V. GRANT AMOUNT

Through the **RAP**, the grant is awarded to qualified low income owner-occupants. The maximum grant amount under the program will be determined on a case by case basis not to exceed \$5,000. If the necessary repairs are greater than \$5,000 the applicant may either use his/her own funds to complete the repairs, or instead, apply for the HOAP program. Eligible applicants may only go through the program and receive the grant once.

- VI.** Through the **SRP**, the grant is awarded to qualified low income owner-occupants 62 years of age or older. The maximum grant amount under the program will be determined on a case by case basis not to exceed \$5,000. If the necessary repairs are greater than \$5,000 the applicant may either use his/her own funds to complete the repairs, or instead, apply for the HOAP program. Eligible applicants may not reapply for funds until 5 years after the period of affordability ends.

VII. COMPLIANCE

Recipients of **RAP** or **SRP** are required to provide proof of residency to ACDA compliance staff on an annual basis. Acceptable forms of proof include, but are not limited to: an energy bill, a phone bill, or a cable bill. Failure to comply will result in legal action.

VIII. GRANT REPAYMENT

All grants made under the RAP and SRP shall be deferred for the term of occupancy by the qualified owner(s)/ senior owner(s) occupant(s) who originated the grant. If the property is sold within 3 years of the rehab completion date, a prorated portion of the grant will become due and payable. Once the owner has occupied the property for 3 years, the grant is forgiven.

IX. ADMINISTRATION

The Rehabilitation Assistance Program and the Senior Rehabilitation Program will be administered by the ACDA and may be used in conjunction with the existing Homeowner Assistance Program.

- A. Upon receipt of a RAP application, in the event that the owner meets income requirements, all real estate taxes are current and sufficient property insurance is held on the property, the homeowner will be considered eligible for RAP. The ACDA reserves the right to accept or reject any application.
Upon receipt of a SRP application, in the event that the owner is over the age of 62, meets income requirements, all real estate taxes are current and sufficient property insurance is held on the property, the homeowner will be considered eligible for SRP. The ACDA reserves the right to accept or reject any application.
- B. The Rehabilitation Staff will conduct a detailed survey of the property, indicating required and recommended improvements.
- C. Pending authorization by the homeowner, the Finance Staff will then prepare a financing package to suit the owner's needs and submit the application to the ACDA for an in-house resolution.
- D. The Rehabilitation Construction Staff will prepare the work write-up cost estimate and obtain bids on behalf of the homeowner from ACDA pre-qualified contractors for the specified work.
- E. After a successful proposal is received, a Grant Agreement will be executed by and between the ACDA and the applicant. Construction will commence once the Grant Agreement is signed.
- F. Next, a construction agreement will be executed between the grant recipient and the chosen contractor. This document will contain details of the work to be completed, the time frame and the cost of such work.
- G. During construction, the ACDA will make an inspection of the construction work and recommend to the homeowner release of payment for the work satisfactorily completed.

Delinquency

No application for assistance will be accepted under the following conditions:

1. When the applicant is in default on any obligations to ACDA.
2. When there are any unpaid property taxes, school taxes, water and sewer bills.
3. When the owner has filed personal bankruptcy, the bankruptcy must be discharged (*proof of discharge is required*) and credit worthiness must be re-established, as determined by ACDA
4. Per **Housing and Urban Development (HUD)** the application and support documents are valid for a period of 6 months. After 6 months the application is considered inactive and ALL information will be properly disposed of. Please make copies of anything you do not want us to keep.

Insurance

1. Fire and Hazard Insurance

The owner will be required to obtain and keep current, for the length of the mortgage, fire and hazard insurance to cover the total of all debt secured by the property. The Albany Community Development Agency must be named on the policy as one of the mortgages.

2. Flood Insurance

ACDA will determine if the project is located in a flood hazard area according to the most recent FEMA map. If the building is located in a flood hazard area, the owner must obtain flood insurance and keep the insurance coverage current for the life of the mortgage in accordance with the Flood Disaster Protection Act of 1973.

ACDA Right to Reject Application

ACDA reserves the right to reject any application when, in its judgment, rehabilitation of the project is not economically feasible nor in the best interest of current tenants, the owner, or the City.

Fair Housing and Equal Employment Opportunity

Section 3” Clause

ACDA complies with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, providing that training, employment and other economic opportunities generated by HUD financial assistance shall, to the greatest extent feasible, be directed toward low-income persons, and to business concerns, who provide economic opportunities to low- and very low-income persons. More information regarding compliance with Section 3 can be found in ACDA’s comprehensive Section 3 Plan.

Section 504 ACDA complies with all Federal regulations issued pursuant to compliance with Section 504 Rehabilitation Act of 1973 (29 USC 794), which prohibits discrimination against the individual with disabilities or handicaps in any Federally assisted program. More information regarding compliance with Section 504 can be found in ACDA’s comprehensive Section 504 Plan.

(Revised 6/30/20)